

STATE OF MINNESOTA
OFFICE OF ADMINISTRATIVE HEARINGS

RECEIVED
by OAH on January 31, 2017

JOINT RESOLUTION FOR ORDERLY ANNEXATION
BY AND BETWEEN OAK PARK TOWNSHIP AND
THE CITY OF OSLO PURSUANT TO
MINNESOTA STATUTES § 414.0325

WHEREAS, the City of Oslo (hereinafter referred to as the "City") and the Township of Oak Park (hereinafter referred to as the "Town or Township"), both located entirely within Marshall County, in the State of Minnesota desire to accommodate growth in the most orderly fashion, and have agreed that there is a clear need for a cooperative future planning effort for the land governed by the two jurisdictions; and

WHEREAS, the City, on April 21, 2014, having been unable to negotiate an agreement with the Township for annexation of properties within the Township, filed a contested annexation petition, dated February 28, 2014, with the Office of Administrative Hearings, Municipal Boundary Adjustment Unit ("OAH") seeking annexation of properties located within Oak Park Township pursuant to Minnesota Statutes, Section 414.031. The file is referenced as File No. A-7886; and

WHEREAS, File No. A-7886 was tried as a contested case hearing before Administrative Law Judge Barbara Case on November 13, 2014; and

WHEREAS, Judge Case issued her decision on March 16, 2015, denying the City's annexation request in its entirety; and

WHEREAS, the Township and City, recognizing the waste of resources expended in the trial of File No. A-7886 desire to enter into an Orderly Annexation Agreement believed to be in the mutual best interests of both parties and the property owners of the subject areas; and

WHEREAS, the Township and City desire to enter into an agreement allowing for the orderly annexation of a selected property pursuant to Minnesota Statutes, Section 414.0325; and

WHEREAS, the City has agreed that the property annexed under this Agreement shall be designated for taxation at rural rates under a rural/urban taxing district that the City shall establish under Minn. Stat. § 272.67 and shall administer such district consistent with the terms of this Agreement.

WHEREAS, the Township and City, both located entirely within Marshall County, in the State of Minnesota, desire to accommodate growth in the most orderly fashion and agree that a joint orderly annexation agreement between the parties hereto is beneficial from the standpoint of orderly planning and orderly transition of government within the area proposed to be annexed; and

WHEREAS, a joint orderly annexation agreement between the parties hereto is beneficial to both parties from the standpoint of orderly planning and orderly transition of government within the area proposed to be annexed, and provides the terms under which such annexation shall take place.

NOW, THEREFORE, BE IT RESOLVED, the Town Board of Supervisors of Oak Park Township and the City Council of the City of Oslo, in consideration of the mutual terms and conditions contained herein, agree as follows:

1. Designation of Orderly Annexation Areas. The Township and the City hereby designate the area legally described in Exhibit A, attached hereto and incorporated herein by reference, (hereinafter referred to as the “Orderly Annexation Area” or “OAA”) for orderly annexation pursuant to Minnesota Statutes, Section 414.0325.
2. Acreage. The Township and City agree that the Orderly Annexation Area or OAA legally described in Exhibit A and designated for orderly annexation pursuant to Minnesota Statutes, Section 414.0325 is approximately 28 acres.
3. Map of Designated Orderly Annexation Area. A boundary map showing the OAA legally described in Exhibit A is attached hereto as Exhibit B and incorporated herein by reference.
4. No Hearing Required for Annexation. Pursuant to Minnesota Statutes, Section 414.0325, the Township and City agree that no alteration of the boundaries stated herein is appropriate, that all conditions for annexation of the orderly annexation area legally described in Exhibit A are contained in this Joint Resolution, and that no consideration by the Office of Administrative Hearings, or its successor agency, is necessary. Upon the execution and filing of this Joint Resolution, the Office of Administrative Hearings, or its successor agency, may review and comment thereon, but shall, within 30 days of receipt of this Resolution, order the annexation of the OAA legally described in Exhibit A to the City in accordance with the terms and conditions contained in this Joint Resolution.
5. Tax Reimbursement. The City and Township agree that no tax reimbursement shall be made from the City to the Township, except that any special assessments levied upon the property described on Exhibit A which remain outstanding at the time of annexation shall be forwarded to the Township upon receipt by the City.
6. Conditions Following Orderly Annexation. The conditions contained in this paragraph shall apply following annexation of any part of the OAA:
 - a. Within 60 days of annexation of any part of the OAA, the City shall establish a rural/urban taxing district within the City pursuant to Minn. Stat. § 272.67 (or a successor statute) and shall designate the annexed property as rural in character.
 - i. The City shall establish a rural and an urban service district under Minn. Stat. § 272.67, and shall designate the OAA property as the only property in

