

RESOLUTION #99-255

**TO THE MINNESOTA MUNICIPAL BOARD OR SUCCESSOR AGENCY
A JOINT RESOLUTION
OF THE CITY OF NORTHFIELD AND THE TOWNSHIP OF BRIDGEWATER
DESIGNATING AN UNINCORPORATED AREA AS IN NEED OF ORDERLY
ANNEXATION AND CONFERRING JURISDICTION OVER
SAID AREA ON THE MINNESOTA MUNICIPAL BOARD PURSUANT TO MINN.
STAT. 414.0325**

WHEREAS, the City of Northfield and the Township of Bridgewater desire to accommodate growth in the most orderly fashion; 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 guidelines under which such annexation shall take place; and

WHEREAS, the Parties hereto desire to enter into a binding contract which encompasses the terms of this Joint Resolution;

NOW THEREFORE BE IT RESOLVED by the City of Northfield (sometimes hereinafter referred to as "the City") and the Township of Bridgewater (sometimes hereinafter referred to as "the Township") that the property described herein is designated for orderly annexation by the City of Northfield and shall be annexed subject to the following terms and conditions:

- I. The property which is covered by this orderly annexation agreement is legally described as follows:

All that part of Section 2, Township 111 North, Range 20 West, Rice County, Minnesota, not already annexed and part of the City of Northfield. (Approximately 370 acres)

TOGETHER WITH:

That part of the Northeast Quarter of Section 11, Township 111 North, Range 20 West, Rice County, Minnesota, lying southeasterly of the southeasterly right-of-way line of Minnesota Trunk Highway 3, and lying southeasterly of the northwesterly right-of-way line of County State Aid Highway 28, not already annexed and part of the City of Northfield. (Approximately 7.5 acres)

TOGETHER WITH:

That part of the Southeast Quarter of Section 11, Township 111 North, Range 20 West, Rice County Minnesota, lying north of the northerly right-of-way line of County State Aid Highway 1 and east of the southeasterly right-of-way line of Minnesota Trunk Highway 3.

(Approximately 120 acres)

TOGETHER WITH:

All that part of Section 12, Township 111 North, Range 20 West, Rice County, Minnesota, not already annexed an part of the City of Northfield. (Approximately 280 Acres)

TOGETHER WITH:

That part of the Northwest Quarter of Section 13, Township 111 North, Range 20 West, Rice County, Minnesota, lying north of the northerly right-of-way line of County State Aid Highway 1. (Approximately 12 acres)

TOGETHER WITH:

That part of the Northeast Quarter of Section 14, Township 111 North, Range 20 West, Rice County, Minnesota, lying north of the northerly right-of-way line of County State Aid Highway 1. (Approximately 4.5 acres)

TOGETHER WITH:

All that portion of Section 34, Township 112 North, Range 20 West, Rice County, Minnesota, lying northeasterly of the centerline of Minnesota State Highway #19. (Approximately 220 acres)

TOGETHER WITH:

All that portion of Section 35, Township 112 North, Range 20 West, Rice County, Minnesota, lying north and northeasterly of the centerline of Minnesota State Highway #19 and not already annexed to the City of Northfield. (Approximately 365 acres)

(All of which property is hereinafter referred to as "the Property") (Approximately 1,379 acres total).

II. The City of Northfield and the Township of Bridgewater hereby agree that the following described property, which is included within the orderly annexation area described above, be immediately annexed to the City of Northfield:

- a. All that part of the Northeast Quarter of Section 11, Township 111 North, Range 20 West, Rice County, Minnesota, not already annexed and part of the City of Northfield.

Said tract contains 7.5 acres more or less.

This property described in this Section II. a shall be zoned as Highway Commercial (C-3).

TOGETHER WITH:

- b. That Part of the North Half of the Southeast Quarter of Section 11, Township 111 North, Range 20 West, Rice County, Minnesota, Described as follows:

Beginning at the intersection of the southeasterly right-of-way line of Trunk Highway No. 3 and the north line of said North Half; thence easterly on an assumed azimuth from north of 89 degrees 59 minutes 25 seconds along said north line 719.62 feet; thence southerly 179 degrees 04 minutes 41 seconds azimuth 438.27 feet; thence southwesterly 206.83 feet on a tangential curve concave northwesterly having a radius of 290.00 feet and a central angle of 40 degrees 51 minutes 48 seconds; thence southwesterly 219 degrees 56 minutes 29 seconds azimuth 538.55 feet; thence southwesterly 149.42 feet on a tangential curve concave southeasterly having a radius of 210.00 feet and a central angle of 40 degrees 46 minutes 06 seconds; thence southerly 179 degrees 10 minutes 23 seconds azimuth 133.55 feet to the south line of said North Half; thence westerly 269 degrees 57 minutes 50 seconds azimuth along said south line 1307.53 feet to the said southeasterly right-of-way line of Trunk Highway No. 3; thence northerly 347 degrees 21 minutes 17 seconds azimuth along said southeasterly right-of-way line 56.94 feet; thence northeasterly 39 degrees 56 minutes 21 seconds azimuth along said southeasterly right-of-way line 934.43 feet; thence southeasterly 129 degrees 56 minutes 21 seconds azimuth along said southeasterly right of way line 55.00 feet; thence northeasterly 39 degrees 56 minutes 21 seconds azimuth along said southeasterly right of way line 264.82 feet; thence northwesterly 309 degrees 56 minutes 21 seconds azimuth along said southeasterly right-of-way line 55.00 feet; thence northeasterly 39 degrees 56 minutes 21 seconds azimuth along said northeasterly right of way line 442.14 feet to the point of beginning.

