

**JOINT RESOLUTION BETWEEN THE TOWN  
OF VICTOR AND THE CITY OF HOWARD LAKE  
DESIGNATING AN AREA FOR ORDERLY ANNEXATION**

The Town of Victor, a public corporation under the laws of the State of Minnesota ("Victor Township"), and the City of Howard Lake, a Minnesota municipal corporation ("Howard Lake"), jointly agree and resolve as follows:

1. Howard Lake and Victor Township, through this joint resolution (hereafter "Joint Resolution" or "Agreement"), intend to accomplish annexation into Howard Lake of property lying within Victor Township and legally described and pictorially shown on Exhibit A, attached hereto and incorporated herein (hereinafter referred to as the "Orderly Annexation Area" or "OAA")
2. Victor Township and Howard Lake hereby designate the OAA for orderly annexation, pursuant to Minnesota statutes 414.0325.
3. Victor Township and Howard Lake do, upon their adoption of the Joint Resolution and upon acceptance of it by the State of Minnesota, Department of Administration, Municipal Boundary Adjustments (the "MBA"), confer jurisdiction upon the MBA, over the OAA so as to accomplish said orderly annexation in accordance with the terms of this Resolution.
4. No consideration by the MBA is necessary.
5. After the MBA accepts this Joint Resolution, Howard Lake, after receipt of a petition as hereinafter described may annex any part of the OAA by submitting to the MBA's Executive Director a separate City of Howard Lake resolution designating a portion of the OAA for annexation, provided that resolution and the annexation it seeks meet the requirements of this Agreement.
6. The MBA may review and comment, but shall, within 30 days of the date that the MBA receives Howard Lake's separate designating resolution, order annexation in accordance with the terms of this Joint Resolution and the separate designating resolution. No alteration of the stated boundaries of the OAA or a designated area within the OAA is appropriate. Immediately after passage of an annexation resolution, Howard Lake's City Clerk shall send copies of such annexation resolution to the Victor Township Clerk.
7. For all lots of record located within the OAA and already improved by single-family residences as of the date of this Joint Resolution agreement and separately designated by Section Number on the attached Exhibit B, Howard Lake may only annex said improved lots in accordance with the following procedure:
  - A. Each grouping of single-family residences separately designated by it's own Section Number on the attached Exhibit B may be annexed as an entire group by Howard Lake after a majority of all of the property owners located within said separately

- designated Section Number petition Howard Lake for annexation.
- B. If sewer and water utility lines are already installed in a street adjacent to a single-family residential lot of record located within any of the Exhibit B Section Numbers and if the septic system of said single-family residential lot of record fails, Howard Lake may annex said single-family residential lot of record if all of the owners of said single-family residential lot of record petition Howard Lake for annexation.
- C. Howard Lake shall not annex any of the properties designated by Section Number on the attached Exhibit B for a period of 10 years from the date of this Agreement unless such properties are annexed under the provisions of paragraph 7.A. or 7.B. above, or unless the Minnesota Pollution Control Agency orders Howard Lake to provide sewer service to such properties pursuant to Minn. Stat. 115.49.
8. For all lots of record located within the OAA and already improved by single-family residences as of the date of this Joint Resolution agreement and not separately designated by Section Number on the attached Exhibit B, Howard Lake shall only annex said improved lots on a one-by-one basis after all of the record owners of said undesignated lot petition Howard Lake for annexation.
9. Subject to all of the other terms and provisions of this Joint Resolution, Howard Lake may annex those unimproved portions of the OAA for which Howard Lake receives a petition for annexation signed by a majority of the property owners of each property sought to be annexed. Such annexation may occur by passage of an annexation resolution by Howard Lake and the mailing of such resolution to the Township Clerk. Such properties need not be abutting the City at the time of their annexation.
10. The OAA is now or about to become urban or suburban in nature. The OAA is unincorporated and in need of orderly annexation. Howard Lake is capable of providing the services required by the OAA within a reasonable time.
11. Howard Lake shall not submit a designating resolution for annexation for any parcel of Unimproved Land to MBA until Howard Lake receives and approves a design plan for such parcel. Upon receipt of such design plan, Howard Lake shall transmit it to the Town Clerk for its review. Upon receipt by Howard Lake, Howard Lake shall forward to the Town Clerk all preliminary plat submissions for any property annexed to Howard Lake under this Agreement, and shall send the Town Clerk notice of all public hearings for concept plan approval, preliminary plat approval and final plat approval for any property annexed to Howard Lake under this agreement.
12. Victor Township and Howard Lake agree as follows with regard to the roads located within the OAA:
- A. Roads Serving New Plats. All roadways abutting or serving new developments which access such roadways shall be improved with bituminous pavement by Howard Lake from the access of the development to the nearest County, City or State road.

