

**ORDERLY ANNEXATION AGREEMENT BY AND  
BETWEEN THE CITY OF RICE LAKE AND GNESEN TOWNSHIP**

**WHEREAS**, the City of Rice Lake (hereinafter referred to as the “City”) and the Township of Gnesen (hereinafter referred to as the “Town” or “Township”), both (hereinafter collectively referred to as the “Parties”) located entirely within St. Louis County, in the State of Minnesota, desire to define the terms of any future annexations; and

**NOW, THEREFORE**, in consideration of the mutual terms and conditions that follow, the City and Town enter into this Orderly Annexation Agreement (also referred to herein as the “Agreement”) subject to the following terms and conditions:

**1.     Designation of Orderly Annexation Area.**

The Township and the City hereby designate the entire Township, legally described as all of sections 1-36 Townships 52 & 53, Gnesen Township, St. Louis County, Minnesota as the Orderly Annexation Area (hereinafter referred to collectively as the “OAA”) for orderly annexation pursuant to Minnesota Statutes Section 414.0325.

A boundary map showing the OAA is attached hereto as **Exhibit 1** and incorporated herein by reference.

The Town and City agree that the OAA is approximately 46,080 acres.

**2.     Office of Administrative Hearings, Municipal Boundary Adjustments.**

Upon approval by the Town Board and the City Council, this Agreement shall confer jurisdiction on the Office of Administrative Hearings (“OAH”) or its successor pursuant to Minnesota Statutes.

**3.     No Alterations of Boundaries.**

The Town and City mutually agree and state that no alterations by the OAH of the stated boundaries of the area designated for orderly annexation is appropriate. Any alterations of boundaries may only be made upon the joint agreement of the Town and City.

**4.     Review and Comment by Boundary Adjustments.**

The Town and City mutually agree and state that this Agreement sets forth all the conditions for annexation of the areas designated and that no consideration by the OAH is necessary. The OAH may review and comment, but may not alter the boundaries. At such time as the conditions for annexation of the areas set forth on Exhibit 1 or a portion thereof have been

met, the OAH may review and comment but shall, within 30 days, order the annexation in accordance with the terms of this Agreement.

## **5. Property Tax Reimbursement.**

The parties agree that if no tax reimbursement is otherwise agreed to by the parties for a specific annexation, then the City shall reimburse the Town for any property annexed under this Agreement according to the following schedule:

- A. In the first year the City collects property taxes on the annexed property, the City shall pay the Town 90% of the taxes collected by the Township from such property in the last year the Township collected taxes from such property.
- B. In the second year the City collects property taxes on the annexed property, the City shall pay the Town 70% of the taxes collected by the Township from such property in the last year the Township collected taxes from such property.
- C. In the third year the City collects property taxes on the annexed property, the City shall pay the Town 50% of the taxes collected by the Township from such property in the last year the Township collected taxes from such property.
- D. In the fourth year the City collects property taxes on the annexed property, the City shall pay the Town 30% of the taxes collected by the Township from such property in the last year the Township collected taxes from such property.
- E. In the fifth year the City collects property taxes on the annexed property, the City shall pay the Town 10% of the taxes collected by the Township from such property in the last year the Township collected taxes from such property.
- F. Thereafter all taxes collected from such property shall be retained by the City.
- G. The City's obligation to pay the Township in each year set forth above shall not arise until the City receives from St. Louis County the taxes collected by the County from such annexed property.
- H. Delinquent Taxes. The City agrees that it shall remit all delinquent taxes, charges and assessments collected from any portion of the OAA after annexation of such property if such taxes or charges were originally payable while the delinquent property remained in the Township. Additionally, when a property no longer qualifies for special tax treatment through Green Acres or other applicable programs such as Agricultural Preserves, CRP, This Old House, and taxes that were deferred under one of these programs is paid to the City, the City shall remit to Township the amount which was deferred during the time the property was in the Township.
- I. Assumption of Liability for Public Improvements. The City does not assume by this annexation any liability or responsibility for the payment of any obligations issued to finance public improvements constructed by the Township or for which special assessments were levied by the Township. In the event that the City annexes land under this Agreement upon which outstanding special assessments levied by the Township remain at the time of annexation, the City shall forward to the Township upon receipt all special assessment payments which the City receives as a result of special assessments levied by the Township.

