JOINT RESOLUTION AND AGREEMENT BETWEEN THE CITY OF LAKE ELMO AND THE TOWN OF BAYTOWN FOR ORDERLY ANNEXATION

SECTION ONE INTRODUCTION

- 1.01 Certain land owners within the Town have petitioned the City and Town for orderly annexation of their property from the Town to the City.
- 1.02 The Town and the City are currently considering a plan for the eventual consolidation of the two political subdivisions.
- 1.03 Annexation of the subject property at this time would further the consolidation process.

SECTION TWO ORDERLY ANNEXATION AREA

2.01 The legal description of the property which is the subject of this orderly annexation agreement is:

All that part of Section 6, Township 29 North, Range 20 West lying westerly of the centerline of Stillwater Blvd. also known as State Highway 5, Washington County.

The Orderly Annexation Area is designated as in need of orderly annexation and no consideration by the Minnesota Municipal Board is necessary, no alteration of the boundaries is appropriate, and all conditions of annexation have been provided for in this Resolution: the Minnesota Municipal Board may review and comment but shall, within thirty (30) days of receipt of this Resolution, order the annexation in accordance with the terms of this resolution.

2.02 The subject area is 235 acres in size, and has a population of 21.

SECTION THREE REAL ESTATE TAXATION

- 3.01 <u>Town/City Tax Rate Differential.</u> It is recognized that there is a significant difference between the City's tax capacity rate and the Town's tax capacity rate, and that a phase-in of the City tax rate would prevent a hardship to annexing properties.
- 3.02 <u>Tax Rate Adjustment for Annexed Parcels.</u> Pursuant to Minn. Stat. §414.035, for parcels annexed by this orderly annexation agreement, the initial urban tax rate in the year of annexation will be forty percent (40%) of the urban rate, with the percentage being increased ten percent (10%) each year for six (6) years to the full urban rate.
 - This provision may be modified by the parties in a consolidation plan adopted pursuant to Minn. Stat. §465.82, Subd. 2, and approved by referendum pursuant to Minn. Stat. §465.84.
- 3.03 Tax Payment to Town. During the term of this Agreement, taxes received by the City based upon the tax capacity generated from any area annexed in the year of annexation will be paid over to the Town and thereafter the amount to be paid to the Town will be reduced by twenty percent (20%) each year until the amount reaches zero (0), when taxes based upon the full tax capacity will remain with the City. For the purpose of this section, any increase in tax capacity over the tax capacity generated in the year of annexation will remain with the City.
- 3.04 <u>Year of Annexation.</u> If the annexation becomes effective on or before August 1 of any year, the City may levy on the annexed area beginning with that year. If the annexation becomes effective after August 1 of any year, the Town may continue to levy on the annexed area for that year, and the City may not levy in the annexed area until the following year.

SECTION FOUR MODIFICATION

4.01 This Agreement may be modified at any time by written agreement approved by both the City and the Town.

SECTION FIVE GENERAL PROVISIONS

5.01 If any provision of this agreement is declared invalid, for any reason, by a court of competent jurisdiction, the validity of the remaining terms and provisions shall not be effected and the agreement shall be construed and enforced as if the agreement did not contain the particular term or provision held to be invalid.

