REC'D BY MMB JUN 17 2008

CITY OF JACKSON / DES MOINES TOWNSHIP 2007 ORDERLY ANNEXATION AGREEMENT

THIS AGREEMENT is made by and between *Township of Des Moines* in Jackson County, Minnesota, with mailing address c/o Mark Eggimann, Clerk, 76349 - 530th Avenue, Jackson, MN 56143 ("Township"); and *City of Jackson, Minnesota*, with offices at 80 West Ashley Street, Jackson, Minnesota 56143 ("City").

Recitals

A. The City and certain owners of unincorporated lands in the Township that abut the corporate limits of the City and are urban or suburban in character or about to become so have signed an *AGREEMENT FOR ORDERLY ANNEXATION* dated June 3, 2005 ("AOA").

B. The City and Township have identified certain additional areas that are urban or suburban in character or about to become so, that abut the corporate limits of the City, that the City serves with municipal water, that the City is capable of serving or already services with municipal sanitary sewer, and that the City and Township find to be in need of orderly annexation ("Additional Areas").

C. The Township doesn't provide and isn't capable of providing any municipal services in or to the Additional Areas.

D. The owners and descriptions of the land in the Additional Areas are as follows:

In Section 11:

Douglas A. Teigen ("Teigen"): The East 1,320 feet of the E½SE¼, *except* the South 620 feet of the East 800 feet thereof (containing 64.71 acres; population 0).

In Section 12:

Jackson Economic Development Corporation ("JEDC"): The W½SW¼, *except* those parts thereof described as follows:

[1] **Highway tracts: [1] The West 41.25 feet of the North 2353.5 feet of said W½SW¼; and [2] That part bounded by the west and south section lines and a line described as follows: commencing at a point on the west section line 286.5 feet North of the southwest corner of said SW¼, thence East 33 feet; thence deflect Southeasterly on a line drawn parallel and distant 33 feet on the easterly and northerly side of, when measured at right angles from and to a 20° curve, tangent to said west and south section lines respectively for a distance of 286.5 feet North and East of the southwest corner of said SW¼ to a point 286.5 feet East of said west section line; thence South 33 feet to the south section line** (see *Warranty Deed* filed for record in Book 88, page 117);

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[2] Airport tract: **Commencing at the northeast corner of said W½SW¼, running thence South 00°19'00" West 727.51 feet along the east line of said W½SW¼; thence North 41°30'00" West 970.63 feet to the east-west quarter line; thence North 89°51'00" East 646.74 feet along the quarter line to the point of commencement;** and

[3] Residential site: **The Southerly 240 feet of the Westerly 454 feet of the Southwest Quarter of the Southwest Quarter (SW¼SW¼)** (containing 2.5 acres, more or less).

The JEDC tract (tax parcel 05.012.0500) contains 72.10 acres, and its population is 0.

In Section 13:

BCJB Enterprises LLC ("BCJB"): All of Lots 11, 13, 14, & 15, and part of Lot 12 in Block 1, and Lots 3 & 4 in Block 2, all in Ashley & Moore's Second Addition (tax parcels 05.206.0100 & 05.206.0030 containing 3.50 acres; population 0).

Nina M. Walterman ("Walterman"): All of Lots 9 & 10 and that part of Lot 12 not owned by BCJB in Block 1, Ashley & Moore's Second Addition (tax parcel containing 2.24 acres; population 1).

Clarence Huemoeller, c/o Gary Willink, conservator ("C. Huemoeller")): Lot 1 in Block 2, Ashley & Moore's Second Addition (tax parcel 05.206.0090, containing 0.33 acres; population 0).

Edwin Huemoeller, deceased, c/o Gary Willink, P.R.("E. Hoemoeller"): Lot 2 in Block 2, Ashley & Moore's Second Addition (tax parcel 05.206.0080, containing 0.17 acres; population 0)

Evonne K. Sirovy ("Sirovy"): Lots 5, 6, & 7 in Block 2, Ashley & Moore's Second Addition (tax parcels 05.206.0100 & tax parcel tax parcel 05.206.0120 & 05.206.0190, containing 0.51 acres; population 0)

C. V. Boultinghouse ("Boultinghouse"): Lot 8 and the North 60 feet of Lots 9 & 10 in Block 2, Ashley & Moore's Second Addition (tax parcel 05.206.0160, containing 0.30 acres; population 0).

