CITY OF OWATONNA

AND

TOWN OF OWATONNA

COUNTY OF STEELE

STATE OF MINNESOTA

JOINT RESOLUTION REGARDING THE ANNEXATION OF CERTAIN PROPERTIES TO THE CITY OF OWATONNA

WHEREAS, both the City of Owatonna and the Town of Owatonna agree that the following property legally described as: (See Attachment A), now located in the Town of Owatonna is in need of orderly annexation to the City of Owatonna so as to receive city sewer and water services; and

WHEREAS, it has been alleged, and reports have indicated, that pollution is presently arising from the subject property and affecting Maple Creek; and

WHEREAS, the easiest and most cost effective method of providing the needed services to alleviate the alleged pollution problem is that the subject property be annexed to the City of Owatonna as quickly as possible; and

WHEREAS, the City of Owatonna and the Town of Owatonna are in basic agreement regarding the particulars of said annexation; and

WHEREAS, the subject area is now or about to become urban or suburban in character and the City of Owatonna is capable of providing the needed services with a reasonable time; and

WHEREAS, the annexation is in the best interests of the subject property; and

WHEREAS, a City-Township Annexation Agreement currently exists (See Attachment B) which provides for procedures and guidelines regarding annexations and which requires that annexation requests be submitted to the Joint Land Use Committee unless that provision is waived by both the City of Owatonna and Town of Owatonna; and

WHEREAS, Parcel 1 is located in Area A as designated in the City-Township Annexation Agreement and because it has been determined that this area has a relatively immediate development potential, and that upon annexation of Parcel 2 said Parcel 1 will be completely surrounded by the City of Owatonna, the Township and City have agreed to include this parcel as part of the joint orderly annexation resolution; and

WHEREAS, Parcel 2 is presently located in that area designated as B-1 pursuant to said City-Township Annexation Agreement; and

WHEREAS, the balance of property contained within the B-1 area after annexation of the subject property is more suited for inclusion within Area C as described in the City - Township Annexation Agreement and illustrated on the map attached to said agreement; and

WHEREAS, the Owatonna City Engineer has initiated a field study to determine the feasibility of providing water and sewer services to the subject property; and

whereas, the Township and City have agreed in this instance, and only in this instance, to modification of the last paragraph on page 3 of the City-Township Annexation Agreement under "General Provisions" to indicate that the City must reimburse to the Township the equivalent of two and one-half years of tax revenues including L.G.A.'s received by the Township from that property minus the sum of Five Thousand Dollars (\$5,000.00) which shall be used to cover a portion of the cost of the aforementioned City Engineer's field study; and

WHEREAS, it is the desire of both the City and the Township that said annexation occur as quickly as possible so that the alleged pollution problems can be promptly dealt with.

THEREFORE, LET IT BE RESOLVED that the City of Owatonna and the Town of Owatonna jointly state the following:

- 1. That the subject property (legally described on Attachment A) is in need of orderly annexation as contemplated in Minn. Stat. 414.0325, Subd. 1.
- 2. That the subject property is now or about to become urban or suburban in character and the City of Owatonna is capable of providing the needed services within a reasonable time, and that annexation is in the best interests of the subject property.
- 3. That no alteration in the stated boundary of the subject property is appropriate.
- 4. That the subject property shall be annexed into the City of Owatonna with the specific understanding that the City will reimburse the Township for two and one-half years of tax revenues including L.G.A.s received by the Township from the property minus the sum of Five Thousand Dollars (\$5,000.00) which shall be used to cover a portion of the cost of the City Engineer's field study of the subject property.
- 5. That, pursuant to the General Provisions, of the City Township Annexation Agreement, that agreement is hereby altered as follows: upon approval of this annexation the designation of Area B-1 as contained on pages 1 and 2 of that agreement is hereby deleted in its entirety and that any land remaining within the definition of B-1 and designated within that classification on the attached map shall become part of Area C as set forth on page 3 of said agreement. Both the

City - Township Annexation Agreement and the attachment and map shall be amended to indicate said changes.

