

IN THE MATTER OF THE JOINT RESOLUTION OF THE TOWNSHIP OF PAYNESVILLE AND THE CITY OF PAYNESVILLE DESIGNATING AN UNINCORPORATED AREA AS IN NEED OF ORDERLY ANNEXATION AND CONFERRING JURISDICTION OVER SAID AREA TO THE MINNESOTA PLANNING BOARD PURSUANT TO M.S.A. 414.0235.

JOINT RESOLUTION FOR ORDERLY ANNEXATION

1. The following described area in Paynesville Township is subject to orderly annexation pursuant to Minnesota Statutes 414.0235 and the parties hereto designate this area for orderly annexation, which area is legally described as follows, to-wit:

The North 150 feet of the South 183 feet of the West 194 feet of the East 314 feet of the West 58 rods of the Southwest Quarter of the Southeast Quarter (SW $\frac{1}{4}$ SE $\frac{1}{4}$) of Section 9, Township 122, Range 32, containing 668 acres, more or less.

2. That the Township of Paynesville does, upon the passage of this Resolution and its adoption by the City Council of the City of Paynesville, Minnesota, and upon acceptance by the Minnesota Planning Board, confer jurisdiction on the Minnesota Planning Board over the various provisions contained in this agreement.

3. That the property described in Paragraph 1 above abuts the City of Paynesville and is presently urban or suburban in nature or is about to become so. Further, the City of Paynesville is capable of providing service to this area within a reasonable time after annexation and annexation would be in the best interest of the area proposed to be annexed. Therefore, this property should be annexed to the City of Paynesville. The current population residing on this property is zero.

4. That the effect of annexation on population shall be that the population of the area annexed pursuant to this Resolution shall be treated for all purposes as part of the population of the City of Paynesville immediately upon approval of annexation by the Minnesota Planning Board.

5. In all annexations within the orderly annexation area, the taxes due and/or delinquent on the date of annexation remain the property of Paynesville Township. All taxes and assessments accrued after the date of annexation are the property of the City of Paynesville, subject only to the provisions of

Paragraph 8 below. The City of Paynesville, upon annexation, becomes the owner or beneficiary of all roads, easements and rights-of-way, or other interests in property within the annexed area previously held by Paynesville Township and shall bear the responsibility associated with those rights.

6. The tax levy of the City of Paynesville on the area annexed shall be increased from current levels in substantially equal portions over a period of two (2) years to an equality with the tax levy of property already within the City.

7. Any person owning the lands annexed to the City pursuant to this agreement shall have the following rights with regard to the payment of assessment and hook-up charges on projects previously completed by the City which may be assessable against said annexed property:

a) Hook-up charges shall be payable upon hook-up to municipal services.

b) Hook-up charges will be based on costs to the City determined from a bid to be obtained at the time of hook-up.

c) Assessment for improvements shall be payable over the same number of years and at the same interest rate as the original project provided for.

8. That as to those lands which are annexed to the City pursuant to this agreement, of the base tax payable to the Township at the time of annexation, the following shall occur:

In the first year after annexation the Township will receive 90% of that base tax; in the second year after annexation the Township shall receive 70% of that base tax; in the third year after annexation the Township shall receive 50% of that base tax; in the fourth year after annexation the Township shall receive 30% of that base tax; and finally in the fifth year after annexation the Township shall receive 10% of the base tax from the City of Paynesville. Thereafter, all taxes collected, if any, shall belong to the City of Paynesville.

The City of Paynesville may, in its sole discretion, decide to pay to Paynesville Township in one lump sum the total tax that it would be entitled to receive under the terms of this provision which, over the five (5) year period would total 250% of the base tax on the property at the time of annexation.

9. The above described land shall, upon approval of this agreement by Paynesville Township and the City of Paynesville and submission of this Joint Resolution for Orderly Annexation, be approved for annexation by the Minnesota Planning Board. The City of Paynesville shall provide to all properties annexed under this agreement sanitary sewer and City water. If the City of Paynesville fails to provide these services to any such properties within two (2) years of approval of annexation under this agreement, then the City of Paynesville shall pay Paynesville Township in an amount equal to 100% of the taxes collected by the City from the annexed lands. Said payments shall begin in the third year following annexation and shall continue indefinitely until said property is served by City sewer and City water.

10. No consideration by the Minnesota Planning Board is necessary. The Board may review and comment, but shall, within thirty (30) days, order the annexation in accordance with the terms of this Resolution.

11. Any alterations, variations, modifications or waivers of the provisions of this Joint Resolution for Orderly Annexation shall only be valid if they have been reduced to writing and signed by authorized representatives of the parties.

12. The provisions of this Joint Resolution for Orderly Annexation shall be deemed to be severable. If any part of this contract is rendered void, invalid, or unenforceable, such rendering shall not affect the validity and enforceability of the remainder of the contract unless the part or parts which are void, invalid or otherwise unenforceable shall substantially impair the value of the entire contract with respect to either party.

The parties further agree to substitute for any invalid provision a valid provision that most closely approximates the economic effect and intent of the invalid provision.

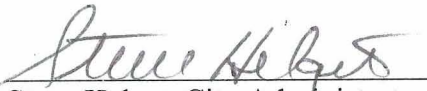
13. This Joint Resolution for Orderly Annexation is the final expression of the agreement of the parties and the complete and exclusive statement of the terms agreed upon and shall supersede all prior negotiations, warranties or stipulations, either oral or written, not herein contained.


14. It is specifically acknowledged and understood that the parties are represented by and have available to them, independent counsel. As a matter of convenience, one party to this agreement may have taken on the bulk of the task of drafting this agreement. This agreement shall not be construed against the drafting party merely because of its role in drafting this agreement.

CITY OF PAYNESVILLE

Passed and adopted by the City Council of the City of Paynesville this 25th day of August, 2004.

Attest:


Steve Helget, City Administrator



Jeff Thompson, Mayor

PAYNESVILLE TOWNSHIP

Passed and adopted by the Town Board of the Town of Paynesville this 9th day of August, 2004.

Attest:


Town Clerk


Chairman



ZONING MAP

692004

LEGEND

SHORELAND OVERLAY

REC'D BY
MMB SEP 24 2004

CITY OF PAYNESVILLE

STEARNS COUNTY, MINNESOTA

