ORIGINAL

JOINT RESOLUTION

IN THE MATTER OF THE ORDERLY ANNEXATION BETWEEN THE CITY OF COLERAINE AND THE TOWN OF GRAND RAPIDS PURSUANT TO MINNESOTA STATUTES § 414.0325

WHEREAS, the City of Coleraine (the "City") and the Town of Grand Rapids, Itasca County (the "Town"), designate for orderly annexation, the following described lands located within the Town of Grand Rapids, County of Itasca, Minnesota:

Those portions of Grand Rapids Township lying East of the Prairie River and East of the Mississippi River South of its confluence with the Prairie River, said portion consisting of the entirety of Sections 1, 12, 13, 24, and 25, and portions of Sections 2, 3, 11, 14, 23, 26, 35 and 36, all lying and being in Township Fifty-five (55) North, Range Twenty-five (25) West of the Fourth Principal Meridian, County of Itasca, State of Minnesota.

WHEREAS, the City of Coleraine and the Town of Grand Rapids are in agreement as to the orderly annexation of the unincorporated land designated in this Agreement; and

WHEREAS, Minnesota Statutes § 414.0325 provides a procedure whereby the City of Coleraine and the Town of Grand Rapids may agree on a process of orderly annexation of a designated area; and

WHEREAS, the area proposed for annexation to Coleraine was considered in a prior orderly annexation agreement between the Town of Grand Rapids and the City of Grand Rapids, where it was determined the area was not appropriate for annexation to the City of Grand Rapids and provided the same was to become either part of another Township or municipality, and the hearings necessary to separate this area from Grand Rapids Township and attach it elsewhere were held at the time of the proceedings for adoption of the annexation agreement between the Town of Grand Rapids and the City of Grand Rapids, and therefore no further Notice of Intent or administrative hearing is necessary under Minn. Stat. §414.0325; and

WHEREAS, That on May 28, 2002 the County of Itasca, upon the petition of Grand Rapids Township and Trout Lake Township, entered an Order partitioning the area at issue to Trout Lake Township, however Grand Rapids Township and Trout Lake Township have requested the County Board of Commissioners rescind that Order to enable the annexation of the area by the City of Coleraine, and fully anticipate said Order will be revoked at the June 23, 2009 regular County Board meeting.

WHEREAS, the City of Coleraine and the Town of Grand Rapids have agreed to all the terms and conditions for the annexation of the above-described lands within this document and the signatories hereto agree that no consideration by the Office of Administrative Hearings -Municipal Boundary Adjustments is necessary; that the Office may review and comment, but shall within 30 days, order the annexation in accordance with the terms of this Agreement; and

WHEREAS, The citizens residing in East Grand Rapids Township *(that portion of Grand Rapids Township proposed for annexation to Coleraine)* and the City of Coleraine have had discussions regarding the planning and development of land areas adjacent to the City; and

WHEREAS, the Town Board and the City Council desire to accomplish future planning and development of land areas adjacent to the City in an orderly fashion; and

WHEREAS, the Town Board and City Council have determined the immediate annexation of the areas designated in this Agreement is of mutual benefit to both parties and residents thereof.

NOW, THEREFORE, BE IT RESOLVED, jointly by the City council of the City of Coleraine and the Town Board of the Town of Grand Rapids as follows:

1. Property. That the following described lands in the Town of Grand Rapids are subject to orderly annexation pursuant to Minnesota Statutes § 414.0325, and that the parties hereto designate these areas for immediate orderly annexation, to wit (hereafter, "Property" or ("Orderly Annexation Area"):

Those portions of Grand Rapids Township lying East of the Prairie River and East of the Mississippi River South of its confluence with the Prairie River, said portion consisting of the entirety of Sections 1, 12, 13, 24, and 25, and portions of Sections 2, 3, 11, 14, 23, 26, 35 and 36, all lying and being in Township Fifty-five (55) North, Range Twenty-five (25) West of the Fourth Principal Meridian, County of Itasca, State of Minnesota.

Said Orderly Annexation Area is further described as that area set forth in the map attached, identified as Exhibit 1.

2. Acreage/Population/Usage. That the designated area consists of approximately 6,176 acres, the population in the subject area is approximately 678, and the land type is Rural Residential, Farm Residential, Recreational Commercial, Light industrial/Commercial, Industrial and Public.