- 6. That both the City and the Township waive any review of the proposed annexation by the Joint Land Use Committee as set forth on page 3 under General Provisions of Exhibit B.
- 7. That pursuant to Minn. Stat. 414.0325, Subd. 1, the City and the Township both find that no consideration by the Minnesota Municipal Board is necessary and thus, the annexation shall be ordered within thirty (30) days pursuant to the terms of this resolution.

Passed	this	_8	day of	July , 1992.
				TOWN OF OWATONNA Chairman, Owatonna Town Board
			ATTEST:	I am I
Passed	this	7th	day of	July , 1992.
4				CITY OF OWATONNA Mayor, City of Owatonna
			ATTEST:	City Clerk

City of Owatonna

ATTACHMENT A

PARCEL 1

All of that part of the North Half of the Northwest Quarter of the Northeast Quarter of Section 11, Township 107 North, Range 20 West, not within the corporate limits of the City of Owatonna located in the County of Steele, State of Minnesota.

Containing 15.38 acres more or less.

PARCEL 2

All of that part of the West Half of the Southeast Quarter of Section 2, Township 107 North, Range 20 West, not within the corporate limits of the City of Owatonna; and

The North 1,221 feet of the Northeast Quarter of the Southeast Quarter of Section 2, Township 107 North, Range 20 West.

All located in the County of Steele, State of Minnesota.

Containing 98.48 acres more or less.

Total acreage - 113.84 more or less.

CITY-TOWNSHIP ANNEXATION AGREEMENT

Pursuant to authority contained in Minn. Stat. § 414.0325, the City of Owatonna and the Town of Owatonna do hereby enter into this Annexation Agreement.

PURPOSE

The purpose of this Annexation Agreement shall be to provide land areas for the growth of the City of Owatonna and, further, to provide for the protection of agricultural and other lands within Town of Owatonna for urban and suburban development and to promote an organized framework for systematic annexation, provided that the described areas are determined to be ready for annexation.

AREA A

This area has relatively immediate development potential. The City will support annexations within this area in as much as extension of services can be done in an orderly and cost effective way. Township will not object to annexation requests within these areas, provided the City will install water and sewer within two years after annexation. Furthermore, Township will prohibit non-farm uses of the property in these areas. In instances where individual property owners can substantiate that within the previous five years from when city sanitary sewer becomes available, at least \$900 has been spent to refurbish or reconstruct the on-site sewage treatment system and that such system is functioning properly and conforming to applicable Codes, the property owner may defer hooking up to the city's sewer system for a period of five years. During that period interest on assessments resulting from construction of the city sewer system shall not accumulate or accrue. After five years, such residences shall be connected to city sewer and water lines, existing on-site systems shall be abandoned in compliance with city, county and state regulations and outstanding assessments shall be paid in conformance with prevailing assessment policy and at the original interest rate.

AREA B

l. Much of this area has developed at a density which requires an urban level of services. However extension of services, in particular sewer and water, will be expensive. Annexation shall proceed uncontested by the township when petitioned for by a majority of the property owners and when extension of city services becomes feasible. In instances where individual property owners can substantiate that within the previous five years from when city sanitary sewer becomes available, at least \$900 has been spent to refurbish or reconstruct the on-site sewage treatment system and that such system is functioning properly, the property owner may defer hooking up to the city's sewer system for a period of five years. During that period interest on assessments resulting from

construction of the city sewage system shall not accumulate or accrue. After five years, such residences shall be connected to city sewer and water lines, existing on-site systems abandoned in compliance with City and County regulations and outstanding assessments shall be paid in conformance with prevailing assessment policy and at the original interest rate. The Township agrees to prohibit further creation of building lots.

