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By: OAH on March 7, 2023

JOINT RESOLUTION

IN THE MATTER OF THE ORDERLY ANNEXATION BETWEEN THE CITY OF FERGUS FALLS AND FERGUS FALLS TOWNSHIP PURSUANT TO MINNESOTA STATUTES § 414.0325

WHEREAS, the City of Fergus Falls (“City”) and Fergus Falls Township (“Town”) designate for orderly annexation, the following described lands located within Fergus Falls Township, County of Otter Tail, Minnesota:

NW1/4, except the North 50 feet thereof, of Section 29, Township 133, Range 43 West, Otter Tail County, Minnesota, comprising 162.87 acres more or less.

and

West 1/2 of Section 20, Township 133, Range 43 West, Otter Tail County, Minnesota, lying south of Railroad Right of Way, comprising 121.10 acres more or less.

and,

WHEREAS, the City and Town are in agreement as to the orderly annexation of the unincorporated land described; that both believe it will be to their benefit and to the benefit of their respective residents; and

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

WHEREAS, on February 22, 2023 a Notice of Intent to include property in an orderly annexation area was published pursuant to the requirements of Minnesota Statutes § 414.0325 Subd. 1b; and

WHEREAS, the City and Town have agreed to all the terms and conditions for the orderly annexation of the above-described lands within this resolution and have further agreed to confer jurisdiction on the Chief Administrative Law Judge over annexations of the above-described lands and over the various provisions of this resolution.

NOW, THEREFORE, BE IT RESOLVED, jointly by the City Council of the City of Fergus Falls and the Township Board of Fergus Falls Township as follows:

SECTION I. Immediate Annexation Property

1. **Immediate Annexation Property.** The following described land in Fergus Falls Township is subject to orderly annexation pursuant to Minnesota Statutes § 414.0325, and that the parties hereto agree that the land be immediately annexed:

NW1/4, except the North 50 feet thereof, of Section 29, Township 133, Range 43 West, Otter Tail County, Minnesota.

2. **Acreage/Population/Usage.** That the annexation area consists of approximately 160 acres, the population in the subject area is 0. Upon annexation the land shall be zoned as follows:

R-A, Agricultural- Residence District

3. **Jurisdiction.** The Town and the City agree by submission of this joint resolution to the Municipal Boundary Adjustment Unit of the Office of Administrative Hearings, jurisdiction is conferred upon the Chief Administrative Law Judge so as to accomplish said orderly annexation of the Immediate Annexation Property identified in this Section I in accordance with the terms of this resolution.

4. **Municipal Reimbursement.** Minnesota Statutes § 414.036.

a. Reimbursement to Towns for lost taxes on annexed property.

The Town and PPTF, LLC have agreed PPTF, LLC shall pay to the Town \$15,000.00 for lost property taxes which shall be paid within thirty (30) days of the Chief Administrative Law Judge's order. The Town and PPTF, LLC have further agreed that if PPTF, LLC builds an Ag Processing Plant on the property within 5 years, PPTF, LLC shall make an additional payment of \$15,000.00 to the Town for lost future property taxes within thirty (30) days of the issuance of a building permit.

The City is absolved from any property tax payments with regards to the annexation of the Immediate Annexation Property in this Section I to the Town per this resolution.

b. Assessments and Debt.

That pursuant to Minnesota Statutes § 414.036 there are no special assessments.

5. **Review and Comment.** The City and Town have agreed to all the terms and conditions for the orderly annexation of the Immediate Annexation Property identified in Section I of this resolution and accordingly agree that no consideration by the Chief Administrative Law Judge is necessary. The City and Town agree that upon receipt of this resolution, passed and adopted by each party, the Chief Administrative Law Judge may review and comment, but shall within thirty (30) days, order the annexation of the Immediate Annexation Property identified in this Section I in accordance with the terms of the resolution.

SECTION II. Orderly Annexation Property

1. **Orderly Annexation Property.** The following described land in Fergus Falls Township is subject to orderly annexation pursuant to Minnesota Statutes § 414.0325, and that the parties hereto designate this area for orderly annexation, in accordance with the terms herein:

West 1/2 of Section 20, Township 133, Range 43 West, Otter Tail County, Minnesota, lying south of Railroad Right of Way.

2. **Acreage/Population/Usage.** That the designated area consists of approximately 121.10 acres, the population in the subject area is 0.

3. **Jurisdiction.** The Town and the City by submission of this joint resolution to the Municipal Boundary Adjustment Unit of the Office of Administrative Hearings, confers jurisdiction upon the Chief Administrative Law Judge so as to accomplish said orderly annexation of the Orderly Annexation Property described in this Section II in accordance with the terms of this resolution.

