

The regular meeting of the Greenville City Council was called to order by Mayor Hoppough, in the Council Chambers, in the Municipal Complex located at 415 S. Lafayette Street, Greenville, Michigan 48838 at 7:30 p.m.

Present: Mayor Hoppough; Councilpersons Cunliffe, Linton, Lehman, Moss, Warner, and Dora; City Manager Bosanic; City Engineer Hinken, Wastewater Superintendent Wheat, and Clerk Rasmussen.

Absent: None

1. The Pledge of Allegiance was led by Mayor Hoppough.
2. The Statement of Citizens consisted of the following: None
3. Councilperson Lehman MOVED: The Consent Agenda be approved as presented. Councilperson Warner seconded. Unanimously adopted.

The Consent Agenda consisted of the following:

- a. Approval of minutes for the regular City Council meeting held June 18, 2019.
- b. Approval of payroll report for the regular pay period ending June 01, 2019, in the amount of \$135,436.10, payroll report for the regular pay period ending June 15, 2019, in the amount of \$137,620.01, and accounts payable report for the period ending June 25, 2019, in the amount of \$178,762.91.
- c. Approval of minutes from the regular Planning Commission meeting held June 13, 2019.
- d. Approval of minutes from the regular Downtown Development Authority meeting held June 11, 2019.
- e. Approval of the Investment Report.
- f. Approval of the Quarterly Bank Review.
- g. The approval of the 2019 proposed slate of officers for positions on the MML Worker's Compensation Fund.

#### Public Hearings

4. To receive comments on a resolution to create an Industrial Development District, pursuant to Michigan Public Act 198 of 1974, in connection with the Industrial Park.
  - a. Mayor Hoppough opened the public hearing at 7:37 p.m.

- b. Mayor Hoppough closed the public hearing at 7:37 p.m. after hearing no comments.
  
- 5. To receive comments on a resolution to approve an application for an Industrial Facilities Tax Exemption (IFT) Certificate and Industrial Facilities Tax Abatement Agreement, pursuant to Michigan Public Act 198 of 1974, received from Aggressive Tooling.
  - a. Mayor Hoppough opened the public hearing at 7:41 p.m.
  - b. Mayor Hoppough closed the public hearing at 7:41 p.m. after hearing no comments.
  
- 6. To receive comments on a proposed resolution authorizing the submission of a Community Development Block Grant (CDBG) application in connection with a proposed expansion at Kent Foundry.
  - a. Mayor Hoppough opened the public hearing at 7:50 p.m.
  - b. Mayor Hoppough closed the public hearing at 7:50 p.m. after hearing no comments.

New Business

- 7. Council considered the adoption of Resolution No. 19-17, a resolution to create an Industrial Development District (IDD), pursuant to Michigan Public Act 198 of 1974, in connection with the Industrial Park.

Councilperson Moss RESOLVED: To approve Resolution 19-17, a resolution establishing an Industrial Development District (IDD) pursuant to Michigan Public Act 198 of 1974.

WHEREAS, pursuant to PA 198 of 1974, as amended, the City Council of the City of Greenville, Michigan (the “Council”) has the authority to establish “Industrial Development Districts” within the City; and

WHEREAS, the City Council of the City of Greenville, wishes to establish an Industrial Development District on its property located in the City hereinafter described; and

WHEREAS, construction, acquisition, alteration, or installation of a proposed facility has not commenced at the time of filing the request to establish this district; and

WHEREAS, written notice has been given by mail to all owners of real property located within the district, and to the public by newspaper advertisement in the (newspaper) and/or public posting of the hearing on the establishment of the proposed district; and

WHEREAS, on July 16, 2019 a public hearing was held at which all owners of real property within the proposed Industrial Development District and all residents and taxpayers of the City were afforded an opportunity to be heard thereon; and

WHEREAS, the Council deems it to be in the public interest of the City to establish the Industrial Development District as proposed; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Greenville that the following described parcels of land located at, INDUSTRIAL PARK, situated in the City of Greenville, Montcalm County, and State of Michigan, to wit:

Parcel No.: 052-693-035-10

Legal:

PART OF SECTION 3, T9N, R8W, CITY OF GREENVILLE, MONTCALM COUNTY, MICHIGAN DESCRIBED AS COMMENCING AT THE SE CORNER OF SAID SECTION; THENCE N2°00'52"E, ALONG THE EAST LINE OF SAID SECTION, 764.75 FEET, TO THE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE CONTINUING N2°00'52"E, 976.25 FEET; THENCE N87°59'8"W, 280.00 FEET; THENCE N2°00'52"E, 208.70 FEET; THENCE S87°59'08"E, 280.00 FEET; THENCE N2°00'52"E, 100.00 FEET; THENCE N87°59'08"W, 1337.20, TO A POINT ON THE WEST LINE OF THE EAST ½ OF THE SOUTHEAST ¼ OF SAID SECTION; THENCE S1°50'22"W, ALONG SAID WEST LINE, 762.28 FEET TO A POINT AT THE INTERSECTION WITH THE EAST-WEST 1/8TH LINE OF THE SOUTHEAST ¼ OF SAID SECTION; THENCE N89°52'39"W, ALONG SAID 1/8TH LINE, 1326.62 FEET MORE OR LESS TO THE NORTH-SOUTH ¼ LINE OF SECTION 3; THENCE S2°02'59"W, ALONG SAID ¼ LINE, 941.31 FEET; THENCE N90°00'00"E, 165.00 FEET; THENCE S2°02'59"W, 132.00 FEET; THENCE N90°00'00"E, 891.02 FEET; THENCE S2°03'11"W, 231 FEET MORE OR LESS TO A POINT ON THE NORTH LINE OF VANDEINSE AVENUE, SAID LINE BEING 33 FEET NORTH OF AND PARALLEL TO THE SOUTH LINE OF SECTION 3; THENCE N90°00'00"E, ALONG SAID NORTH LINE 66.05 FEET; THENCE N1°36'46"E, PARALLEL WITH THE NORTH-SOUTH ¼ LINE OF SAID SECTION,

663.36 FEET; THENCE N90°00'00"E, PARALLEL WITH THE SOUTH LINE OF SAID SECTION, 211.64 FEET TO THE EAST LINE OF THE W1/2 OF THE SOUTHEAST ¼ OF SAID SECTION; THENCE S1°36'46"W, 663.36 FEET TO THE NORTH LINE OF VANDEINSE AVENUE; THENCE N90°00'00"E, 379.50 FEET; THENCE N1°05'06"E, 301.03 FEET; THENCE S87°45'03"W, 233.65 FEET; THENCE N1°17'02"W, 131.82 FEET; THENCE N2°54'25"E, 309.36 FEET; THENCE S89°56'20"E, 1192.85 FEET TO THE POINT OF BEGINNING.

(THIS DESCRIPTION ACCOUNTS FOR REMAINING INDUSTRIAL PARK PROPERTY EXCEPTING AGA, FRED'S AUTO, DICASTAL AND FOREMOST FARMS PROPERTY)

Parcel No.: 052-722-001-00

Legal:

PART OF THE NORTHWEST 1/4 OF SECTION 11, T9N, R8W, CITY OF GREENVILLE, MONTCALM COUNTY, MICHIGAN, DESCRIBED AS: COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION; THENCE SOUTH 89°47'30" EAST ALONG THE NORTH LINE OF SAID SECTION 665.73 FEET TO THE EAST LINE OF INDUSTRIAL PARK DRIVE (66.00 FEET WIDE); THENCE SOUTH 01°57'00" WEST ALONG THE EAST LINE OF SAID INDUSTRIAL PARK DRIVE, 33.15 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE CONTINUING SOUTH 01°57'00" WEST ALONG THE EAST LINE OF SAID INDUSTRIAL PARK DRIVE 996.52 FEET; THENCE SOUTH 89°50'16" EAST PARALLEL WITH THE SOUTH LINE OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 666.29 FEET TO THE EAST LINE OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION; THENCE NORTH 01°54'44" EAST ALONG THE EAST LINE OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 796.27 FEET; THENCE SOUTH 89°47'30" WEST, 150.07 FEET; THENCE NORTH 1°54'44" EAST, PARALLEL WITH THE EAST LINE OF THE NORTHWEST ¼ OF THE NORTHWEST ¼ OF SAID SECTION; 200.09 FEET MORE OR LESS TO THE SOUTH LINE OF VANDEINSE AVENUE; THENCE NORTH 89°47'30" WEST ALONG SAID SOUTH RIGHT OF WAY LINE, 515.64 FEET TO THE POINT OF BEGINNING.

