REC'D BY JUN 0 2 2006

In the Matter of the Joint Resolution of the City of Fairmont and the Town of Fraser, Martin County, Minnesota DESIGNATING CERTAIN AREAS AS IN NEED OF ORDERLY ANNEXATION Pursuant to MST 414.0325

JOINT RESOLUTION FOR ORDERLY ANNEXATION

WHEREAS, the City of Fairmont, hereinafter referred to as "City" and the Town of Fraser, hereinafter referred to as "Town" have agreed to the orderly annexation of Town lands described herein for the purpose of orderly, planned growth; and,

WHEREAS, orderly annexation will be of mutual benefit to the Town and City and the respective residents thereof; and,

WHEREAS, the Town and City agree that orderly annexation and the potential extension of municipal services to the area described herein for orderly annexation would benefit the public health, safety, and welfare of the entire community.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN BOARD AND THE CITY COUNCIL AS FOLLOWS:

1. <u>Area Designated for Orderly Annexation</u>: The following legally described area in Fraser Township is in need of orderly annexation:

See Exhibits A and B

- 2. <u>State Agency Jurisdiction</u>: Upon approval by the Town Board and the City Council, this Joint Resolution for Orderly Annexation confers jurisdiction upon the Municipal Boundary Adjustment Unit of the State of Minnesota Office of Administrative Hearings (herein after MBAU) or its successor so as to accomplish the orderly annexation of the area designated in Paragraph No. 1 in accordance with the terms of this Joint Resolution for Orderly Annexation.
- 3. <u>Actions of MBAU</u>: For the annexation provided for in this Joint Resolution for Orderly Annexation, the Town and City agree that no alteration of the stated boundaries of the orderly annexation area described in this Joint Resolution for Orderly Annexation is appropriate, that no consideration by MBAU or its successor is necessary and that all terms and conditions for annexation of said area described herein are provided for in this Joint Resolution for Orderly Annexation. MBAU or its successors may review and comment but shall within thirty (30) days of receipt of this Resolution order the annexation of the area described in accordance with the terms and conditions of the Joint Resolution.

- 4. <u>Zoning, Subdivision and Land Use</u>: Areas annexed to the City of Fairmont pursuant to this Joint Resolution for Orderly Annexation shall become subject to City of Fairmont ordinances, including all planning and zoning ordinances, as such ordinances exist at the time of annexation or as such ordinances may from time to time thereafter be amended by the City Council.
- 5. <u>Differential Taxation</u>: MBAU or its successor shall, subject to the provisions of Minnesota Statutes Sec. 414.035, and subject to this paragraph, in its order annexing the area described for orderly annexation as provided in Paragraph No. 1, provide that the tax rate on the area shall be increased in substantially equal portions over a period of five (5) years to equalize the tax rate on the property to that already within the City of Fairmont.

The tax capacity rate to be applied to the annexed area shall be called the "Differential Tax Capacity Rate". For each tax year from the year of annexation through five years thereafter, the Martin County Auditor shall determine the difference between the City's Tax Capacity Rate and the Township's Tax Capacity Rate, and calculate the "Differential Tax Capacity Rate" as follows:

Year of Annexation	Township's Tax Capacity Rate + 20% of the Difference
1 Year after Annexation	Township's Tax Capacity Rate + 40% of the Difference
2 Years after Annexation	Township's Tax Capacity Rate + 60% of the Difference
3 Years after Annexation	Township's Tax Capacity Rate + 80% of the Difference
4 Years after Annexation	Township's Tax Capacity Rate + 100% of the Difference

In subsequent years thereafter, the annexed area shall continue to be taxed at the rate of the City of Fairmont, subject to any tax minimizing statues or ordinances such as Rural Service District designation or Green Acres Laws as may be applicable to the real property.

Pursuant to Minnesota Statute Section 414.036 the City shall reimburse the Town for the loss of tax revenue over a period of six years from the year the annexation. The reimbursement shall be paid in six substantially equal payments.

- 6. <u>Severability and Repealer</u>: All prior resolutions and ordinances of the Town and the City, or portions of resolutions and ordinances in conflict herewith, are hereby repealed. Should any section of this Joint Resolution for Orderly Annexation be held by a court of competent jurisdiction to be unconstitutional or void, the remaining provisions will remain in full force and effect.
- 7. <u>Effective Date</u>: This Joint Resolution for Orderly Annexation is effective upon its adoption by the respective governing bodies of the Town and City.
- 8. <u>Governing Law</u>: This Joint Resolution for Orderly Annexation shall be governed by the laws of the State of Minnesota.

- 9. Entire Agreement: The terms, covenants, conditions and provisions of this Joint Resolution for Orderly Annexation, including the present and all future exhibits, shall constitute the entire agreement between the parties hereto, superseding all prior agreements and negotiations. This Joint Resolution for Orderly Annexation shall be binding upon and inure to the benefit of the respective successors and assigns of the City and Township.
- 10. Exhibits and Maps: All exhibits and maps referred to in this Joint Resolution for Orderly Annexation are made a part hereof and incorporated herein by reference as fully and completely as if set forth herein verbatim.

Adopted by the Town Board of Supervisors for the Town of Fraser this 1/6 day of MAY , 2006.

Chairman

Town Board Supervisor

Attest:

ALKAS

Adopted by the City Council for the City of Fairmont this $24^{1/2}$ day of $4pvi/_{,}$, 2006.

Chuck Groth, Mayor

Lois J. Cairns, City Clerk

City of Fairmont F12.02044

Bolton & Menk, Inc. April 11, 2006

BECTD BY JUN 0 2 2006

NORTHWEST AREA ANNEXATION DESCRIPTION FRASER TOWNSHIP

All that part of the West 400.00 feet of Government Lots 13 and 14 in Section 36, Township 103 North, Range 30 West, in Martin County, Minnesota lying South of the southerly right-of-way of Interstate 90.

Said Annexation Area contains 54.0 acres of land.

