

**JOINT RESOLUTION
FOR ORDERLY ANNEXATION**

This Joint Resolution is made and entered into by the City of Nashwauk ("City") Itasca County, Minnesota and the Township of Lone Pine ("Township"), Itasca County, Minnesota.

RECITALS

1. The City of Nashwauk desires to annex certain lands in the Township of Lone Pine. The area to be annexed is listed on Attachment A ("Affected Area"), and is presently unoccupied former mining land.
2. The Township and City have agreed to meet to discuss and develop an orderly annexation of the Affected Area based upon the impending development of Essar Steel Minnesota.
3. It is desirous of the governing units to expand Nashwauk based on the development of mining facilities.
4. The City and the Town believe that no consideration by the Municipal Boundary Adjustment Unit of the Office of Administrative Hearings, or its successor ("OAH") is necessary for said annexation, and both agree that the Affected Area should be annexed and become a part of the City subject to all of the ordinances, controls and other obligations and benefits of property located within the City, and should cease to be part of the Township and should therefore be released from the jurisdiction thereof.

**NOW, THEREFORE BE IT RESOLVED BETWEEN THE CITY AND TOWNSHIP
AS FOLLOWS:**

1. The Affected Area is in need of orderly annexation and no alteration of its stated boundaries as set forth above is appropriate.
2. The Affected Area is presently undeveloped former mining land or is about to become industrial or commercial and the Affected Area should be immediately annexed into the City following the OAH reviewing and commenting on the same, and approval as required by statute within 30 days.
3. The conditions of annexation of the Affected Area shall be that it shall cease to be part of the Township and shall be annexed to be included within the corporate limits of the City and shall in all things become subject to the jurisdiction of the City and become a part thereof and shall be released from the jurisdiction of the Township and shall no longer be a part thereof.

4. The parties acknowledge that the Affected Area is underdeveloped former mining sites. The Affected Area generates property taxes of \$ 1003.00 as 2011 payable taxes to the Township.

Taxes will be paid by the City to the Township for the payable taxes due the Township for the Affected Area.

The City will pay the Township 10% of the net surplus or profit annually generated for the City from the Affected Area associated with providing utility services. The parties acknowledge that any revenues generated by way of mineral taxes or the Nashwauk Public Utilities Commission will not be included in this Agreement.

The parties further acknowledge that there are no special assessments levied on the Affected Area.

5. Upon annexation, the City shall zone the Affected Area pursuant to the conditions and requirements of its existing City Code, if any.
6. Upon annexation, the City shall take over maintenance of and be responsible for all public roadways located within the Affected Area formerly maintained by the Township, if any.
7. This joint resolution requesting both orderly annexation and the immediate annexation of the Affected Area pursuant to the terms and conditions set forth herein shall be submitted by the City Clerk of the City of Nashwauk, with any required filing fee, to the OAH for its thirty-day review, comment, and action pursuant to Minn. Stat. § 414.0325.
8. If the Essar Steel Minnesota facilities are not built within five (5) years of the Agreement, the City agrees to begin and complete proceedings allowing the detachment of the Affected Area for return to the Township. If the detachment is not done within a timely manner, the City agrees to pay the Township a sum of \$5,000.00.

SEP 01 2011

THE ABOVE RESOLUTION IS HEREBY ADOPTED AND APPROVED BY THE
CITY COUNCIL OF THE CITY OF NASHWAUK, ITASCA COUNTY, MINNESOTA, ON
THE 23 DAY OF August, 2011.



Mayor William Hendricks

ATTEST:



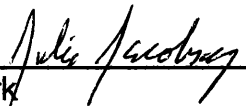
Clerk

THE ABOVE RESOLUTION IS HEREBY ADOPTED AND APPROVED BY THE
TOWN BOARD OF SUPERVISORS OF THE TOWN OF LONE PINE, ITASCA
COUNTY, MINNESOTA, ON THE 22 DAY OF August, 2011.



