STATE OF MINNESOTA

OFFICE OF ADMINISTRATIVE HEARINGS

IN THE MATTER OF THE ORDERLY ANNEXATION AGREEMENT BETWEEN THE CITY OF MONTROSE AND THE TOWN OF WOODLAND PURSUANT TO MINNESOTA STATUTES 414	ORDER

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

WHEREAS, a resolution was received from the City of Montrose and the Town of Woodland indicating their desire that certain property be annexed to the City of Montrose 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, Reorganization Order No. 192, effective March 8, 2005, has transferred the duties of the Director to the Chief Administrative Law Judge; and

WHEREAS, on October 18, 2005, the Chief Administrative Law Judge 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 Montrose, Minnesota, the same as if it had originally been made a part thereof:

Legal Description of Property Parcel 1:

South half of the Northeast Quarter of Section 3, Township 118, Range 26, Wright County, Minnesota, except that part of the South Half of the Northeast Quarter of Section 3, Township 118, Range 26, Wright County, Minnesota, described as follows: Commencing at the southeast corner of said South Half of the Northeast

Quarter; thence North 01 degrees 27 minutes 31 seconds East, assumed bearing, along the east line of said South Half of the Northeast Quarter, a distance of 233.74 feet to the point of beginning; thence North 01 degrees 27 minutes 31 seconds East, continuing on said east line of said South Half of the Northeast Quarter, a distance of 423.15 feet; thence North 88 degrees 32 minutes 29 seconds West, a distance of 341.70 feet; thence South 01 degrees 27 minutes 31 seconds West, a distance of 423.15 feet; thence South 88 degrees 32 minutes 29 seconds East to the east line of said South Half of the Northeast Quarter and the point of beginning.

ALSO: Parcel 2:

That part of the Northwest Quarter of Section 3, Township 118, Range 26, Wright County, Minnesota described as follows: Commencing at the southeast corner of said Northwest Quarter; thence North 89 degrees 25 minutes 17 seconds West, assumed bearing, along the south line of said Northwest Quarter, a distance of 55.62 feet; thence North 00 degrees 03 minutes 26 seconds West, a distance of 1318.15 feet; thence South 89 degrees 06 minutes 17 seconds East 21.51 feet to the east line of said Northwest Quarter; thence South 01 degrees 32 minutes 21 seconds East, along the east line of said Northwest Quarter, a distance of 1318.85 feet to the southeast corner of said Northwest Quarter and the point of beginning.

Dated this 18th day of October, 2005.

For the Chief Administrative Law Judge 658 Cedar Street, Room 300 St. Paul, Minnesota 55155

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Christine M. Scotillo

Executive Director

Municipal Boundary Adjustments

MEMORANDUM

In ordering the annexation contained in Docket No. OA-1067-4, the Chief Administrative Law Judge finds and makes the following comment:

Planning in the area designated for orderly annexation must be provided for by one of three provisions set forth in Minnesota Statutes Section 414.0325, Subd. 5. The joint resolution does not make reference to which of the three statutory provisions the parties have agreed on to govern planning in the designated area. Agreeing to continue the county's planning and zoning controls for the designated area, which the parties have agreed to future urbanization, appears to be inconsistent with statutory requirements.

Section 3 of the agreement imposes a financial obligation on the property owners of the subject property to reimburse the Township for lost tax revenue. The authority to impose this type of obligation on the property owner is questionable. Reimbursement for lost tax revenue is an optional provision to be negotiated. Minnesota Statutes Sec. 414.036 states reimbursement is to be "from the municipality to the town...." The issuance of this order makes no determination as to the legality or validity of these provisions of the agreement. Any issue that may arise relative to the application or interpretation of these sections will be the sole responsibility of the signatories to the agreement.

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

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