(THIS PARCEL DESCRIBES THE PARCEL ON THE SOUTHEAST CORNER OF VANDEINSE AND INDUSTRIAL PARK DRIVE, EXCEPTING THE WATER TOWER PARCEL)

Parcel No.: 052-720-027-00, 052-720-028-00, 052-720-029-00

Legal:

PART OF THE NORTHEAST  $\frac{1}{4}$  OF SECTION 10, T9N, R8W, CITY OF GREENVILLE, MONTCALM COUNTY, MICHIGAN DESCRIBED AS COMMENCING FROM THE NORTHEAST CORNER OF SAID SECTION; THENCE SOUTH  $1^{\circ}59'45''$  WEST, 659.67 FEET; THENCE SOUTH  $89^{\circ}59'53''$  WEST, 350.33 FEET TO THE POINT OF BEGINNING; THENCE SOUTH  $1^{\circ}57'00''$  WEST, 721.64 FEET TO THE SOUTH RIGHT OF WAY LINE OF MOORE DRIVE; THENCE SOUTH  $89^{\circ}47'27''$  EAST ALONG SAID SOUTH LINE, 193.88 FEET; THENCE SOUTH  $1^{\circ}57'00''$  WEST, 345.49 FEET; THENCE NORTH  $89^{\circ}47'27''$  WEST, 496.38 FEET MORE OR LESS TO THE EAST LINE OF CALLAGHAN STREET; THENCE NORTH  $1^{\circ}57'00''$  EAST, 626.52 FEET; THENCE 63.43 FEET ALONG AN 80-FOOT RADIUS CURVE TO THE RIGHT, CHORD BEARING NORTH  $24^{\circ}39'45''$  EAST, 61.78 FEET; THENCE 367.22 FEET ALONG AN 80-FOOT RADIUS CURVE TO THE LEFT, CHORD BEARING NORTH  $84^{\circ}07'36''$  WEST, 119.83 FEET; THENCE NORTH  $89^{\circ}47'27''$  WEST, 481.57 FEET TO A POINT ON A LINE WHICH IS 100 FEET EAST AND PARALLEL TO THE EAST LINE OF THE COFFREN AVENUE SUBDIVISION; THENCE ALONG SAID LINE NORTH  $1^{\circ}46'38''$  EAST, 367.22 FEET; THENCE NORTH  $89^{\circ}59'53''$  EAST, 878.98 FEET TO THE POINT OF BEGINNING.

(THIS PARCEL DESCRIBES THE REMAINING CITY-OWNED LAND WEST OF EIGHTCAP AND WEST MICHIGAN COMPOUNDING, NORTH OF AMERIDA AND BLACKSMITH SHOP.)

Parcel No.: 052-720-023-00

Legal:

PART OF THE NORTHEAST  $\frac{1}{4}$  OF SECTION 10, T9N, R8W, CITY OF GREENVILLE, MONTCALM COUNTY, MICHIGAN DESCRIBED AS COMMENCING AT A POINT ON THE WESTERLY LINE OF INDUSTRIAL PARK DRIVE, SOUTH  $89^{\circ}47'30''$  EAST, 599.73 FEET AND SOUTH  $1^{\circ}57'00''$  WEST, 2028.08 FEET FROM THE NORTHWEST CORNER OF SECTION 11; THENCE NORTH  $89^{\circ}47'27''$  WEST, 1019.22 FEET; THENCE SOUTH  $1^{\circ}57'00''$  WEST, 66.03 FEET; THENCE NORTH  $89^{\circ}47'27''$  WEST, 192.02 FEET; THENCE WESTERLY 46.05 FEET ALONG A 101-FOOT RADIUS CURVE TO THE RIGHT, WITH CHORD BEARING NORTH  $76^{\circ}43'51''$  WEST, 45.65 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING WESTERLY 87.29 FEET ALONG SAID 101-FOOT RADIUS CURVE TO THE RIGHT, WITH CHORD BEARING NORTH  $38^{\circ}54'44''$  WEST, 84.60 FEET; THENCE SOUTH  $62^{\circ}08'43''$  WEST, 61.51 FEET; THENCE SOUTH  $89^{\circ}28'50''$  WEST, 334.98 FEET; THENCE SOUTH  $66^{\circ}46'12''$  WEST 135.22 FEET MORE OR LESS TO A POINT 100 FEET

EAST AND PARALLEL TO THE EAST LINE OF THE COFFREN AVENUE SUBDIVISION, EXTENDED; THENCE SOUTH 1°33'49" WEST, 507.14 FEET MORE OR LESS TO THE NORTH LINE OF THE FORMER GTWRR RIGHT OF WAY; THENCE NORTH 89°56'30" EAST, ALONG SAID RIGHT OF WAY, 404.82 FEET; THENCE NORTH 18°11'45" EAST, 52.84 FEET; NORTH 57°08'32" EAST, 48.78 FEET; THENCE NORTH 76°07'26" EAST, 94.73 FEET; THENCE NORTH 1°57'00" EAST 398.37 FEET; THENCE NORTH 26°19'45" EAST, 32.24 FEET TO THE POINT OF BEGINNING.

