

OA-1067-6 Montrose
City Resolution No. 2006-15
Town Resolution No. 06-04

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 May 11, 2006, the Chief Administrative Law Judge has reviewed and
accepted the resolution for orderly annexation;

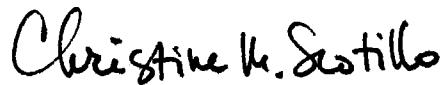
IT IS HEREBY ORDERED: That the following described property is hereby annexed in
accordance with the terms of the joint resolution to the City of Montrose, Minnesota, the same

as if it had originally been made a part thereof:

All that part of the North Half of the South Half of the Southeast Quarter of Section 2, Township 118, Range 26, described as follows: Commencing at the East Quarter corner of said Section 2; thence South along the Section Line 1542 feet for a point of beginning; thence Westerly parallel with the North Line of said North Half of South Half of the Southeast Quarter distant 313.08 feet; thence South parallel with the East Line of said Section 2 distant 139.2 feet; thence Easterly parallel with the North Line of said North Half 313.08 feet to the Section Line; thence North 139.2 feet to the point of beginning.

Dated this 11th day of May, 2006.

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

A handwritten signature in black ink that reads "Christine M. Scotillo". The signature is written in a cursive, flowing style.

Christine M. Scotillo
Executive Director
Municipal Boundary Adjustments

MEMORANDUM

In ordering the annexation contained in Docket No. OA-1067-6, 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.

Ans