

MASTER 425 DEVELOPMENT AGREEMENT
CITY OF MARSHALL/MARSHALL TOWNSHIP

AGREEMENT, made and entered into on this 9th day of February, 2022, amending an agreement first made March 14, 2006, and renewed for a ten year period by and between the City of Marshall, a Michigan municipal corporation, having offices at 323 West Michigan Avenue, Marshall, Michigan 49068 (the "City"), and the Township of Marshall, a township duly organized pursuant to the laws of the State of Michigan, and existing in Calhoun County, Michigan, having offices at 13551 Myron Avery Drive, Marshall, Michigan 49068 (the "Township").

WHEREAS, extensive property suitable for industrial, commercial and residential development within the jurisdiction of the Township lies to the north, west and south of the City, and

WHEREAS, the amount of comparable development property lying within the City is limited, and

WHEREAS, the City has excess sewage treatment and water supply capacity capable of serving the development areas in the Township, which may require additional infrastructure considerations depending on the nature of the development; and

WHEREAS, the Township does not have sewage treatment or water purification plants or distribution systems, and

WHEREAS, the City and the Township have in the past entered into agreements pursuant Act 425 of the Public Acts of 1984 ("425 Agreements") to bring sewer and water to available developmental lands in the Township, and

WHEREAS, the terms of each individual 425 Agreement have either been individually negotiated over considerable periods of time prior to the 2006 Master Agreement or were entered into pursuant to the agreement which became effective in March of 2016, and

WHEREAS, it would be in the economic best interest of the residents of the City and Township if the City utilities systems served the development lands in the Township, and

WHEREAS, it is the desire of the City and the Township to update the renewed Master 425 Agreement which would affect all development lands in the Township thereby assuring prospective

developers of Township land of the availability of utilities without the previous delays incurred in the negotiation of individual 425 Agreements, and

WHEREAS, the Township and City, through negotiations, have reached an agreement to be utilized in all 425 Agreements to be executed between the Township and the City.

NOW, THEREFORE, for and in consideration of the Township's agreement not to develop its own sewer and water system, either individually or in conjunction with an adjoining township or municipality, for the period of this agreement and the City's agreement to supply sewer and water, if capacity is available, to Township lands, BE IT AGREED AS FOLLOWS:

1. Term of Agreement. This Agreement shall extend through December 31, 2029, and will automatically renew every ten (10) years unless a ninety (90) day notice in writing is given by either of the parties. Automatic renewal periods shall not extend this agreement beyond 2079.
2. Joint Municipal Planning Commission. A Joint Municipal Planning Commission ("JPC") shall be has been formed pursuant to Public Act 226 of 2003 (MCL 125.131 et seq.) and will be maintained as long as there is a 425 Agreement between the City and Township. The JPC shall have an equal number of members from both the Township and the City and shall control all land usages for lands subject to a 425 Agreement between the City and Township regardless of whether the 425 Agreement is dated prior to or subsequent to the date of this Agreement. The details of the organization and conduct of the JPC are on Schedule A attached hereto.
3. Definitions. The definition of residentially zoned lands lying South of I-94 and East of I-69 and commercial and industrial lands regardless of location shall be the definition given those land usages in the Marshall City Zoning Ordinance as currently defined. The definition of residentially zoned lands lying North of I-94 or West of I-69 shall be the definition given those land usages in the Marshall Township Zoning Ordinance as currently defined.

In the event a zoning ordinance is amended and a definition changed, the definition shall not be changed for the purpose of this Agreement without the mutual consent of the City and Township.

The definition of utility system or utilities system shall be the infrastructure required to provide, operate and maintain a City provided utility.

The definition of utility or utilities shall be the City's municipally provided sewer, water, electricity and/or broadband FiberNet systems as may be specifically referred to in an individual Public Act 425 agreement.

