

CA-101
NOV 27 1973

JOINT RESOLUTION AS TO ORDERLY ANNEXATION
TOWN OF MORSE AND CITY OF ELY
ST. LOUIS COUNTY, MINNESOTA

WHEREAS, the Municipal Commission of the State of Minnesota presently has before it for hearing and consideration a petition for the annexing of certain portions of the Town of Morse and the City of Ely; and

WHEREAS, the Town of Morse and the City of Ely are parties to the said hearing, as well as are private petitioners who have petitioned for the annexation of certain portions of the Town of Morse as described in said petition, to the City of Ely; and

WHEREAS, there is a basis for agreement between the parties to this action upon which the petition presently before the Minnesota Municipal Commission can be settled, and the municipal parties hereto desire to set forth such terms of settlement by means of this resolution, individually and jointly.

NOW, THEREFORE, BE IT RESOLVED by the Town of Morse and the City of Ely, as follows:

I.

That the following described area in the Town of Morse, which abutts the City of Ely and consists of land 960 acres in area, is properly subject to orderly annexation under and pursuant to Minnesota Statutes 414.032 as amended, and the parties hereto do hereby designate this area as in need of orderly annexation as provided by statute to wit:

- A. The Northwest Quarter (NW $\frac{1}{4}$) and the Southwest Quarter (SW $\frac{1}{4}$), and the Southeast Quarter (SE $\frac{1}{4}$) of Section 33, Township 63, Range 12;
- B. The Southwest Quarter (SW $\frac{1}{4}$) and the Southeast Quarter (SE $\frac{1}{4}$) of Section 34, Township 63, Range 12;
- C. The Southwest Quarter (SW $\frac{1}{4}$) of Section 35, Township 63, Range 12, all in the Town of Morse, St. Louis County, Minnesota.

That the Town of Morse does upon the passage of this resolution and its adoption by the council of the City of Ely confer jurisdiction

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upon the Minnesota Municipal Commission so as to accomplish said orderly annexation in accordance with the terms of this resolution.

II.

No annexations will take place anywhere within the area designated as in need of orderly annexation unless the area involved is or is about to become urban or suburban in character and unless the city has available and is capable of providing municipal services such as water, sanitary sewers and storm sewers.

III.

BE IT FURTHER RESOLVED, by the Town of Morse and the City of Ely as follows:

That the following described area in the Town of Morse to wit:

Starting at a point on the South Boundary line of the City of Ely, which point is the center of the intersection of Boundary Street and Central Avenue; thence South along the center line of Central Avenue extended 1,988.66 feet; thence Easterly 1,488.10 feet; thence Northerly 1,112.5 feet; thence Easterly 1,172.5 feet to the West line of Seventh Avenue East, City of Ely, extended; thence Northerly 826.17 feet to Boundary Street; thence Westerly along Boundary Street to the point of beginning.

All of which land is contained in the area subject to orderly annexation described above, and has become urban and suburban in character and is properly subject to annexation during the year 1973, under and pursuant to M.S.A. 414.32 as amended, subject to all the provisions herein after contained in this agreement.

IV.

That the Town of Morse, upon the passage of this resolution, and its adoption by the council of the City of Ely, confer jurisdiction upon the Minnesota Municipal Commission so as to accomplish this orderly annexation in accordance with the terms of this resolution.

V.

BE IT FURTHER RESOLVED, By the Town of Morse, and the City of Ely, that all of the areas included in this agreement, whether to be annexed by 1973, or in the future by orderly annexation, shall be subject to the following terms and conditions and provisions:

A. No annexations will take place anywhere within the afore-designated area as in need of orderly annexation, except the annexation agreed to be proper for the year 1973, unless the area involved is or is about to become urban or suburban in character and unless the City has available and is capable of providing municipal services such as water, sanitary sewers, and storm sewers, in accordance with the provisions of M.S.A. Chapter 414, and future amendments thereto, and as ordered by the Minnesota Municipal Commission.

VI.

Any persons annexed to the City of Ely pursuant to this agreement shall receive a "tax break" consisting of a staged graduated increase in mill rates from the Town rate to the City rate over a five (5) year period.

VII.

The City of Ely agrees that all undeveloped land in the immediate annexed area will be considered rural in character and will carry a rural tax base for local tax purposes.

VIII.

Subject to Number X below, the City agrees not to attempt any annexations of any property within the remainder of the area subject to orderly annexation, unless a majority of at least fifty-one per cent (51%) of the property owners in an area request annexation to the City of Ely, and the area shall have become urban and suburban and in need of municipal services.

IX.

The parties agree that any future annexation within the Town of Morse, outside of the delineated area covered by this Joint Resolution, shall not occur without a positive vote of at least fifty-one per cent (51%) of the property owners in said proposed annexation area.

X.