3. Jurisdiction. That the Town of Grand Rapids does, upon passage of this resolution, and the City of Coleraine, does, upon adoption by the City Council and upon acceptance by the Municipal Boundary Adjustment unit of the Office of Administrative Hearings, confer jurisdiction upon the Office of Administrative Hearings-Municipal Boundary Adjustments so as to accomplish said orderly annexation in accordance with the terms of this resolution.

4. Need. That the above-described property is suburban or urban or about to become so, and since the City of Coleraine is capable of providing services to this area within a reasonable time, annexation would be in the best interest of the area.

5. Effective Date of Annexation: The area proposed for annexation is in need of orderly annexation, and annexation would be in the best interests of the subject area. Therefore, the parties agree that Property shall be annexed to the City of Coleraine immediately upon approval of this Resolution by the Office of Administrative Hearings.

6. Property Tax Reimbursement The Parties agree that in light of Grand Rapids Township's prior Orderly Annexation Agreement with the City of Grand Rapids calling for the orderly annexation of the remainder of Grand Rapids Township not governed by this Agreement by December 31, 2009, no tax reimbursement shall occur between Coleraine and Grand Rapids Township as a result of any annexations occurring under this Agreement.

7. No Alterations of Boundaries: The Town and the City mutually state that no alteration by the Office of Administrative Hearings/Municipal Boundary Adjustments of boundaries of the area designated herein for orderly annexation is appropriate.

8. Review and Comment The City of Coleraine and the Town of Grand Rapids agree that upon receipt of this resolution, passed and adopted by each party, the Office of Administrative Hearings/Municipal Boundary Adjustments, or its successor, may review and comment, but shall, within thirty (30) days, order the annexation in accordance with the terms of this resolution.

9. Transition Committee: The City and The Town will create a Transition committee to advise on issues that affect the effective implementation of this Joint Resolution and Agreement. This committee will work closely with the City Council and the City's Planning and Zoning Board.

- a. After annexation, membership on the Transition Committee shall continue to consist of up to six members from the City and six from the former Town area. All members already appointed, are hereby reappointed by both the Town Board and City Council.
- b. All members of the Transition Committee shall have equal voting rights. The chair shall preside over meetings of the Committee and may vote in all matters that come before the Committee.
- c. The City and the Town mutually agree that the Transition Committee will review, on a continuing basis, the factors impacting this orderly annexation and will report to the City Council its recommendations.
- d The City will designate an employee whose duties will include providing information and acting as a liaison in respect to city government for former Town residents.
- e. The Transition Committee shall remain in existence for a period of one year from the date of the order issued by the Office of Administrative Hearings annexing the Orderly Annexation Area to the City of Coleraine. Periodically, as well as immediately prior to its termination, the Committee

shall make recommendations to the City Council regarding the property annexed under this Agreement.

10. Agricultural, Forestry, Rural Preservation: The City and the Town mutually agree that the preservation and protection of agricultural, forestry and the rural atmosphere is beneficial will take steps to establish a preservation policy. This policy will include the following items:

- a. Items protecting these areas are, and shall continue to be included in the City's Comprehensive Plan and the Zoning ordinance as necessary to ensure enforcement of this policy.
- b. The property annexed to the City pursuant to this Joint Resolution shall continue to be designated as zoned in the Town immediately prior to the annexation. Following annexation, the City shall have full zoning authority of the annexed Property pursuant to Minnesota Chapter 462.
- c. Prior to the effective date of this joint Resolution, modifications as necessary have been made to the City zoning ordinance to allow for the continuation of activities in the Town area currently zoned for these districts - Agriculture, Forestry, Shoreland, Waterfront, Commercial, Non-City Lakeshore Residential, rural Residential and Residential Zoning Districts. The City recognizes the special needs and problems associated with residential development in these districts. The ordinance includes boundaries for each zoning district as agreed by both the City and Town. A map showing these boundaries is attached, marked as Exhibit 2.

11. **Fire Protection:** The property annexed into the City will be served by the City of Coleraine Fire Department, either directly or by contract with third parties, from the effective date of annexation.

12. **Police Protection:** The property annexed into the City will be served by the Coleraine City Police from the effective date of annexation by on call only. The parties contemplate that the Property which remains in a rural taxing district will not have active police patrol service, but will have emergency response service, similar to the level of police protection the Property received from the County Sheriffs Office prior to annexation. Future Police needs for the Property shall be governed by the City Council as it deems necessary.