4. Ceresco Exception. The Township area known as the unincorporated village of Ceresco and defined as the area extending approximately one quarter mile in diameter from the intersection of 12 Mile Road and C Drive North may, contrary to the terms of this Agreement, seek sewer and water services from a source other than the City of Marshall in the event such services are made available at a more economical cost than comparable services in the City of Marshall.
5. Economic Development. The Township Board of Trustees shall designate an economic development officer, with whom the City shall share all development inquiries and who shall receive notice of and be entitled to participate in all meetings with prospective developers. This representative shall be subject to the same confidentiality rules and regulations as are the City's paid economic developers. In the event the Township has a representative serving on the Board of Directors of the Marshall Area Economic Development Authority, that person shall be the Township's designee under this provision.
6. Property Owner Request. In the event an owner of property located in the Township requests sewer and water services from the City and the City has adequate capacity to service the property owner's development, the City and Township shall enter into a 425 Agreement based upon the terms and conditions herein contained provided the cost of extending the sewer and water to the property owner is not paid by either the City or Township.
7. City Restrictions. During the term of this Agreement, the City shall not:
 - a. Enter into a 425 Agreement with any other city, township or other governmental subdivision ("foreign 425 Agreement") except upon the same terms and conditions as those detailed in this Agreement for Township lands lying west of I-69 and north of I-94 unless

the City agrees to amend the existing 425 Agreements with the Township permitting the township to incorporate into all its existing 425 Agreements one or more of the provisions of the Foreign 425 Agreement.

- b. Utilize this Master 425 Development Agreement or an individual 425 agreement as a basis to provide City electric power service to a customer already receiving electric power service from another utility without the written consent of the other utility. For purposes of this agreement, the term “customer” shall mean the building or facilities served rather than the individual, association, partnership, corporation, governmental body, or other person or entity taking service.
8. Township Restrictions. During the term of this Agreement, the Township shall not:
- a. Enter into a 425 Agreement with any other township, city or other governmental subdivision other than the City of Marshall pursuant to this Agreement without the express written consent of the City.
 - b. Construct or develop a sewage treatment plant, water purification plant or sewer and/or water distribution systems or enter into any agreement for the development, construction and/or supplying of these facilities to service Township properties unless the City refuses to increase capacity after a capacity analysis study of the system indicates the inadequacy of the system to handle the Township’s request or the City refuses to proceed with a capacity analysis study of the system within one hundred twenty (120) days after the Township’s request that capacity be increased.
9. Terms and Conditions of Individual 425 Agreements. The individual 425 Agreements to be entered into pursuant to this Agreement shall, depending upon the location and usage of the lands, provide as follows:
- a. For commercial and industrial properties east of I-69 and south of I-94:
 - 1) Agreements shall be for a term of fifty (50) years after which the property shall remain in the City.

- 2) The Township shall receive from the City's tax millage four (4) mills on industrial property and four (4) mills on commercial property for the term of the 425 Agreement.
- 3) The cost for the extension of sewer and water lines shall be paid by the land owner and/or additional new users.
- 4) An existing building which is zoned commercial or industrial or is a nonconforming commercial or industrial use, if utilized for any purpose or if connected to a septic tank or drain field, that is within three hundred feet (300') of the sewage lines once installed must tie into the sewer and water system upon failure of its existing sewage system under a separate 425 Agreement complying with the terms of this Master Agreement.
- 5) The burden of all tax abatements shall be shared by the City and the Township in the same percentages as the millage is shared.
- 6) Utility rates shall not be greater than the rates charged in the City for similar City users.
- 7) Users, pursuant to this Agreement, shall contribute to repairs and capital improvements to the sewage treatment facilities, water purification plant, well facilities, and distribution systems in the same manner as similar users within the City of Marshall.

b. For commercial and industrial properties west of I-69 or north of I-94:

- 1) Agreements shall be for a term of fifty (50) years after which the property shall be transferred back to the Township and the City shall own the utility infrastructure which will encourage the City and the Township to negotiate extensions of the Agreement upon expiration of the fifty (50) year term.

- 2) The Township shall receive from the City's tax millage four (4) mills on industrial property and four (4) mills on commercial property for the term of the 425 Agreement.
- 3) The costs for the extension of sewer and water distribution systems shall be paid by the land owner and/or additional new users.
- 4) An existing business (commercial or industrial) which is zoned commercial or industrial or is a nonconforming commercial or industrial use, if utilized for any purpose or if connected to a septic tank or drain field, that is within three hundred feet (300') of the sewage lines once installed must tie into the sewer and water system upon failure of its existing sewage system under a separate 425 Agreement complying with the terms of this Master Agreement.
- 5) The burden of all tax abatements shall be shared by the City and the Township in the same percentages as the millage is shared.
- 6) Utility rates shall not be greater than the rates charged in the City for similar City users.
- 7) Users, pursuant to this Agreement, shall contribute to repairs and capital improvements to the sewage treatment facilities, water purification plant, well facilities, and distribution systems in the same manner as similar users within the City of Marshall.

c. For new residential developments that are east of I-69 and south of I-94:

- (1) For the purpose of this paragraph residential development shall be defined as a single-family residence on a lot less than five (5) acres in size or multi-family residences on a lot which averages less than five (5) acres per residence but does not qualify as commercial pursuant to paragraph c(8).
- (2) Agreements shall be for a term of fifty (50) year after which the property shall remain in the City.

