

BEFORE THE MUNICIPAL BOARD  
OF THE STATE OF MINNESOTA

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

-----  
IN THE MATTER OF THE PETITION FOR THE )                    FINDINGS OF FACT  
DETACHMENT OF CERTAIN LAND FROM THE )                    CONCLUSIONS OF LAW  
CITY OF LAKE ELMO AND ANNEXATION TO )                    AND ORDER  
THE CITY OF OAKDALE PURSUANT TO )  
MINNESOTA STATUTES 414.061            )  
-----

The above-entitled matter came on for hearing before the Minnesota Municipal Board pursuant to Minnesota Statutes 414, as amended, on March 29, 1988 at Lake Elmo, Minnesota. The hearing was conducted by Terrence A. Merritt, Executive Director, pursuant to Minnesota Statutes 414.01, Subdivision 12. Also in attendance were Shirley J. Mihelich, Chair, John W. Carey, Vice Chair, and Kenneth F. Sette, Commissioner. The City of Lake Elmo appeared by and through Stephen P. Carlson, Attorney at Law. Appearing on behalf of the Brockmans (petitioners) were Lyle Eckberg and Mark Vierling, Attorneys at Law. Appearing on behalf of the Frasers (petitioners) was Robert Lampe, 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 January 4, 1988, a petition for concurrent detachment and

annexation by all of the property owners was filed with the Minnesota Municipal Board.

The petition contained all of the information required by statute including a description of the area proposed for concurrent detachment and annexation, which is as follows:

The East 1/2 of the Northwest 1/4 of Section 32, Township 29 North, Range 21 West, lying East of Interstate Highway 694.

and

The South 466.69 Feet of the West 466.69 Feet of the Northwest 1/4 of the Northeast 1/4 of Section 32, Township 29 North, Range 21 West, Washington County, Minnesota, containing 5.0 acres, more or less. Subject to easements of record. According to the United States Government Survey thereof, hereinafter referred to as the "Brockman parcel."

and

That part of the Northeast 1/4 of the Southwest 1/4 lying East of Interstate Highway I-694.

and

The North 155.3 Feet of the Southeast 1/4 of the Southwest 1/4 lying East of Interstate Highway I-694, all in Section 32, Township 29, Range 21, hereinafter referred to as the "Fraser parcel."

A resolution objecting to the concurrent detachment and annexation was received from the City of Lake Elmo on March 21, 1988.

2. Due, timely and adequate legal notice of the hearing was published, served and filed.

3. The area proposed for concurrent detachment and annexation, hereinafter called the subject area, is presently within the City of Lake Elmo, abuts the City of Oakdale, and is approximately 91 acres in size. The perimeter of the subject area is approximately 42% bordered by the City of Oakdale.

4. The City of Oakdale had a population of approximately 12,123 in 1980.
5. The City of Lake Elmo had a population of approximately 5,296 in 1980.
6. The subject area has no present population.
7. The topography of the area proposed for annexation is gently rolling and irregular with some wetland depressions. The soils in the northwestern portion of the subject area and the southern one-half of the Brockman parcel have been identified as prime agricultural. The majority of the Brockman parcel has soils with severe limitations for on-site septic system development. The subject area is located in the Ramsey-Washington Metro Watershed District. There are wetlands on the site located primarily in the northern two-thirds of the Brockman parcel. A significant portion of the subject is overlaid by the 100-year floodplain.
8. The City of Oakdale has a total acreage of approximately 6,600 acres.
9. The City of Lake Elmo has a total acreage of approximately 16,128 acres.
10. The subject area is presently vacant. Portions of the land had previously been farmed, but none of the land is presently in agricultural production.
11. The City of Oakdale has interstate highways, state highways, county roads, and municipal streets within its boundaries.
12. The City of Lake Elmo has interstate highways, state highways, county roads, and municipal streets within its boundaries.
13. Along its northern boundary, the subject area abuts County Road 70, also known as 10th Street North; along its eastern boundary a portion of the Brockman parcel abuts Helmo Avenue North; a Minnesota Department of Transportation Road bisects the southern part of the Fraser parcel, and

Interstate Highway 694 lies west of the subject area. Interstate Highway 94 is a small distance south of the subject area.