the rural service district. The City shall establish a current benefit ratio between the urban service district and the rural service district in a proportion that taxes the OAA property at a tax rate that does not exceed 105% of the tax rate of the Township for taxes collected in the year the annexation occurs. For example, if the City's tax capacity rate at the time of annexation is 204 and the Township's tax capacity rate is 8, then the current benefit ratio for the rural service district would be 8.4/204. The tax ratio between rural and urban land shall remain unchanged until the annexed land is no longer classified as rural in character pursuant to the terms of this Agreement.

- ii. The annexed property, or any portion of it, shall remain classified as rural and shall remain in the rural service district until such time as the property is subdivided and at least one parcel is sold to a third party. At such time, the property that has been subdivided and sold may be reclassified into the urban taxing district. Transfer of such property via inheritance shall not be deemed a "sale" under this paragraph.

b. Upon receipt by the City of a preliminary plat submission from a Developer of land annexed pursuant to this Joint Resolution, the City shall forward to the Town Clerk such preliminary plat submissions. Upon receipt by the City, the City shall send the Town Clerk notice of all City Council meetings for concept plan approval, preliminary plat approval and final plat approval for the property so annexed to the City under this Joint Resolution. The Township may submit written comments to the City stating the opinion of the Town Board related to the development. The City will in good faith consider the Township's comments and concerns.

- 7. Requirements for Developer's Agreement. The City shall require the following in a developer's agreement, if applicable, for property in the OAA that is proposed to be developed, that requires final plat approval by the City, and has been annexed pursuant to this Joint Resolution:

- a. That the Developer meet all of the requirements for Storm Water Management under applicable Federal and State law and City ordinances including, but not limited to, the City's Storm Water Management Plan and require that any and all tile and waterways within the OAA and annexed to the City either remain the same or be improved and that any functioning drain tile lines located during development of any parcel be reconnected to the existing system or connected to the City's storm sewer system.

- b. That during development of a property in the OAA (including construction of all residences) all construction traffic shall use State Trunk Highways, Marshall County Highways or Oslo City streets, and that Township roads be used only when no State Trunk Highway, Marshall County Highway or Oslo City street is available.

- c. That Developer maintains any township roads used during construction including, but not limited to, dust control coating, grading, and repair of any damage caused when construction traffic uses Township roads. Unless otherwise agreed by the Township, Developer shall repair any township roads damaged during construction within thirty (30) days of being notified by the Township. In the event that the Developer fails to repair any township roads damaged during construction within the time frame specified, the Township may cause the necessary repairs to be completed and bill the Developer; provided however, that the Township shall notify the Developer before taking such action and give the Developer an opportunity to remedy the problem or to state the reasons for not repairing the road while construction of the development is ongoing and when the Developer expects such repairs to be completed. The Developer agrees that upon being billed by the Township, Developer will pay within thirty (30) days of the mailing of said billing the said amount. Prior to construction, the Developer and Township will assess and determine the existing condition of a potentially impacted Township road in order to establish a baseline for possible repairs that may result from construction activity with respect to the development. For paved roads, the Developer is required to repair that damage to a Township road caused by the Developer. For gravel roads, the Developer is required to restore the gravel road to Township standards for that portion of the road damaged by the Developer.
 - d. That the Developer warrant to the Township for a period of two years from the date the Township accepts the finished repairs to any Township roads repaired under the terms of this Agreement that all such repairs have been constructed to their condition for the type of road that existed prior to construction of the development and shall suffer no significant impairments, either to the structure or to the surface or other usable areas due to improper construction, said warranty to apply both to poor materials and faulty workmanship.
 - e. That the City shall not accept a future petition for annexation from the property owner of property that has been annexed within the OAA and is proposed for development, until all conditions in this Joint Resolution and in the development agreement with the City that apply to the property owner, except any road warranty period provided herein, have been complied with.
9. Provision of Services. After annexation of lands located within the OAA, the City shall be responsible for providing municipal governmental services to the respective annexed areas.
10. Prohibition on Future Annexations. The City shall not annex any property from the Township except as set out in this Agreement for a period of 40 years from the date this Agreement is executed by both parties to it, unless both parties agree to such annexation via a separate orderly annexation agreement duly approved and executed by both the City and the Township. It is the intent of the parties that this Agreement set the exclusive geographical boundaries of land that may be annexed and set the exclusive procedures under which annexation from the Township to the City may occur during the term of this