4. **Conditions of Annexation.** The City agrees it will not adopt an annexation ordinance or initiate an annexation petition for a period of 20 years from the date of this Agreement. The Town and City agree the City may initiate annexation proceedings in connection with the Orderly Annexation Property described in this Section II of this Agreement at any time within the said 20-year period upon a Petition signed by 100% of the owners of the land requesting to be annexed and the City passing a Resolution adopting the same. The Town and City state that if the City receives such a Petition and the City passes a Resolution, this Agreement sets forth the conditions of annexation of the Orderly Annexation Property of this Section II, and that no consideration by the State of Minnesota Office of Administrative Hearings is necessary.

5. **Tax Levy and Municipal Reimbursement.** Minnesota Statutes § 414.036.

a. **Tax Levy.** The property taxes payable in the Orderly Annexation Property described in this Section II of this Agreement shall be paid to the City starting in the year following that in which the annexation occurs, provided said annexation becomes effective before August 1 of said year, and that the City shall levy on the annexed area for that levy year.

b. **Reimbursement to Towns for lost taxes on annexed property.** The City will reimburse the Town for property taxes at 100% of the property taxes for the year the property is annexed which shall be paid to the Town within 30 days of said annexation becomes effective, and the City agrees to make additional payments in this same amount each year for the next 4 years. The City reserves the right to make a lump sum payment of the entire remaining reimbursement amount at any time.

c. **Assessments and Debt.** That pursuant to Minnesota Statutes § 414.036 with respect to any special assessment assigned by the Town to the annexed property and any portion of debt incurred by the Town prior to the

annexation and attributable to the property to be annexed, but for which no special assessments are outstanding, the City will reimburse the Town in substantially equal payments over a period of not less than two or no more than eight years as agreed by the City and the Town at the time of the proposed annexation.

6. **Review and Comment.** The City and Town have agreed to all the terms and conditions for the orderly annexation of the Orderly Annexation Property identified in Section II of this resolution and accordingly agree that no consideration by the Chief Administrative Law Judge is necessary. The Town and the City agree that upon receipt of a resolution, passed and adopted by the City of Fergus Falls based on a Petition signed by 100% of the owners of the land requesting to be annexed, the Chief Administrative Law Judge may review and comment, but shall within thirty (30) days, order the annexation of the Orderly Annexation Property described in this Section II in accordance with the terms of this Agreement.

SECTION III. Other Terms of Resolution.

- **Costs Associated with the Orderly Annexation Agreement.** Each party shall pay its own costs incurred in the negotiation, development, and implementation of this Agreement.
- **Effective Date.** This Joint Resolution and Agreement is effective upon its adoption by the respecting governing bodies of the Township and the City, as provided by law.
- **Termination of Prior Agreements.** Any prior agreements or joint resolutions existing between the parties pertaining to annexation of property from the Town to the City shall be considered terminated upon the effective date of this Joint Resolution.
- **Adopt and Enforce Regulations.** The City and Township agree to enact, adopt, and strictly enforce all such resolutions, ordinances, or regulations, as may be or shall be necessary to give full effect to the stipulations contained in this Joint Resolution.
- **Amendments.** Any amendments to this Joint Resolution and Orderly Annexation Agreement will require adoption and approval by the City and the Town.
- **Termination of Orderly Annexation Agreement.** The parties agree that they will consider potential changes and adjustments to this Agreement as requested by either party. Unless the parties have agreed to an extension, this Agreement shall terminate on December 31, 2042.
- **Authorization.** The appropriate officers of the City and the Town are hereby authorized to carry the terms of this Joint Resolution and Agreement into effect.

Adopted by affirmative vote of all the members of the Fergus Falls Township Board of Supervisors this 6th day of March 2023.

FERGUS FALLS TOWNSHIP

By: Craig Shere
Chairperson
Board of Supervisor

ATTEST:

By: AM Neigel
Township Clerk

Adopted by affirmative vote of the City Council of Fergus Falls, this 6th day of March 2023.

CITY OF FERGUS FALLS

By: Ben Schierer
Ben Schierer, Mayor

ATTEST:

By: Andrew Bremseth
Andrew Bremseth, City Administrator

CITY OF FERGUS FALLS



Ethanol Plant - 121.10 Acres



Except the North 50' of the NW 1/4 of Section 29 - 3.07 Acres

PPTC LLC - 159.80 Acres

Municipal Boundary Line

COUNTY ROAD NO. 116

I-94 INTERSTATE HIGHWAY

Legend

-  2023 Annexation - PPTC LLC
-  Ethanol Plant Property
-  Municipal Boundary