County of McLeod State of Minnesota

City of Hutchinson Resolution No. _____12522 and Township of Hassan Valley

JOINT RESOLUTION OF THE CITY OF HUTCHINSON AND THE TOWNSHIP OF HASSAN VALLEY AS TO THE ORDERLY ANNEXATION OF PROPERTY

WHEREAS, the City of Hutchinson ("City") and the Township of Hassan Valley ("Township") desire to enter into an agreement allowing for the orderly annexation of certain property, pursuant to Minnesota Statute 414.0325, Subdivision 1; and

WHEREAS, the City and the Township are in agreement concerning the immediate annexation of the property identified in Exhibit A; and

WHEREAS, the City's current plan proposes to provide municipal waste water treatment and municipal water service, within the next five years; and

WHEREAS, it is in the best interest of the City, the township and their respective residents do agree to an orderly annexation in furtherance of orderly growth and the protection of the public health, safety and welfare; and

WHEREAS, the parties hereto desire to set forth the terms and conditions of such orderly annexation by means of this Resolution;

NOW, THEREFORE, BE IT RESOLVED by the City of Hutchinson, McLeod County, Minnesota, that the following terms, conditions and agreements shall become binding upon the City and the Township:

- 1. Upon approval by the respective governing bodies of the City and the Township, this joint resolution shall confer jurisdiction upon Minnesota Planning Municipal Boundary Adjustments (hereinafter "Minnesota Planning") to accomplish the orderly annexation of the lands described in the attached Exhibit A in accordance with the terms of this joint resolution.
- 2. Pursuant to Minnesota Statutes 414.0325, subdivision 1, the parties do hereby designate the area described in the attached Exhibit A as an Orderly Annexation Area in need of orderly annexation. The described Orderly Annexation Area consists of approximately 77.81 acres.

- 3. The City may, at some point in the future, utilize this site for the purposes of composting operations. In an effort to reduce the concerns about the composting; the City will provide appropriate buffering, as identified in Exhibit B, if the site is utilized for such a purpose. The drawing, shall in no way bind other occupants of the land and shall be bound only by the City's Zoning Ordinance and amendments thereto.
- 4. For all property annexed pursuant to this Joint Resolution, the City shall remit to the Township, property taxes as follows:
 - a. Property taxes payable on the annexed area for the year in which the annexation becomes effective shall be paid to the Township. Thereafter, property taxes shall be paid to the city but shall be apportioned as listed below, and the City shall make a cash payment to the Township yearly in the following amounts:
 - 1. In the first year following the year in which the land was annexed, 90% of the property taxes paid to the Township in the year the land was annexed;
 - 2. In the second year following the year in which the land was annexed, 70% of the property taxes paid to the Township in the year the land was annexed;
 - 3. In the third year following the year in which the land was annexed, 50% of the property taxes paid to the Township in the year the land was annexed;
 - 4. In the fourth year following the year in which the land was annexed, 30% of the property taxes paid to the Township in the year the land was annexed;
 - 5. In the fifth year following the year in which the land was annexed, 10% of the property taxes paid to the Township in the year the land was annexed.
 - b. Thereafter all property taxes from the described property shall be paid to the City.
 - 6. The City and the Township mutually state that no alteration by Minnesota Planning to the boundaries as described on Exhibit A ("the orderly annexation area") is appropriate or permitted.

7. Having designated the area described on Exhibit A as in need of orderly annexation, and having provided for all of the conditions of its annexation within this document, the parties to this agreement agree that no further consideration by Minnesota Planning is necessary. As such, Minnesota Planning may review and comment, but shall, within thirty (30) days of the date of receipt of this Joint Resolution for Orderly Annexation, order the immediate annexation of the properties and land described in the attached Exhibit A in accordance with the terms of this Joint Resolution.

ADOPTED BY THE CITY COUNCIL OF THE CITY OF HUTCHINSON THIS DAY OF ______, 2004.

Marlin Torgerson

Mayor

Gary D. Plotz

City Administrator

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ADOPTED BY THE HASSAN VALLEY TOWNSHIP BOARD THIS ______, DAY OF _________, 2004.

