

## CHAPTER 414

## MINNESOTA MUNICIPAL BOARD

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**414.01 CREATION; ENABLING PROVISIONS.**

*[For text of subs 1 to 12, see M.S.1996]*

Subd. 14. **Population of changed territory.** When a board order or approval letter enlarges or diminishes the area of an existing municipality or town, the board shall communicate its order or approval letter to the municipality and the state demographer. The municipality shall prepare an estimate of population and of the number of households for the annexed or detached area of the municipality or town. The estimate shall be certified by the state demographer. The estimate must estimate the population as of the effective date of the board order or approval letter and must be so dated. When a new municipality is created by an order of the board, the municipality shall request a separation census from the United States bureau of the census and bear any costs incurred.

*[For text of subs 15 to 17, see M.S.1996]*

**History:** 1997 c 87 s 3

**414.0325 ORDERLY ANNEXATIONS WITHIN A DESIGNATED AREA.**

Subdivision 1. **Initiating the proceeding.** One or more townships and one or more municipalities, by joint resolution, may designate an unincorporated area as in need of orderly annexation. The joint resolution will confer jurisdiction on the board over annexations in the designated area and over the various provisions in said agreement by submission of said joint resolution to the executive director. The resolution shall include a description of the designated area and the reasons for designation. Thereafter, an annexation of any part of the designated area may be initiated by:

- (1) submitting to the executive director a resolution of any signatory to the joint resolution; or
- (2) the board of its own motion.

Whenever a state agency other than the pollution control agency, orders a municipality to extend a municipal service to an area, such an order will confer jurisdiction on the Minnesota municipal board to consider designation of the area for orderly annexation.

If a joint resolution designates an area as in need of orderly annexation and states that no alteration of its stated boundaries is appropriate, the board may review and comment, but may not alter the boundaries.

If a joint resolution designates an area as in need of orderly annexation, provides for the conditions for its annexation, and states that no consideration by the board is necessary, the board may review and comment, but shall, within 30 days, order the annexation in accordance with the terms of the resolution.

*[For text of subs 1a to 5, see M.S.1996]*

**History:** 1997 c 202 art 5 s 2

**414.033 ANNEXATION BY ORDINANCE.**

*[For text of subs 1 and 2, see M.S.1996]*

Subd. 2a. [Repealed, 1997 c 202 art 5 s 9]

Subd. 2b. **Notice required.** Before a municipality may adopt an ordinance under subdivision 2, clause (2), (3), or (4), a municipality must hold a public hearing and give 30 days' written notice by certified mail to the town or towns affected by the proposed ordinance and to all landowners within and contiguous to the area to be annexed.

*[For text of subs 3 to 6, see M.S.1996]*

Subd. 7. **Filing; effective date; copy, levies.** Any annexation ordinance provided for in this section must be filed with the board, the township, the county auditor and the secretary of state and is final on the date the ordinance is approved by the board. A copy of the annexation ordinance must be delivered immediately by the governing body of the municipality to the appropriate county auditor or auditors.

Subd. 9. [Repealed, 1997 c 87 s 4]

*[For text of subd 10, see M.S.1996]*

Subd. 11. **Floodplain; shoreland area.** When a municipality declares land annexed to the municipality under subdivision 2, clause (3), and the land is within a designated floodplain, as provided by section 103F.111, subdivision 4, or a shoreland area, as provided by section 103F.205, subdivision 4, the municipality shall adopt or amend its land use controls to conform to chapter 103F, and any new development of the annexed land shall be subject to chapter 103F.

Subd. 12. **Property taxes.** When a municipality annexes land under subdivision 2, clause (2), (3), or (4), property taxes payable on the annexed land shall continue to be paid to the affected town or towns for the year in which the annexation becomes effective. If the annexation becomes effective on or before August 1 of a levy year, the municipality may levy on the annexed area beginning with that same levy year. If the annexation becomes effective after August 1 of a levy year, the town may continue to levy on the annexed area for that levy year, and the municipality may not levy on the annexed area until the following levy year. In the first year following the year when the municipality could first levy on the annexed area under this subdivision, and thereafter, property taxes on the annexed land shall be paid to the municipality. In the first year following the year the municipality could first levy on the annexed area, the municipality shall make a cash payment to the affected town or towns in an amount equal to 90 percent of the property taxes distributed to the town in regard to the annexed area in the last year the property taxes from the annexed area were payable to the town; in the second year, an amount equal to 70 percent; in the third year, an amount equal to 50 percent; in the fourth year, an amount equal to 30 percent; and in the fifth year, an amount equal to ten percent. The municipality and the affected township may agree to a different payment.