14. The Metropolitan Council completed a review of the City of Lake Elmo's comprehensive plan on June 24, 1984. A plan amendment concerning future land use concept plan for the Lake Elmo Metropolitan Urban Services Area to the comprehensive plan was received and approved on April 23, 1987.

The City of Lake Elmo has a zoning ordinance.

15. The Metropolitan Council completed a review of the City of Oakdale's comprehensive plan on May 1, 1985.

The City of Oakdale has a zoning ordinance and a comprehensive sewer plan.

16. The subject area is presently zoned rural residential, which allows one dwelling per 10 acres. Prior to 1983, it was zoned agricultural.

17. The City of Lake Elmo has developed a land-use concept plan for Section 32 and the west quarter of Section 33, Township 29 North, Range 21 West. This plan would designate a majority of the Brockman parcel as office and commercial use, and the eastern-most 5 acres of the Brockman parcel as medium to high residential development; the Fraser parcel is designated as office and commercial land.

18. None of the property contained in the land-use concept plan has been rezoned by the City of Lake Elmo to correspond with the concept plan.

19. The City of Lake Elmo has the southwestern corner of Section 32 zoned for uses of a commercial or business use. The remainder of the city is zoned agricultural, single-family residential, public, or rural residential. There are several areas listed on the city's zoning map as conditional-use permit.

20. The City of Lake Elmo has indicated that for a rezoning to occur in

the subject area, as well as those portions of Sections 32 and 33 covered by the development concept plan, it will be necessary for a land owner to come forward with a plan consistent with that concept and request a rezoning.

The City of Lake Elmo presently does not anticipate initiating rezoning of the subject area or the remainder of Sections 32 and 33 on its own motion.

21. The area within the City of Oakdale north of the subject area is presently zoned industrial development, commercial-retail development, and multi-family and residential development.

West of the subject area, across Interstate 694, the land within the City of Oakdale is zoned community commercial, commercial and industrial/office development.

22. If the subject area were a part of the City of Oakdale, zoning of the subject area to commercial, office, multi residential would be consistent with Oakdale's comprehensive plan.

23. The City of Oakdale provides its residents with water, sanitary sewer and waste water treatment, storm sewer, fire protection, police protection, street improvements and maintenance, and administrative services.

The City of Oakdale plans to construct a water tower immediately north of the subject area, with a capacity of one to one and one half million gallons. The construction is anticipated to be complete within the next three years.

24. The City of Lake Elmo provides its residents with fire protection, police protection through a contract with Washington County, street improvements and maintenance, administrative services, recreational opportunities, and sanitary sewer to a limited part of the city.

25. The City of Oakdale is willing to extend all of the services it presently provides its residents to the subject area if the property becomes part of the City of Oakdale.

The city does not anticipate any problems extending services to the subject area were it to become part of the City of Oakdale.

26. The City of Oakdale presently does not extend sewer or water beyond its corporate boundary limits.

27. The subject area is located within the Ramsey-Washington Metro Watershed District.

This district drains southward and eventually empties into the Battle Creek area of the City of St. Paul.

28. The City of Oakdale proposes to eliminate two lift stations by the year 2000 within its sewer district no. 13 by attaching those service areas to the Woodbury-Oakdale-Northdale-East Oakdale interceptor (hereinafter referred to as WONE).

The City of Lake Elmo, in anticipation of the eventual connection by the City of Oakdale to the WONE, oversized its present sewer line to allow sufficient capacity for service to the City of Oakdale's sewer district no. 13. The oversizing of the line resulted in an assessment of \$48,000 to the City of Oakdale.

29. The only sanitary sewer located within the City of Lake Elmo corporate limits is in the southwestern corner of Section 32. The WONE connection within the City of Lake Elmo is approximately 600 feet south of the subject area.

30. That portion of the City of Lake Elmo covered by the design concept plan referred to in Article 17, herein, is the only area of the City of Lake

Elmo that is located within the Metropolitan Urban Service Area (hereinafter referred to as MUSA).

31. The MUSA allocation to the City of Lake Elmo for sewage capacity is a discharge of 458,000 gallons per day by the year 2000.

32. The City of Lake Elmo presently has approximately 1,000 to 2,700 gallons per day flow discharge of sanitary sewage.

33. The City of Lake Elmo does not presently intend to extend municipal sewer service north of the existing service area.

