BEFORE THE MUNICIPAL BOARD

OF THE STATE OF MINNESOTA

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Robert J. Ferderer John W. Carey Dorothy E. Kobs William Kron Herbert Lamppa

Chair Vice Chair Commissioner Ex-Officio Member Ex-Officio Member

IN THE MATTER OF THE CONSOLIDATION) PROCEEDINGS FOR THE CITIES OF VIRGINIA AND FRANKLIN PURSUANT TO MINNESOTA STATUTES 414

FINDINGS OF FACT CONCLUSIONS OF LAW AND ORDER AND MEMORANDUM OPINION

The above-entitled matter came on for hearing before the Minnesota Municipal Board pursuant to Minnesota Statutes 414, as amended, on September 7, 1994 at Virginia, Minnesota. The hearing was conducted by Terrence A. Merritt, Executive Director, pursuant to Minnesota Statutes 414.01, Subdivision 12. Also in attendance were Robert J. Ferderer, Chair, and County Commissioner William Kron, Ex-Officio Member of the Board. Robert Leiviska, Chair of the Consolidation Study Commission, represented the Consolidation Study Commission and submitted its report. The City of Virginia appeared by and through Thomas Butorac, Attorney at Law, and the City of Franklin appeared by and through Sam Aluni, Attorney at Law. Testimony was heard and records and exhibits were received. All persons desiring to be heard were heard.

After due and careful consideration of all evidence, together with all records, files and proceedings, the Minnesota Municipal Board hereby makes and files the following Findings of Fact, Conclusions of Law, and Order.

FINDINGS OF FACT

- 1. The Municipal Board received resolutions from the Cities of Virginia, hereinafter referred to as "Virginia," and Franklin, hereinafter referred to as "Franklin," on October 8, 1993, requesting consolidation. The Municipal Board received an Addendum to the Resolution for Consolidation from Virginia and Franklin on December 10, 1994.
- 2. On February 28, 1994, the Municipal Board appointed the Consolidation Study Commission Chair, Robert Leiviska, who is not a resident of the affected cities but who resides in St. Louis County, hereinafter referred to as "County."
- 3. On February 28, 1994, the Municipal Board appointed the Consolidation Study Commission members from a list of candidates submitted by each city pursuant to M.S. 414.041, subd. 2.
- 4. On July 6, 1994, the Municipal Board received the report of the Consolidation Study Commission stating it had studied the proposed consolidation, conducted a public hearing, and after considering their findings, recommends consolidation of Virginia and Franklin into a new city named Virginia.
- 5. Upon receipt of the Consolidation Study Commission Report, a hearing was held on September 7, 1994. Due, timely and adequate legal notice of the hearing was published, served, and filed.
- 6. Virginia had a population of approximately 12,450 in 1970, approximately 11,056 in 1980, and has a current population of approximately 9,410.

Franklin had a population of approximately 30 in 1970, approximately 25 in 1980, and has a current population of approximately 21.

- 7. Virginia is approximately nine square miles and Franklin is approximately two square miles.
 - 8. Franklin is completely surrounded by Virginia.
- 9. Virginia has land uses in residential, institutional, commercial, industrial, and vacant land.

Franklin has land uses in residential, institutional, commercial, industrial and vacant land.

Virginia has approximately 72 miles of highways, streets and roads.

Franklin has approximately 0.5 miles of roads.

Since Virginia surrounds Franklin, access to Franklin is on Virginia roads.

- 10. Virginia has developed a comprehensive plan, which could be used by the consolidated cities. Both city councils have agreed to the implementation of the Virginia comprehensive plan.
- 11. Virginia has a zoning ordinance, subdivision regulations, official map, capital improvements program and budget, a fire code, and a sanitation ordinance.

Franklin has zoning ordinance, subdivision regulations, an official map, capital improvements program and budget, and a fire code.

- 12. It is anticipated the residential, industrial, commercial zoning would remain the same upon consolidation.
- 13. Virginia presently provides its residents with water, sanitary sewer and waste-water treatment, storm sewer, solid waste collection and disposal, fire protection, police protection, street improvements and maintenance, administrative services, and recreational facilities.

Virginia provides Franklin with water, sanitary sewer and waste-water treatment, storm sewer, solid waste collection and disposal, fire protection, police protection, street improvements and maintenance, and recreational facilities.

If Virginia and Franklin consolidate, Virginia is willing to provide all of the services it presently provides to its residents to the area that was formerly Franklin.

Franklin provides its residents with administrative services.

