TOWN OF LE RAY AND CITY OF MADISON LAKE JOINT RESOLUTION FOR ORDERLY ANNEXATION

REC'D BY MAY 2 0 2015

LE RAY TOWNSHIP RESOLUTION #2015-01 CITY OF MADISON LAKE RESOLUTION #2015-17

IN THE MATTER OF THE ORDERLY ANNEXATION BETWEEN THE CITY OF MADISON LAKE AND LE RAY TOWNSHIP PURSUANT TO MINNESOTA STATUTES § 414.0325

WHEREAS, the City of Madison Lake ("City") and the Township of Le Ray ("Township") desire to enter into an agreement for the orderly annexation of certain property, legally described herein, pursuant to Minnesota Statutes, Section § 414.0325; and

WHEREAS, the City and Township agree that the properties legally described herein meet the definition for annexation as contained in applicable Minnesota Statutes; and

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

WHEREAS, the City and the Township are in agreement as to the procedures and process for orderly annexation of said property described herein for the purpose of orderly, planned growth; and

WHEREAS, the parties hereto desire to set forth the terms and conditions of such orderly annexation by means of this Joint Resolution for Orderly Annexation ("Joint Resolution"); and

WHEREAS, on April 29, 2015 a Notice of Intent to include property in an orderly annexation area was published pursuant to the requirements of Minnesota Statutes § 414.0325 Subd. 1b; and

WHEREAS, two of the four parcels have submitted a petition for annexation; and

WHEREAS, the City of Madison Lake and Le Ray Township have agreed to all the terms and conditions for the annexation of the above-described lands within this document and the signatories hereto agree that no alteration of the designated area is appropriate and no consideration by the Chief Administrative Law Judge is necessary. The Chief Administrative Law Judge may review and comment, but shall within thirty (30) days, order the annexation in accordance with the terms of the resolution.

NOW, THEREFORE BE IT RESOLVED by the City of Madison Lake, Blue Earth County, Minnesota, and the Township of Le Ray, Blue Earth County, Minnesota, as follows:

- 1. Filing of Joint Resolution Upon execution by the respective governing bodies of the City and Township, the City shall file this Joint Resolution with Minnesota Municipal Boundary Adjustment Unit (MBAU) of the Office of Administrative Hearings (or successor agency).
- 2. Designation of Annexation Area The City and Township hereby designate the following area in need of orderly annexation pursuant to Minnesota Statutes, Section 414.0325.

All of Krenik's Subdivision, according to the plat thereof on file and of record in the office of the County Recorder in and for Blue Earth County, Minnesota, including:

Lot One (1), Block One (1), Krenik's Subdivision, according to the plat thereof on file and of record in

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the office of the County Recorder in and for Blue Earth County, Minnesota.

Lot Two (2), Block One (1), Krenik's Subdivision according to the plat thereof on file and of record in the office of the County Recorder within and for Blue Earth County, Minnesota.

Lot Three (3), Block One (1), Krenik's Subdivision according to the plat thereof on file and of record in the office of the County Recorder within and for Blue Earth County, Minnesota.

Lot Four (4), Block One (1), Krenik's Subdivision according to the plat thereof on file and of record in the office of the County Recorder within and for Blue Earth County, Minnesota.

Designated Area Map



3. Initiation Requirements

- A. For Immediate Annexation- The City may conduct an immediate annexation of parcels R39.10.03.126.004 (Lot Three (3), Block One (1), Krenik's Subdivision according to the plat thereof on file and of record in the office of the County Recorder within and for Blue Earth County, Minnesota.) and R39.10.03.126.004 (Lot Four (4), Block One (1), Krenik's Subdivision according to the plat thereof on file and of record in the office of the County Recorder within and for Blue Earth County, Minnesota.) and R39.10.03.126.004 (Lot Four (4), Block One (1), Krenik's Subdivision according to the plat thereof on file and of record in the office of the County Recorder within and for Blue Earth County, Minnesota) within the Designated Area with the adoption of this joint resolution. The City shall file this Resolution with the Minnesota Municipal Boundary Authority Unit (MBAU), MN Office of Administrative Hearings, Township and the Blue Earth County Auditor.
- B. The City may conduct additional annexation of the remaining parcels within the Designated Area at any time after the adoption of this joint resolution. An annexation shall be uncontested by the Township provided any of the following conditions are met:
 - i. A property owners of a parcel of land contiguous to the City and within the Annexation Area submit a petition for annexation to the City.
 - ii. A building permit is needed on the property that cannot be provided by the county;
 - iii. Sale of the property;
 - iv. Sanitary or Well System Failure;
 - v. If none of the above have been submitted by January 1, 2023, the properties shall

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be annexed into the City by Resolution of the City Council.

- C. Township will not file any objection with the MN Office of Administrative Hearings concerning the annexation of any land within the designated area so long as the annexation complies with the terms and conditions of this Agreement. If Township has already filed such an objection with the MN Office of Administrative Hearings, the filing of this Joint Resolution and Agreement with the MN Office of Administrative Hearings shall constitute withdrawal of the objection.
- D. The City and Township agree that no alteration of the stated boundaries as described in the Joint Resolution is appropriate, that no consideration by Minnesota Municipal Boundary Adjustment Unit (MBAU) of the Office of Administrative Hearings is necessary and that all terms and conditions for annexation are provided for in this Joint Resolution. The Municipal Boundary Adjustment Unit of the Office of Administrative Hearings may review and comment but shall within 30 days order the annexation of the designated area Upon receipt of the Annexation Order, the City shall provide a copy to the Blue Earth County Auditor.
- 4. **Zoning of Annexed Property** -Property annexed to the City shall be either zoned at the time of annexation or automatically zoned as Residential 1 (R-1). Once in the City the City may rezone the property with normal procedures.
- 5. **Property Tax Reimbursement** -In regards to property tax reimbursement, in the year of annexation the Township shall retain 100% of the property taxes payable in the year of annexation (levied by the Township the previous year) which would have been distributed to the Township but for annexation.

