

Resolution No. 97-43

Original given out at Meeting

**JOINT RESOLUTION AND AGREEMENT BETWEEN THE CITY OF LAKE ELMO
AND THE TOWN OF BAYTOWN FOR ORDERLY ANNEXATION**

THIS AGREEMENT is made this _____ day of _____, 1997, ("Effective Date") between the City of Lake Elmo, Washington County, Minnesota ("City") and the Town of Baytown, Washington County, Minnesota ("Town"), and constitutes a "Joint Resolution" between the City and Town authorized by Minnesota Statutes §414.0325 providing for a procedure and a framework for orderly annexation of a part of the Town to the City.

**SECTION ONE
INTRODUCTION**

- 1.01 Certain land owners within the Town have petitioned the City and Town for orderly annexation of their property from the Town to the City.
- 1.02 The Town and the City are currently considering a plan for the eventual consolidation of the two political subdivisions.
- 1.03 Annexation of the subject property at this time would further the consolidation process.

**SECTION TWO
ORDERLY ANNEXATION AREA**

- 2.01 The legal description of the property which is the subject of this orderly annexation agreement is:

All that part of Section 6, Township 29 North, Range 20 West lying westerly of the centerline of Stillwater Blvd. also known as State Highway 5, Washington County.

The Orderly Annexation Area is designated as in need of orderly annexation and no consideration by the Minnesota Municipal Board is necessary, no alteration of the boundaries is appropriate, and all conditions of annexation have been provided for in this Resolution: the Minnesota Municipal Board may review and comment but shall, within thirty (30) days of receipt of this Resolution, order the annexation in accordance with the terms of this resolution.

Originals of
Resol. 42 + 43
hand-delivered
to M.B.
97-43
Original signed at
meeting given to
a Rep at meeting to
hand-deliver to M.B.

- 2.02 The subject area is 235 acres in size, and has a population of 21.

SECTION THREE REAL ESTATE TAXATION

- 3.01 Town/City Tax Rate Differential. It is recognized that there is a significant difference between the City's tax capacity rate and the Town's tax capacity rate, and that a phase-in of the City tax rate would prevent a hardship to annexing properties.
- 3.02 Tax Rate Adjustment for Annexed Parcels. Pursuant to Minn. Stat. 414.035, for parcels annexed by this orderly annexation agreement, the initial urban tax rate in the year of annexation will be forty percent (40%) of the urban rate, with the percentage being increased 10 percent (10%) each year for six (6) years to the full urban rate.
- 3.03 Tax Payment to Town. During the term of this Agreement, taxes received by the City based upon the tax capacity generated from any area annexed in the year of annexation will be paid over to the Town and thereafter the amount to be paid to the Town will be reduced by twenty percent (20%) each year until the amount reaches zero (0), when taxes based upon the full tax capacity will remain with the City. For the purpose of this section, any increase in tax capacity over the tax capacity generated in the year of annexation will remain with the City.
- 3.04 Year of Annexation. If the annexation becomes effective on or before August 1 of any year, the City may levy on the annexed area beginning with that year. If the annexation becomes effective after August 1 of any year, the Town may continue to levy on the annexed area for that year, and the City may not levy in the annexed area until the following year.

SECTION FOUR MODIFICATION

- 4.01 This Agreement may be modified at any time by written agreement approved by both the City and the Town.

SECTION FIVE GENERAL PROVISIONS

- 5.01 If any provision of this agreement is declared invalid, for any reason, by a court of competent jurisdiction, the validity of the remaining terms and provisions shall not be

effected and the agreement shall be construed and enforced as if the agreement did not contain the particular term or provision held to be invalid.

CITY OF LAKE ELMO

TOWN OF BAYTOWN

By: _____
Wyn John, Its Mayor

By: _____
Ron Fredkove, Chairman of
Its Board of Supervisors

ATTEST: _____
Mary Kueffner
Its Clerk/Administrator

ATTEST: _____
Patricia L. St. Clair
Its Town Clerk