

Pursuant to due call and notice there of the Southside Township Board of Supervisors met for a special meeting on Wednesday, February 21 at 6:00 p.m. at Southside town hall to consider the orderly annexation agreement with the City of Annandale. The following members were present: Supervisors Marty Ferguson and Jim Hallstrom, Clerk/Treasurer Carmen Merrill. Absent: Chairman Dan Berg. Also present: Kelly Hinnenkamp, Mike Couri.

Supervisor Hallstrom called the meeting to order.

Mike Couri presented the revised resolutions that addressed Nevens Ave NW portion that was not included in the proposed development. Annandale will maintain the road if it is asphalt and Southside will maintain if it is gravel. If it is improved the asphalt will be split 50/50 and the curb and gutter if there is any, will be installed and paid for by the City of Annandale.

Supervisor Hallstrom made a motion to approve the following resolution:

SOUTHSIDE TOWNSHIP RESOLUTION NO. 2024-01
CITY OF ANNANDALE RESOLUTION 2024-_____

JOINT RESOLUTION FOR DESIGNATION OF CERTAIN LAND AND THE IMMEDIATE ANNEXATION OF ENTIRE DESIGNATED AREA BY THE TOWN OF SOUTHSIDE AND THE CITY OF ANNANDALE, WRIGHT COUNTY, MINNESOTA, PURSUANT TO MINNESOTA STATUTES § 414.0325

WHEREAS, a request from all of the property owners of the area proposed for designation and immediate annexation was received.

WHEREAS, the City of Annandale (“City”) and Southside Township (“Township”) jointly agree to designate and request the immediate annexation of the following described land located within Southside Township to the City of Annandale, County of Wright, Minnesota:

SEE EXHIBIT 1 ATTACHED HERETO AND INCORPORATED HEREIN
(the “Subject Property”).

WHEREAS, the City of Annandale and Southside Township are in agreement as to the orderly annexation of the unincorporated land described; and

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

WHEREAS, the City of Annandale and Southside Township have agreed to all the terms and conditions for the annexation of the above-described lands; and the signatories hereto agree that no alteration of the designated area is appropriate and no consideration by the Chief Administrative Law Judge is necessary. The Chief Administrative Law Judge may review and comment, but shall within thirty (30) days, order the annexation in accordance with the terms of the resolution.

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

1. **Designation of Orderly Annexation Area.**

The Township and the City hereby designate the area legally described on **Exhibit 1** attached (hereinafter referred to as the “Orderly Annexation Area”, “OAA” or “Subject Area”) for orderly annexation pursuant to Minnesota Statutes Section 414.0325.

A boundary map showing the Subject Area legally described on **Exhibit 1** is attached hereto as **Exhibit 2** and incorporated herein by reference.

The Township and City agree that the Orderly Annexation Area legally described on **Exhibit 1** and designated for orderly annexation pursuant to Minnesota Statutes Section 414.0325 is approximately 37.49 acres and the land use type is agricultural. The purpose of the annexation is to allow residential development of urban density on the annexed Subject Property.

2. **Office of Administrative Hearings, Municipal Boundary Adjustments.**

Upon submission by the Town Board and the City Council, this Joint Resolution shall confer jurisdiction upon the State of Minnesota Office of Administrative Hearings, Municipal Boundary Adjustments (hereinafter referred to as the “MBA”) or its successor pursuant to Minnesota Statutes.

3. **No Alterations of Boundaries.**

The Township and City mutually agree and state that no alterations by the MBA of the stated boundaries of the area designated for orderly annexation is appropriate. Any alterations of boundaries may only be made upon the joint agreement of the Township and City.

4. **Review and Comment.**

The City and the Township 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 in accordance with the terms of the resolution.

