



APPENDIX A

1976 ORDERLY ANNEXATION AGREEMENT

MAY 3, 1976

JOINT RESOLUTION AS TO ORDERLY ANNEXATION

WATERTOWN CITY - WATERTOWN TOWN

CARVER COUNTY, MINNESOTA

WHEREAS, the City of Watertown and the Town of Watertown, Carver County, Minnesota, are in agreement as to the Orderly Annexation of certain lands described herein for the purpose of orderly, planned growth, and

WHEREAS, such orderly and planned growth is of benefit to the City of Watertown, the Town of Watertown, and the County of Carver, and

WHEREAS, the process of Orderly Annexation will allow the City of Watertown the opportunity in the future to realign the configuration of its corporate limits which at present are uneven and to plan for future development and growth, and

WHEREAS, the municipal parties hereto desire to set forth such terms of Orderly Annexation by means of this Resolution,

NOW, THEREFORE, be it Resolved by the Town of Watertown and the City of Watertown as follows:

1. That all those parts of the following described lands in the Town of Watertown and not now located within the incorporated city limits of the City of Watertown as shown on the map attached hereto and made a part of this Resolution are properly subject to Orderly Annexation under and pursuant to Minnesota Statutes 414.032, and the parties hereto do hereby designate this area as in need of Orderly Annexation as provided by Statute:
 - A. The Southeast Quarter (SE $\frac{1}{4}$) of Section 4; and
 - B. The Southeast Quarter (SE $\frac{1}{4}$) of Section 5; and

C. The Northeast Quarter ($NE\frac{1}{4}$), the East One-Half of the Northwest Quarter ($E\frac{1}{2}$ of $NW\frac{1}{4}$), the Northeast Quarter of the Southwest Quarter ($NE\frac{1}{4}$ of $SW\frac{1}{4}$) and the North One-Half of the Southeast Quarter ($N\frac{1}{2}$ of $SE\frac{1}{4}$) all in Section 8; and

D. All of Section 9, except the South One-Fourth ($S\frac{1}{4}$) thereof,

All located in Township 117, Range 25, Carver County, Minnesota, and further, the Town of Watertown and the City of Watertown does hereby upon passage of this Resolution and its adoption by the City of Watertown and the Town of Watertown confer jurisdiction upon the Minnesota Municipal Commission (MMC) so as to accomplish said Orderly Annexation in accordance with the terms of this Resolution and the Statutes provided.

2. No annexations shall take place anywhere within the area designated as in need of Orderly Annexation unless the area involved is or is about to become urban or suburban in character and unless the City has available and may be capable of providing municipal services such as water, sanitary sewer and storm sewers.
3. Any person annexed to the City pursuant to this Agreement shall receive a "tax break" consisting of a staged, graduated increase in mill rates from the Town rate to the City rate over a three to five year period, depending on the length of time necessary to provide services to the area proposed to be annexed, which shall include sewer and water services.
4. Because of the unknown time element of Orderly Annexation, both parties agree to leave the question of annexations within this area

to the discretion of the Minnesota Municipal Commission upon application to them by either party hereto, and upon agreement of a majority of the land owners thereto.

5. The Town agrees to exclude the area designated as in need of Orderly Annexation from its zoning and subdivision ordinances if the County will agree to exclude the area from its zoning and subdivision ordinances. This would enable the City to extend the application of zoning and subdivision controls pursuant to Minnesota Statute 462.358 and 462.359. The City agrees that if it obtains this extraterritorial planning power it will select one township resident to serve on its planning commission from among as many residents as nominated by the Town Board. If the County does not agree to the above exclusion, both parties agree to establish a joint planning and zoning committee for the Orderly Annexation Area and to abide by its decisions. The committee shall consist of one appointed representative of the Town Board, one appointed representative of the City, and a neutral member appointed by the County.

6. In all annexations within the Orderly Annexation Area, the parties agree to the following divisions of financial assets and obligations:

- a. Property Taxes

The real estate tax income for the year in which the annexation takes place shall be divided on the basis of the decimal fraction of the assessed value of the area to be annexed as opposed to Watertown Township's assessed valuation as a whole. This ratio would be further modified by the proportion of the year remaining

in which annexation takes place. For example: If the area to be annexed consisted of 10% of the township's total assessed valuation and eight (8) months were remaining in the year at the date of annexation, the amount of property tax revenue forwarded to the City would be ten percent (10%) times 8/12, or 6.6% of Watertown's total real estate tax revenue for the year during which the annexation takes place. ~~The Town would retain all rights to receive these tax funds as they become payable from the county treasurer, and thereby reimbursing itself before any payments to the City. The Town agrees to forward the indicated amount of tax revenue collected in the year of annexation within thirty (30) days of their receiving the same from the county treasurer.~~

b. Per Capita Aids

The Municipal Commission will determine the ratio of the population annexed to the total population of the Town/^{as}of the date of its order. This ratio will be further modified by the proportion of the year remaining in which the annexation takes place. The County Auditor will apply this modified ratio to all quarterly or other subsequent payments of state per capita aid to the Town and divide the payment accordingly. Per capita aids received by the Town in the year of annexation, prior to the date of annexation, would be shared by the same modified ratio as explained above. Unless and until the entitlement of the Town to federal revenue sharing aids is adjusted pursuant to federal regulation relating

to boundary changes (31 CFR Section 51.23), the Town agrees to apply the above determined modified population ratio to any federal revenue sharing checks received and to forward the City portion within thirty (30) days of receipt of the funds.

c. Town General Fund and Other Assets

The City agrees not to apply for any division of the Town's General Funds or other assets.

7. Unless and until a further Orderly Annexation agreement is approved the City agrees that it will not on its own attempt any additional annexation within the Watertown Township beyond the area described herein for a period of 20 years.
8. Notwithstanding any of the foregoing, however, nothing herein shall prevent annexation of any land by the City pursuant to the procedures set forth in Minnesota Statutes, Section 414.033, Subdivision 5, upon receipt by the City of a petition for annexation of certain lands by 100% of the property owners of the land proposed to be annexed.

TOWN OF WATERTOWN:

Passed and adopted by the Watertown Town Board of Supervisors this ^{3RD} ~~20th~~ APRIL, 1976.
MAY

John A. Ecklund,
Town Chairman

ATTEST:

Merrill Luetke
Town Clerk

CITY OF WATERTOWN:

Passed and adopted by the City Council of the City of Watertown this 20th day of APRIL, 1976.

K. J. McDonald
Mayor

ATTEST:

Geraldine M. Schwader
Clerk