CITY OF LAKE ELMO

By: John John Ha Mayor

Wyn John, Its Mayor

ATTEST: If My Kurphu

Mary Keuffner

Its Clerk/Administrator

TOWN OF BAYTOWN

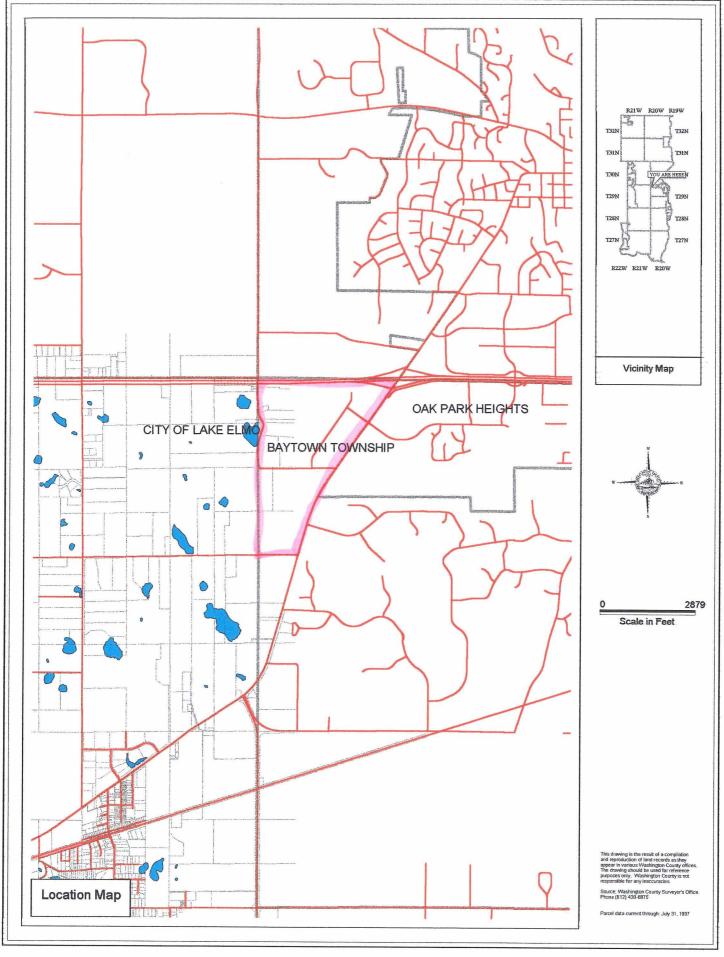
By: Kon Fredkove, Chairman of

Ron Fredkove, Chairman o Its Board of Supervisors

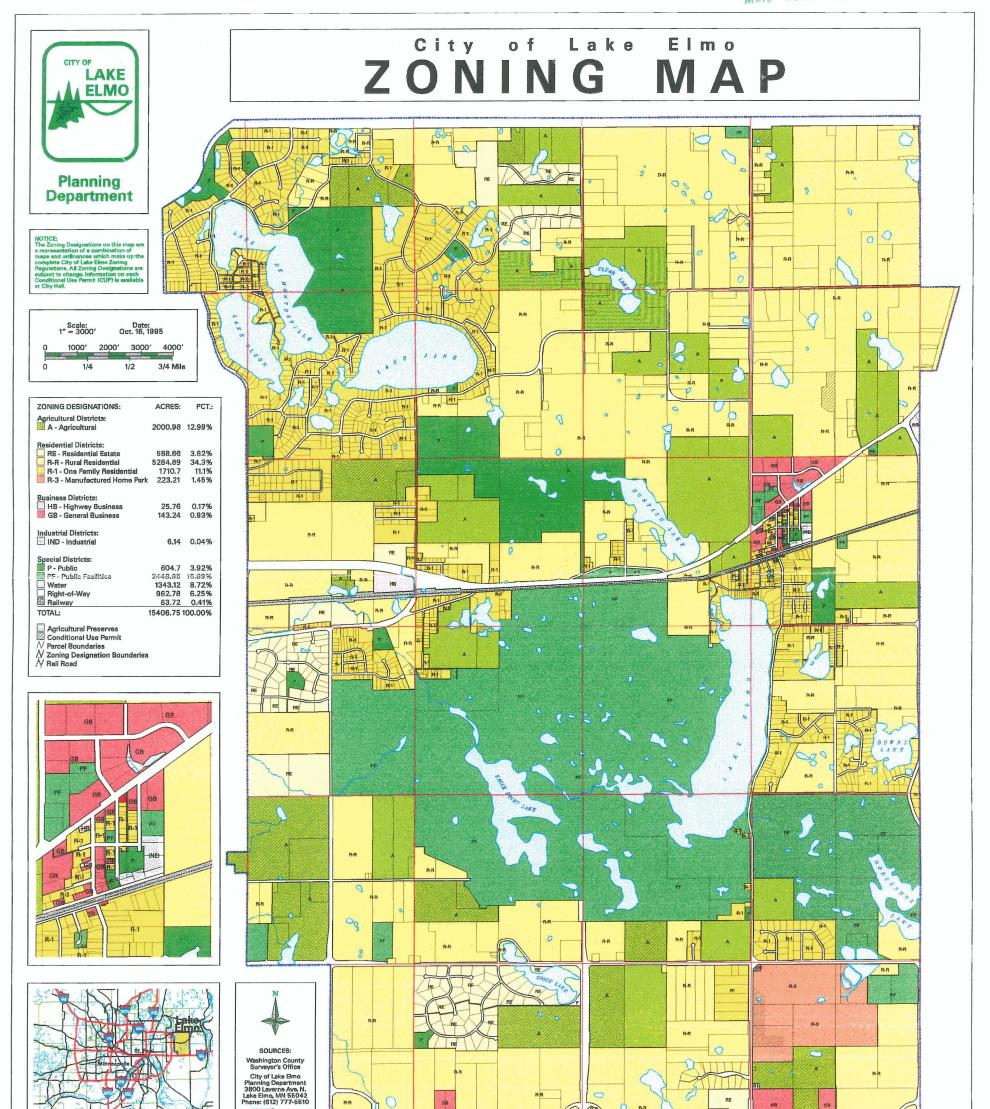
ATTEST:

Patricia St. Claire

Its Clerk

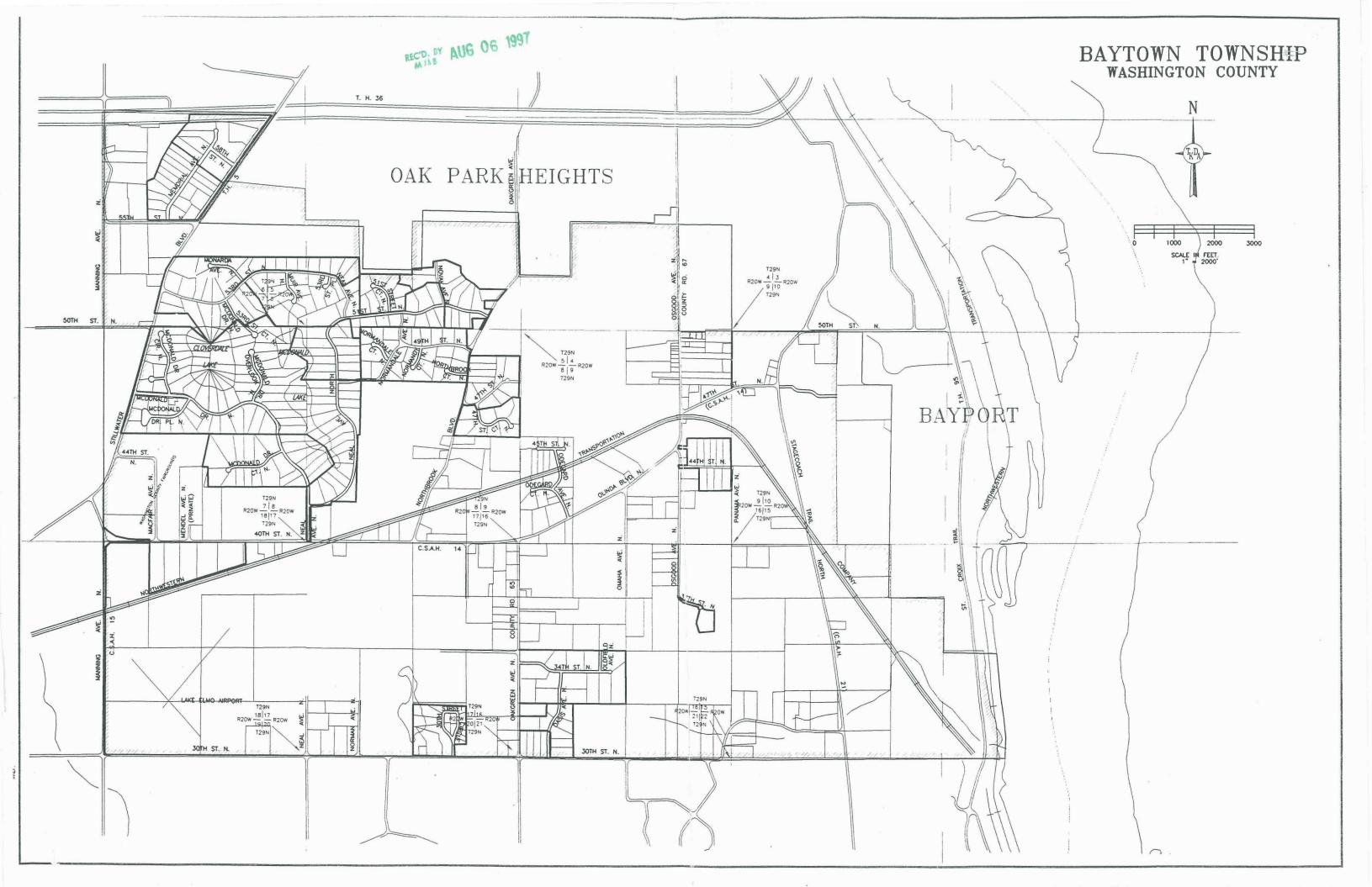


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INSIGHT MAPPING



Baytown TownshipWashington County Land Use Districts