In the years following the year of annexation, the City shall make cash payments to the Township equal to the percentage set out below of the property taxes levied by the Township in the year of annexation.

Year after Annexation	Percentage of Property Tax
1	80%
2	70%
3	60%
4	50%
5	40%
Thereafter	0%

For the two parcels immediately annexed, this number is agreed to as \$84.15 for parcel R39.10.03.126.004, and \$166.01 for R39.10.03.126.016, for a total of \$250.16. Property tax reimbursement shall be as follows:

Year after Annexation	Percentage of Property Tax
1 – 2016	80% - \$267.45
2 – 2017	70% - \$234.01
3 - 2018	60% - \$200.58
4 – 2019	50% -\$167.15
5 - 2020	40% -\$133.72
Thereafter	0% - \$0.00

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Payments shall be made twice a year within 30 days of the County's property tax reconciliation distribution to the City.

- 6. Assessments & Capital Improvements -Any assessments for public improvements benefiting the annexed property which are still due to the Township will be collected by the City under its assessment collection procedure and such payments will be reimbursed to the Township until said assessments are paid in full. The Township will provide the City such information as is necessary to ensure the recovery of assessments. The City will reimburse the Township said assessment payments within thirty (30) days of City's receipt of the County's property tax reconciliation distributions. In the event that payment is received prior to the County property tax reconciliation distribution date to the City, the City will reimburse within thirty (30) days.
- 7. **Municipal Services** Nothing in this Agreement shall relieve Township of its governmental responsibilities for the Annexation Area, including but not limited to the regular and normal maintenance of the existing infrastructure of roads, drainage facilities, and street signs. Township's continuing governmental responsibilities for an annexed area shall continue until the date of the MN Office of Administrative Hearing's order approving the annexation.

Upon annexation, the City shall provide the annexed properties the same services entitled to similarly situated properties within the jurisdiction of the City. Available city services include, but are not limited to the following:

A. Law enforcement and Fire protection services-Law enforcement and fire protection services shall be available to all property owners within the annexed areas under the same terms conditions and policies as are available to all city property owners.

If a property is annexed into the City limits, the City will amend its Fire Contract with the Township the subsequent year to remove the annexed properties' values from the Township's valuation in the fire service formula. The property values as set by the Blue Earth County Assessor's Office shall be used for purposes of determining the amount to be removed from the Township's valuation. The required Fire Service payment from the Township to the City will be adjusted accordingly and reflected in the formula used in the Fire Service Agreement.

- B. Sewer & Water –Upon annexation all properties in the designated area shall have sewer and water services extended or available. Note: It is agreed to that the four properties associated with this annexation agreement have all already paid for their assessments and connection charges. They will only be responsible for the cost of connecting their own private services to the system and any additional connections beyond the four paid.
- C. Streets & Roads Unless otherwise agreed to in the annexation resolution, the City will be responsible for the road maintenance upon annexation approval by the Minnesota Municipal Boundary Adjustment. Road maintenance shall include sign maintenance, road repairs as well as snow and ice removal.
- 8. Term of Joint Resolution/Amendment This Joint Resolution shall be in full force and effect

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immediately upon the document being fully executed by all parties hereto. The Joint Resolution may be terminated or amended by mutual written joint resolution of the City and Township.

- 9. Governing Law This Joint Resolution is made pursuant to, and shall be construed in accordance with the laws of the State of Minnesota.
- 10. Severability -In the event that any portion of this Joint Resolution is declared null and void or unenforceable by a court of law, the validity of the remaining terms and provisions shall not be affected and the Joint Resolution shall be construed and enforced as if the Joint Resolution did not contain the particular term or provision held to be invalid. The City and Township agree to implement the procedures under Paragraph 12 to correct any such provision that was stricken.
- 11. Entire Agreement The terms, covenants, conditions and provisions of this Joint Resolution, including the present and all future attachments or exhibits, shall constitute the entire agreement between the parties hereto, superseding all prior agreements and negotiations regarding the properties described within. This Joint Resolution shall be binding upon and inure to the benefit of the respective successors and assigns of the City and Township.

12. Heading & Captions -Headings and Captions are for convenience only and are not intended to alter any of the provisions of this joint resolution for orderly annexation.

Any notices required under this agreement shall be in writing and sufficiently given if delivered in person or sent by certified or registered mail to the following persons or their successors.

Le Ray Township: Mrs. Karyn Block 61093 200th Street Eagle Lake, MN

City of Madison Lake: Ms. Ari Klugman 525 Main Street, PO Box 295 Madison Lake, MN 56063

Adopted by the Le Ray Township Board this 12^{th} day of May, 2015.

LE RAY TOWNSHIP

By:

Curt Kloss, Chair

By:

Karvn Block, Township Clerk

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Approved by the Madison Lake City Council this 11th day of May, 2015.

CITY OF MADISON LAKE

By:

Carolyn Hiniker, Mayor Pro-Tem

,

By:

Ari Klugman, City Administrator