Said tract contains 32.89 acres more or less.

The property described in this Section II. b shall be zoned Highway Commercial-Planned Development Zone #1 (C-3/PDZ #1) immediately upon annexation, provided that if the proposed PDZ has not received final plat approval and site plan approval, and met all other requirements for development of the PDZ by March 1, 2001 then the zoning designation for the subject property shall revert to (AG) Agricultural without further action by the City.

- III. The City of Northfield may annex up to 150 acres of land in each of the following five (5) year time periods, with no more than sixty (60) acres of land to be annexed in any one calendar year:

- A. 1999 through December 31, 2004
- B. January 1, 2005 through December 31, 2009
- C. January 1, 2010 through December 31, 2014
- D. January 1, 2015 through December 31, 2019

Any unused acreage from any five (5) year period shall not accumulate and shall not be carried forward to another five (5) year period.

- IV. No part of the Property may be annexed to the City of Northfield unless a minimum of two-thirds of the land owners owning a minimum of two-thirds of the land in the area to be annexed request annexation. All land to be annexed shall be reasonably compact in size and, after the annexation, should not isolate any other parcels of land. Notwithstanding any other provision of this Agreement, however, nothing herein shall prevent the City from annexing any property per Minnesota Statutes Section 414.033, Subd. 2, (2), which specifically allows the annexation by ordinance of land that is completely surrounded by land within the municipal limits. In addition nothing herein shall prevent the City from annexing property owned by the State of Minnesota or the United States of America, pursuant to Minnesota Statutes, Section 414.033. In addition, any parcels of land that are located within the Township of Bridgewater that are owned by the City on or before the date of this Agreement may be annexed by the City of Northfield pursuant to Minnesota Statutes Section 414.033.
- V. The City of Northfield agrees that during the term of this Agreement no annexations, other than through this Orderly Annexation Agreement, shall be requested or take place from the Township of Bridgewater to the City of Northfield, except in such cases where the annexation is ordered by the State of Minnesota without petition by the City, and except as provided in Section IV.
- VI. The Township of Bridgewater agrees that it will not allow annexation of any part of the following land within the City of Northfield's Planned Urban Boundary/Urban Expansion Boundary to any other jurisdiction:

All of the Property described in Section I.

TOGETHER WITH:

The West Half of Section 3, Township 111 North, Range 20 West, Rice County, Minnesota.

TOGETHER WITH:

The east half of Section 34, Township 112 North, Range 20 West, Rice County, Minnesota, lying south of the centerline of Minnesota State Highway #19.

- VII. The City of Northfield agrees that the subdivisions known as Bittersweet and Timberlane, located in Section 12, Township 111 North, Range 20 West, Rice County, Minnesota, will not be annexed by the City of Northfield until such time as land surrounding these

developments has been annexed, including the adjacent property to the south of County State Aid Highway #1, except that nothing shall prevent a two-thirds majority of the property owners within each of the subdivisions named above from requesting annexation to the City of Northfield, in which case this Agreement shall not prevent the annexation of one or both of these subdivisions pursuant to any means provided by law, and except where annexation is ordered by the State of Minnesota without petition by the City.

- VIII. The parties hereby confer jurisdiction on the Municipal Board or its successor agency over annexation of the Property and over the various provisions of this Agreement. The Property is adjacent to the City of Northfield.
- IX. All annexation within the Property will be consistent with the City's policies concerning the extension of municipal utilities.
- X. The City of Northfield will construct and provide water, sanitary sewer, storm sewer and street improvements to the Property as requested by the owner, pursuant to state and local law, in the discretion of the City and based on the policies of the City then in effect.
- XI. For each annexation that occurs under this Agreement, the electric utility service notice as required by Minnesota Statutes Section 414.0325, Subd. 1a, will be satisfied.
- XII. The parties agree to the following division of tax revenues from the Property and payment of special assessments for local improvements to the Property:
 - (A) Property Taxes: After annexation, the tax capacity rate applicable to parcels within the Property which have been developed for residential use and are occupied as of the date of this Agreement shall be increased in substantially equal proportions each year of a six year period until it equals the tax capacity rate of the City of Northfield. The tax capacity rate applicable to other parcels within the Property shall be increased in substantially equal proportions each year of a six year period until it equals the tax capacity rate of the City of Northfield, provided that when substantially all municipal services are available to any such parcel(s), as determined by the City Engineer, the tax capacity rate applicable to those parcel(s) shall thereupon be increased immediately to the tax capacity rate of the City of Northfield.