Agreement. As such, unless otherwise agreed to by the parties, the City agrees not to initiate, support, or accept a property owner petition for annexation of property located in Oak Park Township. Further, the City and Township agree that the City will not initiate a contested case annexation proceeding (Section 414.031) pursuant to Minnesota Statutes, Chapter 414 within the remainder of the Township located outside the OAA during the term of this Joint Resolution.

11. Roads Within the Designated Area. The City shall at the Township's request, annex the entire road (i.e. both sides of the road) where the City has annexed property abutting one side of the road and has approved a final plat for any portion of the annexed property. The length of road required to be annexed shall be limited to the length of road directly abutting the property annexed under this Agreement, unless otherwise agreed in writing by the City and Township.
12. Limitation on Hog Feedlots. The City and Township agree that hog feedlots should not be located within the land area inside the flood protection levee surrounding the City and a portion of the Township immediately north of the City shown on the attached Exhibit C. Accordingly, the Township agrees that it shall, to the extent permitted by law, prohibit the establishment of hog feedlots in the area of the Township contained within the Levee shown on Exhibit C.
13. Notification of Rural Uses. The City and Township shall each adopt a policy, which requires that developers seeking to develop land within the Township that is annexed, provide notice to potential builders and homeowners, within the area proposed for development, that the land may be located in or near an agricultural area and as such is potentially subject to sounds and smells associated with agricultural production. Implementation of this policy will require that this notification be incorporated into each party's developer's agreements and recorded with the plat. The City and the Township must approve those notifications for land development within their respective jurisdictions.
14. Zoning and Planning Within the OAA. Absent the Township adopting subdivision and zoning ordinances, it is the intent of the Parties that the orderly annexation area shall be subject to the zoning and subdivision controls of Marshall County while such properties remain in the Township. Any request for zoning reclassification, conditional use permits, and variances within the orderly annexation area shall be subject to the requirements and provisions of the County's ordinances and any other rules, statutes, laws, or ordinances in effect by the County on that date. Upon annexation to the City, the OAA shall be subject to the City's zoning ordinance and zoning map.

Following annexation, the annexed properties shall be subject to the zoning and subdivision controls of the City and the City shall serve as the "governing body".

15. Deferred Assessment Policy. With respect to improvements to be constructed for the benefit of properties annexed pursuant to this Agreement, the City's policy for deferred, delayed, or future assessments for such improvements shall be as follows:

- a. Sanitary Sewer and Water Utilities. The City will not specially assess any properties in the Township related to the cost of construction of sanitary sewer and/or municipal water utilities constructed to serve any part of the OAA. However, the City may impose connection and trunk charges as permitted by law on properties within the Township that are to become due and payable at such time as the properties are: 1) annexed to the City, and 2) connect to municipal water or sanitary sewer service.
 - b. Street and Curb and Gutter and Storm Sewer Utilities. The City shall not specially assess any properties in the Township related to the cost of construction of streets, curb, gutter or storm sewer to serve any part of the OAA. However, the City may, if it chooses, impose charges upon such properties for such properties' proportionate share of such improvements as a condition of annexation to the City.
 - c. Reservation of Rights. Notwithstanding the terms of this Joint Resolution, the City reserves the right to enter into a development agreement with the developers of the property annexed hereby that may vary from the terms of this Paragraph with respect to such development.
16. Township Maintenance of Services. The Township agrees that it will be responsible for normal and regular maintenance of all Township roads, streets, bridges, drainage facilities and other public rights-of-way that it is currently maintaining within the designated OAA prior to annexation thereof. Maintenance of Township infrastructure within the designated OAA by the Township shall be consistent with other standard maintenance practices employed by the Township elsewhere in the Township.
17. Line Roads. For any Township roads that become the boundary line for the City and Township as a result of an annexation, the City shall assume responsibility for road maintenance and improvement for the entire section of the Township road that becomes the boundary line adjacent to the City.
18. Disputes and Remedies. The City and Township agree as follows:
- a. Negotiation. When a disagreement over interpretation of any provision of this Joint Resolution shall arise, the City and the Township will direct staff members, as they deem appropriate, to meet at least two times at a mutually convenient time and place to attempt to resolve the dispute through negotiation.
 - b. Mediation/Arbitration. When the parties to this Joint Resolution are unable to resolve disputes, claims or counterclaims, or are unable to negotiate an interpretation of any provision of this Joint Resolution, the parties may mutually agree in writing to seek relief by submitting their respective grievances to mediation and/or binding arbitration.
 - c. Adjudication. When the parties to this Joint Resolution are unable to resolve disputes, claims or counterclaims, are unable to negotiate an interpretation of any

provision of this Joint Resolution or are unable to agree to submit their respective grievances to mediation or binding arbitration, or such action has not otherwise resolved the matter in dispute, either party may seek relief through initiation of an action in a court of competent jurisdiction. In addition to the remedies provided for in this Joint Resolution and any other available remedies at law or equity, in the case of a violation, default, or breach of any provision of this Joint Resolution, the non-violating, non-defaulting, or non-breaching party may bring an action for specific performance to compel the performance of this Joint Resolution in accordance with its terms.

19. Termination. This Joint Resolution shall remain in full force and effect until one of the following conditions take place, whichever occurs first: 1) Termination by mutual written joint resolution of the City and Township, which may occur at any time; or 2) forty (40) years from the effective date of the Joint Resolution.
20. Filing. The Township and City agree that upon adoption and execution of this Joint Resolution, the City shall file the same with the Office of Administrative Hearings Municipal Boundary Adjustments Office, or its successor agency, and pay the required filing fee.
21. Governing Law. The Township and City agree that this Joint Resolution is made pursuant to, and shall be construed in accordance with the laws of the State of Minnesota.
22. Headings and Captions. The Township and City agree that the headings and captions contained in this Joint Resolution are for convenience only and are not intended to alter any of the provisions of this Joint Resolution.
23. Entire Agreement. With respect to the OAA legally described in Exhibit A and shown on Exhibit B, respectively, which are attached hereto and incorporated herein by reference, the terms, covenants, conditions, and provisions of this Joint Resolution shall constitute the entire agreement between the parties hereto superseding all prior agreements and negotiations between the parties.
24. Notice. Any notices required under the provisions of this Joint Resolution shall be in writing and sufficiently given if delivered in person or sent by U.S. mail, postage prepaid, as follows:

If to the City:

City Clerk
City of Oslo
P.O. Box 187
Oslo, MN 56744

If to the Township:

Township Clerk
Oak Park Township
49970 238th Street NW
Oslo, MN 56744

Either party may from time to time designate a different person or address to which notice shall be sent.

25. Legal Description and Mapping. The Township and City agree that in the event there are errors, omissions or any other problems with the legal descriptions provided in Exhibit A or mapping provided in Exhibit B, in the judgment of the Office of Administrative Hearings, or its successor agency, the City and Township agree to make such corrections and file any additional documentation, including a new Exhibit A or Exhibit B making the corrections requested or required by the Office of Administrative Hearings, or its successor agency, as necessary to make effective the terms of this Joint Resolution.

Passed, adopted, and approved by the Town Board of Supervisors of Oak Park Township, Marshall County, Minnesota, this 28th day of December, 2016.