Howard Lake shall, at Victor Township's request, annex the entire road (i.e. both sides of the road) where the City has annexed property abutting one side of the road, has approved a final plat for a portion of the annexed property, and has accessed such roadway. The length of road required to be annexed shall be limited to the length of road directly abutting the property annexed under this Agreement.

- B. Maintenance of Roads. Except as specifically set out herein or unless otherwise agreed by the parties, Victor Township shall maintain all roads in the OAA not annexed to Howard Lake and Howard Lake shall maintain all roads annexed to Howard Lake. In those instances where the City has annexed a road that remains gravel, the Township shall maintain the gravel road until paved. In those instances where the City has paved a road that has not been annexed, the City shall maintain such road.
- C. Use of Township Roads. For all properties annexed under this Agreement, Howard Lake shall require in its developer's agreements that during plat development (including construction or residences) all construction traffic use State Trunk Highways, Wright County Highways or Howard Lake city streets, and that Township roads be used only when no State Trunk Highway, Wright County Highway or Howard Lake city street is available. Howard Lake's developer's agreements shall also require that the Developer pay Victor Township for the cost to repair any road damage that occurs when construction traffic uses Township roads in violation of this subparagraph.
- D. 70<sup>th</sup> Street and Jellison Avenue. The City and Township anticipate that the first annexation and development to occur abutting 70<sup>th</sup> Street will be the Johnson Farm (shown on the attached Exhibit C). If the Johnson Farm is the first property to annex and develop abutting 70<sup>th</sup> Street, Howard Lake shall cause 70<sup>th</sup> Street to be paved as follows:
- i. Upon the construction of a street (or private drive serving more than one residence) from the annexed portion of the Johnson Farm to 70<sup>th</sup> Street, the City shall cause 70<sup>th</sup> Street to be paved from Wright County State Aid Highway No. 6 to such street or private driveway and shall also cause Jellison Avenue located north of 70<sup>th</sup> Street to be paved.
  - ii. Upon the earlier of the issuance of building permits for a total of 50 or more residential units on the Johnson Farm or two years from the date of the issuance of the first building permit on the Johnson Farm, the City shall cause 70<sup>th</sup> Street to be paved from Wright County State Aid Highway No. 6 to Jellison Avenue and shall also cause Jellison Avenue located north of 70<sup>th</sup> Street to be paved.
  - iii. Upon final platting of the last phase of the Johnson Farm development, the City shall cause the remainder of 70<sup>th</sup> Street between CSAH 6 and the western edge of the Johnson Farm to be paved.