The Property or any portion thereof shall be taxed at the tax capacity rate as described above, and the City shall receive all local property taxes payable on the Property, until the second full calendar year after the year in which a Certificate of Occupancy is issued for the Property or any portion thereof. Beginning with the second full calendar year after the year in which a Certificate of Occupancy is issued for the Property or any portion thereof, the Township shall receive property taxes on such Property or portion thereof for a six year period to the extent of the Township's tax capacity rate each year multiplied by the tax capacity of the Property or portion thereof in each year of the six year period, except that for single family residential properties the reimbursement shall be based on the tax capacity multiplied by the

Township's tax capacity rate established for the second calendar year after a Certificate of Occupancy has been issued for the Property or any portion thereof that is single family residential, and this same amount shall be paid to the Township in each year of the six year period regardless of the exact amount collected by the City of Northfield. The City of Northfield shall receive all property taxes in excess of any amounts payable to the Township pursuant hereto, and all property taxes payable from and after the expiration of any applicable six year period.

In the event that no Certificate of Occupancy has been issued for the Property or any portion thereof within six (6) years of the effective date of each annexation, then beginning in the seventh year after the effective date for each annexation the Township shall receive property taxes from the Property or any portion thereof for which a Certificate of Occupancy has not already been issued for a six year period to the extent of the Township's tax capacity rate each year multiplied by the tax capacity of the Property or portion thereof in each year of the six year period, except that for single family residential properties the reimbursement shall be based on the most recent tax capacity multiplied by the most recent tax capacity rate established and this same amount shall be paid to the Township in each year of the six year period regardless of the exact amount collected by the City of Northfield. The City of Northfield shall receive all property taxes in excess of any amounts payable to the Township pursuant hereto, and all property taxes payable from and after the expiration of any applicable six year period.

For the purposes of this Agreement the term "single family residential" shall be defined as single family detached dwelling units consisting of one dwelling unit per lot and single family attached units consisting of two dwelling units connected by a common wall with each dwelling unit located on a separate lot.

- (B) Utility and Street Assessments: The Property will be assessed for utility and street improvements when said improvements have been determined by the City to benefit the Property as required by Minnesota Statutes Chapter 429.
- XIII. The Property shall be zoned according to normal zoning procedures established in the Northfield Zoning Ordinance. The City of Northfield Comprehensive Plan shall guide the City in arriving at the appropriate zoning of the Property. When the Property is annexed to the City, it will be zoned Agricultural, unless another zoning designation is specified at the time of annexation.
- XIV. This Agreement will go into effect on the date that the Orderly Annexation Agreement is approved by the Minnesota Municipal Board or its successor agency. Each subsequent annexation within the Property designated by this Agreement must be reviewed and approved by the Municipal Board or its successor agency.
- XV. The City of Northfield and the Township of Bridgewater agree that no alteration of the stated boundaries of the Property is appropriate. Furthermore, the parties agree that no

consideration by the Municipal Board or its successor agency is necessary. Upon receipt of this resolution, passed and adopted by each party, the Municipal Board or its successor agency may review and comment, but shall, within thirty (30) days, make an order, including the immediate annexation stated in Section II, in accordance with the terms of this joint resolution.

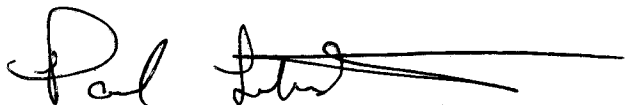
Future annexations will be accomplished by submission of a joint resolution for orderly annexation to the Municipal Board or its successor agency from the City and the Township. In any case where there is a disagreement between the City and the Township as to an area proposed for annexation under the terms of this Agreement, either the City or the Township or both may submit a resolution to the Municipal Board or its successor agency to consider said annexation, pursuant to Minnesota Statutes, Section 414.0325; and specifically Subdivision 2 of Minnesota Statutes, Section 414.0325 shall apply for hearing purposes. The submission of a resolution by either the City or the Township, or both the City and the Township to the Municipal Board or its successor agency to consider an annexation under the terms of this Agreement shall confer jurisdiction to the Municipal Board or its successor agency over said annexation.

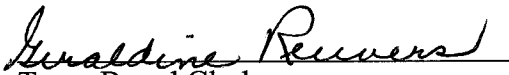
In regard to the subdivisions known as Bittersweet and Timberlane, any future annexation will occur subsequent to compliance with the terms of Section VII and the previous paragraph.

- XVI. The City of Northfield and the Township of Bridgewater agree to work with all other appropriate jurisdictions to protect Spring Brook Creek and the Spring Brook Creek Watershed.
- XVII. The City of Northfield will reimburse the Township Bridgewater for its costs, limited to attorney's fees and extra meeting costs incurred in relation to this Orderly Annexation Agreement, up to \$3,500.00.
- XVIII. Any tax payments due to the Township per Section XII. of this Agreement will be made within 30 days of receipt by the City of the tax distribution from Rice County.
- XIX. This Agreement will automatically expire on December 31, 2019; however, nothing herein shall prevent the City of Northfield and the Township of Bridgewater from amending this Agreement during its term.
- XX. This Resolution shall be a binding contract upon the Parties herein, and may be enforced in either Law or Equity, notwithstanding future amendments in Minnesota Statutes, except as specifically provided otherwise in this Agreement.