**6. Conditions for Orderly Annexation.**

Annexation of property from the Township to the City during the term of this Agreement may only occur with the written consent of the Town Board. During the term of this Agreement, the City shall not annex any property from the Township except as set out in this Agreement. It is the intent of the parties that this Agreement set the exclusive geographical boundaries of land that may be annexed and set the exclusive procedures under which annexation from the Township to City may occur during the term of this Agreement.

**7. Effective Date and Term.**

This Agreement shall be effective upon adoption by the governing bodies of the City and Town and approval by the OAH. This Agreement shall expire on October 23, 2035.

**8. Planning and Land Use Control Authority.**

The Town and City mutually agree and state that all land use authority within the OAA shall remain with St. Louis County and the Township (if the Township chooses to exercise planning, zoning and subdivision authority pursuant to Minnesota law) while such properties remain in the Township. The City shall have exclusive planning, zoning and subdivision authority over all properties annexed under the authority of this Agreement.

**9. Amendment.**

Both Parties reserve the right to initiate an amendment or revision to the Agreement at any time. Upon initiation, the parties agree to meet and discuss the proposed amendment or revision, but neither party shall be required to approve such amendment or revision.

**10. Costs Associated with this Agreement.**

Each party shall pay its own costs incurred in the negotiation, development and implementation of this Agreement. The \_\_\_\_\_ shall pay all filing and designation fees required by the State of Minnesota to initially file this Agreement and designate the OAA.

**11. Venue.**

The venue for all actions concerning this Agreement shall be St. Louis County, Minnesota.

**12. Entire Agreement.**


The terms, covenants, conditions, and provisions of this Agreement shall constitute the entire Agreement between the parties hereto relating to annexation, and shall supersede all prior agreements and negotiations between the parties.

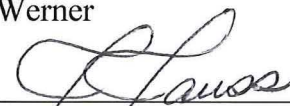
**13. Notice.**

Any notices required under the provisions of this Agreement shall be in writing and sufficiently given if delivered in person or sent by U.S. Mail, postage prepaid, to the Township Clerk and the City Clerk at their official addresses.

Dated the 13 day of June, 2016.