If sanitary sewer collection systems must be constructed within the above described orderly annexation area not immediately

annexed, because of orders from the Pollution Control Agency or requests from landowners or otherwise, both parties agree to leave the extension of City boundaries to include the sewered areas to the discretion of the Minnesota Municipal Commission. This exception is granted only in order that the City would be enabled to lay any necessary water pipes or storm sewers at the same time that the sanitary sewer collection system is constructed.

XI.

In all annexations within the orderly annexation area the parties agree to the following division of financial assets and obligations:

A. Property taxes

In the year of annexation of any of the lands subject to this agreement the Town of Morse shall receive all the real estate tax income. Thereafter such real estate tax income shall belong to the City of Ely.

B. State Per Capita and Municipal Aids

The Municipal Commission will determine the ratio of the population annexed to the total population of the Town of Morse on the date of its order. In the year of annexation the Town of Morse shall receive all the State per Capita and Municipal Aids and thereafter, the County Auditor will apply this modified ratio to all quarterly or other subsequent payments of State per Capita and Municipal Aids to the town and divide the payment as follows:

In the first year after annexation the Town of Morse shall keep eighty per cent (80%) of said state per capita and municipal aids; in the second year, sixty per cent (60%); in the third year, forty per cent (40%); in the fourth year, twenty per cent (20%); and thereafter, all such state per capita and municipal aids shall be paid to the City of Ely.

C. Federal Revenue Sharing Aids

Unless the entitlement of the town to federal revenue sharing aids is adjusted pursuant to federal regulations relating to boundary changes (31 CFR Sec. 51.23); the town agrees to apply the above determined modified population ratio to any federal revenue sharing checks received and to forward the City portion within fifteen (15) days of receipt of the funds, except that:

In the first year after annexation the Town of Morse shall keep eighty percent (80%) of said federal revenue sharing aids; in the second year, sixty percent (60%); in the third year, forty per cent (40%); in the fourth year, twenty per cent (20%); and thereafter all such federal revenue sharing aids shall be paid to the City of Ely.

D. Town General Fund and Other Assets

The City agrees not to apply for any division of the Town's General Funds or other assets.

E. Assessed Valuation

Residents of the area proposed for immediate annexation fear that their property may be assessed at closer to full market value than similar homes in the City of Ely, forcing them to bear a disproportionate share of the city tax burden. In order to avoid this possible injustice, the City and Town agree to the following procedure. The State Department of Taxation - Property Tax Assessment Division will study the assessed value of property in in the area proposed for immediate annexation and the assessed value of similar property in the City of Ely. If property within the area proposed for immediate annexation is assessed at closer to full market value than similar houses in Ely, both parties agree to request that the Minnesota Municipal Commission order the County Auditor to revise tax records in the annexed area to equalize valuations. If there is at any time a

total re-evaluation of property in the City of Ely, it shall prevail.

XII.

The City of Ely agrees to immediately start to upgrade the water service in the area to be annexed and within five (5) years to provide water, sewer, sanitary sewers, storm sewers, streets in the annexed area and not to make any assessment for any of such City services until the service has been completed.

The City also agrees to provide all other City services provided citizens of the City of Ely, to the inhabitants of the newly annexed area.

XIII.

The City of Ely and the Town of Morse agree that the County Auditor of St. Louis County shall comply with any order of the Minnesota Municipal Commission providing for division of assets, taxes, state per capita and municipal aids and federal revenue sharing aids.

XIV.

The City of Ely and the Town of Morse agree that the pending annexation petition (Minnesota Municipal Commission File No. A2074) be dismissed

TOWN OF MORSE

Passed and adopted by the Town Board of the Town of Morse this
6th day of November, 1973.

Attest: Geraldine P. Floyd By Merlin Riebs
Town Clerk Its Chairman

CITY OF ELY

Passed and adopted by the City Council of the City of Ely this
20th day of November, 1973.

Attest: Ernest Peternel By J. P. Grohke
City Clerk Its Mayor

CLERK'S CERTIFICATE

STATE OF MINNESOTA)
COUNTY OF ST. LOUIS) ss

I, Ernest Peternel, City Clerk of the City of Ely, County of St. Louis, State of Minnesota, do hereby certify that I have compared the foregoing Resolution with the original minutes now on file and remaining of record in my office; that the same is a true and correct copy and transcript of said original minutes and the whole thereof, so far as said minutes pertain to the matters contained herein.

Witness My Hand and the Corporate Seal of the City of Ely, Minnesota, this 20th day of November, 1973.

(SEAL)

Ernest Peternel
City Clerk, City of Ely, Minnesota

CLERK'S CERTIFICATE

STATE OF MINNESOTA)
COUNTY OF ST. LOUIS) ss

I, Geraldine P. Floyd, Town Clerk of the Town of Morse, County of St. Louis, State of Minnesota, do hereby certify that I have compared the foregoing resolution with the original minutes now on file and remaining of record in my office; that the same is a true and correct copy and transcript of said original minutes and the whole thereof, so far as said minutes pertain to the matters contained herein.

Witness My hand this 6th day of Nov., 1973.

Geraldine P. Floyd
Town Clerk, Town of Morse, Minnesota