

Bond Case Briefs

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City of Lake Elmo, Appellant, v. Bernard Nass, et al., Respondents.

Court of Appeals of Minnesota - July 15, 2013 - N.W.2d - 2013 WL 3491161

Landowners petitioned to detach their properties from the City of Lake Elmo, which objected.

The chief ALJ may order detachment so long as “the requisite number of property owners have signed the petition if initiated by the property owners, ... the property is rural in character and not developed for urban residential, commercial or industrial purposes, ... the property is within the boundaries of the municipality and abuts a boundary, ... the detachment would not unreasonably affect the symmetry of the detaching municipality, and ... the land is not needed for reasonably anticipated future development.” The ALJ may deny detachment “on finding that the remainder of the municipality cannot continue to carry on the functions of government without undue hardship.”

Any person aggrieved by an order under section 414.06 may appeal to the district court on the following grounds: “(1) that the order was issued without jurisdiction to act; (2) that the order exceeded the [issuer’s] jurisdiction; (3) that the order is arbitrary, fraudulent, capricious or oppressive or in unreasonable disregard of the best interests of the territory affected; or (4) that the order is based upon an erroneous theory of law.” Minn.Stat. § 414.07, subd. 2 (2010). Section 414.07 provides the exclusive remedy in an appeal of detachment proceedings.

The ALJ’s findings of fact are reviewed under the substantial evidence test, which requires an independent examination of the record. Substantial evidence is defined as “such that a reasonable mind might accept it as adequate to support a conclusion.”

In conclusion, the ALJ’s detachment determination is entitled to deference. And because the decision was supported by substantial evidence and reflects a reasoned decision-making process, the court declined to disturb the determination.