RESOLUTION #05-33

JOINT RESOLUTION/ORDERLY ANNEXATION AGREEMENT

this orderly annexation agreement is entered into this day of <u>December</u>, 2005 by and between the CITY OF PINE CITY, MINNESOTA (the "City") and POKEGAMA TOWNSHIP (the "Township").

WHEREAS, Minnesota Statutes section 414.0325 authorizes townships and municipalities to provide for the orderly annexation of unincorporated areas that are in need of orderly annexation; and,

WHEREAS, the City and Township agree that there is a public need for the coordinated, efficient and cost effective extension of the City services to promote the public health, well-being, and safety; and,

WHEREAS, the property described on attached Exhibit "A", and depicted on Exhibit "B" (hereinafter referred to as the "Annexation Area") is about to become urban or suburban in nature and the City is capable of providing City services within a reasonable time; and,

WHEREAS, the extension of City services can only be provided in prioritized phases, if the process and timing of annexation is clearly identified and jointly agreed upon in advance of the City's capital planning, commitment and expenditure; and,

WHEREAS, the establishment of a process of orderly annexation of said lands will be of benefit to the residents and owners of said lands, and permit the City to extend necessary municipal services in a planned and efficient manner; and,

WHEREAS, the City and Township desire to accomplish the orderly annexation of the Annexation Area and the extension of municipal services in a mutually acceptable and beneficial manner without the need for a hearing before the Municipal Boundary Adjustments Office of the Minnesota Department of Administration (MBA) or its successor and, with the purpose of avoiding an annexation dispute, enter into this joint resolution for orderly annexation pursuant to Minnesota Statutes section 414.0325, subd. 1; and,

WHEREAS, a means is needed to control the development of these areas.

NOW, THEREFORE, BE IT RESOLVED by the City of Pine City and Pokegama Township that the two parties enter into this Joint Resolution Orderly Annexation Agreement (hereinafter referred to as "Agreement") and agree to the following terms:

1. Acreage and Location.

A. Annexation Area consists of approximately 10.62 acres and may be annexed into the City at any time after January 1, 2006 in accordance with the terms set forth herein.

B. The lands included within the Annexation Area are designated for future urban development within the City. The Township shall oppose any efforts to include any of the lands within the Annexation Area into any governmental jurisdiction other than the City.

2. Department of Administration, Municipal Boundary Adjustments, Jurisdiction.

Upon approval and execution of this Agreement by the City and Township, this Agreement shall confer jurisdiction on the Department of Administration, Municipal Boundary Adjustments at the Office of the Minnesota Department of Administration (hereinafter "MBA") or it successors, pursuant to Minnesota Statutes all necessary authority to accomplish the orderly annexation contemplated and in accordance with the terms of this Agreement. Further, the City and Township mutually acknowledge and agree that this Resolution sets forth all of the conditions for annexation of areas designated herein for orderly annexation, and that no consideration by the MBA is necessary, the MBA may review and comment, but shall, within thirty (30) days of receipt, order the annexation in accordance with the terms and conditions of this Joint Resolution and any Resolution filed by the City in accordance herewith.

3. Approval Process.

The City and Township acknowledge and agree that the properties in the Annexation Area, or any portion thereof, shall be annexed to the City by the MBA upon receipt of the City's Resolution indicating and certifying that all of the terms and conditions of this Orderly Annexation Resolution have been met.

4. Comprehensive Plan and Zoning and Subdivision Regulations.

A. All properties annexed shall be subject to the prevailing comprehensive plan, the zoning ordinances, and subdivision regulations of the City of Pine City.

B. Following annexation, the annexed properties shall be zoned I-1, under the City's Zoning Code. Either the City or the Property Owner may initiate rezoning process at any time after annexation to change the I-1 zoning status. There is no limit as to how long the annexed properties may remain in an I-1 status.

5. Delinquent and Deferred Taxes.

The City shall remit all delinquent taxes, charges and assessments collected from property annexed pursuant to this Agreement, 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 Ag. Preserves and

CRP, and taxes that were deferred under one of these programs is paid to the City, the City shall remit to the Township the amount which was deferred during the time the property was in the Township.

6. Urban and Rural Service District.

A. Pursuant to Minn. Stat. § 272.67, Property annexed to the City shall be a rural service district. The rural service district will extend from the effective date of annexation for a period of seven years.