OAK PARK TOWNSHIP

By:


Jared Sands, Chairman


ATTEST:


Rodney Teigen, Town Clerk

Passed, adopted, and approved by the City Council of the City of Oslo, Marshall County, Minnesota, this 28th day of December, 2016.

CITY OF OSLO

By:


Vicky Jamieson, Deputy Mayor/Acting Mayor

ATTEST:


Debbie Goschke, City Clerk

04/25/2016

PARCEL "A"
OSLO, MINNESOTA ANNEXATION
SECTION 31 T155N, R50W

That part of Government Lot 3 and the Northeast Quarter of the Southeast Quarter, of Section 31, Township 155 North, Range 50 West of the 5th Principal Meridian, Marshall County, Minnesota described as follows:

Commencing at the southeast corner of said Section 31; thence northerly along the east line of said Section 31 having a grid bearing of North 02 degrees 25 minutes 38 seconds East a distance of 1325.00 feet to the northeast corner of the Plat of Blocks 15, 16, 17, 18, 19, 20, 21, 22, 23 24, 25, 26, 27 and 28 Oslo, Marshall County, Minnesota in Southeast Quarter of Section 31, Township 155 North, Range 50; thence North 87 degrees 34 minutes 16 seconds West along the north line of said Plat of Blocks 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and 28 Oslo, Marshall County, Minnesota in Southeast Quarter of Section 31, Township 155 North, Range 50 West a distance of 424.68 feet to the point of beginning; thence continuing North 87 degrees 34 minutes 16 seconds West along said north line a distance of 440.39 feet to the southeast corner of Block 1 of Gunderson's Second Addition to the City of Oslo, Minnesota; thence North 02 degrees 25 minutes 44 seconds West along the east line of said Block 1 a distance of 170.00 feet to the northeast corner of said Block 1; thence North 87 degrees 34 minutes 16 seconds West along the north line of said Block 1 a distance of 459.00 feet to the northwest corner of said Block 1 being the easterly line of River Street in said Plat of Gunderson's Second Addition; thence North 20 degrees 18 minutes 57 seconds West along said easterly line a distance of 260.49 feet to the north boundary line of said Gunderson's Second Addition; thence North 87 degrees 34 minutes 16 seconds West along said north boundary line a distance of 375 feet more or less to the easterly bank of the Red River of the North; thence northwesterly a distance of 840 feet more or less to the south line of a tract of land conveyed to St. Joseph's Cemetery in Book 165 of Deeds, page 609, Marshall County Recorder Office; thence South 87 degrees 00 minutes 29 seconds East along said south line a distance of 450 feet more or less to the southeast corner of said conveyed tract of land; thence North 70 degrees 22 minutes 40 seconds East a distance of 120.94 feet to the southwest corner of a tract of land conveyed to St. Joseph's Church, Oslo, recorded as Document Number 273168 in Book 217 of Deeds, page 479, in said Marshall County Recorder Office; thence South 37 degrees 25 minutes 04 seconds East a distance of 185.20 feet; thence North 87 degrees 11 minutes 04 seconds East a distance of 733.29 feet; thence North 89 degrees 43 minutes 31 seconds East a distance of 530.62 feet to the west line of a Permanent Easement for Ponding, Document Number 209669 in Book 43 of Miscellaneous, page 615; thence South 22 degrees 48 minutes 24 seconds West along said west line a distance of 141.49 feet; thence South 54 degrees 11 minutes 23 seconds East continuing along said west line a distance of 88.81 feet; thence South 02 degrees 49 minutes 24 seconds West continuing along said west line a distance of 703.87 feet; thence South 79 degrees 22 minutes

EXHIBIT

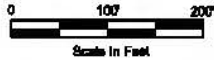
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53 seconds West continuing along said west line a distance of 125.13 feet; thence South 58 degrees 36 minutes 39 seconds East continuing along said west line a distance of 155.58 feet to the point of beginning. Containing 27.23 acres more or less.

All bearings are grid based on the Minnesota State Plane Coordinate System - North Zone of 1983 (NAD83).



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Note:
See supplement for the legal description
of Parcel A.