- iv. All references to the paving of 70<sup>th</sup> Street under this paragraph 12 refers to the entire width of 70<sup>th</sup> street (from one side of the street to the other) and refers to pavement as 9-ton bituminous pavement.
  - v. Upon annexation and final platting of any portion of the parcel of land shown on the attached Exhibit C ("Johnson Farm"), Howard Lake shall share in the cost of maintaining 70<sup>th</sup> Street on an annual basis (so long as any portion of 70<sup>th</sup> Street is gravel) such that Howard Lake pays for any maintenance performed by the Township which exceeds the level of maintenance the Township performed on such gravel portion of 70<sup>th</sup> Street in calendar year 2003 (excluding snowplowing). The Township shall calculate any amounts due under this paragraph and provide the City with a detailed breakdown of the cost sharing calculation on an annual basis.
- E. Keats Avenue. Upon annexation and final platting of any portion of the parcel of land shown on the attached Exhibit C ("Johnson Farm"), Howard Lake shall share in the cost of maintaining Keats Avenue on an annual basis such that Howard Lake pays for any maintenance performed by the Township which exceeds the level of maintenance the Township performed on Keats Avenue in calendar year 2003 (excluding snowplowing). As property within the OAA which abuts Keats Avenue is annexed and developed with an access to Keats Avenue, the City shall cause the entire width of Keats Avenue which abuts such annexed and developed properties to be paved as a 9 ton bituminous road (if it had not been previously paved pursuant to paragraph 12.A. above), and the City shall maintain such paved portions of Keats Avenue. The Township shall calculate any amounts due under this paragraph and provide the City with a detailed breakdown of the cost sharing calculation on an annual basis.
- F. 66th Street. Upon annexation and final platting of any portion of the parcel of land shown on the attached Exhibit C ("Johnson Farm"), Howard Lake shall share in the cost of maintaining 66<sup>th</sup> Street on an annual basis such that Howard Lake pays for any maintenance performed by the Township which exceeds the level of maintenance the Township performed on 66<sup>th</sup> Street in calendar year 2003 (excluding snowplowing). As property within the OAA which abuts 66<sup>th</sup> Street is annexed and developed with an access to 66<sup>th</sup> Street, the City shall cause the entire width of 66<sup>th</sup> Street which abuts such annexed and developed properties to be paved as a 9 ton bituminous road (if it had not been previously paved pursuant to paragraph 12.A. above), and the City shall maintain such paved portions of 66<sup>th</sup> Street. The Township shall calculate any amounts due under this paragraph and provide the City with a detailed breakdown of the cost sharing calculation on an annual basis.
- G. 70<sup>th</sup> Street East, 72<sup>nd</sup> Street, and Hart Avenue. Upon annexation and final platting of any portion of the parcel of land abutting 70<sup>th</sup> Street in Section 2, 72<sup>nd</sup> Street in Sections 10 or 11, or Hart Avenue in Section 2, (collectively, Eastern Town Roads) Howard Lake shall share in the cost of maintaining the Eastern Town Roads on an

annual basis such that Howard Lake pays for any maintenance performed by the Township which exceeds the level of maintenance the Township performed on the Eastern Town Roads in calendar year 2003 (excluding snowplowing). As property within the OAA which abuts the Eastern Town Roads is annexed and developed with an access to any of the Eastern Town Roads, the City shall cause the entire width of that part of the Eastern Town Roads which abuts such annexed and developed properties to be paved as a 9 ton bituminous road (if it had not been previously paved pursuant to paragraph 12.A. above), and the City shall maintain such paved portions of the Eastern Town Roads. The Township shall calculate any amounts due under this paragraph and provide the City with a detailed breakdown of the cost sharing calculation on an annual basis.

13. With respect to road, sewer and water improvements to be constructed within the OAA, Howard Lake's policy for deferred, delayed, or future assessments for such improvements shall be as follows:
- A. Sanitary sewer and Water Utilities. Howard Lake shall not specially assess any properties in Victor Township related to the cost of construction of sanitary sewer and water utilities located within the OAA. However, Howard Lake may impose connection charges as permitted by law on properties within the OAA that are to become due and payable at such time as the properties are: 1) annexed to Howard Lake, and 2) connect to municipal water or sewer service.
  - B. Street and Curb and Gutter and Storm Sewer Utilities. Howard Lake shall not specially assess any properties in Victor Township related to the cost of construction of streets, curb, gutter or storm sewer within the OAA. However, Howard Lake may, if it chooses, impose charges upon such properties for such properties' proportionate share of such improvements as a condition of annexation to Howard Lake.
  - C. Howard Lake reserves the right to enter into development agreements with the developers of any specific parcels of property within the OAA, or other Victor Township properties, that vary from the terms of this paragraph 13 with respect to such parcel.
14. "Unimproved land" for purposes of this Agreement shall mean any parcel of property except parcels containing an area less than five acres and which contain a residential structure, and except parcels of property ten acres or less in size which contain a principal commercial or industrial structure. To compensate the Township for the permanent loss of taxable property from Township tax rolls, the City shall pay the Township a per-acre amount ("Taxation Reimbursement") for all land annexed to the City under this agreement. Unless agreed otherwise by the parties, said payment shall occur in two equal annual installments with the first such installment being made within 30 days of the determination of the per-acre amount due and shall be calculated in accordance with the following formula:

- A. \$200.00 per acre for all unimproved land annexed into the City under this agreement.
  - B. For all annexations occurring after June 30, 2008, the greater of \$200.00 per acre or the average of the per-acre reimbursement amounts paid to Woodland Township, Marysville Township, Milddleville Township, Cokato Township and Stockholm Township, provided such payments paid to each such township are pursuant to the most recent written orderly annexation agreement entered into by that Township and provided that if the most recent such agreement provided for no compensation to the Township then that Township shall be eliminated from this calculation.
15. "Improved land" for purposes of this Agreement shall mean any parcel of property of five acres or less which contains a residence, or a parcel of land of ten acres or less which contains a principal commercial or industrial structure. If the annexation of specific parcels of improved land within the OAA becomes effective on or before August 1 of a levy year, Howard Lake may levy on the annexed area beginning with that same levy year. If such annexation becomes effective after August 1 of a levy year, Victor Township may continue to levy on the annexed area for that levy year, and Howard Lake may not levy on the annexed area until the following levy year. In the first year following the year when Howard Lake can first levy on such annexed area and thereafter, property taxes on such annexed land shall be paid to Howard Lake, but Howard Lake shall make a cash payment to Victor Township for the period and in accordance with the following schedule:
- i. In the first year following the year Howard Lake could first levy on the annexed area, an amount equal to 90% of the property taxes distributed to Victor Township in regard to the annexed area in the last year the property taxes from the annexed area were payable to Victor Township;
  - ii. In the second year, an amount equal to 70%;
  - iii. In the third year, an amount equal to 50%;
  - iv. In the fourth year, an amount equal to 30%; and
  - v. In the fifth year, an amount equal to 10%.
16. Howard Lake does not assume by this annexation any liability or responsibility for the payment of any obligations issued to finance public improvements constructed by Victor Township or for which special assessments were levied by Victor Township. In the event that Howard Lake annexes land under this Agreement upon which outstanding special assessments levied by Victor Township remain at the time of annexation, Howard Lake shall forward to Victor Township upon receipt all special assessment payments which Howard Lake receives as a result of special assessments levied by Victor Township.

17. Howard Lake shall require that all development within the OAA provide ponding sufficient to maintain the post-development storm water runoff rate at or below the pre-development runoff rate. Howard Lake shall require that any functioning drain tile lines located during development of any parcel in the OAA be connected to Howard Lake's storm sewer system, or shall make such other arrangements that will not impede the flow of such drain tile lines.
18. School Contingency.
  - A. In the event: 1) During the term of this Agreement, the school board of ISD 2687 purchases property in Victor Township abutting the City (regardless of whether such property is located in the OAA) for the purpose of constructing a new school; and 2) a referendum is approved by the school district voters which authorizes the issuance of a bond of sufficient size to construct a school on said property, Howard Lake may annex such property to Howard Lake by passage of a resolution under the authority of this agreement and without payment of the \$200.00 fee required in paragraphs 14 or 15 above.
  - B. In the event: 1) During the term of this Agreement the school board of ISD 2687 purchases property in Victor Township (regardless of whether such property is located in the OAA) which does not abut Howard Lake; and 2) a referendum is approved by the school district voters which authorizes the issuance of a bond of sufficient size to construct a school on said property, Howard Lake and Victor Township shall meet in an effort to renegotiate the Orderly Annexation Area (map) portion of this Agreement to encompass such ISD 2687 property and nearby property which the parties deem about to become urban or suburban in character. In the event that the parties reach an agreement on said modification, the Taxation Reimbursement applicable to the land purchased by the school board shall be waived upon its annexation
19. At such time as 75% of the developable property (defined as all land area within the OAA on the date of approval of this Agreement, but excluding any lakes and excluding the land described on Exhibit B) within the OAA has been annexed by the City, the City and Township shall meet within 30 days of a request by either party to discuss expanding the OAA area to encompass additional land. If such discussions do not result in an amendment to the OAA area by the parties within one year after the first meeting of the parties pursuant to this paragraph, the City may terminate this Agreement.
20. Planning and Zoning authority in the OAA area for properties not annexed by the City shall be governed by Wright County's Zoning and Subdivision ordinances and shall be enforced by Wright County in the same manner as all other lands in within the Township.
21. During the term of this Agreement, Howard Lake shall not annex any property from Victor 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 which may be annexed and set the exclusive procedures under which annexation from Victor Township to

Howard Lake may occur during the term of this Agreement.