5. **Taxation Reimbursement.**

- A. **Tax Reimbursement.** To allow the Township to be reimbursed for the permanent loss of taxable property from Township tax rolls for property in the Orderly Annexation Area, the City agrees that it will pay to the Township two and one-half times the amount in taxes that the Township levied against the annexed property in the year preceding annexation, exclusive of debt service and special assessments. In the year following annexation, the City shall remit payment to the Town in no more than two equal semi-annual payments within thirty (30) days after receipt of the tax revenues for the property from the Wright County Treasurer’s office.
- B. **Tax Exempt Lands.** Lands, which are tax exempt as of the date of their annexation pursuant to this Joint Resolution, shall not be subject to the provisions of this section relating to Tax Reimbursement.
- C. **Delinquent Taxes.** The City agrees that it shall remit all delinquent taxes, charges and assessments collected from any portion of the Orderly Annexation Area after annexation of such property if such taxes or charges were originally payable while the delinquent property remained in the Township. Additionally, when a property no longer qualifies for special tax treatment through Green Acres or other applicable programs such as Ag Preserves, CRP, This Old House, and taxes that were deferred under one of these programs is paid to the City, the City shall remit to Township the amount which was deferred during the time the property was in the Township.
- D. **Assumption of Liability for Public Improvements.** The City does not assume by this annexation any liability or responsibility for the payment of any obligations issued to finance public improvements

constructed by the Township or for which the Township levied special assessments. In the event that the City annexes land under this Agreement upon which outstanding special assessments levied by the Township remain at the time of annexation, the City shall forward to the Township upon receipt all special assessment payments which the City receives as a result of special assessments levied by the Township.

Other than the reimbursement outlined above, no other reimbursement or taxes shall be owed to the Township from the City.

6. **Road Maintenance.** The City and Township have entered into an orderly annexation agreement assigned file number MBAU Docket OA-1813-1 by the Office of Administrative Hearings, Municipal Boundary Adjustment Unit under which the parties have agreed via the terms of paragraph 6 of such Agreement to share road maintenance costs of Nevens Avenue Northwest within the Township (“Cost Sharing Arrangement”). This Agreement shall not alter the cost sharing agreement set forth by the parties, except that:

- A. The City shall be responsible for maintaining that portion of Nevens Avenue improved with a bituminous surface where at least one side of the road has been annexed into the City. The Township shall be responsible for maintaining that portion of Nevens Avenue that is not improved with a bituminous surface where at least one side of the road remains in the Township. This paragraph 6.A shall be effective upon the realignment of Nevens Avenue as contemplated in paragraph 6.B below.
- B. In the event the City realigns Nevens Avenue to move it farther to the east, the Township shall permit such realignment provided the alignment is similar to that shown on the attached **Exhibit 3** and provided the Township shall not be responsible for any of the improvement costs of such realignment for that portion depicted in yellow on **Exhibit 4** attached hereto and incorporated herein.
- C. At the time of final plat approval for the Subject Property, the Township and the City will execute a cooperative agreement to improve the portion of Nevens Avenue that is depicted in red on **Exhibit 4** attached hereto and incorporated herein. The City will be responsible for 50% of the bituminous costs and 100% of the curb and gutter. The Township will be responsible for 50% of the bituminous cost.
- D. The Cost Sharing Arrangement shall remain in place until the earlier of 1) 50 years from the date of this Agreement, or 2) until such time as the City has annexed all of the properties abutting both sides of Nevens Avenue from the Property north to 80th Street N.W.

7. **Development of the Property.** The City shall require the Developer and its contractors, including all contractors installing sewer, water and roads as well as those contractors constructing homes on the Subject Property to access the Subject Property using only County Highway 183 to Nevens Avenue Northwest and not using the Township Portion of Nevens Avenue to either access the Subject Property or exit the Subject Property. In the event such contractors use the Township Portion of Nevens Avenue to either access or exit the Subject Property and the Township Portion of Nevens Avenue suffers damage to the surface of the road, the City shall reimburse the Township for the cost of repairing such damage.

8. **Police Patrols.** The City shall include the un-annexed portion of Nevens Avenue Northwest north of the Subject Property in its patrol area.

9. **Limitation on Future Annexation.** The parties agree that for a period of 20 years from the date of this Agreement, the City will not annex any of the properties shown on **Exhibit 5** (“Limited Annexation Area”) via any means available under Minnesota law without the written consent of 100% of the property owners of the parcel or parcels sought to be annexed.

10. **Entire Agreement.** With respect to the Subject Area legally described on **Exhibit 1** and shown on **Exhibit 2**, respectively, which exhibits 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, except that the provisions relating to the Cost Sharing Arrangement related to Nevens Avenue shall be as referred to in paragraph 6 of this Agreement. Any prior agreements or joint resolutions existing between the parties and affecting the Subject Property described in the attached **Exhibits 1** and **2** shall be considered terminated upon the effective date of this Joint Resolution.

Supervisor Ferguson seconded the motion. All voted aye. Motion carried.

The meeting was adjourned at 6:30 p.m.