

INDUSTRIAL FACILITIES TAX ABATEMENT AGREEMENT

This Industrial Facilities Tax Abatement Agreement is made as of _____, 2____, pursuant to 1974 PA 198, as amended, MCL 207.552 *et seq.* (“Act 198”) between the City of Wyoming, a local governmental unit as defined in Act 198, the address of which is 1155 – 28th Street SW, PO Box 905, Wyoming, MI 49509-0905 (the “City”) and _____, the address of which is _____, _____, _____ (the “Company”).

RECITALS

- A. The Company applied for a Industrial Facilities Tax Abatement pursuant to Act 198 on the application a copy of which is attached as Exhibit A and incorporated by reference (the “Application”).
- B. Following a public hearing on _____, 2____, the City Council of the City adopted a resolution to approve the tax abatement for a period of ____ years conditional upon the parties entering into this Agreement (the “Abatement”) for the property located at _____, in the City (the “site of the Abatement”).
- C. The City Council did so upon the Company’s representations in the Application and upon the understanding that doing so would enhance the City’s employment and tax base as indicated in the application and as stated at the public hearing which enhancements would exceed the term of the tax abatement.

TERMS AND CONDITIONS

In exchange for the consideration in and referred to by this Agreement, the parties agree:

1. The Company affirms the statements in the application and the statements at the public hearing that it will invest not less than \$_____ in improvements to its property in the City and that at least ____ new jobs will be created and at least ____ jobs will be retained as a result of that investment. The Company further pledges that those improvements will remain in place or be replaced by comparably valued improvements for at least 2 years after the expiration of the term of the Abatement and the jobs created and maintained will remain in existence within the City for at least 2 years after the expiration of the term of the Abatement.
2. The City is relying upon and the Company agrees the City may rely upon the representations in the preceding paragraph, in the Application, and at the public hearing, for purposes of determining the length of the Abatement, the amount of the Abatement, and other terms of the Abatement.
3. Beginning on December 31 of the year which is 2 years after the Abatement is granted (*i.e.*, 2____) and each December 31 thereafter the Company shall submit a letter to the City, stating:
 - (a) The number of new jobs projected in the Application to be created and retained upon the project’s completion and the actual number of new jobs created.
 - (b) The number of employees at the time of the Application and the current number of employees.
 - (c) The estimated project cost stated in the Application and the actual project cost.
4. Upon receipt of the letter provided for in the preceding paragraph:
 - (a) The City may either:
 - (1) Apply the criteria in the City Act 198 Tax Abatement Policy in effect as of the date of this Agreement and increase or decrease the term of the Abatement to the maximum number of years allowable under that Policy based on the Company's actual employment levels and project costs as stated in the letter, or

(2) If the number of new jobs or the cost of the project is substantially below that stated in the application for reasons within the control of the Company, the City Council may recommend revocation of the Abatement.

(b) The City may, in its discretion, waive its right to reduce the term of the years of the Abatement or to revoke the Abatement if:

(1) The Company has substantially met its stated goals, with only minor deviations which are not expected to reduce the anticipated benefits of the City, or

(2) Upon a finding of changed circumstances not reasonably anticipated by the Company at the time it made Application.

(c) The City shall provide the Company written notice of and an opportunity to address the City Council prior to formally considering any such actions.

5. The Company intends to continue operations within the City for the time period at least equal to two years beyond the expiration of the term of the Abatement as granted.

(a) If, at any time during the term of the Abatement or two years following the expiration or early termination of the Abatement, the City determines based on a Company announcement or other reasonably reliable information that the Company is intending to discontinue or substantially curtail its operations on the site of the Abatement, or the City determines that the company has discontinued or substantially curtailed its operations on the site of the Abatement, or the no longer employs on the Site of the Abatement the number of employees represented in the Application and in this Agreement:

(1) The City Council may, in its sole discretion, request revocation of the Abatement; and

(2) The City Council, in its sole discretion, may require the Company to pay the City an amount equal to the total taxes abated by the City under the Abatement.

(b) In making any decision under the preceding subparagraph (a) the City Council shall consider whether:

(1) Due to events or conditions which were unforeseeable by either party on the date of this Agreement, and absent the fault of either party, it has become impossible or commercially impractical for the Company to continue its operation on the site of the Abatement; or

(2) The Company has substantially complied with all requirements of this Agreement, such that the Company's failure to comply fully with all requirements was neither willful nor intentional, and the City has reasonably received the benefits anticipated from granting the Abatement.

(c) The City shall provide the Company written notice of and an opportunity to address the City Council prior to formally considering any such actions.

6. This Agreement is entered into according to Section 22 of Act 198, as amended, MCL 207.572, is in addition to the other requirements of Public Act 198, and does not modify or waive any requirements of Act 198.

7. This is the entire agreement between the parties as to its subject matter. No unwritten agreements shall have any effect. This Agreement may be modified only with a written agreement signed by both parties following approval of the City Council.

The parties have signed this Agreement as of the date first written above.

CITY OF WYOMING

By: _____
Carol S. Sheets, Mayor

By: _____
_____, _____

By: _____
Heidi A. Isakson, City Clerk

By: _____
_____, _____

Date signed: _____, 2__

Date signed: _____, 2__