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IN THE MATTER OF THE JOINT RESOLUTION OF THE TOWN OF PAYNESVILLE AND THE CITY OF PAYNESVILLE DESIGNATING AN UNINCORPORATED AREA AS IN NEED OF ORDERLY ANNEXATION AND CONFERRING JURISDICTION OVER SAID AREA TO THE MINNESOTA PLANNING BOARD PURSUANT TO M.S.A. 414.0325.

JOINT RESOLUTION FOR ORDERLY ANNEXATION

1. The following described area in Paynesville Township is subject to orderly annexation pursuant to Minnesota Statutes 414.0235 and the parties hereto designate this area for orderly annexation, which area is legally described as follows, to-wit:

That part of the Northwest Quarter of the Southeast Quarter, Section 16, Township 122, Range 32, which lies Southerly of the center line of County Road Number 34.

Together with the North 10 acres of the Southwest Quarter of the Southeast Quarter of said Section 16, less and except the East 161.00 feet thereof. All in Stearns County, Minnesota.

2. That the Township of Paynesville does, upon the passage of this Resolution and its adoption by the City Council of the City of Paynesville, Minnesota, and upon acceptance by the Minnesota Planning Board, confer jurisdiction on the Minnesota Planning Board over the various provisions contained in this agreement.

3. That the property described in Paragraph 1 above abuts the City of Paynesville and is presently urban or suburban in nature or is about to become so. Further, the City of Paynesville is capable of providing services to this area within a reasonable time after annexation and annexation would be in the best interest of the area proposed to be annexed. Therefore, this property should be annexed to the City of Paynesville. The current population residing on this property is <u>three</u>.

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4. That the effect of annexation on population shall be that the population of an area annexed pursuant to this Resolution shall be treated for all purposes as part of the population of the City of Paynesville, immediately upon approval of annexation by the Minnesota Planning Board.

5. In all annexations within the orderly annexation area, the taxes due and/or delinquent on the date of annexation remain the property of Paynesville Township. All taxes and assessments accrued after the date of annexation are the property of the City of Paynesville, subject only to the provisions of Paragraph 8 below. The City of Paynesville, upon annexation, becomes the owner or beneficiary of all roads, easements and rights-of-way, or other interests in property within the annexed area previously held by Paynesville Township and shall bear the responsibility associated with those rights.

6. The tax levy of the City of Paynesville on the area annexed shall be increased from current levels in substantially equal proportions over a period of two (2) years to an equality with the tax levy on the property already within the City.

7. That any person owning lands annexed to the City pursuant to this agreement shall have the following rights with regard to the payment of assessment and hook-up charges on projects previously completed by the City which may be assessable against said annexed property.

a) Hook-up charges shall be payable upon hook-up to municipal services.

b) Hook-up charges will be based on costs to the City determined from a bid to be obtained at the time of the hook-up. c) Assessment for improvements shall be payable over the same number of years and at the same interest rate as the original project provided for.

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8. That as to those lands which are annexed by the City pursuant to this agreement, of the base tax payable to the township at the time of annexation, the following shall occur:

a) In the first year after annexation the Township shall receive 90% of that tax base;

- b) In the second year after annexation, the Township shall receive 75% of that tax base;
- c) In the third year after annexation, the Township shall receive 50% of that tax base;
- d) In the fourth year after annexation, the Township shall receive 30% of that tax base; and
- e) Finally, in the fifth year after annexation, the Township shall receive 10% of that tax base from the City of Paynesville.

Thereafter, all taxes collected shall belong to the City of Paynesville.

9. The above-described land shall, upon approval of this agreement by

Paynesville Township and the City of Paynesville and submission of this Joint Resolution for Orderly Annexation, be approved for annexation by the Minnesota Planning Board. The City of Paynesville shall provide, to all properties annexed under this agreement, access to city sewer and water within two (2) years after this request for annexation has been approved by the Minnesota Planning Board. If the City of Paynesville fails to provide these services to any such properties within two (2) years of approval of annexation under this agreement, then the City of Paynesville shall pay Paynesville Township an amount equal to 100% of the taxes

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collected by the City from the annexed lands which are not served by sanitary sewer and city water. Said payments shall begin in the third year following annexation and shall continue indefinitely until said properties are served with sanitary sewer and city water.