Ordell G. & Arlyss A. Skogen ("Skogen"): The South 90 feet of Lots 9 & 10 in Block 2, Ashley & Moore's Second Addition (tax parcel 05.206.0180, containing 0.25 acres; population 0)

Agnes Bute ("Bute"): The Southerly 33.00 feet of the Easterly 627.00 feet of the SE¼SW¼ (containing 0.475 acre; population 0)).

In Section 25: All that part of the SW¼ lying Westerly of the centerline of the Des Moines River and not already within the corporate limits of the City, comprised of the following:

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Jackson Cemetary Association ("JCA"): Tax parcel 05.025.1100 (containing 16.5 acres; population 0)

City of Jackson ("City"): Tax parcel 05.025.0313 (containing 0.07 acres; population 0)

Southwestern Rural Renovations LLC ("SWRR"): Tax parcel 05.025.1500 (containing 6.66 acres; population 0).

Willett Gravel Company ("Willett"): Tax parcel 05.025.0300 (containing 2.0 acres; population 0).

Josephine A. Fertig ("Fertig"): Tax parcel 05.025.0315 (containing 1.3 acres; population 0).

Michael T. & LeAnn K. Gruhlke ("Gruhlke"): Tax parcels 05.025.0301, 05.025.0302, 05.025.0305, 05.025.0325, & 05.025.0335 (containing 66.14 acres; population 2)

Troy W. & Jadee J. Menke ("Menke"): Tax parcels 05.025.0310 & 05.025.0500 (containing 3.5 acres; population 2 adults and 3 children).

Federated Rural Electric Association ("FREA"): Tax parcels 05.025.0350, 05.025.0400, 05.025.0800, 05.025.0900, & 05.025.1000 (containing 7.68 acres; population 0).

Great River Energy ("GRE"): Tax parcels 05.025.0600 & 05.025.0700 (containing 3.10 acres; population 0).

In Section 26: That part of the E½SE¼ not already within the corporate limits of the City, comprised of the following:

Jackson Cemetary Association ("JCA"): Tax parcel 05.026.0600 (containing 13 acres; population 0).

Clayton C., Bette J., Steven, & Diana Williams ("Williams"): Tax parcels 05.026.0400 & 05.026.0500 (containing 58.59 acres; population 0).

Jackson Congregation of Jehovah's Witnesses ("JCJW"): Tax parcel 05.026.0550; containing 2.5 acres; population 0)

Enterprise Products Operating LLC ("EPO"): Tax parcel 05.026.0800; containing 5.91 acres; population 0)

In Section 35:

Ag Forte LLC ("Ag Forte"): Commencing on the east line of the NE¼ 1319.51 feet South of the northeast corner of Section 35, thence Southerly 1843.51 feet along the east lines of the NE¼ and SE¼ of said Section 35; thence Westerly 945.20 feet; thence Northerly 1842.91 to a point 945.20 feet Westerly of the point of commencement; thence Easterly 945.20 feet to the point of commencement (tax parcel 05.035.0100; containing 40 acres; population 0).

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Douglas Lucht ("D. Lucht"): The E½NE¼, except the Ag-Forte tract (tax parcel 05.035.0100; containing 51 acres; population 1)

In Section 36:

Nasby Family Farms LLP ("Nasby"): The W½NW¼ and the North 524.00 feet of the NW¼SW¼ (tax parcel 05.36.0100; containing 95.88 acres; population 0)

E. The present total population of the Additional Areas is 6 adults and 3 children.

F. Part of the Additional Area is in the City's designated territory, and part of the Additional Area is in the City's designated territory, for electric utility service; and no change in electric service territories is contemplated as a result of annexations pursuant to this agreement.

G. The Township and the City have agreed upon terms for annexation of the Additional Areas and desire to reduce their agreement to writing.

Agreement

FOR VALUABLE CONSIDERATION, IT IS HEREBY AGREED by and between the Township and the City as follows:

1. Township action on AOA. At the earliest opportunity the Township shall:

1.1. Approve, authorize execution of, execute, and deliver to City multiple counterparts of the AOA; and

1.2. Adopt, execute and deliver to the City the "joint resolution" in the form attached to and made a part of the AOA as "EXHIBIT A".

2. City action on AOA. On receipt of the AOA and "joint resolution" signed by the Township, City shall cause counterparts of each to be filed with the Office of Strategic and Long-range Planning.

3. Need for orderly annexation of Additional Areas. City and Township hereby find that the Additional Areas are in need of orderly annexation and request that the Additional Areas be annexed to the City pursuant and according to the terms of this agreement and Minnesota Statutes §414.0325 ("Statute").