13. Assessments and Bonded Indebtedness: The City agrees that it will not charge any additional (above the going City rate) sewer or water trunk fees or hook up fees to the annexed property unless service or hook-up is requested by the property owner to be connected to City utilities. Neither the Town nor the City is making any levy for bonded indebtedness for projects completed or embarked upon prior to the date of this joint Resolution. The Town has no

bonded indebtedness as of the date of this Agreement. Any outstanding special assessments on any of the Property that are collected by the County Treasurer shall be due and payable to the City of Coleraine.

14. **Rural and Urban Service Districts:** Upon Annexation of the Property, the City Council shall establish an urban service district and a rural service district pursuant to Minn. Stat. § 272.67 with boundaries as shown on the attached Exhibit 4. Because the Property will not be benefited to the same degree as other lands in the City by municipal services financed by general taxation, the rural service district shall include all of the Property. The urban service district shall include all lands within the boundaries of the City which are not included in the rural service district. The City Council shall establish a benefit ratio for purposes of tax rate allocation between the benefits resulting from tax supported municipal service to parcels of land of like market value situated in the urban service district and the rural service district.

15. **Firearms**: Upon annexation, the City shall amend its ordinance restricting the use of firearms such that it does not apply to any portions of the City located within the rural service district. The City may thereafter amend such ordinance as needed.

16. Tax Rate Step Up: There shall be no phase-in of property taxes for properties classified as rural in the rural/urban taxing district.

17. **Authorization**: The appropriate officers of the City and the Town are hereby authorized to take appropriate and necessary steps to implement the terms of this Joint Resolution and Agreement.

18. **Severability**: Should any section of this Joint Resolution and Agreement be held by a court of competent jurisdiction to be unconstitutional or void, the remaining provision shall remain the full force and effect.

19. Effective Date: This joint Resolution and Agreement shall be effective immediately upon its adoption by the respective governing bodies of the Town and City.

20. **Division of Town Assets**. The assets of the Township shall be divided between the cities of Grand Rapids and Coleraine at the time of final annexation on December 31, 2009, as has been separately arranged and agreed between them.

Adopted by affirmative vote of the Grand Rapids Town Board of
Supervisors this <u>8</u> day of <u>JUNE</u> , 2009.
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Grand Rapids Town Board Chair: Kay AMM
Grand Rapids Town Clerk: Undy Eckert (deputy clerk)

Adopted by affirmative vote of the City Council of the City of Coleraine

this 22 and day of V	- re	, 2009.	
City of Coleraine Mayor:	Huch	Afator	with

City of Coleraine Clerk/Treasurer:

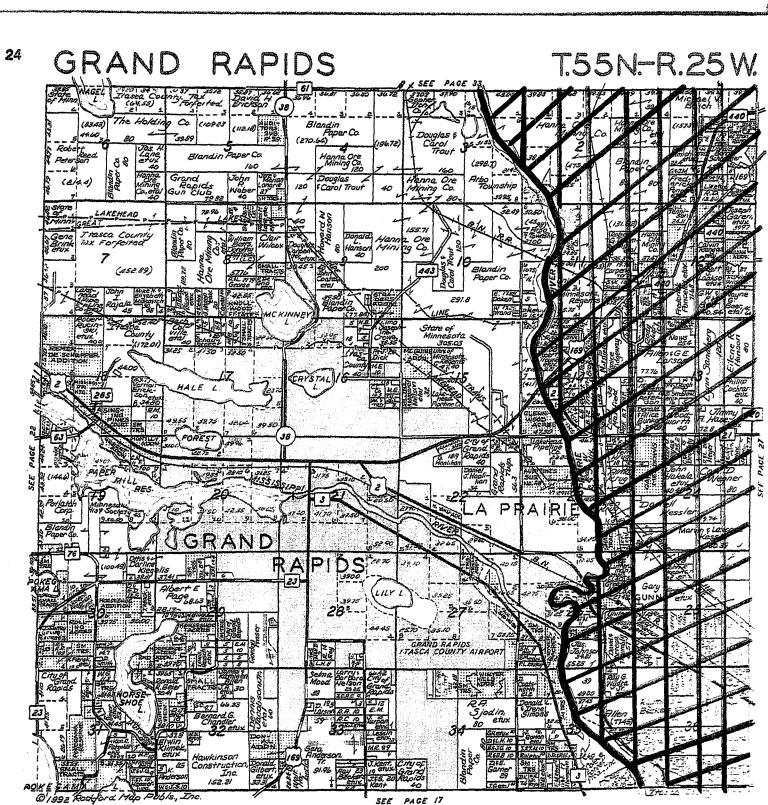


Exhibit 1

