

Office of Administrative Hearings may review and comment hereon, but shall, within 30 days of receipt of this Joint Resolution, order the annexation of the Subject Area legally described in Exhibit A in accordance with the terms and conditions contained in this Joint Resolution.

6. Tax Reimbursement. Pursuant to Minn. Stat. § 414.036, the City and Township agree that upon annexation of the Subject Area legally described in Exhibit A, the City shall reimburse the Township for the loss of taxes from the property so annexed for the period and in accordance with the following schedule:

2009 - An amount equal to one hundred (100) percent of the 2009 Township property taxes, approximating what the Township would have otherwise received but for annexation of the Subject Area to the City if the Subject Area had remained in agricultural use, calculated by multiplying the net tax capacity of the Subject Area as agricultural property (taxable market value of the Subject Area as agricultural property times the applicable class rate for agricultural property for the respective payable tax year) times the Township's 2009 certified tax rate;

2010 - An amount equal to one hundred (100) percent of the 2010 Township property taxes calculated as provided above for 2009 but applying the Township's 2010 certified tax rate;

2011 - An amount equal to one hundred (100) percent of the 2011 Township property taxes calculated as provided above for 2009 but applying the Township's 2011 certified tax rate;

2012 - An amount equal to one hundred (100) percent of the 2012 Township property taxes calculated as provided above for 2009 but applying the Township's 2012 certified tax rate;

2013 - An amount equal to one hundred (100) percent of the 2013 Township property taxes calculated as provided above for 2009 but applying the Township's 2013 certified tax rate;

2014 - A one-time, lump sum payment calculated by multiplying the average of the Township's tax rates for the prior 5 years (2010-2014) times the net tax capacity of the Subject Area as agricultural property (taxable market value of the Subject Area as agricultural property times the applicable class rate for agricultural property for the respective payable tax year). The City shall pay to the Township the sum of 20 times said amount. The Township agrees that the lump sum payment provided herein approximates an amount sufficient to reimburse the Township for its share of the loss of property taxes from the annexation of the Subject Area as if it had remained in agricultural use for the next twenty years.

Thereafter, the City will no longer reimburse the Township for their portion of lost property taxes within the subject Area as a result of annexation thereof to the City. There shall be no further payments to the Township for the annexation of the Subject Area.

For purposes of calculating the above respective yearly amounts of reimbursement to the Township, property taxes shall be calculated as if the entirety of the Subject Area remains as agricultural property with an agricultural class rate, notwithstanding whether the Subject Area is developed otherwise. In the event that portions of the Subject Area following annexation become a class of property other than agricultural, the net tax capacity of said non-agricultural portion shall be calculated by applying proportionately the portion of the Subject Area remaining as agricultural property across the non-agricultural portion of the Subject Area as if said portion had remained agricultural property.

The City shall pay the Township the respective amounts provided herein on or before December 31 in each year specified.

7. Municipal Services in Subject Area. After annexation of the Subject area, the City shall be responsible for providing municipal governmental services to the annexed area.