

BEFORE THE MUNICIPAL BOARD
OF THE STATE OF MINNESOTA

Kenneth F. Sette Chair
Shirley J. Mihelich Vice Chair
John W. Carey Commissioner

IN THE MATTER OF THE PETITION FOR)
THE DETACHMENT OF CERTAIN LAND FROM)
THE CITY OF SEAFORTH PURSUANT TO)
MINNESOTA STATUTES 414.06)

FINDINGS OF FACT
CONCLUSIONS OF LAW
AND ORDER

The above-entitled matter came on for hearing before the Minnesota Municipal Board pursuant to Minnesota Statutes 414, as amended, on December 4, 1985, and was continued to March 19, 1986, and from there continued to April 16, 1986 at Seaforth, Minnesota. The hearing was conducted by Terrence A. Merritt, Executive Director, pursuant to Minnesota Statutes 414.01, Subdivision 12. Also in attendance were Kenneth F. Sette, Chair, and Shirley J. Mihelich, Vice Chair of the Minnesota Municipal Board. The petitioners were represented by Lawrence W. Frank, Attorney at Law, and the City of Seaforth was represented by Patrick Oman, Attorney at Law. Testimony was heard and records and exhibits were received.

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. On September 2, 1985, a petition for detachment from the City of

Seaforth was filed by all of the property owners with the Minnesota Municipal Board. The petition contained all of the information required by statute including a description of the property proposed for detachment which is as follows:

The South one-half (S 1/2) of the Northeast Quarter (NE 1/4) of Section Thirty (30), Township One Hundred Twelve (112) North, Range Thirty-Seven (37) West of the 5th Principal Meridian, EXCEPTING THEREFROM the following tracts: Beginning at the point of intersection of the Northern boundary line of the railroad right-of-way described in full in Book 38 of Deeds, page 124, in the office of the Redwood County Recorder, with the East line of said Section Thirty (30), thence running Northwesterly on and along said Northern boundary line of said railroad right-of-way a distance of Three Hundred (300) feet, thence North a distance of Sixty Six and one-half (66 1/2) feet, thence in an Easterly direction to a point on said East section line One Hundred Thirty-One and one-half (131 1/2) feet North of the said point of beginning, thence South to the point of beginning, subject to highway easements and subject to any other easements of record.

2. Due, timely and adequate legal notice of the hearing was published, served and filed.
3. The area proposed for detachment is situated within the City of Seaforth and abuts the municipal boundary.
4. The area proposed for detachment is approximately 84.73 acres in size.
5. The City of Seaforth is approximately 640 acres in size with approximately 50 platted acres and the balance unplatted.
6. The Town of Sheridan is approximately 22,400 acres in size.
7. County State Aid Highway #7 borders the detachment area's eastern boundary.
8. The City of Seaforth had a population of 132 in 1970 and 90 in 1980.
9. Sheridan Township had a population of 374 in 1970 and 305 in 1980.

10. The population of the area proposed for detachment was 3 in 1980.

11. The petitioners have rented the dwelling to another family, who are presently living in it.

12. The area proposed for detachment presently has a house and assorted farm buildings and the remainder of the property is farm land. It abuts land within Sheridan Township owned and farmed by the same property owners.

13. The area proposed for detachment has an assessed valuation of \$17,514.

14. The Minnesota Municipal Board presently has before it four separate petitions for detachment from the City of Seaforth. The petitions for detachment which are not the subject of this Findings of Fact, Conclusions of Law and Order are Minnesota Municipal Board files D-213, D-214, and D-215, hereinafter referred to as D-213, D-214, and D-215.

All of the detachment petitions are located on the western side of the City of Seaforth bordering the right-of-way of County Road #7. The land in D-213 is the southern-most parcel for detachment, D-214 is the next most southern parcel for detachment, D-215 is the next most southern parcel, and D-216 is the northern-most parcel for detachment.

The southern boundary of D-213 abuts the southern boundary of the City of Seaforth and the northern boundary of D-216 abuts the northern boundary of the City of Seaforth. The western boundary of the City of Seaforth is coterminous with the western boundaries of D-213, D-214, D-215, and D-216.

15. The combined assessed value of the areas proposed for detachment from the City of Seaforth in this proceeding as well as D-213, D-214, and D-215 is \$72,212.

16. Before State, School, Agricultural Credit, and State Pay Homestead Credit, the land has a total tax of \$1,590.03, payable in 1986. The city's portion of that money was \$637.51. The total tax for the area under consideration paid by the petitioners to the county, city, school district, and a county-wide levy after credits is \$1,087.60. The petitioners' homestead, is adjacent to the area proposed for detachment.