- (3) The Township shall receive from the City's tax millage two (2) mills on residential property for the term of the 425 Agreement.
- (4) The cost for the extension of sewer and water distribution systems shall be paid by the land owner and/or additional new users.
- (5) Utility rates shall not be greater than the rates charged in the City for similar City users.
- (6) Users, pursuant to this Agreement, shall contribute to repairs and capital improvements to the sewage treatment facilities, water purification plant, well facilities, and distribution systems in the same manner as similar users within the City of Marshall.
- (7) A Multi-family development shall be deemed commercial for purposes of this Agreement if it contains more than four (4) residences on one (1) tax parcel and shall be developed in accordance with the provisions of this Agreement dealing with commercial property lying east of I-69 and south of I-94.
- (8) The burden of all tax abatements shall be shared by the City and the Township in the same percentages as the millage is shared.

10. The following developments shall not require a 425 Agreement but shall be entitled to receive City sewer and water services upon the terms and conditions set forth:

a. For new single-family residential developments west of I-69 or north of I-94:

- 1) If requested by the developer, the Township shall form a sewer district comparable to the Lyon Lake Sanitary Sewer District which shall be accepted by the City.
- 2) The property shall remain in the Township.
- 3) The cost for extension of sewer shall be paid by the developer or users.
- 4) A Multi-family development shall for purposes of this agreement be deemed commercial if it contains more than four (4) residences on one (1) tax parcel and

shall be developed in accordance with the provisions of this Agreement dealing with commercial property lying north of I-94 and west of I-69.

- 5) Single-family residential users shall contribute to repairs and capital improvements to the sewage treatment facilities, water purification plant, well facilities, and distribution systems in the same manner as similar users within the City.

b. For developed residential property within the Township regardless of location:

- 1) The City shall extend sewer and water lines to developed residential areas in the Township pursuant to the provisions of Public Act 129 of 1943 (MCLA 123.231 et seq.) upon the request of the Township or upon a petition being filed with the Township and the City and signed by two-thirds (2/3) of the property owners within 200 feet of the proposed sewer main.
- 2) All property owners signing the Petition shall be required to tie into the sewer and water system. A non-signing property owner with a residence within 200 feet of a sewage line once installed must tie into the sewer and water system upon failure of the residence's existing sewer system.
- 3) The total cost for extending the distribution lines to developed residential areas including but not limited to bonding, engineering and construction shall be the responsibility of the users to be served by the extended distribution lines.
- 4) The water and/or sewer system shall be installed according to City specifications and ownership of the water and/or sewer systems shall be conveyed to the City upon the City approving of the installation. The City, upon becoming the owner of the water and/or sewer lines, shall thereafter be responsible for the maintenance of the lines.
- 5) Users on the new water and/or sewer lines shall pay water and/or sewer utility rates as stated in the City's rate ordinance in effect at that time

11. Additional 425 Agreement's Provisions. The 425 Agreements executed pursuant to this Agreement shall be in the form of Schedule B or Schedule C (whichever is applicable) attached hereto with the additional applicable provisions of this Agreement incorporated therein depending upon the property's location and use. All existing 425 Agreements will be adjusted to increase all Commercial and Industrial to four (4) mills beginning with the 2019 tax year.
12. Entity Exempt from Paying Property Taxes. In the event that a property owner, that is exempt from paying property taxes, requests that the property it owns be part of a 425 agreement; and enters into a municipal services agreement or a payment in lieu of taxes with the City, the City will pass thru to the Township twenty-five percent (25%) of the annual services agreement payment and/or twenty-five (25%) of the payment in lieu of taxes.
13. Existing 425 Agreements. All existing 425 Agreements executed between the City and the Township shall remain in full force and effect as modified by applying the changes required by the original 2006 Master Agreement and the 2019 revisions thereto and all payments provided therein shall continue to the Township with the exception of the State Farm Mutual Automobile Insurance Company Property (Agreement dated June 21, 1992 on property located in the Southwest quadrant of the I-94/Old US 27 interchange lying North of F Drive North and East of 16 ½ Mile Road). ("State Farm")