Approved by the Township of Bridgewater this 25 day of August, 1999.

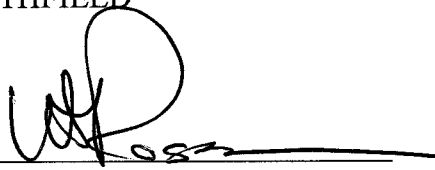
TOWNSHIP OF BRIDGEWATER

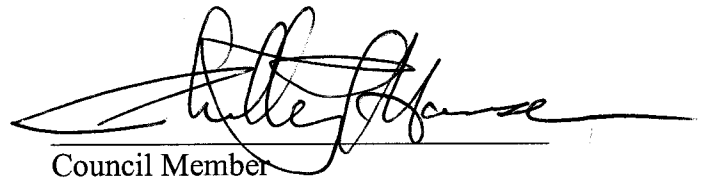
By: 
Town Board Chair

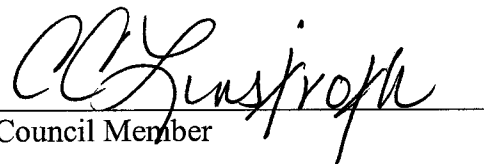
By: 
Town Board Clerk

Approved by the City of Northfield this 24 day of August, 1999.

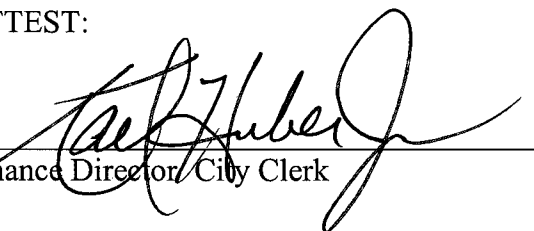
CITY OF NORTHFIELD

By: 
Mayor

By: 
Council Member

By: 
Council Member

ATTEST:


Finance Director / City Clerk

This resolution was subsequently amended at the August 24, 1999 Special Council Meeting.

**REVISED
RESOLUTION #99-255**

**TO THE MINNESOTA MUNICIPAL BOARD OR SUCCESSOR AGENCY
A JOINT RESOLUTION
OF THE CITY OF NORTHFIELD AND THE TOWNSHIP OF BRIDGEWATER
DESIGNATING AN UNINCORPORATED AREA AS IN NEED OF ORDERLY
ANNEXATION AND CONFERRING JURISDICTION OVER
SAID AREA ON THE MINNESOTA MUNICIPAL BOARD PURSUANT TO MINN.
STAT. 414.0325**

WHEREAS, the City of Northfield and the Township of Bridgewater desire to accommodate growth in the most orderly fashion; 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 guidelines under which such annexation shall take place;

NOW THEREFORE BE IT RESOLVED by the City of Northfield (sometimes hereinafter referred to as "the City") and the Township of Bridgewater (sometimes hereinafter referred to as "the Township") that the property described herein is designated for orderly annexation by the City of Northfield and shall be annexed subject to the following terms and conditions:

- I. The property which is covered by this orderly annexation agreement is legally described as follows:

All that part of Section 2, Township 111 North, Range 20 West, Rice County, Minnesota, not already annexed and part of the City of Northfield. (Approximately 370 acres)

TOGETHER WITH:

That part of the Northeast Quarter of Section 11, Township 111 North, Range 20 West, Rice County, Minnesota, lying southeasterly of the southeasterly right-of-way line of Minnesota Trunk Highway 3, and lying southeasterly of the northwesterly right-of-way line of County State Aid Highway 28, not already annexed and part of the City of Northfield. (Approximately 7.5 acres)

TOGETHER WITH:

That part of the Southeast Quarter of Section 11, Township 111 North, Range 20 West, Rice County Minnesota, lying north of the northerly right-of-way line of County State Aid Highway 1 and east of the southeasterly right-of-way line of Minnesota Trunk Highway 3. (Approximately 120 acres)

TOGETHER WITH:

All that part of Section 12, Township 111 North, Range 20 West, Rice County, Minnesota, not already annexed an part of the City of Northfield. (Approximately 280 Acres)

TOGETHER WITH:

That part of the Northwest Quarter of Section 13, Township 111 North, Range 20 West, Rice County, Minnesota, lying north of the northerly right-of-way line of County State Aid Highway 1. (Approximately 12 acres)

TOGETHER WITH:

That part of the Northeast Quarter of Section 14, Township 111 North, Range 20 West, Rice County, Minnesota, lying north of the northerly right-of-way line of County State Aid Highway 1. (Approximately 4.5 acres)

TOGETHER WITH:

All that portion of Section 34, Township 112 North, Range 20 West, Rice County, Minnesota, lying northeasterly of the centerline of Minnesota State Highway #19. (Approximately 220 acres)

TOGETHER WITH:

All that portion of Section 35, Township 112 North, Range 20 West, Rice County, Minnesota, lying north and northeasterly of the centerline of Minnesota State Highway #19 and not already annexed to the City of Northfield. (Approximately 365 acres)

(All of which property is hereinafter referred to as "the Property") (Approximately 1,379 acres total).