4. Designation of Additional Areas for orderly annexation. City and Township hereby **[a]** declare that the Additional Areas (including all streets, roads, alleys, and railroads passing through or adjacent thereto) are properly subject to orderly annexation, and **[2]** designate the Additional Areas for orderly annexation under and pursuant to this agreement and the Statute.

5. Jurisdiction. City and Township hereby confer on the Director of the Office of Strategic and Long-range Planning ("Director"), or his/her duly authorized successor, jurisdiction over annexations in the Additional Areas and over the various provisions of this agreement.

6. Immediate annexation.

6.1. Tracts for immediate annexation. The Director may enter an order immediately annexing to the City all of the areas described in "C.1." and "C.2." of the

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AGREEMENT FOR ORDERLY ANNEXATION dated 6-3-05 and the following described Additional Areas:

6.1.1. In Section 11, the Teigen tract;

6.1.2. In Section 12, the JEDC tract; and

6.1.3. All of the above-described tracts that are located in Section 13 (BCJB, Walterman, C. Huemoeller, E. Huemoeller, Sirovy, Boultinghouse, Skogen, and Bute tracts).

6.2. Population and area. Regarding the area for immediate annexation, its population is 5, and its area is approximately 345.189 acres.

6.3. No alteration of boundaries or consideration. No alteration of the stated boundaries of the areas to be annexed immediately is appropriate, and no further consideration is necessary.

6.4. Review and comment. The Director may review and comment but within 30 days of receipt of this agreement should order annexation of the tract mentioned in this section "6" in accordance with the terms of this agreement and the Statute.

6.5. Differential taxation. Upon annexation the tax rate of the City on each of said annexed tracts **[a]** shall be increased immediately to the City's tax rate if the tract is not improved with one or more buildings as of the effective date of the annexation, and **[b]** shall be increased from the Township rate to the City rate in substantially equal proportions over six (6) years to equality with the tax rate on property already within the City if the tract is improved with one or more buildings as of the effective date of the annexation.

6.6. Initial land use/zoning. Upon annexation to the City, the following described tracts shall be classified as follows under the City's zoning ordinance and on the City's zoning map, subject to amendment as provided by the ordinance:

6.6.1. The **Teigen** tract in Section 11, the **JEDC** tract in Section 12, and the **BCJB** lots in Block 1 and Lots 1 through 4, inclusive, in Block 2 of Ashley & Moore's Second Addition shall be classified as a "General Industrial District – GI";

6.6.2. The **Walterman** lots in Block 1 and Lots 5 through 10, inclusive, in Block 2 of Ashley & Moore's Second Addition shall be classified as "Single Family Residence District – R-2"; and

6.6.3. The **Bute** tract shall be classified as "Agriculture Residence District – AR".

7. Annexation in 2015. All of the above-described tracts located in Sections 25, 26, 35, and 36 may be annexed to the City in 2015.

7.1. New commercial or industrial development excepted. Notwithstanding the foregoing, any such tract with City water and sanitary sewer services that develops for commercial or industrial use(s) after 2007 may be annexed to the City immediately on commencement of such commercial or industrial use.

7.2. Population and area. The area to be annexed in 2015 presently has a **population of 5 adults and 3 children** and an **area of approximately 373.83 acres**.

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7.3. Initiation of annexation. The City may adopt a resolution initiating annexation and may submit the resolution to the Director **[a]** at any time after commencement of new commercial or industrial development of the tract, or **[b]** after January 1, 2015, for the remainder of the tracts.

7.4. Annexation order. Upon receipt of an initiating resolution, the Director shall, within 30 days, enter an order annexing those areas to the City.

7.5. No alteration of boundaries or consideration. No alteration of the stated boundaries of the areas to be annexed immediately is appropriate, and no further consideration is necessary.

7.6. Review and comment. The Director may review and comment but within 30 days of receipt of the initiating resolution should order annexation of any tract described in the section "7" in accordance with the terms of this agreement and the Statute.

7.7. Taxation. Upon annexation the tax rate of the City on each of said annexed tracts shall be increased from the Township rate to the City rate immediately.

7.8. Initial land use/zoning. Upon annexation to the City, the said tracts shall be classified under the City's zoning ordinance and on the City's zoning map as may be specified in the initiating resolution, subject to amendment as provided by the ordinance:

7.9. Road maintenance. After annexation in 2015, City will provide gravel as needed and the Township will otherwise maintain approximately ¼ mile of gravel road that will be annexed to the City between Sections 26 and 35. At such time as that road or a portion of it is hard-surfaced, the City will assume responsibility for maintenance, repair, and replacement of that part of the road that is hard-surfaced and lies within the City.

