OA-1044-1 New Market City Signed Resolution 4-14-04 Town Signed Resolution 4-6-04

## DEPARTMENT OF ADMINISTRATION

## STATE OF MINNESOTA

## BEFORE THE DIRECTOR OF

# STRATEGIC AND LONG RANGE PLANNING

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IN THE MATTER OF THE ORDERLY ANNEXATION AGREEMENT BETWEEN THE CITY OF NEW MARKET AND THE TOWN OF NEW MARKET PURSUANT TO MINNESOTA STATUTES 414

<u>ORDER</u>

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WHEREAS, a joint resolution for orderly annexation was adopted by the City of New Market and the Town of New Market; and

WHEREAS, said joint resolution requests that certain property be annexed to the

City of New Market pursuant to M.S. 414.0325; and

WHEREAS, M.S. 414.0325 states that in certain circumstances the Director of Strategic

and Long Range Planning may review and comment, but shall within 30 days order the

annexation of land pursuant to said subdivisions; and

WHEREAS, on June 10, 2004, the Director has reviewed and accepted the resolution for

orderly annexation;

IT IS HEREBY ORDERED: That the following described property is hereby annexed in accordance with the terms of the joint resolution to the City of New Market, Minnesota, the same as if it had originally been made a part thereof:

The NW ¼ of the SE ¼ Section 28, Township 113, R 21, Scott County, Minnesota;

This parcel contains 40 acres.

Dated this 10<sup>th</sup> day of June, 2004.

For the Director 658 Cedar Street - Room 300 St. Paul, Minnesota 55155

fristine M. Scotillo

Christine M. Scotillo Executive Director Municipal Boundary Adjustments

## MEMORANDUM

In ordering the annexation contained in Docket No. OA-1044-1, the Director of Strategic and Long Range Planning finds and makes the following comment:

In the section of the agreement entitled "4. Real Estate Taxes," the agreement imposes a financial obligation on the property owners of the subject property to reimburse the Township for lost tax revenue. Chapter 414 of Minnesota Statutes contains no authority for the Township, or the City, to obligate the property owner in any way as part of a boundary adjustment.

Additionally, it is unclear whether the following section entitled "5. Tax Capacity Rate" imposes a one year tax rate step up. A one year tax rate step is authorized under Minnesota Statutes section 414.035, but the statute requires the tax rate to be increased in "substantially equal proportions".

The parties are encouraged to consider these comments in light of any further amendments that may be otherwise necessary to this agreement for orderly annexation.