- II. The City of Northfield and the Township of Bridgewater hereby agree that the following described property, which is included within the orderly annexation area described above, be immediately annexed to the City of Northfield:

- a. All that part of the Northeast Quarter of Section 11, Township 111 North, Range 20 West, Rice County, Minnesota, not already annexed and part of the City of Northfield.

Said tract contains 7.5 acres more or less.

This property described in this Section II (a) shall be zoned as Highway Business Commercial (C-3)

TOGETHER WITH:

- b. That Part of the North Half of the Southeast Quarter of Section 11, Township 111 North, Range 20 West, Rice County, Minnesota, Described as follows:

Beginning at the intersection of the southeasterly right-of-way line of Trunk Highway No. 3 and the north line of said North Half; thence easterly on an assumed azimuth from north of 89 degrees 59 minutes 25 seconds along said north line 719.62 feet; thence southerly 179 degrees 04 minutes 41 seconds azimuth 438.27 feet; thence southwesterly 206.83 feet on a tangential curve concave northwesterly having a radius of 290.00 feet and a central angle of 40 degrees 51 minutes 48 seconds; thence southwesterly 219 degrees 56 minutes 29 seconds azimuth 538.55 feet; thence southwesterly 149.42 feet on a tangential curve concave southeasterly having a radius of 210.00 feet and a central angle of 40 degrees 46 minutes 06 seconds; thence southerly 179 degrees 10 minutes 23 seconds azimuth 133.55 feet to the south line of said North Half; thence westerly 269 degrees 57 minutes 50 seconds azimuth along said south line 1307.53 feet to the said southeasterly right-of-way line of Trunk Highway No. 3; thence northerly 347 degrees 21 minutes 17 seconds azimuth along said southeasterly right-of-way line 56.94 feet; thence northeasterly 39 degrees 56 minutes 21 seconds azimuth along said southeasterly right-of-way line 934.43 feet; thence southeasterly 129 degrees 56 minutes 21 seconds azimuth along said southeasterly right of way line 55.00 feet; thence northeasterly 39 degrees 56 minutes 21 seconds azimuth along said southeasterly right of way line 264.82 feet; thence northwesterly 309 degrees 56 minutes 21 seconds azimuth along said southeasterly right-of-way line 55.00 feet; thence northeasterly 39 degrees 56 minutes 21 seconds azimuth along said northeasterly right of way line 442.14 feet to the point of beginning.

Said tract contains 32.89 acres more or less.

This The property described in this Section II (b) shall be zoned as Highway Commercial Business - Planned Development Zone #1 (C-3/PDZ #1) immediately upon annexation, provided that if the proposed PDZ has not received final plat approval and site plan approval, and met all other requirements for development of the PDZ by March 1, 2001 then the zoning designation for the subject property shall revert to (AG) Agricultural without further action by the City. subject to completion of the required platting, site plan reviews and all other requirements of by March 1, 2001.

- III. The City of Northfield may annex up to 150 acres of land in each of the following five (5) year time periods, with no more than sixty (60) acres of land to be annexed in any one calendar year:
- A. 1999 though December 31, 2004

- B. January 1, 2005 through December 31, 2009
- C. January 1, 2010 through December 31, 2014
- D. January 1, 2015 through December 31, 2019

Any unused acreage from the any five (5) year period shall not accumulate and shall not be carried forward to another five (5) year period.

- IV. No part of the Property may be annexed to the City of Northfield unless a minimum of two-thirds of the land owners owning a minimum of two-thirds of the land in the area to be annexed request annexation. All land to be annexed shall be reasonably compact in size and, after the annexation, should not isolate any other parcels of land. Notwithstanding any other provision of this Agreement, however, nothing herein shall prevent the City from annexing any property per Minnesota Statutes Section 414.033, Subd. 2, (2), which specifically allows the annexation by ordinance of land that is completely surrounded by land within the municipal limits. In addition nothing herein shall prevent the City from annexing property owned by the State of Minnesota or the United States of America, pursuant to Minnesota Statutes, Section 414.033. In addition, any parcels of land that are located within the Township of Bridgewater that are owned by the City on or before the date of this Agreement may be annexed by the City of Northfield pursuant to Minnesota Statutes Section 414.033.
- V. The City of Northfield agrees that during the term of this Agreement no annexations, other than through this Orderly Annexation Agreement, shall be requested or take place from the Township of Bridgewater to the City of Northfield, except in such cases where the annexation is ordered by the State of Minnesota without petition by the City, and except as provided in Section IV.
- VI. The Township of Bridgewater agrees that it will not allow annexation of any part of the following land within the City of Northfield's Planned Urban Boundary/Urban Expansion Boundary to any other jurisdiction:

All of the Property described in Section I.

TOGETHER WITH:

The West Half of Section 3, Township 111 North, Range 20 West, Rice County, Minnesota.

TOGETHER WITH:

The east half of Section 34, Township 112 North, Range 20 West, Rice County, Minnesota, lying south of the centerline of Minnesota State Highway #19.