Carl Runke Hassan Valley Chair

Shirley Troska, Clerk Hassan Valley Township

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Exhibit A

The East Half of the Southwest Quarter of Section 5, Township 116 North, Range 29 West, also known as Lot 37 of Auditors Plat of the West Half of said Section 5,

Except all that part of the Northeast Quarter of the Northeast Quarter of the Southwest Quarter of Section 5, Township 116 North, Range 29 West of the 5th Principal Meridian lying South of the right of way of the Great Northern Railway Company and Easterly of a line parallel with and distant 30 feet Westerly from the center line of the Westerly leg of the wye and tail tract of the Great Northern Railway Company as now located and established, said center line being described as follows: Beginning at a point in the center line of the main tract of the Railway of the Great Northern Railway Company as now located and constructed distant 501.4 feet Westerly measured along said center line, from the North and South Quarter line of said Section 5; thence Southeasterly along a 7 degree 30 minute curve to the right through an angle of 7 degrees 30 minutes a distance of 100 feet to a point; thence southeasterly along a 12 degree 30 minute curve to the right through an angle of 78 degrees 45 minutes a distance of 630 feet to a point; thence Southeasterly along a 3 degree 45 minute curve to the right through an angle of 3 degrees 45 minutes a distance of 100 feet to a point; thence Southerly tangent to said 3 degree 45 minute curve a distance of 145 feet more or less to the south line of said Northeast Quarter of the Northeast Quarter of the Southwest Quarter of Section 5, and excepting right of way of Great Northern Railway Company

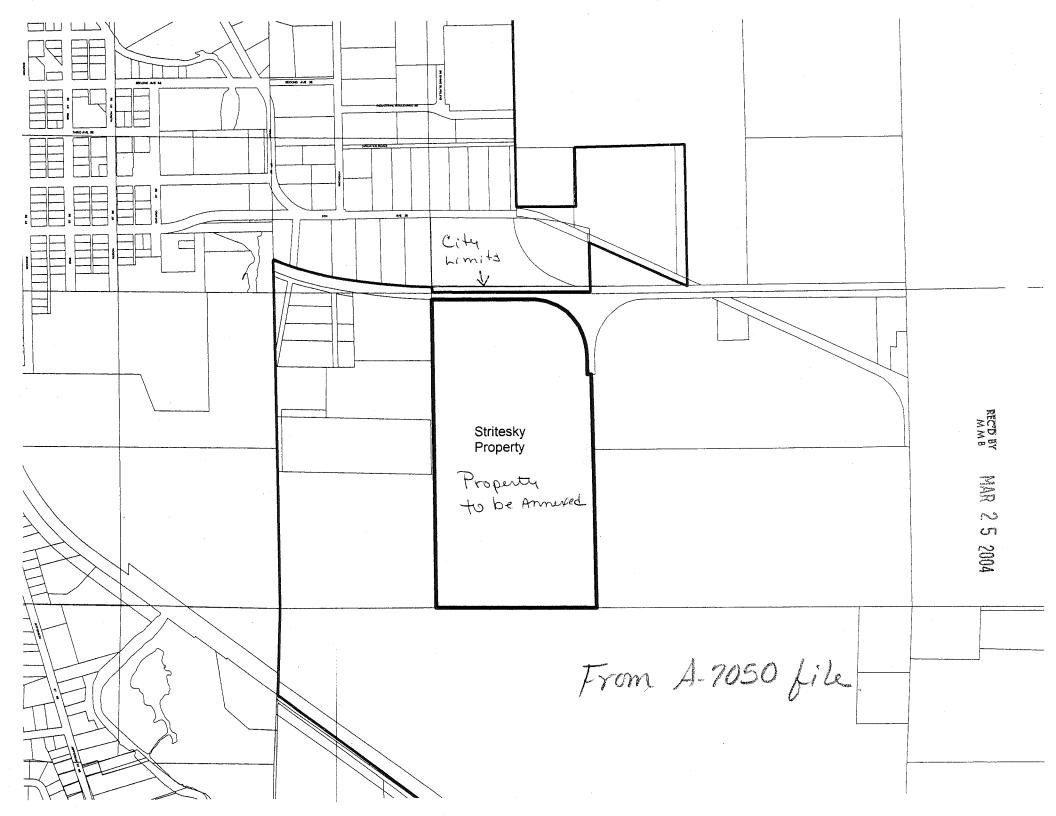


Exhibit B