**CITY OF RICE LAKE**

  
\_\_\_\_\_  
John Werner

  
\_\_\_\_\_  
Joan Jauss, Clerk

Dated the 13<sup>th</sup> day of June, 2016

**TOWN OF GNESEN**

  
\_\_\_\_\_  
George Franckowiak, Chair

  
\_\_\_\_\_  
Lottie Haller, Town Clerk

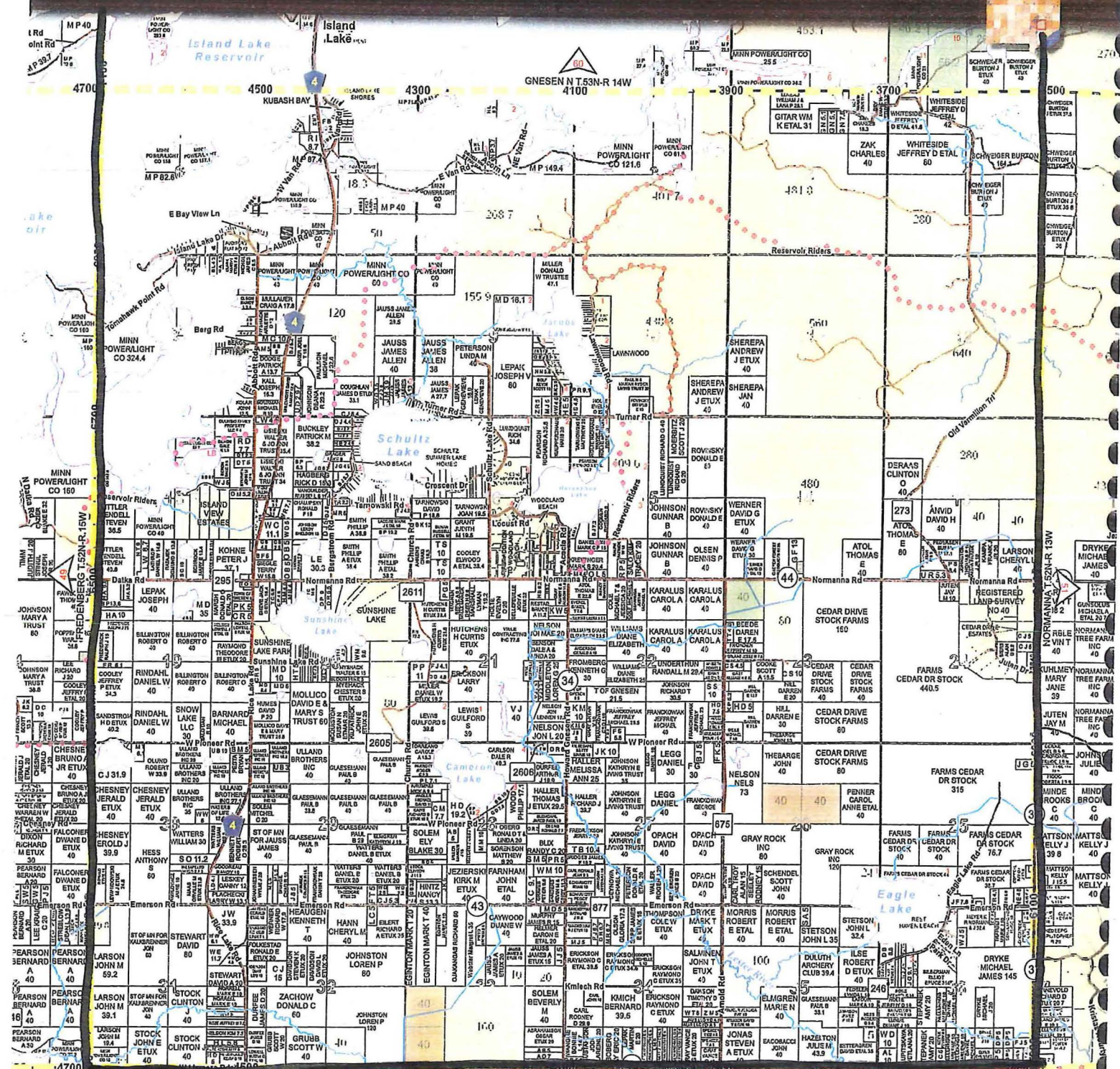
## **EXHIBIT 1**

### **Map of the Property included in the Orderly Annexation Area**



# GNESEN (S)

T.52N-R.14W



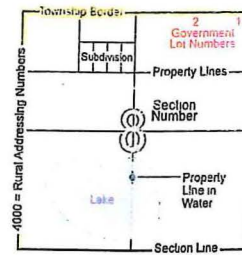
## LEGEND

- |                         |                         |                         |                   |                         |              |                   |              |               |                |
|-------------------------|-------------------------|-------------------------|-------------------|-------------------------|--------------|-------------------|--------------|---------------|----------------|
| CITY                    | INTERSTATE HIGHWAY      | US HIGHWAY              | MINNESOTA HIGHWAY | COUNTY ROADS            | LOCAL ROADS  | RAILROADS         | STATE TRAILS | CARRY-IN      | BOAT LAUNCH    |
| USA                     | STATE OF MINNESOTA      | STATE OF MN TAX FORFEIT | ST. LOUIS COUNTY  | PRIVATE                 | SUBDIVISION  | TOWNSHIP          | SECTION      | COUNTY        | MUNICIPALITY   |
| LAKE                    | PIT LAKE                | DRY LAKE BED            | RIVER/STREAM      | VOYAGEURS NATIONAL PARK | RESERVATION  | NATIONAL FOREST   | STATE FOREST | STATE PARK    | BOAT LAUNCH    |
| OWNERSHIP ABBREVIATIONS | ROAD NAME ABBREVIATIONS | PROPERTY LINES          | SECTION NUMBER    | PROPERTY LINE IN WATER  | SECTION LINE | TOWNSHIP BOUNDARY | SUBDIVISION  | PROPERTY LINE | SECTION NUMBER |