The State Farm Agreement shall be amended when the land is developed to provide that all provisions thereof shall be in accordance with the terms and conditions of this Master 425 Development Agreement with an effective date on the date the property is developed and extending for a period of fifty (50) years thereafter. For the purposes of this paragraph, "developed" shall mean the date on which improvements to the land are incorporated into the taxable value and equal more than five percent (5%) of the real estate value incorporated into the taxable value. Until amended, the City shall continue to make millage payments in accordance with the existing Agreement. This Agreement amends the June 21, 1992, former State Farm property agreement by deleting Section 3.B. that terminates the State Farm Agreement on December 30, 2021.

14. City Sewer and Water Capacity. In the event there is a question as to whether or not the capacity of the City sewage treatment plant, wells, water purification plant or distribution systems is adequate to handle the requested Township services, the issue of capacity shall be determined by an independent consultant agreeable to both the Township and the City. The cost of the consultant shall be paid one-half (½) by the Township and one-half (½) by the City. In the event the City and the Township cannot agree upon a consultant, a consultant shall be selected by the Calhoun County Administrator/Controller.
15. Legality of Provision. In the event any provision of this Agreement shall be contrary to public policy, as determined by a court of competent jurisdiction, or laws of the State of Michigan, such provisions, except items 7 and 8, shall be stricken from Agreement and all remaining paragraphs and parts thereof shall be fully enforceable. In the event paragraph 7 or 8 or any portion of either is declared contrary to public policy or the laws of the State of Michigan, this Agreement shall be void.
16. Survival of Provisions. Upon termination of this Agreement, all then existing 425 Agreements including those amended herein shall continue in full force and effect, as amended, for the periods of time specified in the Agreements and the payments on the amended Agreements accruing after 2010 shall continue to be made by the City until the accrued taxes have been paid in full.

Executed in the presence of:

Myrtle K. Dent
Christy A Ramey

CITY OF MARSHALL

By: Thomas Tarkiewicz
Thomas Tarkiewicz

Its: Manager

Executed in the presence of:

Myrtle K. Dent
Christy A Ramey

CITY OF MARSHALL

By: Trisha Nelson
Trisha Nelson

Its: Clerk


STATE OF MICHIGAN)
) ss.
COUNTY OF CALHOUN)

On this 9th day of February, 2022, before me, a Notary Public, in and for said County, personally appeared Tom Tarkiewicz, Trisha Nelson who each being first duly sworn, stated that they are respectively the City Manager and the Clerk of the City of Marshall, are authorized to execute the foregoing agreement on behalf of the City of Marshall and that each has done so as the free act and deed of said City of Marshall.

TRACY L. HALL
Notary Public - State of Michigan
County of Calhoun
My Commission Expires 10/19/2025
Acting in the County of Calhoun

Tracy L Hall
Tracy L Hall,
Notary Public
Calhoun County, Michigan
My Commission Expires: 10-19-2025
Acting in the County of Calhoun

Executed in the presence of:




David Bossard

MARSHALL TOWNSHIP

By: 

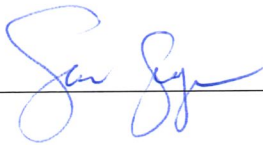
Its: Supervisor

Executed in the presence of:



Susan George

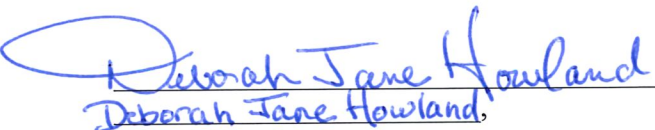
MARSHALL TOWNSHIP

By: 

Its: Clerk

STATE OF MICHIGAN)
) ss.
COUNTY OF CALHOUN)

On this 7th day of February, 2022, before me, a Notary Public, in and for said County, personally appeared David Bossard, Susan George, who each being first duly sworn, stated that they are respectively the Supervisor and the Clerk of Marshall Township, are authorized to execute the foregoing agreement on behalf of Marshall Township and that each has done so as the free act and deed of said Marshall Township.