17. The City of Seaforth has an assessed valuation of \$302,256.

18. The Town of Sheridan has an assessed valuation of \$5,230,825.

19. The 1986 mill rate for the City of Seaforth is 36.400.

20. The 1986 mill rate for the Town of Sheridan is 6.490.

21. If the properties proposed for detachment in Minnesota Municipal Board files D-213, D-214, D-215, and D-216 were allowed to be detached, the mill levy for the City of Seaforth would rise approximately 25.77% to generate the same amount of taxes from the remaining property.

22. The City of Seaforth has passed a Rural Service Taxing District in which qualified agricultural land is taxed at the same rate as the Town of Sheridan's mill levy. The Rural Service Taxing District was passed in February, 1986. The area under consideration is presently under the ordinance's jurisdiction.

23. The city has a bonded indebtedness of \$0.

24. The City of Seaforth provides its residents with fire protection through a volunteer fire department located within the city and part-time police protection. The city does not provide any of its residents with sanitary sewer, water or storm sewer.

25. The area proposed for detachment presently is served by a private

septic system and a private well.

26. If the area proposed for detachment is detached, fire protection for it would be provided by the Town of Sheridan by contract with the City of Belview, approximately 9 miles away from the area under consideration.

27. The Seaforth elevator building and adjacent land is located in the southeastern portion of the area proposed for detachment, and immediately abuts the western side of County Road #7. The elevator property is surrounded on three sides by the area proposed for detachment.

28. In the City of Seaforth, there are approximately 12 heads of households working, 19 heads of households retired, and 1 head of household who is disabled. Many of the households are on fixed incomes.

29. The City of Seaforth has significant amounts of agricultural land surrounding the platted portion of the city which is presently not proposed for detachment.

CONCLUSIONS OF LAW

1. The Minnesota Municipal Board duly acquired and now has jurisdiction of the within proceeding.

2. The detachment of the area proposed for detachment would unreasonably affect the symmetry of the City of Seaforth.

3. The area proposed for detachment is rural in character.

4. If the detachment of the area under consideration, as well as D-213, D-214, and D-215, are granted, the City of Seaforth cannot continue to carry on the functions of government without undue hardship.

5. An order should be issued by the Minnesota Municipal Board denying

the petition for detachment of the area described herein.

O R D E R

1. IT IS HEREBY ORDERED: That the petition for the detachment of the property described herein in Findings of Fact 1 be, and the same hereby is denied.

2. IT IS FURTHER ORDERED: That the effective date of this order is November 12, 1986.

Dated this 12th day of November, 1986.

MINNESOTA MUNICIPAL BOARD
165 Metro Square Building
St. Paul, Minnesota 55101



Terrence A. Merritt
Executive Director

M E M O R A N D U M

The board appropriately reviewed the impact of all of the proposed detachment petitions before it on the City of Seaforth. The board notes that in total the detachments' loss would result in a 25.77% increase in the local government mill levy for a community whose tax base is agricultural land and households headed primarily by retired or disabled persons. Only 12 households are headed by wage earners. In total the detachments would have crippled the City of Seaforth.

The configuration of the city's boundary left by detaching some of the land while not detaching other land would negatively affect the symmetry of the city's western boundary. Additionally, if the proposed detachment had been granted, the Seaforth Farmers' Elevator property would remain within the city negatively affecting the symmetry of the city.

The board notes that the City of Seaforth, with its population of approximately 90, is faced with an increase in its costs while its revenue sources, through local government aids based on population, Federal Revenue Sharing, and market value on developed or agricultural land are decreasing. Nonetheless, the city determined that equity demanded the enactment of a Rural Service Taxing District, which will result in the taxes on qualified agricultural land being set for local government purposes at the levy of the Town of Sheridan. Such a rate is equitable.

The board is concerned that the Rural Service Taxing District will, given the city's significant amount of agricultural land, result in a decrease

in funds with which to operate the city. The board suggests that the residents of the city strongly consider a municipal dissolution pursuant to M.S. 412.091. A dissolution would allow the city residents to become members of Sheridan Township, thereby enlarging the over-all community's tax base and hopefully alleviating some of the pressure on the present city taxpayers.

The City of Seaforth was created for a specific need. It now may have outlived its original reason for existence. The city should look long and hard at whether it may now be appropriate to join the Town of Sheridan so that two communities can be merged into one stronger community for the benefit of all of the area residents.

TAM 11-12-86