- VII. The City of Northfield agrees that the subdivisions known as Bittersweet and Timberlane, located in Section 12, Township 111 North, Range 20 West, Rice County, Minnesota, will not be annexed by the City of Northfield until such time as land surrounding these developments has been annexed, including the adjacent property to the south of County State

Aid Highway #1, except that nothing shall prevent a two-thirds majority of the property owners within each of the subdivisions named above from requesting annexation to the City of Northfield, in which case this Agreement shall not prevent the annexation of one or both of these subdivisions pursuant to any means provided by law, and except where annexation is ordered by the State of Minnesota without petition by the City.

- VIII. The parties hereby confer jurisdiction on the Municipal Board or its successor agency over annexation of the Property and over the various provisions of this Agreement. The Property is adjacent to the City of Northfield.
- IX. All annexation within the Property will be consistent with the City's policies concerning the extension of municipal utilities.
- X. The City of Northfield will construct and provide water, sanitary sewer, storm sewer and street improvements to the Property as requested by the owner, pursuant to state and local law, in the discretion of the City and based on the policies of the City then in effect.
- XI. For each annexation that occurs under this Agreement, the electric utility service notice as required by Minnesota Statutes Section 414.0325, Subd. 1a, will be satisfied.
- XII. The parties agree to the following division of tax revenues from the Property and payment of special assessments for local improvements to the Property:
 - (A) Property Taxes: The tax capacity rate applicable to parcels within the Property which are developed for residential use prior to the date of this Agreement, after annexation shall be increased in substantially equal proportions each year of a six year period until it equals the tax capacity rate of the City of Northfield. Otherwise, the tax capacity rate applicable to the Property shall be increased to the tax capacity rate of the City of Northfield immediately upon annexation.

The Property or any portion thereof shall be taxed at the tax capacity rate as described above, and the City shall receive all local property taxes payable on the Property, until the second full calendar year after the year in which a Certificate of Occupancy is issued for the Property or any portion thereof. Beginning with the second full calendar year after the year in which a Certificate of Occupancy is issued for the Property or any portion thereof, the Township shall receive property taxes on such Property or portion thereof for a six year period to the extent of the Township's tax capacity rate each year multiplied by the tax capacity of the Property or portion thereof in each year of the six year period, except that for single family residential properties the reimbursement shall be based on the tax capacity multiplied by the Township's tax capacity rate established for the second calendar year after a Certificate of Occupancy has been issued for the Property or any portion thereof that is single family residential, and this same amount shall be paid to the Township in each year of the six year period regardless of the exact amount collected by the City of Northfield. The City of Northfield shall receive all property taxes in excess of any

amounts payable to the Township pursuant hereto, and all property taxes payable from and after the expiration of any applicable six year period.

In the event that no Certificate of Occupancy has been issued for the Property or any portion thereof within six (6) years of the effective date of each annexation, then beginning in the seventh year after the effective date for each annexation the Township shall receive property taxes from the Property or any portion thereof for which a Certificate of Occupancy has not already been issued for a six year period to the extent of the Township's tax capacity rate each year multiplied by the tax capacity of the Property or portion thereof in each year of the six year period, except that for single family residential properties the reimbursement shall be based on the most recent tax capacity multiplied by the most recent tax capacity rate established and this same amount shall be paid to the Township in each year of the six year period for the next five (5) years regardless of the exact amount collected by the City of Northfield. The City of Northfield shall receive all property taxes in excess of any amounts payable to the Township pursuant hereto, and all property taxes payable from and after the expiration of any applicable six year period.

For the purposes of this Agreement the term "single family residential" shall be defined as single family detached dwelling units consisting of one dwelling unit per lot and single family attached units consisting of two dwelling units connected by a common wall with each dwelling unit located on a separate lot.

- (B) Utility and Street Assessments: The Property will be assessed for utility and street improvements when said improvements have been determined by the City to benefit the Property as required by Minnesota Statutes Chapter 429.

- XIII. The Property shall be zoned according to normal zoning procedures established in the Northfield Zoning Ordinance. The City of Northfield Comprehensive Plan shall guide the City in arriving at the appropriate zoning of the Property. When the Property is annexed to the City, it will be zoned Agricultural, unless another zoning designation is specified at the time of annexation.
- XIV. This Agreement will go into effect on the date that the Orderly Annexation Agreement is approved by the Minnesota Municipal Board or its successor agency. Each subsequent annexation within the Property designated by this Agreement must be reviewed and approved by the Municipal Board or its successor agency.
- XV. The City of Northfield and the Township of Bridgewater agree that no alteration of the stated boundaries of the Property is appropriate. Furthermore, the parties agree that no consideration by the Municipal Board or its successor agency is necessary. Upon receipt of this resolution, passed and adopted by each party, the Municipal Board or its successor agency may review and comment, but shall, within thirty (30) days, make an order, including the immediate annexation stated in Section II, in accordance with the terms of this joint resolution.