Deborah Jane Howland
Notary Public
Calhoun County, Michigan
My Commission Expires: 06/04/2023
Acting in the County of Calhoun

SCHEDULE A

Joint Municipal Planning Commission Procedures

1. Zoning Ordinance.

Residentially zoned lands lying south of I-94 and east of I-69 and commercial and industrial lands regardless of location shall be administered by the Joint Municipal Planning Commission (“JPC”) pursuant to the City of Marshall zoning and planning act and City procedures and definitions will be followed by the JPC.

The residentially zoned lands lying west of I-69 or north of I-94 shall be administered by the JPC pursuant to the Marshall Township zoning and planning acts and Township procedures and definitions will be followed by the JPC.

2. Appointment.

A. The Planning Commissions of the City of Marshall and Marshall Township shall each appoint three (3) of its members as the members of the Joint Planning Commission as well as one (1) alternate member to serve in the event an appointed member is unable to attend a meeting.

B. Appointment to the JPC shall be for a term of three (3) years.

C. A member may be removed by the appointing municipality’s Board or Council for having two (2) unexcused absences from meetings in any twelve (12) month period. An absence shall be excused provided the member advises the JPC in advance of the meeting that he/she is unable to attend the meeting and the reason for such absence. The JPC shall determine rules for excused absences.

D. A vacancy on the JPC shall be filled by the appointment of the alternate member from the municipality from which the vacancy occurred and a new alternate JPC member shall be appointed at the next regular meeting of the Planning Commission of the municipality in which the vacancy occurred.

- E. The operating budget of the JPC shall be shared equally by the City and Township after first applying and fees paid by applicants for matters being considered by the JPC.
- F. The jurisdictional area of the JPC shall consist of all land subject to 425 agreements between the City and Township regardless of whether the 425 agreement is dated prior to or subsequent to the date of the formation of the JPC.
- G. The JPC shall consist of representatives from Marshall City and Marshall Township and no other municipalities shall be involved. The JPC shall exist as long as there is a Master 425 Development Agreement between the City of Marshall and Marshall Township.
- H. All administrative functions of the JPC including but not limited to service of notices to adjacent property owners and the preparation of and making publications shall be performed by the Township in the event the Township planning and zoning ordinance are to be applied and by the City in the event the City zoning and planning ordinances are to be applied. In the event business to be conducted at a meeting involves both ordinances of the City and of the Township, each organization shall provide the administrative services necessary for the conduct of the business which is being conducted pursuant to its zoning or planning act.
- I. Complete records of all business conducted at the JPC shall be delivered to the City and Township Council and Board, respectively.
- J. Each municipality may pay its appointed members a meeting stipend for attending properly noticed and held meetings of the JPC. Any such stipend paid shall be paid by the appointing municipality.

Revised 1/18/2022

SCHEDULE B

(for property south of I-94 and east of I-69)

**CITY OF MARSHALL – TOWNSHIP OF MARSHALL
CONTRACT FOR CONDITIONAL TRANSFER OF PROPERTY**

This Agreement made on the ____ day of _____, 20____, between the CITY OF MARSHALL, a Michigan municipal corporation, having offices at 323 West Michigan Avenue, Marshall, Michigan 49068 (the “City”) and the TOWNSHIP OF MARSHALL, a Township duly organized under the laws of the State of Michigan, and existing in Calhoun County, Michigan, having offices at 13551 Myron Avery Drive, Marshall, Michigan 49068 (the “Township”).

WHEREAS, the City and the Township have adopted a Master 425 Agreement dated _____, 2019 for the purpose of providing utility services which are available in the City to Township properties upon the request of a Township property owner, and

WHEREAS, _____ (name), the owner of the property described on Schedule 1 attached hereto (“Property”) has requested that the City extend sewer and water services to the Property, and

WHEREAS, the provision of municipal services by the City to the Property would further the economic well-being of both the City and the Township and increase the probability of additional development of the Property, and

WHEREAS, the City has available sewer and water capacity to service the Property, and

WHEREAS, the parties have each conducted a public hearing to receive input on the proposed transfer of property.