- 14. There are no known environmental problems in either Virginia or Franklin.
- 15. If the cities combine, the new city may be eligible for aid from the Board of Innovation and Cooperation at a rate presently listed at \$15.00 per capita. Without the consolidation, however, there will be no eligibility for funds from the Board of Innovation and Cooperation.
- 16. Virginia had a tax capacity of approximately 13,309.44; its tax rate for the county is 56.902; Virginia's tax rate is 38.769; its tax rate for the School District is 30.168; and its tax rate for the Special Taxing District is .909.

The tax rate for the County, Virginia and School District are considered stable.

Franklin has an assessed valuation of approximately \$736,400.

Franklin's total tax rate is 139.09271, which includes Special Taxing Districts for the regional rail, the St. Louis County HRA and the ARD.

17. The city councils of both Virginia and Franklin passed joint resolutions requesting that the next election of officers for the new City

of Virginia, resulting from the consolidation of Virginia and Franklin, occur, pursuant to the existing charter for the present City of Virginia, in the fall of 1995, and also requesting that the present city council of Virginia govern the new City of Virginia through the 1995 elections.

The population of Franklin will be included within precinct 3 of the former Virginia's voting precincts.

At the hearing on the consolidation, the Board took notice of this joint agreement pursuant to M.S. 414.063.

18. Both cities are located in the same school district and consolidation would have no impact on the school district or adjacent communities.

CONCLUSIONS OF LAW

- 1. The Minnesota Municipal Board duly acquired and now has jurisdiction of the within proceeding.
- Consolidation is in the best interests of the area residents and the City of Virginia and the City of Franklin.
- 3. The Minnesota Municipal Board should accept the Report of the Consolidation Study Commission and issue an order approving the consolidation.

ORDER

- 1. IT IS HEREBY ORDERED: That the Minnesota Municipal Board hereby accepts the Report of the Consolidation Study Commission.
- 2. IT IS FURTHER ORDERED: That the City of Virginia and the City of Franklin, located in St. Louis County, Minnesota, be and the same hereby are consolidated to form a single city.
 - 3. IT IS FURTHER ORDERED: That the consolidated city shall be

named the City of Virginia.

- 4. IT IS FURTHER ORDERED: That the plan of government of the new City of Virginia shall be the existing charter for the City of Virginia.
- 5. IT IS FURTHER ORDERED: That pursuant to joint agreements noticed under M.S. 414.063, the Municipal Board orders that the next election of officers for the new City of Virginia will be pursuant to the City of Virginia's charter and will occur in the fall of 1995, and that the present City Council of Virginia will govern the new City of Virginia until that time.
- 6. IT IS FURTHER ORDERED: That the ordinances of each city shall continue in effect within the former boundaries until repealed by the governing body of the new City of Virginia.
- 7. IT IS FURTHER ORDERED: That all license privileges be maintained as permitted by each city including the number of liquor licenses already authorized by the State of Minnesota until repealed by the governing body of the new City of Virginia.
- 8. IT IS FURTHER ORDERED: That upon consolidation, all money claims or properties including real estate owned, held or possessed by the former cities, and any proceeds or taxes levied by such cities, collected and uncollected, shall become the property of the new City of Virginia with full power and authority to use and dispose of for such public purposes as the council deems best subject to claims of the creditors. This will include cash reserves/fund balances of each city and all public property and equipment held by each city.
- 9. IT IS FURTHER ORDERED: That the population of the new City of Virginia is approximately 9,431 persons.

- 10. IT IS FURTHER ORDERED: That absent a petition for referendum pursuant to M.S. 414.041 Subdivision 6. The new City of Virginia will become effective on December 27, 1994.
- 11. IT IS FURTHER ORDERED: That the effective date of this order is September 26, 1994.

Dated this 26th day of September, 1994.

MINNESOTA MUNICIPAL BOARD Suite 475, McColl Building St. Paul, Minnesota 55101

Terrence A. Merritt Executive Director

MEMORANDUM

The Minnesota Municipal Board commends the Consolidation Study Commission members and Chair, Robert Leiviska, as well as all of the other volunteers who gave freely of their time and talents. The Board commends them for the consolidation report they created.

Virginia and Franklin have similar philosophical viewpoints and lifestyles. They have developed basically the same land use patterns and long-range planning goals. The combined city will more easily deal with state and federal agencies for the benefit of the citizens of this community.

The consolidation of the cities should increase the economy of service delivery and serve the best interests of the entire community. The support shown the consolidation effort by both city councils, highlights the appreciation that the residents and elected officials have for the good of the greater community. The elected officials are to be commended for their foresightedness and concern for the future $\frac{1}{4}$