10. No consideration by the Minnesota Planning Board is necessary, the Board may review and comment, but shall, within 30 days, order the annexation in accordance with the terms of the Resolution.

11. Any alterations, variations, modifications or waivers of the provisions of this contract shall only be valid if they have been reduced to writing and signed by authorized representatives of the parties.

12. The provisions of this contract shall be deemed severable. If any part of this contract is rendered void, invalid, or unenforceable, such rendering shall not affect the validity and enforceability of the remainder of the contract unless the part or parts which are void, invalid or otherwise unenforceable shall substantially impair the value of the entire contract with respect to either party.

The parties further agree to substitute for any invalid provision a valid provision that most closely approximates the economic effect and intent of the invalid provision.

13. This contract is the final expression of the agreement of the parties and the complete and exclusive statement of the terms agreed upon and shall supersede all prior negotiations, warranties or stipulations, either oral or written, not herein contained.

14. It is specifically acknowledged and understood that the parties are represented by independent counsel. As a matter of convenience, one party to this

agreement may have taken on the bulk of the task of drafting this agreement. This agreement shall not be construed against the drafting party merely because of its role in drafting this agreement.

CITY OF PAYNESVILLE

Passed and adopted by the City Council of the City of Paynesville this <u>14th</u> day of

November ____, 2001.

Attest:

Gayla Orbeck, Interim City Administrator

Jeff Thompson

MAN B

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PAYNESVILLE TOWNSHIP

Passed and adopted by the Town Board of the Town of Paynesville this 13^{++} day

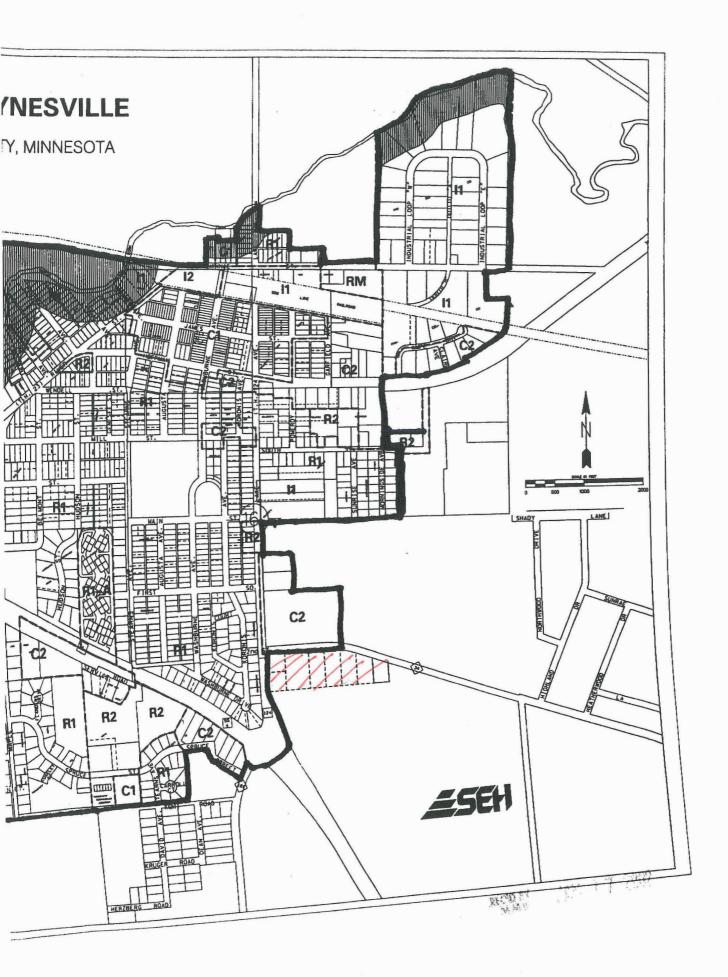
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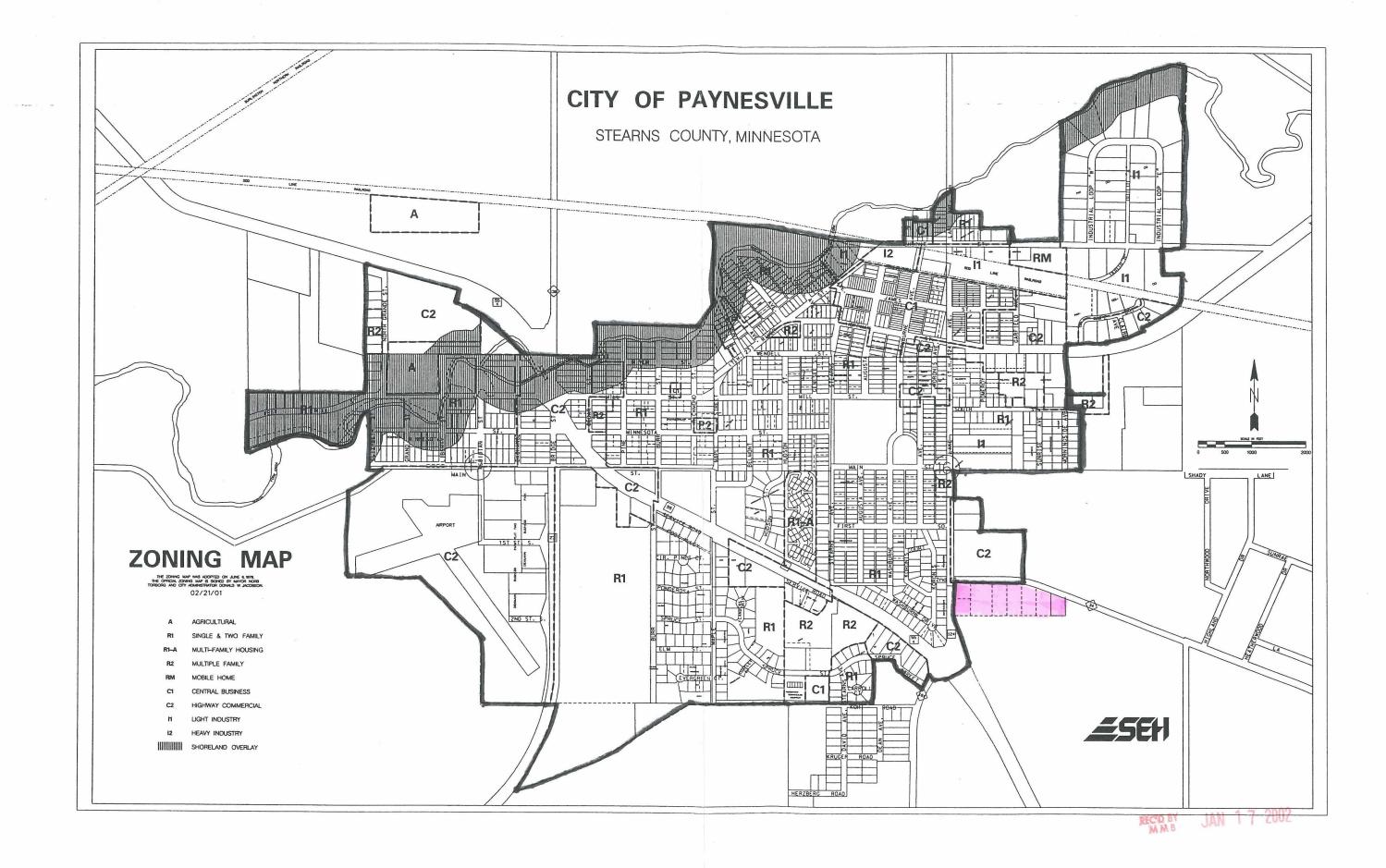
