

MINNESOTA OFFICE OF ADMINISTRATIVE HEARINGS

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November 18, 2011

Jeremy Gruenhagen
Hamburg City Clerk-Treasurer
Hamburg City Hall
181 Broadway Avenue
Hamburg, MN 55339

VIA E-MAIL
(hamburgcity@mchsi.com)

Re: OA-1522 & OA-1522-1 Hamburg/Young America Township
(Joint Resolution No. 2011-16/11-8-11; City-owned Property; 3.7 acres)

Dear Mr. Gruenhagen:

The Office of Administrative Hearings acknowledges receipt of the joint resolution for orderly annexation between the City of Hamburg and Young America Township. Please refer to the above-referenced docket number in any future correspondence relating to this proceeding.

As discussed with Ms. Lin of this office, it is the responsibility of the initiating party to meet all necessary requirements before the orderly annexation can be accepted for filing.

Although the property is City-owned, does the property generate taxes or will it generate taxes in the future? If so, Chapter 414 requires all proposed annexations to provide reimbursement from municipalities to townships for lost property taxes following annexation and for special assessments or debt attributable to the annexed property. For your information, Minn. Stat. Sec. 414.036 reads:

Unless otherwise agreed to by the annexing municipality and the affected town, when an order or other approval under this chapter annexes part of a town to a municipality the order or other approval must provide a reimbursement from the municipality to the town for all or part of the taxable property annexed as part of the order. The reimbursement shall be completed in substantially equal payments over not less than two nor more than eight years from the time of annexation. The municipality must reimburse the township for all special assessments assigned by the townships to the annexed property and any portion of debt incurred by the town prior to the annexation and attributable to the property to be annexed

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but for which no special assessments are outstanding, in substantially equal payments over a period of not less than two or no more than eight years. (Emphasis added.)

We suggest either one of two approaches to bring your proposed annexation into conformity with Minn. Stat. 414.036: (1) the City and Township can amend the joint resolution to include a negotiated reimbursement provision; or (2) the City and Township can provide written information as to what the annual reimbursements for lost property taxes should be. The chief administrative law judge will incorporate that information to provide for a reimbursement provision in the order of approval.

In addition, please indicate whether any special assessments are due and what the payout schedule for those obligations should be.

If the property does not generate taxes or will not generate taxes in the future, your office will need to provide this office with written confirmation.

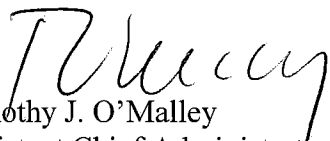
A filing fee of \$2.00 an acre must accompany the joint resolution. The minimum fee is \$25.00 and the maximum fee is \$200.00. Requests for annexation of any part of the designated area shall be accompanied by an additional filing fee of \$2 an acre with a minimum fee of \$25.00 and a maximum fee of \$200.00. Therefore, a filing fee of \$50.00 is required.

Please let us know as soon as possible how you plan to proceed. When our record on this matter is complete, this matter will be scheduled for review.

The city and township are commended on arriving at the joint orderly annexation agreement.

If you have any questions, please contact me or Star Holman at 651-361-7909 or star.holman@state.mn.us.

Sincerely,



Timothy J. O'Malley
Assistant Chief Administrative Law Judge
Municipal Boundary Adjustment Unit

TJO:kjl

c: Lothar Wolter, Jr., Young America Township Clerk