8. Cash payment. Within 30 days of receipt of the order for annexation of the areas mentioned at "6.1." above, City will pay to Township the sum of Forty Thousand and no/100ths ($40,000) to offset lost tax revenues from all annexations contemplated by the AOA and by this agreement.

9. Map. City shall file with the Director a copy of the City's corporate boundary map and shall delineate the Additional Areas on that map.

10. Joint resolution. At the earliest opportunity, Township and City shall adopt a "joint resolution" in the form attached hereto and made a part hereof as "EXHIBIT I".

11. Collection of property taxes.

11.1. Property taxes payable in the year that annexation becomes effective shall be paid to the Township.

11.2. Property taxes payable in the year next-following the annexation shall be paid **[1]** to the City if the annexation becomes effective before August 1 of the immediately preceding year, or **[2]** to the Township if the annexation becomes effective after August 1 of the immediately preceding year; and property taxes payable thereafter shall be paid to the City.

11.3. The City shall not be required to make any reimbursement to the Township after the City can first levy on any annexed tract.

12. Planning. City and Township agree **[a]** that City's zoning and subdivision ordinances and regulations should extend immediately to the Annexation Area described in the

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AOA and to the Additional Areas described in this agreement, and **[b]** that the Annexation Area described in the AOA and to the Additional Areas described in this agreement should be excluded from the County's zoning and subdivision ordinances.

13. Binding effect. This agreement is binding upon the City and the Township.

Dated: March 24, 2008.

City of Jackson, Minnesota

By: _____
James M. Jasper, Mayor

Attest: _____
Dean Albrecht, City Administrator

Township of Des Moines

By: _____
Mark Goede, Chairman

Attest: _____
Mark Eggimann, Clerk

STATE OF MINNESOTA, COUNTY OF JACKSON) ss.

The attached CITY OF JACKSON / DES MOINES TOWNSHIP 2007 AGREEMENT FOR ORDERLY ANNEXATION was acknowledged before me this 24th day of *March 2008*, by *Mark Goede* and *Mark Eggimann*, the *Chairman* and *Clerk*, respectively, of *the Board of Supervisors of the Township of Des Moines, Jackson County, Minnesota*, a *political sobdivision* under the laws of *Minnesota*, on behalf of the *Township*.

(seal) _____
Notary Public

STATE OF MINNESOTA, COUNTY OF JACKSON) ss.

The attached CITY OF JACKSON / DES MOINES TOWNSHIP 2007 AGREEMENT FOR ORDERLY ANNEXATION was acknowledged before me this 6th day of ~~March 2008~~ June 2008, by *James M. Jasper* and *Dean Albrecht*, the *Mayor* and *City Administrator*, respectively, of *the City of Jackson, Minnesota*, a *municipal corporation* under the laws of *Minnesota*, on behalf of the *City*.

(seal) _____
Notary Public

L. HANDEVIDT
BLIC-MINNESOTA
Expires 01-31-2010

STEVEN L. HANDEVIDT
NOTARY PUBLIC-MINNESOTA
My Commission Expires 01-31-2010

Drafted by:
HANDEVIDT & ANDERSON
Attorneys at Law
309 Sherman Street, P. O. Box 225
Jackson, MN 56143-0225

EXHIBIT I

REC'D BY MMB JUN 17 2008

Township Resolution No. _____ City Resolution No. _____

JOINT RESOLUTION OF CITY OF JACKSON AND TOWNSHIP OF DES MOINES DESIGNATING PART OF SECTION 11, 12, 13, 25, 26, 35 AND 36, DES MOINES TOWNSHIP, JACKSON COUNTY, MINNESOTA, AS BEING IN NEED OF ORDERLY ANNEXATION, CONFERRING JURISDICTION, AND AGREEING TO ANNEXATION

WHEREAS, the Board of Supervisors of the Township of Des Moines ("Township") and the City Council of the City of Jackson ("City"), both located in Jackson County, Minnesota, find:

A. The City and certain owners of unincorporated lands in the Township that abut the corporate limits of the City and are urban or suburban in character or about to become so have signed an *AGREEMENT FOR ORDERLY ANNEXATION* dated June 3, 2005 ("AOA").

B. The City and Township have identified certain additional areas that are urban or suburban in character or about to become so, that abut the corporate limits of the City, that the City serves with municipal water, that the City is capable of serving or already services with municipal sanitary sewer, and that the City and Township find to be in need of orderly annexation ("Additional Areas").