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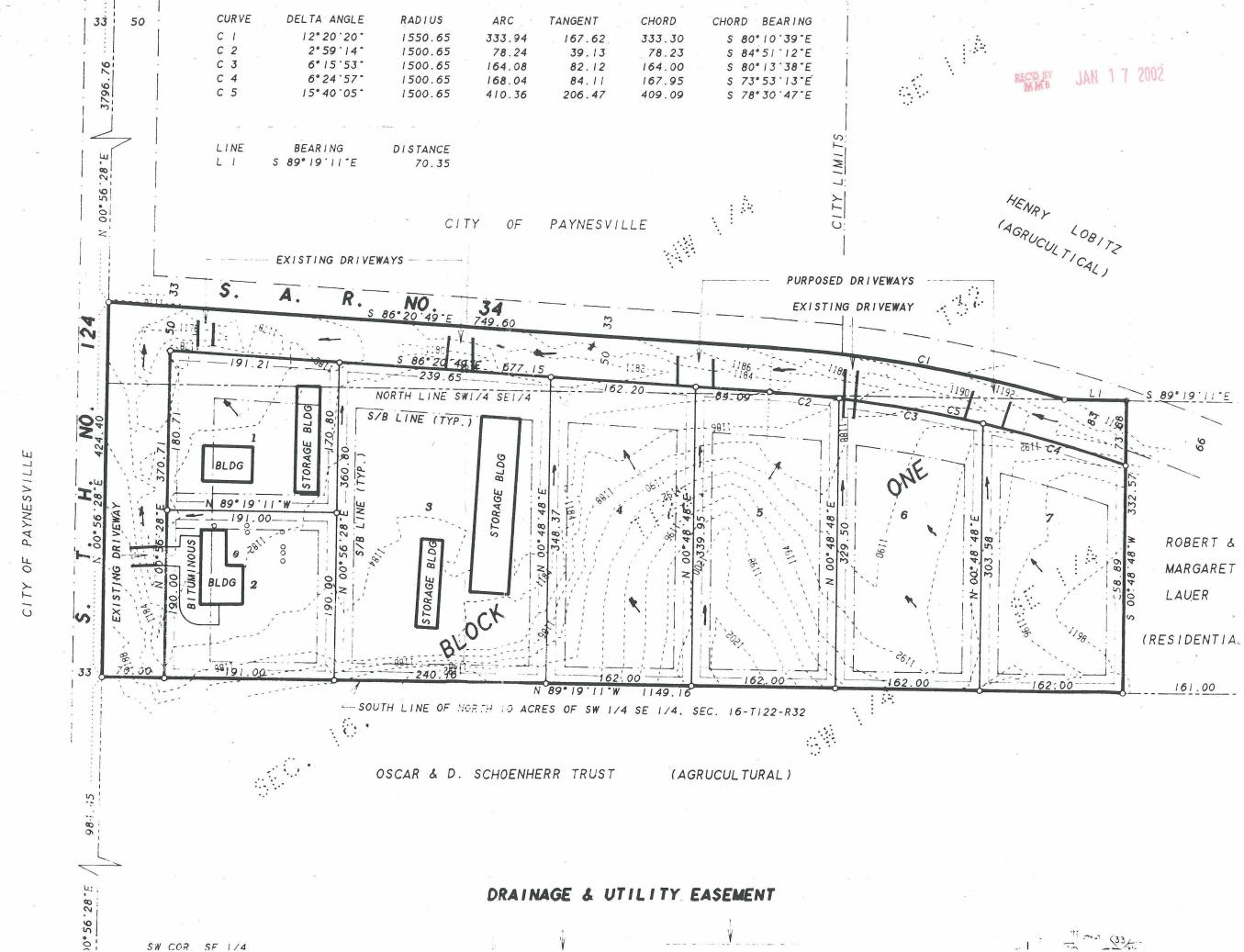
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Chairman









LOT AREAS

BLOCK ONE

LOT 1---0.77 AC. +/-LOT 2---0.83 AC. +/-LOT 3---1.95 AC. +/-LOT 4---1.28 AC. +/-LOT 5---1.25 AC. +/-LOT 6---1.18 AC. +/-LOT 7---1.05 AC. +/-