Chairman of Town Board

ATTEST:



Clerk

Attachment A

The following legally described areas in Lone Pine Township are hereby designated for orderly annexation as the Affected Area:

Section 5

N1/2 of the NE1/4 of the NW1/4, Section 5, Township 56, Range 22

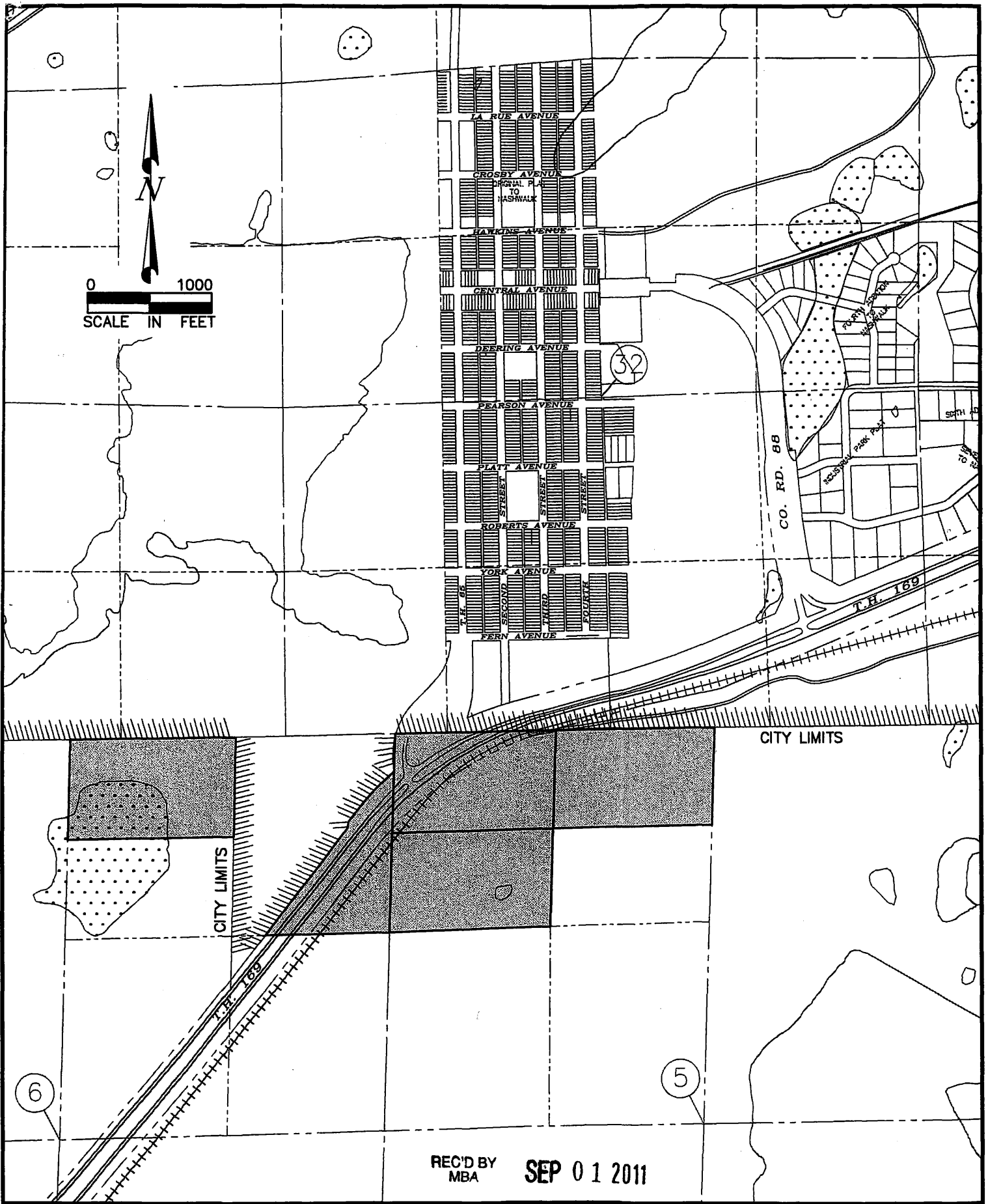
NW1/4 of  NW1/4 of Section 5, Township 56, Range 22

Section 6

That part of the NE1/4 of the NE1/4 lying southeasterly of the Northwesterly right-of-way line of T.H. 169, Section 6, Township 56, Range 22

Section 6

N1/2 of the NW1/4 of the NE1/4, Section 6, Township 56, Range 22



REC'D BY
MBA SEP 01 2011

NASHWAUK, MINNESOTA ANNEXATION MAP

SHEET #

PROJECT #



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