- 22. Unless renewed by both parties, or unless earlier terminated under the provisions of paragraph 18.B. or paragraph 19 above, this Joint Resolution shall expire and be of no further force and effect after December 31, 2013, except that Howard Lake's obligations under paragraphs 7.C., 14 and 15 shall continue for the time periods set out in such paragraphs.

This Joint Resolution shall be effective solely upon approval by both the Victor Township Board and the Howard Lake City Council.

APPROVED BY THE TOWNSHIP OF VICTOR THIS 5<sup>th</sup> DAY OF March 2004.

Burton Horsch  
Burton Horsch, Chairman

ATTEST:

Sharon Glessing  
Sharon Glessing, Clerk

APPROVED BY THE CITY COUNCIL OF THE CITY OF HOWARD LAKE THIS 3<sup>rd</sup> DAY OF February, 2004.

By: Gerald R. Smith

Gerald R. Smith, Mayor

ATTEST:

By: Gene Gilbert  
Gene Gilbert, City Clerk



The Northwest Quarter of the Northwest Quarter, the East Half of the Northwest Quarter, Government Lots 1, Government Lot 2 and Government Lot 3, The East Half of the Southwest Quarter all in Section 2, Township 118, Range 27, Wright County, Minnesota.

The Southwest Quarter, the East Half of the Southeast Quarter, the Southeast Quarter of the Southeast Quarter, the South Half of the Southwest Quarter of the Northeast Quarter, the South Half of the North Half of the Southwest Quarter of the Northeast Quarter, the West Half of the Northwest Quarter, that part of the West Half of the Northeast Quarter which lies northerly of the centerline of US Highway 12, that part Northeast Quarter of the Northwest Quarter which lies northerly of the recorded plat of HOWARD LAKE INDUSTRIAL PARK, all in Section 4, Township 118, Range 27, Wright County, Minnesota.

That part of the Northeast Quarter of the Northeast Quarter of Section 9, Township 118, Range 27, Wright County, Minnesota, described as follows: Beginning at the northeast corner of said Section 9; thence on an assumed bearing of South 00 degrees 54 minutes East, along the East line of said Northeast Quarter of the Northeast Quarter, a distance of 540.00 feet; thence South 88 degrees 43 minutes West a distance of 429.00 feet; thence North 00 degrees 57 minutes West a distance of 291.6 feet; thence westerly to the southeast corner of the recorded plat of COUNTRY AIR; thence westerly, along the southerly line of said plat and its westerly extension to the west line of said Northeast Quarter of the Northeast Quarter; thence northerly, along said west line, to the northwest corner of said Northeast Quarter of the Northeast Quarter; thence easterly, along the north line of said Northeast Quarter of the Northeast Quarter to the point of beginning. Together with the East 165.00 feet of the North 264.00 feet of the North Half of the Northwest Quarter of the Northeast Quarter of said Section 9.

That part of the Northwest Quarter of the Northwest Quarter, Section 10, Township 118, Range 27, Wright County, Minnesota, which lies northerly of the following described line: Commencing at the northwest corner of said Section 10; thence southerly, along the west line of said Section 10 a distance of 492.52 feet to the point of beginning of the line to be described; thence easterly, parallel with the north line of said Northwest Quarter of the Northwest Quarter, to the east line of said Northwest Quarter of the Northwest Quarter and said line there terminating, the Northeast Quarter of the Northwest Quarter of said Section 10, Government Lot 1, said Section 10, except that part of said Government Lot 1 which lies easterly of the westerly line of a tract described in Book 132 of Deeds, page 157.

Exhibit A