C. The Township doesn't provide and isn't capable of providing any municipal services in or to the Additional Areas.

D. The owners and descriptions of the land in the Additional Areas are as follows:

In Section 11:

Douglas A. Teigen ("Teigen"): The East 1,320 feet of the E½SE¼, *except* the South 620 feet of the East 800 feet thereof (containing 64.71 acres; population 0).

In Section 12:

Jackson Economic Development Corporation ("JEDC"): The W½SW¼, *except* those parts thereof described as follows:

[1] Highway tracts: **[1] The West 41.25 feet of the North 2353.5 feet of said W½SW¼; and [2] That part bounded by the west and south section lines and a line described as follows: commencing at a point on the west section line 286.5 feet North of the southwest corner of said SW¼, thence East 33 feet; thence deflect Southeasterly on a line drawn parallel and distant 33 feet on the easterly and northerly side of, when measured at right angles from and to a 20° curve, tangent to said west and south section lines respectively for a distance of 286.5 feet North and East of the southwest corner of said SW¼ to a point 286.5 feet East of said west section line; thence South 33 feet to the south section line** (see *Warranty Deed* filed for record in Book 88, page 117);

EXHIBIT I

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[2] Airport tract: **Commencing at the northeast corner of said W½SW¼, running thence South 00°19'00" West 727.51 feet along the east line of said W½SW¼; thence North 41°30'00" West 970.63 feet to the east-west quarter line; thence North 89°51'00" East 646.74 feet along the quarter line to the point of commencement;** and

[3] Residential site: **The Southerly 240 feet of the Westerly 454 feet of the Southwest Quarter of the Southwest Quarter (SW¼SW¼)** (containing 2.5 acres; population 0).

The JEDC tract (tax parcel 05.012.0500) contains 72.10 acres, and its population is 0.

In Section 13:

BCJB Enterprises LLC ("BCJB"): **All of Lots 11, 13, 14, & 15, and part of Lot 12 in Block 1, and Lots 3 & 4 in Block 2, all in Ashley & Moore's Second Addition** (tax parcels 05.206.0100 & 05.206.0030 containing 3.50 acres; population 0).

Nina M. Walterman ("Walterman"): **All of Lots 9 & 10 and that part of Lot 12 not owned by BCJB in Block 1, Ashley & Moore's Second Addition** (tax parcel containing 2.24 acres; population 1).

Clarence Huemoeller, c/o Gary Willink, conservator ("C. Huemoeller")): **Lot 1 in Block 2, Ashley & Moore's Second Addition** (tax parcel 05.206.0090, containing 0.33 acre; population 0).

Edwin Huemoeller, deceased, c/o Gary Willink, P.R.("E. Hoemoeller"): **Lot 2 in Block 2, Ashley & Moore's Second Addition** (tax parcel 05.206.0080, containing 0.17 acre; population 0)

Evonne K. Sirovy ("Sirovy"): **Lots 5, 6, & 7 in Block 2, Ashley & Moore's Second Addition** (tax parcels 05.206.0120 & 05.206.0190, containing 0.51 acre; population 2)

C. V. Boultinghouse ("Boultinghouse"): **Lot 8 and the North 60 feet of Lots 9 & 10 in Block 2, Ashley & Moore's Second Addition** (tax parcel 05.206.0160, containing 0.30 acre; population 0).

Ordell G. & Arlyss A. Skogen ("Skogen"): **The South 90 feet of Lots 9 & 10 in Block 2, Ashley & Moore's Second Addition** (tax parcel 05.206.0180, containing 0.25 acre; population 2)

Agnes Bute ("Bute"): **The Southerly 33.00 feet of the Easterly 627.00 feet of the SE¼SW¼** (containing 0.475 acre; population 0)).

In Section 25: All that part of the SW¼ lying Westerly of the centerline of the Des Moines River and not already within the corporate limits of the City, comprised of the following:

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Jackson Cemetary Association ("JCA"): Tax parcel 05.025.1100 (containing 16.5 acres; population 0)

City of Jackson ("City"): Tax parcel 05.025.0313 (containing 0.07 acres; population 0)

Southwestern Rural Renovations LLC ("SWRR"): Tax parcel 05.025.1500 (containing 6.66 acres; population 0).

Willett Gravel Company ("Willett"): Tax parcel 05.025.0300 (containing 2.0 acres; population 0).

Josephine A. Fertig ("Fertig"): Tax parcel 05.025.0315 (containing 1.3 acres; population 0).

Michael T. & LeAnn K. Gruhlke ("Gruhlke"): Tax parcels 05.025.0301, 05.025.0302, 05.025.0305, 05.025.0325, & 05.025.0335 (containing 66.14 acres; population 2)

Troy W. & Jadee J. Menke ("Menke"): Tax parcels 05.025.0310 & 05.025.0500 (containing 3.5 acres; population 2 adults and 3 children).