7. Tax Sharing.

- A. <u>Property Taxes.</u> Property taxes payable on the annexed land shall continue to be paid to the Township for the year in which the annexation becomes effective.
- B. <u>Property Tax Phasing.</u> If the annexation becomes effective on or before August 1st of a levy year, the City will levy on the annexed area beginning with that same year. If the annexation becomes effective after August 1st of a levy year, the Township will continue to levy on the annexed area for that levy year, and the City shall not levy on the annexed area until the following levy year.
- **8. Dispute Resolution and Amendment.** Disputes concerning this agreement shall be resolved as follows:
 - A. <u>Negotiation</u>. When a disagreement over interpretation of any provision of this agreement occurs, the City and Township must meet at least once at a mutually convenient time and place to attempt to resolve the dispute through negotiation.
 - B. <u>Mediation</u>. When the parties are unable to resolve a dispute, claim or counterclaim, or are unable to negotiate an interpretation of any provision of this agreement, the parties may mutually agree in writing to seek relief by submitting their respective grievances to non-binding mediation.
 - C. Adjudication. When the parties are unable to resolve a dispute, claim or counter-claim, or are unable to negotiate an interpretation of any provisions of this agreement, or are unable to agree to submit their respective grievances to non-binding mediation, then either party may seek relief through initiation of an action in a court of competent jurisdiction. In addition to the remedies provided for in this agreement and any other available remedies at law or equity, in the case of a violation, default or breach of any provision of this agreement, the non-violating, non-defaulting, non-breaching party may bring an action for specific performance to compel the performance of this agreement in accordance with its terms. If a court action is required, the court may reimburse the prevailing party for its reasonable attorney's fees and costs.
 - D. <u>Amendment.</u> This Agreement may not be modified, amended, or altered except upon the written joint resolution of the City and Township, duly executed

and adopted by the City Council and Township Board of Supervisor, and filed with the MBA.

- 1. This Agreement may be amended, from time to time, based upon a specific and detailed request by either party.
- 2. Requests for amendments will first be considered by the Pine City Planning Commission. Its recommendation shall be forwarded to the Township Board and the City Council. Upon a majority vote of both Pokegama Township and the City of Pine City, the amendment(s) to the Agreement will be approved. Any change to the Annexation Agreement will require a majority vote of both the City Council and Township Board.

9. General Terms and Provisions.

- A. The terms, covenants, conditions, and provisions of this Agreement, including the present and all future attachments, shall constitute the entire agreement between the parties, superseding all prior agreements and negotiations, regarding the annexation area. There are no understandings, agreements, or assumptions other than the written terms of this Agreement.
- B. This Agreement shall be binding upon and benefit of the respective successors and assigns of the City and the Township. Specifically, this Agreement is binding upon the governmental entity that survives or is created by the Township's action to merge, consolidate, detach, annex, reorganize or incorporate.
- C. This Agreement is made pursuant to, and shall be construed in accordance with the laws of the State of Minnesota. In the event any provision of this Agreement is determined or adjudged to be unconstitutional, invalid, illegal, or unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall remain in full force and effect.
- 10. Termination of Orderly Annexation Agreement. This Agreement shall terminate on the date upon which all permitted annexation of land in the Growth Area has been completed, whichever occurs sooner.

11. Binding Agreement, Director's Review.

- A. No alteration of the areas set forth herein for orderly annexation, or their boundaries is appropriate. The director may review and comment, but not alter the boundaries.
- B. This Agreement is a binding contract, and provides the exclusive procedures by which the unincorporated property within the Annexation Area may be annexed to the City of Pine City. The City of Pine City shall not annex that property by any other procedure.

10. Severability.

Should any section of this Joint Resolution And Agreement, or any subsequent Resolution adopted by the City pursuant to this Joint Resolution And Agreement be held by a Court of competent jurisdiction to be unconstitutional, void or otherwise illegal, the remaining provisions remain in full force and effect.

11. Effective Date.

By:

This Joint Resolution is effective upon its adoption by the respective governing bodies of both the Township and the City.

PASSED AND ADOPTED BY THE POKEGAMA TOWNSHIP BOARD OF SUPERVISORS, OF PINE COUNTY, MINNESOTA ON THE Q DAY OF Literalies, 2005.

Its: Board Chair

By: Heel Konzo
Its: Town Clerk

PASSED AND ADOPTED BY THE PINE CITY, CITY COUNCIL ON THE DAY OF Movember 2, 2005.

ATTESTED TO:

City Administrator/Cler



ANNEXATION DESCRIPTION FOR PINE CITY

That part of the Southwest Quarter of the Northeast Quarter of Section 28, Township 39, Range 21, Pine County, Minnesota described as follows:

Beginning at the Northwest corner of said Southwest Quarter of the Northeast Quarter; thence Easterly, along the North line of said Southwest Quarter of the Northeast Quarter to the intersection with the Easterly right of way line of the Northern Pacific Railway; thence continuing Easterly, along said North line of the Southwest Quarter of the Northeast Quarter, a distance of 200.00 feet; thence Southerly, parallel with the East line of said Southwest Quarter of the Northeast Quarter, a distance of 333.00 feet; thence Westerly, at a right angle to said last described line, to said Easterly right of way line of the Northern Pacific Railway; thence Southerly, along said Easterly right of way line of the Northern Pacific Railway to the South line of said Southwest Quarter of the Northeast Quarter; thence Westerly, along said South line of the Southwest Quarter of the Northeast Quarter, to the Southwest corner of said Southwest Quarter of the Northeast Quarter to the point of beginning.

LEGAL DESCRIPTION & EXHIBIT

3/30/06

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Mar 31, 2006 1:52pm C:\SNAKERIVER PROJECTS\1011—PINE CITY\dwg\ANNEXATION EXHIBIT— LEGAL DESC.dwg

LAND PLANNING & SURVEY, INC.

410 MAIN STREET PO BOX 6 SANDSTONE, MINNESOTA 55072

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POINT OF BEGINNING

NORTHWEST CORNER

SW1/4, NE1/4

NORTH LINE

SW1/4, NE1/4

200 FT.