0 0.5 1 MILES  
ONE SECTION = ONE MILE (APPROXIMATE)

OWNERSHIP ABBREVIATIONS  
ETAL= AND OTHERS  
TR= TRUST  
ETVR= AND VIFE  
PRIN= PARTNERSHIP  
REV TR= REVOCABLE TRUST  
IRREV TR= IRREVOCABLE TRUST

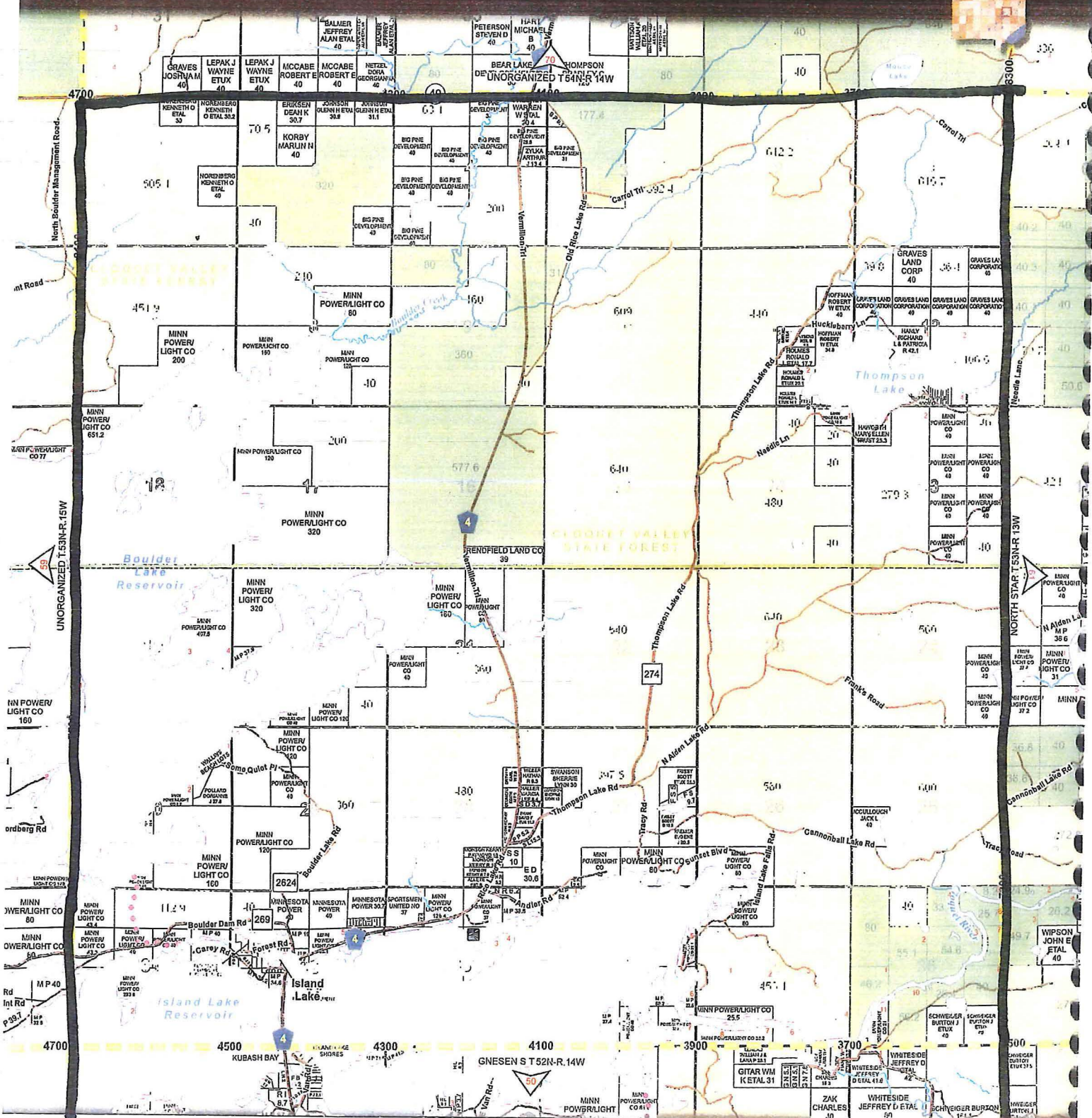
ROAD NAME ABBREVIATIONS  
AVE= AVENUE  
BLVD= BOULEVARD  
CL= CIRCLE  
CT= COURT  
CR= DRIVE  
LP= LOOP  
EXP= EXPRESSWAY  
HWY= HIGHWAY  
LN= LANE  
PKWY= PARKWAY  
PL= PLACE  
RD= ROAD  
ST= STREET  
TER= TERRACE  
TR= TRAIL  
WY= WAY