Federated Rural Electric Association ("FREA"): Tax parcels 05.025.0350, 05.025.0400, 05.025.0800, 05.025.0900, & 05.025.1000 (containing 7.68 acres; population 0).

Great River Energy ("GRE"): Tax parcels 05.025.0600 & 05.025.0700 (containing 3.10 acres; population 0).

In Section 26: That part of the E½SE¼ not already within the corporate limits of the City, comprised of the following:

Jackson Cemetary Association ("JCA"): Tax parcel 05.026.0600 (containing 13 acres; population 0).

Clayton C., Bette J., Steven, & Diana Williams ("Williams"): Tax parcels 05.026.0400 & 05.026.0500 (containing 58.59 acres; population 0).

Jackson Congregation of Jehovah's Witnesses ("JCJW"): Tax parcel 05.026.0550; containing 2.5 acres; population 0)

Enterprise Products Operating LLC ("EPO"): Tax parcel 05.026.0800; containing 5.91 acres; population 0)

In Section 35:

Ag Forte LLC ("Ag Forte"): Commencing on the east line of the NE¼ 1319.51 feet South of the northeast corner of Section 35, thence Southerly 1843.51 feet along the east lines of the NE¼ and SE¼ of said Section 35; thence Westerly 945.20 feet; thence Northerly 1842.91 to a point 945.20 feet Westerly of the point of commencement; thence Easterly 945.20 feet to the point of commencement (tax parcel 05.035.0100; containing 40 acres; population 0).

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Douglas Lucht ("D. Lucht"): The E½NE¼, except the Ag-Forte tract (tax parcel 05.035.0100; containing 51 acres; population 1)

In Section 36:

Nasby Family Farms LLP ("Nasby"): The W½NW¼ and the North 524.00 feet of the NW¼SW¼ (tax parcel 05.36.0100; containing 95.88 acres; population 0)

E. The present total population of the Additional Areas is 6 adults and 3 children.

F. Part of the Additional Area is in the City's designated territory – and part of the Additional Area is in the City's designated territory – for electric utility service; and no change in electric service territories is contemplated as a result of annexations pursuant to this agreement.

G. The Township and the City have agreed upon terms for orderly annexation of the Additional Areas,

Now, Therefore, **BE IT RESOLVED** by and between the Township and the City as follows:

1. Township action on AOA. At the earliest opportunity the Township shall:

1.1. Approve, authorize execution of, execute, and deliver to City multiple counterparts of the AOA; and

1.2. Adopt, execute and deliver to the City the "joint resolution" in the form attached to and made a part of the AOA as "EXHIBIT A".

2. City action on AOA. On receipt of the AOA and "joint resolution" signed by the Township, City shall cause counterparts of each to be filed with the Office of Strategic and Long-range Planning.

3. Need for orderly annexation of Additional Areas. City and Township hereby find that the Additional Areas are in need of orderly annexation and request that the Additional Areas be annexed to the City pursuant and according to the terms hereof and Minnesota Statutes §414.0325 ("Statute").

4. Designation of Additional Areas for orderly annexation. City and Township hereby **[a]** declare that the Additional Areas (including all streets, roads, alleys, and railroads passing through or adjacent thereto) are properly subject to orderly annexation, and **[2]** designate the Additional Areas for orderly annexation under and pursuant to this agreement and the Statute.

5. Jurisdiction. City and Township hereby confer on the Director of the Office of Strategic and Long-range Planning ("Director"), or his/her duly authorized successor, jurisdiction over annexations in the Additional Areas.

6. Immediate annexation.

6.1. The Director may enter an order immediately annexing to the City all of the areas described in "C.1." and "C.2." of the *AGREEMENT FOR ORDERLY ANNEXATION* dated 6-3-05 and the following described Additional Areas:

6.1.1. In Section 11, the Teigen tract;

6.1.2. In Section 12, the JEDC tract; and

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6.1.3. All of the above-described tracts that are located in Section 13 (BCJB, Walterman, C. Huemoeller, E. Huemoeller, Sirovy, Boultinghouse, Skogen, and Bute tracts).

6.2. Population and area. Regarding the area for immediate annexation, its population is 5, and its area is approximately 345.189 acres.

6.3. No alteration of boundaries or consideration. No alteration of the stated boundaries of the areas to be annexed immediately is appropriate, and no further consideration is necessary.

