

**INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE
AGREEMENT**

(Pursuant to Section 22 of Act 198 of 1974, as amended.)

The Application (“Application”) for an Industrial Facilities Exemption Certificate (the “Certificate”) as filed by XXXXXXXXXXXXXXXX (the “Applicant”) on XXXXXX, XX, 200X has been approved by Delhi Charter Township (the “Township”), subject to, and as the Applicant and Township hereby agree to, the following terms and conditions:

- 1) The period of time for which the Industrial Facilities Exemption Certificate (the “Certificate”) is approved is up to twelve (12) years or as specified on the Certificate issued by the State of Michigan, with an effective date December 31, 200X and an ending date of December 31, 20XX. The Township has granted the Certificate to the Applicant, based upon the Applicant’s promises and representations in its Application, for the purpose of fostering economic development and good job opportunities within the Township.
- 2) Within ninety days following acquisition and completion of the project, consisting of the purchase and installation of new machinery and equipment and the physical improvements to real property, which are the subject of the Application (collectively the “Facility”), the Applicant shall submit a written report to the Township stating the actual cost of the Facility. If this cost is more than 20% less than the estimated cost of the Facility in the Application, the Township shall have the right to revoke the Certificate.
- 3) In order to retain the benefits of the Certificate, the Applicant shall continue its operation of the Facility within the Township for the period of the Certificate in the same or alternative manner of operation, provided that jobs at the average compensation level represented in the Application, are attained and maintained. If the number of such jobs is reduced below the amount represented in the Application at any time during the period of this Agreement following relocation by the Applicant of any Facility operations to outside the Township, the Applicant, upon demand by the Township, shall pay to the Township an amount equal to those taxes it would have paid to all affected taxing units had the Certificate not been in effect.
- 4) Beginning no later than December 31, 200X, and every two years thereafter no later than December 31, the Applicant shall submit a written report to the Township stating:
 - a) The number of jobs created and/or retained as represented in the Application and the actual number of jobs created and/or retained.
 - b) The average annual compensation of employees at the Facility for each of the preceding two years.
 - c) If creation or retention of jobs represented in the Application was not reached, provide an explanation.

- 5) Notices and all written correspondence shall be affected as follows, unless a change is specified by either party in writing and physically attached to this Agreement:

For the Township:

Delhi Charter Township
Clerk
2074 Aurelius Road
Holt, Michigan 48842-6320

For the Applicant:

XXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXX

- 6) The reports required in Sections 2 and 4 shall be a sworn statement, under oath, signed by the President or designated Official of the Applicant. For failure by the Applicant to timely file such reports, upon 14 days notice by the Township, the Township shall have right to revoke the Certificate, and if the Township Board, based on its own findings, determines there has been a relocation of jobs by Applicant, the Township shall have the right to recapture abated taxes.
- 7) Prior to any revocation of the Certificate, or recapture of abated taxes, the Township Board shall afford the Applicant a hearing to present reasons for non-fulfillment of its representations in the Application. The Applicant shall be provided at least three (3) business days written notice of the hearing, provided, however, that if the Applicant fails to file timely reports as required by this Agreement, or if the Applicant provides any written indication to any person of the Applicant's intention to relocate Facility operations which the Township Board determines could result in reduction of jobs or average annual compensation below the amounts required by the Application and this Agreement, then the Township, without providing a hearing, may proceed to enforce this Agreement in accordance with its terms.
- 8) The determination of whether to revoke the Certificate or recapture abated taxes shall be in the sole discretion of the Township Board, subject to the provisions of Section 8.
- 9) The Township acknowledges that certain economic conditions not involving any relocation of operations by the Applicant may, at times, preclude the achievement of the Applicant's intentions. Notwithstanding any other provision of this Agreement, if the number of jobs created or retained by the Applicant and/or the average annual compensation of employees at the facility fall below the levels represented in the Application due to an economic downturn or general business conditions and the Applicant has not relocated operations, sold any of its assets other than the ordinary course of business, or outsourced or subcontracted out work causing a reduction in the number of jobs created and/or retained or a reduction in the average annual compensation of employees, the Township shall not have a right to recapture abated taxes.

- 10) If abated taxes are not paid to the Township prior to any written indication of the Applicant's intention to relocate operations and/or the Township Board otherwise determines not to waive such recapture obligation, then the Township may add the amount due of such abated taxes to the property tax statement of the owner of the parcel of property on which the Facility is located, including all taxable personal property thereon, and the amount shall constitute an equitable lien against such property. The Applicant further acknowledges that tax collection and law enforcement officials of the Township, or of the County of Ingham at the request and on behalf of the Township, shall have the right to undertake such processes as provided for general real and personal property tax liens pursuant to the General Property Tax Act.
- 11) Any abated taxes recaptured and collected by the Township shall be distributed to the affected taxing units in the same proportions as Industrial Facilities Taxes were distributed during the term of the Certificate.
- 12) If any provision of this Agreement is held to be invalid or unenforceable, this Agreement shall be ineffective only to the extent of such invalidity or unenforceability of such provision(s), without affecting or impairing the validity or enforceability of the other provisions of this Agreement.
- 13) No payment of any kind in excess of the fee allowed by Act 198 has been made or promised in exchange for favorable consideration of the Application and granting of the Certificate.

XXXXXXXXXXXXXXXXXXXXXXXXXXXX

By: _____

Date

Its: _____

DELHI CHARTER TOWNSHIP

By: _____

Date

Its: _____