# GNESEN (N)

## T.53N-R.14W



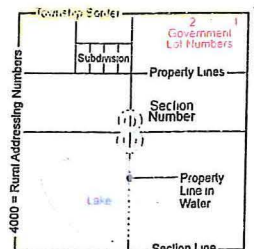
### LEGEND

- |                    |                         |                                       |
|--------------------|-------------------------|---------------------------------------|
| CITY               | USA                     | LAKE                                  |
| INTERSTATE HIGHWAY | STATE OF MINNESOTA      | PIT LAKE                              |
| US HIGHWAY         | STATE OF MN TAX FORFEIT | DRY LAKE BED                          |
| MINNESOTA HIGHWAY  | ST LOUIS COUNTY         | RIVER/STREAM                          |
| COUNTY ROADS       | PRIVATE                 | VOYAGEURS NATIONAL PARK               |
| LOCAL ROADS        | SUBDIVISION             | RESERVATION                           |
| RAILROADS          | TOWNSHIP                | NATIONAL FOREST                       |
| STATE TRAILS       | SECTION                 | STATE FOREST                          |
| CARRY-IN           | COUNTY                  | STATE PARK                            |
| BOAT LAUNCH        | MUNICIPALITY            | BOUNDARY WATERS CANOE AREA WILDERNESS |

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**Notice of intent to designate  
for Orderly Annexation**

The Town of Gnesen and the City of Rice Lake will be considering for adoption by joint resolution an orderly annexation agreement for the area legally described as:

All of sections 1-36, Township 52 North, Range 14 West, and all of sections 1-36, Township 53 North, Range 14 West.

The Gnesen Town Board will consider adoption of the Joint Resolution for Orderly Annexation at their regularly scheduled Board meeting on Monday, June 13, 2016, starting at 8:00 pm. The Rice Lake City Council will consider adoption at its earliest convenience.

Lottie Haller, Gnesen Town Clerk  
D.N.T. May 27, 2016

2324935

**STATE OF MINNESOTA )**

**AFFIDAVIT OF PUBLICATION**

**COUNTY OF ST. LOUIS )**

\_\_\_\_ Joe Grammond \_\_\_\_\_, being first duly sworn on oath states, or affirms that s/he is the publisher of the newspaper known as the Duluth News-Tribune, or the publisher's designated agent, and has full knowledge of the facts stated below:

A. The newspaper has complied with all of the requirements constituting qualification as a qualified newspaper, as provided by Minn. Stat. 331A.02, and other applicable laws, as amended.

B. The printed public notice that is attached was published on the following dates:

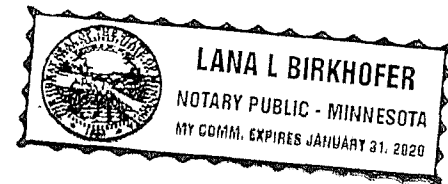
May 27, 2016

By \_\_\_\_\_

Subscribed and sworn to or affirmed before me

on this 27<sup>th</sup> day of May, 2016.

Notary Public \_\_\_\_\_



**RATE INFORMATION**

Lowest classified rate paid by commercial  
users for comparable space:

\$ \_\_\_\_ 0.00 \_\_\_\_\_ per line

Maximum Rate allowed by law:

\$ \_\_\_\_ 0.00 \_\_\_\_\_ per line

Rate actually charged:

\$ \_\_\_\_ 0.00 \_\_\_\_\_ per line