6.4. Review and comment. The Director may review and comment but within 30 days of receipt of this agreement should order annexation of the tract mentioned in this section "6" in accordance with the terms of this agreement and the Statute.

6.5. Differential taxation. Upon annexation the tax rate of the City on each of said annexed tracts **[a]** shall be increased immediately to the City's tax rate if the tract is not improved with one or more buildings as of the effective date of the annexation, and **[b]** shall be increased from the Township rate to the City rate in substantially equal proportions over six (6) years to equality with the tax rate on property already within the City if the tract is improved with one or more buildings as of the effective date of the annexation.

6.6. Initial land use/zoning. Upon annexation to the City, the following described tracts shall be classified as follows under the City's zoning ordinance and on the City's zoning map, subject to amendment as provided by the ordinance:

6.6.1. The Teigen tract in Section 11, the **JEDC** tract in Section 12, and the **BCJB** lots in Block 1 and Lots 1 through 4, inclusive, in Block 2 of Ashley & Moore's Second Addition, shall be classified as a "General Industrial District – GI";

6.6.2. The Walterman lots in Block 1 and Lots 5 through 10, inclusive, in Block 2 of Ashley & Moore's Second Addition shall be classified as "Single Family Residence District – R-2"; and

6.6.3. The Bute tract shall be classified as "Agriculture Residence District – AR".

7. Annexation in 2015. All of the above-described tracts located in Sections 25, 26, 35, and 36 may be annexed to the City in 2015.

7.1. New commercial or industrial development excepted. Notwithstanding the foregoing, any such tract with City water and sanitary sewer services that develops for commercial or industrial use(s) after 2007 may be annexed to the City immediately on commencement of such commercial or industrial use.

7.2. Population and area. The area to be annexed in 2015 presently has a **population of 5 adults and 3 children** and an **area of approximately 373.83 acres**.

7.3. Initiation of annexation. The City may adopt a resolution initiating annexation of a tract(s) and may submit the resolution to the Director **[a]** at any time after commencement of new commercial or industrial development of the tract, or **[b]** after January 1, 2015, whichever occurs earlier.

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7.4. Annexation order. Upon receipt of an initiating resolution, the Director shall, within 30 days, enter an order annexing to the City the tract(s) or area(s) described in the resolution.

7.5. No alteration of boundaries or consideration. No alteration of the stated boundaries of the areas to be annexed immediately is appropriate, and no further consideration is necessary.

7.6. Review and comment. The Director may review and comment but within 30 days of receipt of the initiating resolution should order annexation of any tract described in the section "7" in accordance with the terms of this resolution and the Statute.

7.7. Taxation. Upon annexation the tax rate of the City on each of said annexed tracts shall be increased from the Township rate to the City rate immediately.

7.8. Initial land use/zoning. Upon annexation to the City, the said tracts shall be classified under the City's zoning ordinance and on the City's zoning map as may be specified in the initiating resolution, subject to amendment as provided by the ordinance:

7.9. Road maintenance. After annexation in 2015, City will provide gravel as needed for, and the Township will otherwise maintain, approximately ¼ mile of gravel road that will be annexed to the City between Sections 26 and 35. At such time as that road or a portion of it is hard-surfaced, the City will assume responsibility for maintenance, repair, and replacement of that part of the road that is hard-surfaced and lies within the City.

8. Cash payment. Within 30 days of receipt of the order for annexation of the areas mentioned at "6.1." above, City will pay to Township the sum of Forty Thousand and no/100ths ($40,000) to offset lost tax revenues from all annexations contemplated by the AOA and by this resolution.

9. Map. City shall file with the Director a copy of the City's corporate boundary map and shall delineate the Additional Areas on that map.

10. Collection of property taxes.

10.1. Property taxes payable in the year that annexation becomes effective shall be paid to the Township.

10.2. Property taxes payable in the year next-following the annexation shall be paid **[1]** to the City if the annexation becomes effective before August 1 of the immediately preceding year, or **[2]** to the Township if the annexation becomes effective after August 1 of the immediately preceding year; and property taxes payable thereafter shall be paid to the City.

10.3. The City shall not be required to make any reimbursement to the Township after the City can first levy on any annexed tract.

11. Planning. City and Township agree **[a]** that City's zoning and subdivision ordinances and regulations should extend immediately to the Annexation Area described in the AOA and to the Additional Areas described in this agreement, and **[b]** that the Annexation Area described in the AOA and to the Additional Areas described in this agreement should be excluded from the County's zoning and subdivision ordinances.