Future annexations will be accomplished by submission of a joint resolution for orderly annexation to the Municipal Board or its successor agency from the City and the Township. In any case where there is a disagreement between the City and the Township as to an area proposed for annexation under the terms of this Agreement, either the City or the Township or both may submit a resolution to the Municipal Board or its successor agency to consider said annexation, pursuant to Minnesota Statutes, Section 414.0325; and specifically Subdivision 2 of Minnesota Statutes, Section 414.0325 shall apply for hearing purposes. The submission of a resolution by either the City or the Township, or both the City and the Township to the Municipal Board or its successor agency to consider an annexation under the terms of this Agreement shall confer jurisdiction to the Municipal Board or its successor agency over said annexation.

In regard to the subdivisions known as Bittersweet and Timberlane, any future annexation will occur subsequent to compliance with the terms of Section VII; and the previous paragraph.

- XVI. The City of Northfield and the Township of Bridgewater agree to work with all other appropriate jurisdictions to protect Spring Brook Creek and the Spring Brook Creek Watershed.
- XVII. The City of Northfield will reimburse the Township Bridgewater for its costs, limited to attorney's fees and extra meeting costs incurred in relation to this Orderly Annexation Agreement, up to \$3,500.00.
- XVIII. This Agreement will automatically expire on December 31, 2019; however, nothing herein shall prevent the City of Northfield and the Township of Bridgewater from amending this Agreement during its term.

Approved by the Township of Bridgewater this _____ day of _____, 1999.

TOWNSHIP OF BRIDGEWATER

By: _____
Town Board Chair

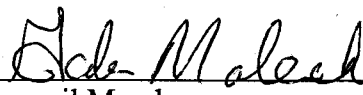
By: _____
Town Board Clerk

Approved by the City of Northfield this 20th day of August, 1999.

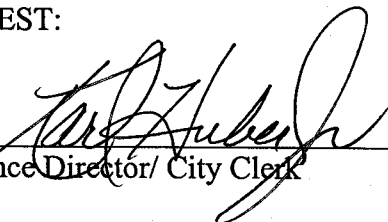
CITY OF NORTHFIELD

By: 
Mayor

By: 
Council Member

By: 
Council Member

ATTEST:


Finance Director/ City Clerk

Office of the Community Development Director

Memorandum #99-84

DATE: August 5, 1999

TO: The Honorable Mayor and City Council Members

FROM: Joel B. West, Community Development Director

RE: Orderly Annexation Agreement with Bridgewater Township

EXHIBITS: Joint Resolution for Orderly Annexation
Map of the Potential Annexation Areas
Examples of Tax Collections in Annexation Areas



Subsequent to the City Council meeting on August 2, 1999, City Attorney Maren Swanson and I met with Bruce Albers, a representative of the Bridgewater Town Board, and their attorney John Ophaug. The proposed Joint Resolution for Orderly Annexation has been revised based on the results of this meeting. Except for some editorial corrections, additions to the attached Joint Resolution for Orderly Annexation are underlined and text that was removed is indicated by a strikeout. The main elements in this revised Agreement are as follows:

1. Since the City and the Township are contemplating a master orderly annexation agreement and subsequent annexation of land for Target, both of which are expected to be reviewed by the Municipal Board at their September 1999 meeting, the Municipal Board will require that the City and the Township incorporate any annexation that will occur simultaneous with approval of the master orderly annexation agreement to be included within the Agreement. In this regard I have incorporated the description for the annexation of the Target site into a new Section II.
2. In reviewing the redrafted Section II with Mr. Albers, it was apparent that annexation of the Target site would create a situation whereby the City's corporate limits would completely surround the Assembly of God's property. Since it is the stated intent in the Agreement of the City and the Township to avoid these situations, Mr. Albers suggested that the Assembly of God's property also be included with the annexation of the Target site. The necessary legal description is included in Section II.

Also, please note that the developer is revising the legal description for the Target site to include additional area to the east which will allow the proposed extension of Jefferson Road to be moved further to the east as the City Council directed. Also, in reviewing the legal description for the annexation with the State it was determined that the City has already annexed to the southeast right-of-way line of Highway No. 3, instead of the center line of Highway No. 3 as previously thought. These changes are not incorporated into the attached

Agreement, but will be included in the original Agreement.

3. The time periods listed in item III were extended to the year 2019.
4. In Section IV, the requirement that a two-thirds majority of the land owners agree to any annexation was amended to state that a minimum of two-thirds of the land owners owning a minimum of two thirds of the land must agree to any annexation. The Township was concerned that a number of smaller land owners and tracts of lands could combine to force a larger tract of land into the City.
5. Within Section IV, I have also provided that the City will retain the ability to annex property by ordinance that is or becomes wholly surrounded by the City's corporate limits. Mr. Albers indicated that the Township would probably not agree to this and would prefer not to allow annexations that would create situations in which property becomes wholly surrounded by the City's corporate limits. While it is preferable to prevent isolating tracts of land in the annexation process, I believe that without the ability of the City to annex land by ordinance, it is very likely that the annexation of some future development could be delayed because of the objections of a few land owners. In an effort to resolve any potential disputes that may arise in the future, I have included a new provision in Section XV that would allow either the City, the Township or both entities to request the Municipal Board to make the annexation decision in such cases.
6. The requirement that the Bridgewater Town Board not allow annexation of land within the City of Northfield's Planned Urban Boundary/Urban Expansion Boundary to any other jurisdiction was retained and renumbered as Section VI, but the Township may want to reduce the area from which it would exclude other jurisdictions from annexing land. In this regard the north half of Sections 10 and that part of Section 11, not already annexed and part of the City of Northfield, were removed from the Agreement. (See attached Map)
7. Section X was eliminated and its provisions combined with Section IV.
8. Under the property tax provision in Section X a provision defining the term "single family residential" was added.