Proposed Annexation Area Olso, Minnesota			
DRAWN BY ZLB	DESIGNED BY MSS	CHECKED BY MGK	DATE MAY 2016
CPS PROJECT NO. 15122	OWNER PROJECT NO. NA	DRAWING NO. 1 of 1	

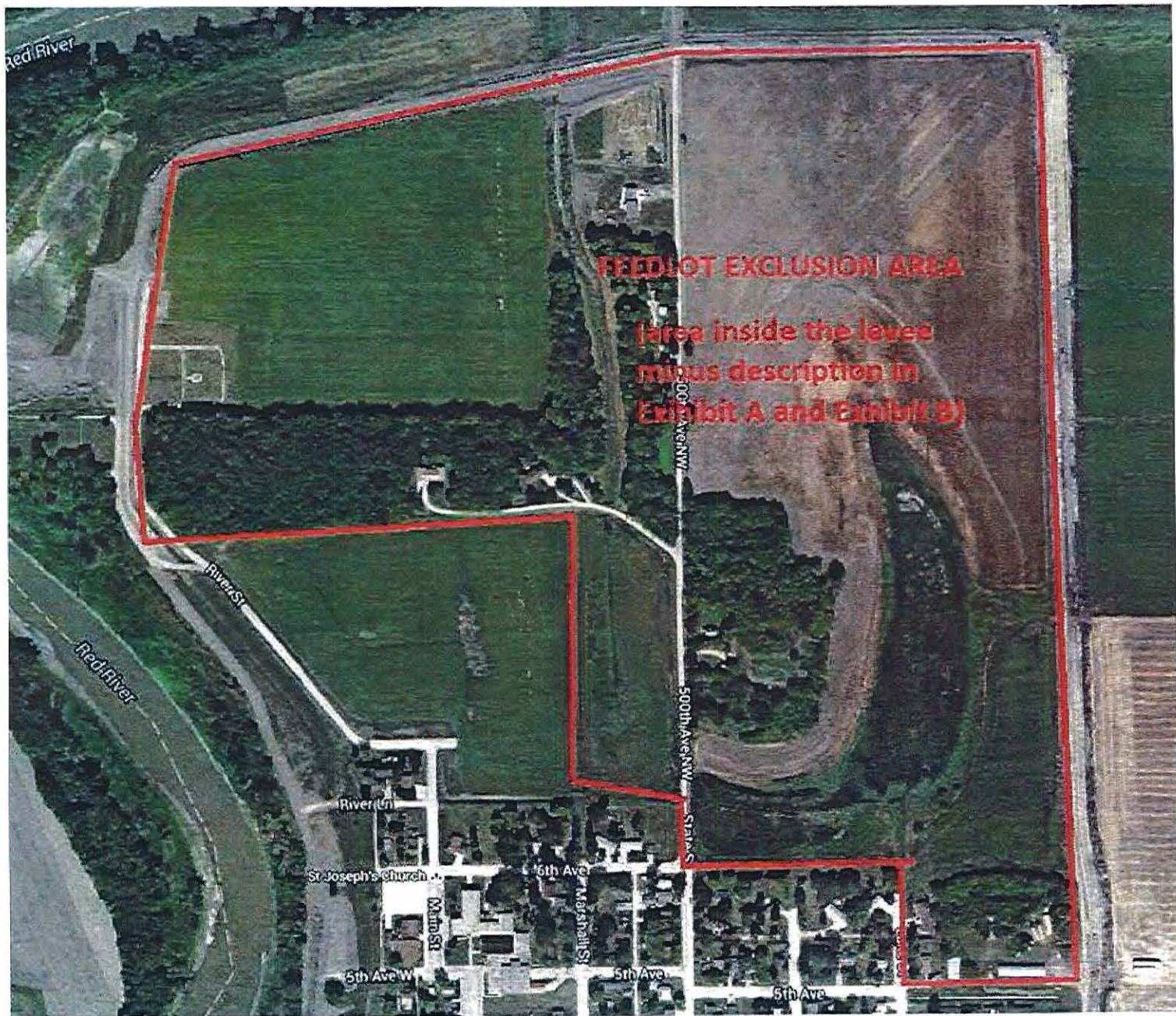


EXHIBIT
C