RECD BY AMB JUN 17 2008

Duly adopted at a meeting of the City Council of the City of Jackson, Minnesota, held on _____, and at a meeting of the Board of Supervisors of Des Moines Township, Jackson County, Minnesota, held on _____.

CITY OF JACKSON, MINNESOTA

By: _____
James M. Jasper, Mayor

Attest: _____
Dean Albrecht, City Administrator

TOWNSHIP OF DES MOINES,
Jackson County, Minnesota

By: _____
Mark Goede, Chairman

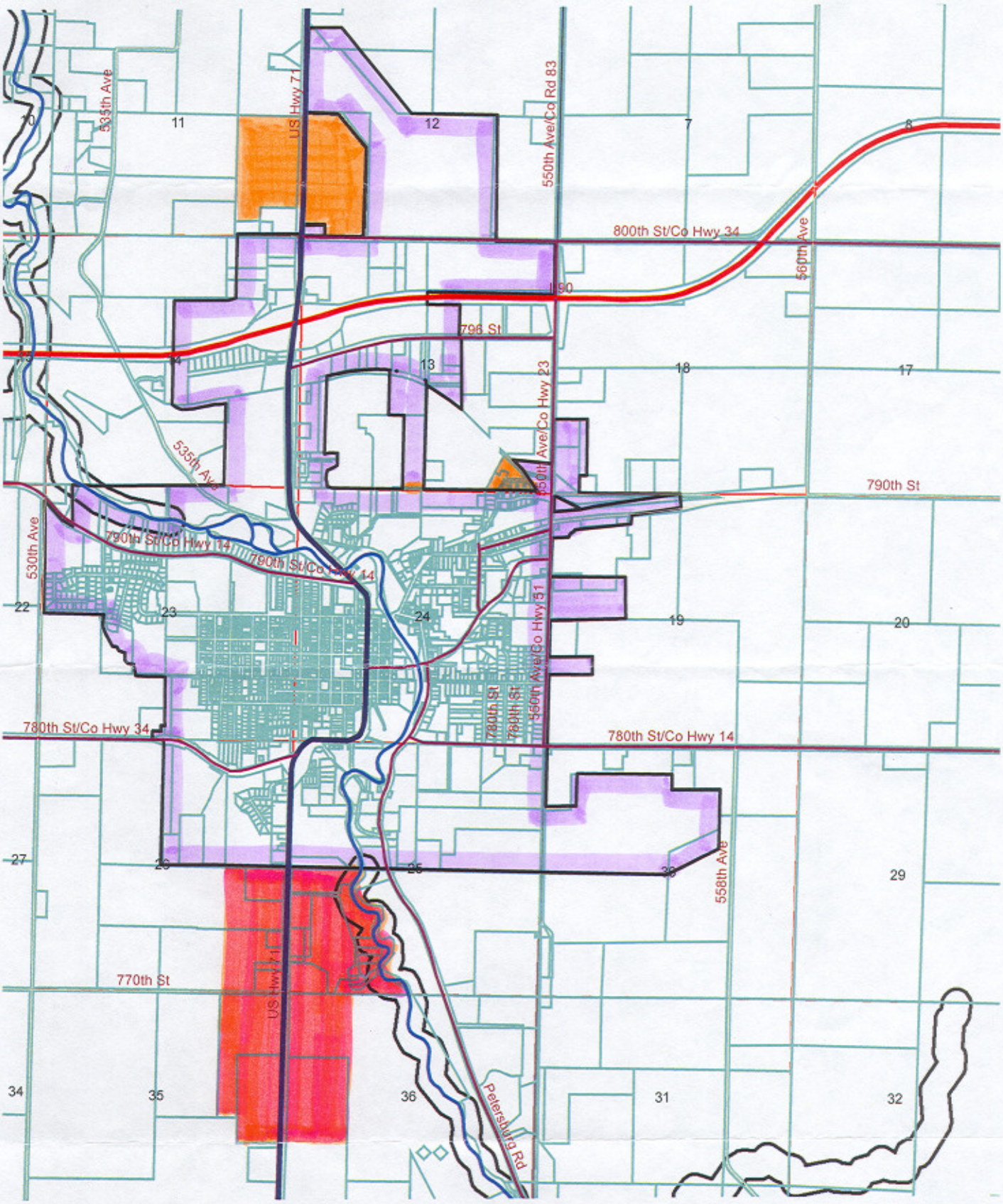
Attest: _____
Mark Eggimann, Clerk

City of Jackson Annexation

Resolution 023-408

OA-1406

REC'D BY MMB JUN 25 2008



ORANGE = immediate annexation — OA-1406-1

RED = annexation 2015