This redrafted Agreement will be considered by the Bridgewater Town Board at its meeting on August 16, 1999.

Also, as request by the City Council, I have attached an example of how taxes are collected and distributed in recently annexed property and an example of how it would be collected and distributed under the attached annexation Agreement.

**EXAMPLE OF TAXES COLLECTED IN AN ANNEXATION AREA
BUILDING EXISTING ON LAND AT THE TIME OF ANNEXATION**

NO.	YEAR ANNEXED	TAX COLLECT YEAR	NO. OF UNITS BUILT	TOTAL NO. OF UNITS	GROSS ESTIMATED VALUE	TAX CAPACITY	SIX YEAR PHASE IN OF CITY TAX	LESS AMOUNT PAID TO TOWNSHIP	NET AMOUNT RETAINED BY THE CITY
1	1999	2000	1	1	\$1,000,000	\$32,500	\$1,896	\$3,250	(\$1,354)
2		2001	0	1	\$1,000,000	\$32,500	\$3,792	\$3,250	\$542
3		2002	0	1	\$1,000,000	\$32,500	\$5,688	\$3,250	\$2,438
4		2003	0	1	\$1,000,000	\$32,500	\$7,583	\$3,250	\$4,333
5		2004	0	1	\$1,000,000	\$32,500	\$9,479	\$3,250	\$6,229
6		2005	0	1	\$1,000,000	\$32,500	\$11,375	\$3,250	\$8,125
7		2006	0	1	\$1,000,000	\$32,500	\$11,375	\$3,250	\$8,125
8		2007	0	1	\$1,000,000	\$32,500	\$11,375	0	\$11,375
9		2008	0	1	\$1,000,000	\$32,500	\$11,375	0	\$11,375
Total									

Assumptions:

1. Tax Capacity is calculated at 2.4% for the first \$150,000 in value and 3.4% for any value over \$150,000.

2. Estimated Value Per Unit

Land	\$100,000
Building	\$900,000
Total	\$1,000,000

3. Combined Tax Capacity Rate

ISD No. 659	50.00%
Rice County	35.00%
Subtotal	85.00%
City	35.00%
Total	120.00%

Township	10.00%
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THIS EXAMPLE ISSUSTRATES WHAT OCCURS IN CURRENT ANNEXATION SITUATIONS AND ALSO REPRESENTS WHAT WOULD HAPPEN IF AN ANEXATION WOULD OCCUR UNDER THE NEW AGREEMENT CONTEMPLATED BY THE CITY AND BRIDGEWATER TOWNSHIP IF A BUILDING ALREADY EXISTS ON THE LAND

**EXAMPLE OF TAXES COLLECTED IN AN ANNEXATION AREA
WHERE A CERTIFICATE OF OCCUPANCY IS ISSUED IN 2000 IN ANNEXATION AREA**

NO.	YEAR ANNEXED	TAX COLLECT YEAR	NO. OF UNITS BUILT	TOTAL NO. OF UNITS	GROSS ESTIMATED VALUE	TAX CAPACITY	SIX YEAR PHASE IN OF CITY TAX	LESS AMOUNT PAID TO TOWNSHIP	NET AMOUNT RETAINED BY THE CITY
1	1999	2000	0	0	\$100,000	\$1,900	\$111	\$0	\$111
2		2001	0	0	\$100,000	\$1,900	\$222	\$0	\$222
3		2002	0	1	\$1,000,000	\$32,500	\$5,688	\$3,250	\$2,438
4		2003	0	1	\$1,000,000	\$32,500	\$7,583	\$3,250	\$4,333
5		2004	0	1	\$1,000,000	\$32,500	\$9,479	\$3,250	\$6,229
6		2005	0	1	\$1,000,000	\$32,500	\$11,375	\$3,250	\$8,125
7		2006	0	1	\$1,000,000	\$32,500	\$11,375	\$3,250	\$8,125
8		2007	0	1	\$1,000,000	\$32,500	\$11,375	\$3,250	\$8,125
9		2008	0	1	\$1,000,000	\$32,500	\$11,375	0	\$11,375
Total									

Assumptions:

1. Tax Capacity is calculated at 2.4% for the first \$150,000 in value and 3.4% for any value over \$150,000.

2. Estimated Value Per Unit

Land	\$100,000
Building	\$900,000
Total	\$1,000,000

3. Combined Tax Capacity Rate

ISD No. 659	50.00%
Rice County	35.00%
Subtotal	85.00%
City	35.00%
Total	120.00%

Township	10.00%
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THIS EXAMPLE ISSUSTRATES WHAT WOULD OCCURS IN ANNEXATION SITUATIONS UNDER THE AGREEMENT
CONTEMPLATED BY THE CITY AND BRIDGEWATER TOWNSHIP

