

Bond Case Briefs

Municipal Finance Law Since 1971

ANNEXATION - MINNESOTA

In re Matter of Dahlgren Township

Court of Appeals of Minnesota - December 18, 2017 - N.W.2d - 2017 WL 6418228

City and township appealed portions of Office of Administrative Hearings' (OAH) orders that limited the amount of tax reimbursement to which the city and township could agree as condition of annexation of real property from township to city and imposed OAH's costs on city and township.

The District Court vacated both of the challenged provisions. OAH appealed.

The Court of Appeals held that:

- Statute, which required order approving annexation to provide reimbursement from municipality to town for taxable property annexed as part of the order unless otherwise agreed to by the parties, did not prevent city and township from agreeing to tax-reimbursement rate of \$500 for each acre of real property that was to be annexed to city, even if that amount was more than what order approving annexation would have provided in the absence of their agreement;
- Statute, requiring costs of administrative proceedings in municipal boundary adjustments to be allocated on equitable basis if parties did not agree to division of costs before commencement of hearing, did not authorize OAH to assess its costs to city and township; and
- Issue of whether city and township had the authority to charge property owner for tax reimbursement under their orderly annexation agreement did not involve genuine conflict in tangible interests, and thus, issue did not present justiciable controversy over which Court of Appeals could exercise jurisdiction.