NOW, THEREFORE, by authority of Act 425 of Public Acts of 1984 and pursuant to the Master 425 Agreement entered into between the City and the Township and in consideration of the mutual promises herein set forth, BE IT AGREED AS FOLLOWS:

1. The Township consents to the transfer to the City of the Property.
2. The City agrees to accept the transfer of the Property for all purposes allowed under Public Act 425 of 1984, as amended, to make available municipal services to the Property provided that the Property owner and other users of the utilities extended from the City to the Property shall pay for the cost of the extension.
3. The transfer of the Property contemplated by this agreement shall occur at midnight on _____, _____.
4. Following transfer, and during the term of this Agreement, the City shall have full jurisdiction over the property subject to the following limitations:

Land usages shall be subject to the Joint Municipal Planning Commission pursuant to the provisions of the Master 425 Agreement.

5. The City and Township agree that the City shall have the authority to assess and collect ad valorem taxes, real and personal, on the Property and any improvements thereon during _____ (first year of agreement)_____ and for the remainder of the term of this Agreement. The Township shall have the authority to assess and collect ad valorem taxes, real and personal, on the Property and any improvements thereon through calendar year _____ (the year before the City assesses taxes)_____.

The City and Township further agree that commencing in the year __ (first year of the Agreement)___ and continuing through the fiftieth (50th) full calendar year following the issuance of a Certificate of Occupancy for the first use on the Property, all such taxes which the City collects for its own general operating fund purposes only, and which are attributable to the Property for the term of this Agreement shall be shared between the City and the Township as follows:

- A. The Township shall receive the equivalent of (residential – 2; commercial – 4; industrial – 4) mill levied on the taxable value of the Property for the taxable year as established by the City subject to any subsequent adjustments resulting from tax appeals. The City shall transmit the Township’s share of such revenues annually on or before 30 days after receipt.
 - B. Thereafter, all tax revenues from the Property shall be collected and retained by the City.
6. Except as provided in paragraph 7, upon termination, expiration or non-renewal of this Agreement, jurisdiction of the Property shall pass to the City and the Township shall have no further rights or interests in the Property.
 7. In the event that the City shall not share tax revenues from the Property as provided in paragraph 5 or shall breach any other provision of this Agreement, the Township shall be entitled to terminate this Agreement, whereupon jurisdiction of the Property shall revert to the Township or the Township may pursue whatever other legal remedies are available to the Township.
 8. Any liability the City or the Township incurs to a third party as a result of the performance of duties or the exercise or rights imposed or granted hereunder shall be jointly shared and defended in the same proportion as the taxes are shared as described in paragraph 5.
 9. The burden of all tax abatements shall be shared by the City and the Township in the same percentage as the millage is shared. In the event the City reduces its millage, the Township’s share of millage shall be proportionately reduced provided no additional taxes are levied by the City to replace the reduction in millage.
 10. Sewer and water rates charged to the Property owner shall not be greater than the rates charged in the City for similar users. Property owners shall contribute to repairs and capital improvements to the sewage treatment facilities, water purification plant, well facilities, and distribution systems in the same manner as similar users within the City of Marshall.

11. In the event there is a conflict between this Agreement and the Master 425 Development Agreement, the terms of the Master 425 Development Agreement shall control unless there is a specific reference in the conflicting provision that it is intended to prevail despite the Master 425 Development Agreement.
12. Within fifteen (15) days of execution of this contract, the City Clerk shall file a duplicate original of this contract with the Calhoun County Clerk, the Michigan Secretary of State and the Calhoun County Register of Deeds.

WITNESSES:

CITY OF MARSHALL

By: _____
 , City Manager

By: _____
 , Clerk

WITNESSES:

MARSHALL TOWNSHIP

By: _____
 , Supervisor

By: _____
 , Clerk

SCHEDULE C

(for property north of I-94 and west of I-69)

**CITY OF MARSHALL – TOWNSHIP OF MARSHALL
CONTRACT FOR CONDITIONAL TRANSFER OF PROPERTY**

This Agreement made on the _____ day of _____, 20____, between the CITY OF MARSHALL, a Michigan municipal corporation, having offices at 323 West Michigan Avenue, Marshall, Michigan 49068 (the “City”) and the TOWNSHIP OF MARSHALL, a Township duly organized under the laws of the State of Michigan, and existing in Calhoun County, Michigan, having offices at 13551 Myron Avery Drive, Marshall, Michigan 49068 (the “Township”).