*[For text of subd 13, see M.S.1996]*

**History:** 1997 c 31 art 3 s 14,15; 1997 c 202 art 5 s 3-5

#### **414.0335 ORDERED GOVERNMENTAL SERVICE EXTENSION; ANNEXATION BY ORDINANCE.**

If a determination or order by the pollution control agency, under section 115.49 or other similar statute is made, that cooperation by contract is necessary and feasible between a municipality and an unincorporated area located outside the existing corporate limits of a municipality, the municipality required to provide or extend through a contract a governmental service to an unincorporated area, during the statutory 90-day period provided in section 115.49 to formulate a contract, may in the alternative to formulating a service contract to provide or extend the service, declare the unincorporated area described in the pollution control agency's determination letter or order annexed to the municipality by adopting an ordinance and submitting it to the municipal board or its successor. The municipal board or its successor may review and comment on the ordinance but shall approve the ordinance within 30 days of receipt. The ordinance is final and the annexation is effective on the date the municipal board

or its successor approves the ordinance. Thereafter, the city shall amend its comprehensive plan and official controls in accordance with chapter 462.

**History:** 1997 c 202 art 5 s 6

#### 414.067 APPORTIONMENT OF ASSETS AND OBLIGATIONS.

*[For text of subd 1, see M.S.1996]*

**Subd. 2. Entire township or municipality.** When an entire township is annexed by an existing municipality, or an entire township is incorporated into a new municipality, or a municipality is consolidated into a new municipality, all money, claims, or properties, including real estate owned, held, or possessed by the annexed, incorporated township or municipality, and any proceeds or taxes levied by such town or municipality, collected or uncollected, shall become and be the property of the new or annexing municipality with full power and authority to use and dispose of the same for public purposes as the council or new annexing municipality may deem best, subject to the rights of creditors. Any taxes levied to pay bonded indebtedness of a town or former municipality annexed to an existing municipality or incorporated or consolidated into a new municipality shall be borne only by that taxable property within the boundaries of the former town or municipality, provided, however, the units of government concerned may by resolution of their governing bodies agree that taxes levied to pay the indebtedness must be levied upon all taxable property within the boundaries of the new municipality. Notwithstanding that the bonded indebtedness may be payable from taxes levied on only a portion of the taxable property in the new or surviving municipality, the full faith and credit of the new or surviving municipality must secure any outstanding bonded indebtedness to which the full faith and credit of the annexed or consolidated township or municipality was pledged. If any general funds of the new or surviving municipality are used to pay debt service on the bonded indebtedness, the general funds must be reimbursed, with or without interest, from taxes levied on taxable property in the former township or municipality.

*[For text of subd 3, see M.S.1996]*

**History:** 1997 c 219 s 4

#### 414.10 ALTERNATIVE PROCESS OF DISPUTE RESOLUTION.

**Subdivision 1. Definition.** For the purposes of subdivision 2, a "party" or "parties" means a property owner or the governing body or town board of a jurisdiction that files an initiating document or a timely objection pursuant to this chapter, and the governing body or town board of the jurisdiction or jurisdictions in which the subject area is located.

**Subd. 2. Chapter 572A process.** As an alternative to the procedure provided by this chapter, a party filing an initiating document or timely objection with the municipal board may file with the bureau of mediation services a written request for mediation within 30 days of the filing as provided in section 572A.015. The request for mediation must contain the written consent of all parties to have the dispute settled through the process provided by chapter 572A. The filing party must also file written notice with the municipal board notifying the board that all parties have agreed to use the dispute resolution process in chapter 572A.

**History:** 1997 c 202 art 5 s 7

#### 414.11 MUNICIPAL BOARD SUNSET.

The municipal board shall terminate on December 31, 1999, and all of its authority and duties under this chapter shall be transferred to the office of strategic and long-range planning according to section 15.039.

**History:** 1997 c 202 art 5 s 8