34. School District #622 provides service to both the subject area and that portion of the City of Lake Elmo and the City of Oakdale immediately adjacent to it.

The concurrent detachment and annexation of the subject area would not result in any change of that service.

35. The subject area received an assessment of approximately \$15,354.50 for the WONE sewer line.

The subject area is not presently able to use that sewer line, although the assessments have or are being paid.

36. The subject area was assessed approximately \$10,413.55 for the watershed district.

37. The assessor's estimated market value of the Brockman property is approximately \$245,000.

38. The assessor's estimated market value of the Fraser property is approximately \$143,500.

39. The Fraser property pays real estate taxes in the amount of approximately \$6,312.92 excluding special assessments.

The Brockman property pays approximately \$10,771.62 in real estate

taxes.

40. The City of Lake Elmo has indicated that it would cost approximately \$3,000,000 to extend sewer and water to the subject area, as well as the remainder of the Sections 32 and 33.

41. The City of Lake Elmo has expressed no interest in tax increment financing for the extension of services to the subject area.

42. The City of Oakdale has used tax increment financing to facilitate the extension of municipal services to developing areas.

43. The construction costs of Helmo Avenue were assessed against the adjacent property owners.

44. Should the City of Lake Elmo extend municipal water to the subject area and adjacent land in Sections 32 and 33, it is anticipated it would construct a water tower with an approximate capacity of 500,000 gallons.

The City of Lake Elmo has indicated no desire to presently construct such a water tower.

45. The Lake Elmo comprehensive plan focuses upon retaining the City of Lake Elmo's rural residential character without the development of much commercial, industrial, or multi family uses.

46. The Brockman property presently has an option to purchase on it, if sewer and water are available, and the party seeking to purchase the property desires that the land be within the City of Oakdale.

47. The subject area is adjacent to the largest intersection of interstate highways within the three county area.

48. The City of Lake Elmo does not presently provide central water service to any of Sections 32 or 33.

49. The subject area is not presently causing any environmental

problems. Given the nature of the soils in the subject area, development without municipal sanitary sewer may generate environmental hazards.

50. Presently the WONE assessment roles have \$85,000 in surplus collections with a total unpaid balance of \$25,000.

51. Approximately 35% to 40% of Sections 32 and 33 as outlined in the land-use concept plan are within Green Acres. The designation of Green Acres prevents the requirement immediate payment of assessments against the property.

52. None of the subject area is within Green Acres.

53. The City of Lake Elmo is concerned that extension of municipal sewer and water to Sections 32 and 33 would result in deferred assessments, which may need to be borne by the city.

54. The City of Lake Elmo has a bonded indebtedness of \$290,000 as of 12-31-87.

The City of Oakdale has a bonded indebtedness of \$20,330,000 as of 12-31-87.

55. The assessed valuation of the City of Oakdale in 1987 is \$82,104,388.

56. The assessed valuation of the City of Lake Elmo in 1987 is \$36,393,958.

57. The mill rate in 1987 for the county portion of the Real Estate taxes on land within the Cities of Oakdale and Lake Elmo is 28.407.

58. The City of Oakdale has a local government mill rate of 24.054.

59. The City of Lake Elmo has a local government mill rate of 13.9.

#### CONCLUSIONS OF LAW

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

2. Concurrent detachment and annexation of the subject area is in the

best interests of the property.

3. The City of Oakdale can provide the subject area with the necessary governmental services.

4. The City of Lake Elmo can continue to survive without the subject area.

5. The Minnesota Municipal Board should issue an order approving the concurrent detachment and annexation of the subject area from the City of Lake Elmo to the City of Oakdale.

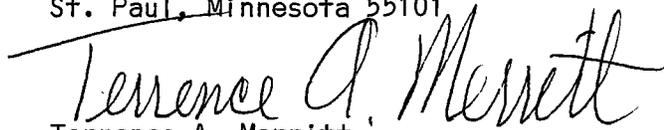
O R D E R

1. IT IS HEREBY ORDERED: That the property described herein in Findings of Fact 1 be, and the same hereby is, detached from the City of Lake Elmo and annexed to the City of Oakdale, the same as if it had originally been a part thereof.

2. IT IS FURTHER ORDERED: That the effective date of this order is September 23, 1988.

Dated this 23rd day of September, 1988.

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



Terrence A. Merritt  
Executive Director