- This area has a potential for industrial and/or commercial However, the extension of urban services will be development. Upon petition of property owner(s), the City will support annexation in this area only if the level of proposed development has a value in excess of \$1,000,000.00. When at such time services are extended into this area, the City will view the area as a prime development area for commercial and industrial expansion. services are extended into this area, the Township will not object further annexation and development if such proposals provide for orderly development of properties within the area. orderly development, prior to the first annexation a plan indicating the future development of the area, including a major street layout, extension of sewer and an annexation staging plan for the remainder the area shall be developed and approved by the Joint Land Use Committee. While the area is under their jurisdiction, the Township will prohibit non-farm uses of the land.
- 3. The area presents some commercial/industrial development potential. There are currently some residences and businesses in the area but not at a density to support extension of services. The City will support annexation only at such time that extent of development can support the extension of such services.
- Development exists in this area that warrant an urban level of services; however, extension of sanitary sewer will be costly so the will not support annexation until a proposal for justifies extension of services across 32nd Avenue N.W. development Once services are extended, the City will view this area as suitable for continued commercial/industrial development and will support continued annexation as long as such annexation allows for orderly extension of services and development of streets. Prior to the first annexation of undeveloped property, a plan indicating the future development of the area; street pattern, sewer extension, drainage control and staging and timing of future annexation be developed and approved. Lots adjacent to 32nd Avenue N.W. Such property may be annexted While the area is under the served by existing sewer system. only upon property owner request. jurisdiction of the Township, non-farm uses will be prohibited except on existing platted lots.
- 5. The City views this area as having potential for industrial and possibly commercial expansion. The City views the area as being available for continued commercial/industrial expansion and will support annexation as long as such proposals will provide for the orderly extension of streets and utility services. While this area

is under Township jurisdiction only farm uses shall be permitted.

AREA C

These areas have residential development potential. The City will not support annexation within these areas until such time that the number of available single family lots in the City with utility services in place falls below 350. In addition, such parcels proposed for annexation must border City limits by no less than 20% of the property's perimeter. If property is not platted and services extended within two and one-half years, Township may require that property is detached from City. While the area is under Township jurisdiction the only new uses permitted shall be farm uses.

AREA D

1. This area may experience some additional industrial and commercial development along 26th Street. Extending services across 26th to service just this strip development is not practical unless a more extensive development occurs that would justify the expense. Annexation proposals within this area shall only be support by the City when proposed development justifies extension of services.

GENERAL PROVISIONS

The Joint Land Use Committee shall review all requests for annexations unless both the City and affected Township waive this provision.

The Annexation Agreement shall be in effect for 3 years. Each year the agreement shall be reviewed and upon majority vote of the governing bodies, a one year extension of the agreement with any approved revisions shall be made.

Relative to references to commercial and industrial development, proposed development shall mean imminent construction of buildings and structures or the platting of property into lots for future sale if the total property to be annexed is not larger than 160 acres and available property zoned for industrial uses with City limits and west of I-35 drops below 150 acres with not less than 2 parcels of 40 acres (no side of which is over 1600 ft. in length).

The terms of this agreement can be altered by joint resolution of affected township and City.

In cases where the City owns property in the township, or where the property is surrounded 100% by the City's corporate boundary, the township agrees not to object to annexation and there will be no reimbursement of taxes to the township. In all other annexation proceedings initiated by the City or by a property owner or owners with concurrence of the City, the City shall agree to reimburse the township the equivalent of two and one-half years of tax revenues including L.G.A.'s received by the township from that property,

such payment to be made upon approval of the annexation by the Municipal Board.

Within the designated annexation areas the Townships will give the City written notice prior to all zone change requests, requests for subdivision, variances, conditional uses and non-farm building permits.

The term "farm uses" as used in this agreement, shall mean such uses commonly associated with the growing of produce on farms; including field crop farming, pasture for hay, fruit growing, tree, plant, shrub or flower nursery, truck gardening and the raising of livestock but not including commercial feedlots, and accessory operations that are clearly secondary, incidental and directly related to the farming operation.

City will submit an Improvement Plan in the areas designated A, B, C, and D to the township in order that the township have reasonable advance notice of City's timetable for installation of sewer and water. The Improvement Plan will be submitted within six months to a year of the date of this Agreement and will be revised annually as necessary.

IN WITNESS WHEREOF both parties have caused this agreement to be executed on the date opposite their signatures below.

TOWN OF OWATONNA

OWATONNA

1100-11

Wilt Standke, Clerk

CITY OF OWATONNA

Mayor Wy

ATTEST City/Administrator

2-8-90