WHEREAS, the City and the Township have adopted a Master 425 Agreement dated _____, 2019 for the purpose of providing utility services which are available in the City to Township properties upon the request of a Township property owner, and

WHEREAS, _____ (name), the owner of the property described on Schedule 1 attached hereto (“Property”) has requested that the City extend sewer and water services to the Property, and

WHEREAS, the provision of municipal services by the City to the Property would further the economic well-being of both the City and the Township and increase the probability of additional development of the Property, and

WHEREAS, the City has available sewer and water capacity to service the Property, and

WHEREAS, the parties have each conducted a public hearing to receive input on the proposed transfer of property.

NOW, THEREFORE, by authority of Act 425 of Public Acts of 1984 and pursuant to the Master 425 Agreement entered into between the City and the Township and in consideration of the mutual promises herein set forth, BE IT AGREED AS FOLLOWS:

1. The Township consents to the transfer to the City of the Property.
2. The City agrees to accept the transfer of the Property for all purposes allowed under Public Act 425 of 1984, as amended, to make available municipal services to the Property provided that the Property owner and other users of the utilities extended from the City to the Property shall pay for the cost of the extension.
3. The transfer of the Property contemplated by this agreement shall occur at midnight on _____, _____.
4. Following transfer, and during the term of this Agreement, the City shall have full jurisdiction over the property subject to the following limitations:

Land usages shall be subject to the Joint Municipal Planning Commission pursuant to the provisions of the Master 425 Agreement.

5. The City and Township agree that the City shall have the authority to assess and collect ad valorem taxes, real and personal, on the Property and any improvements thereon during _____ (first year of agreement) _____ and for the remainder of the term of this Agreement. The Township shall have the authority to assess and collect ad valorem taxes, real and personal, on the Property and any improvements thereon through calendar year _____ (the year before the City assesses taxes) _____.

The City and Township further agree that commencing in the year __ (first year of the Agreement) ___ and continuing through the fiftieth (50th) full calendar year following the issuance of a Certificate of Occupancy for the first use on the Property, all such taxes which the City collects for its own general operating fund purposes only, and which are attributable to the Property for the term of this Agreement shall be shared between the City and the Township as follows:

- A. The Township shall receive the equivalent of (residential – 2; commercial – 4; industrial – 4) mill levied on the taxable value of the Property for the taxable year as established by the City subject to any subsequent adjustments resulting from tax appeals. The City shall transmit the Township's share of such revenues annually on or before 30 days after receipt.
 - B. Thereafter, all tax revenues from the Property shall be collected and retained by the City.
6. Except as provided in paragraph 7, upon termination, expiration or non-renewal of this Agreement, jurisdiction of the Property shall return to the Township and the City will have no further rights or interests in the Property except that the City shall own the utility infrastructure.
 7. In the event that the City shall not share tax revenues from the Property as provided in paragraph 5 or shall breach any other provision of this Agreement, the Township shall be entitled to terminate this Agreement, whereupon jurisdiction of the Property shall revert to the Township or the Township may pursue whatever other legal remedies are available to the Township.
 8. Any liability the City or the Township incurs to a third party as a result of the performance of duties or the exercise or rights imposed or granted hereunder shall be jointly shared and defended in the same proportion as the taxes are shared as described in paragraph 5.
 9. The burden of all tax abatements shall be shared by the City and the Township in the same percentage as the millage is shared. In the event the City reduces its millage, the Township's share of millage shall be proportionately reduced provided no additional taxes are levied by the City to replace the reduction in millage.
 10. Sewer and water rates charged to the Property owner shall not be greater than the rates charged in the City for similar users. Property owners shall contribute to repairs and capital improvements to the sewage treatment facilities, water purification plant, well facilities, and distribution systems in the same manner as similar users within the City of Marshall.

11. In the event there is a conflict between this Agreement and the Master 425 Development Agreement, the terms of the Master 425 Development Agreement shall control unless there is a specific reference in the conflicting provision that it is intended to prevail despite the Master 425 Development Agreement.
12. Within fifteen (15) days of execution of this contract, the City Clerk shall file a duplicate original of this contract with the Calhoun County Clerk, the Michigan Secretary of State and the Calhoun County Register of Deeds.

WITNESSES:

CITY OF MARSHALL

By: _____
 , City Manager

By: _____
 , Clerk

WITNESSES:

MARSHALL TOWNSHIP

By: _____
 , Supervisor

By: _____
 , Clerk