Parcel No.: 052-720-055-00

Legal:

PART OF THE NORTHEAST ¼ OF SECTION 10 AND SECTION 11, T9N, R8W, CITY OF GREENVILLE, MONTCALM COUNTY, MICHIGAN DESCRIBED AS COMMENCING AT A POINT ON THE WESTERLY LINE OF INDUSTRIAL PARK DRIVE, SOUTH 89°47'30" EAST, 599.73 FEET AND SOUTH 1°57'00" WEST, 2094.11 FEET FROM THE NORTHWEST CORNER OF SECTION 11; THENCE NORTH 89°47'27" WEST, ALONG THE SOUTH RIGHT OF WAY LINE OF CALLAGHAN DRIVE, 520.12 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID LINE, NORTH 89°47'27" WEST, 429.07 FEET; THENCE SOUTH 1°57'00" WEST, 514.74 FEET, MORE OR LESS, TO THE NORTH RIGHT OF WAY LINE OF THE FORMER GTWRR RIGHT OF WAY, THENCE NORTH 89°56'30" EAST, ALONG SAID RIGHT OF WAY, 222.09 FEET; THENCE NORTH 50°54'27" EAST, 57.01 FEET; THENCE NORTH 16°52'15" EAST, 31.27 FEET; THENCE NORTH 42°34'52" EAST, 60.60 FEET; THENCE NORTH 54°16'07" EAST, 58.87 FEET; THENCE SOUTH 83°02'57" EAST, 59.55 FEET; THENCE SOUTH 58°40'47" EAST, 13.47 FEET; THENCE NORTH 1°57'00" EAST, 381.62 FEET TO THE POINT OF BEGINNING.

COMBINED WITH 693-035-20 is established as an Industrial Development District pursuant to the provisions of PA 198 of 1974, as amended, to be known as Industrial Park, Industrial Development District No. 2019-01.

2. All resolutions and parts of resolutions are, to the extent of any conflict with this resolution, rescinded.

Councilperson Dora seconded. Adopted with a vote of (7) Ayes: Hoppough, Lehman, Cunliffe, Dora, Moss, Linton, and Warner; (0) Nays; and (0) Absent.

8. Council considered the approval of Resolution No. 19-18, a resolution to approve an application for an Industrial Facilities Tax (IFT) Exemption Certificate and Industrial Facilities Tax Abatement Agreement, pursuant to Michigan Public Act 198 of 1974, received from Aggressive Tooling, Inc.

Councilperson Moss RESOLVED: To approve the resolution 19-18, a resolution to approve an application for an Industrial Facilities Tax Abatement Agreement, pursuant to Michigan Public Act 198 of 1974, received from Aggressive Tooling, Inc., in connection with the \$600,000 investment in real property and creation of 20 new full-time jobs.

WHEREAS, pursuant to PA 198 of 1974, after a duly noticed public hearing held on August 16, 1983, the Greenville City Council established the August 16, 1983 Industrial Development District No. August 16, 1983 (the “District”); and

WHEREAS, Aggressive Tooling, Inc., (the “Developer”) has filed an application for an Industrial Facilities Tax Exemption Certificate with respect to a new facility to be acquired and installed within the District; and

WHEREAS, prior to acting on the application, the City Council held a public hearing on July 16, 2019, at 7:30 p.m. at Council Chambers located in the Municipal Complex at 415 S. Lafayette Street, Greenville, MI 48838, at which hearing the applicant, the City Assessor and a representative of the affected taxing units were given written notice and were afforded an opportunity to comment; and

WHEREAS, construction of the facility and installation of new machinery and equipment had not begun earlier than 6 months before May 24, 2019, the date of acceptance of the application for the Industrial Facilities Tax Exemption Certificate; and

WHEREAS, completion of the facility is calculated to and will, at the time of issuance of the certificate, have the reasonable likelihood to retain, create or prevent the loss of employment in the City of Greenville; and

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes within the City of Greenville, after granting this certificate, will not exceed 5% of an amount equal to the sum of the SEV of the City, plus the SEV of personal and real property thus exempted; and

WHEREAS, the City Council has determined to enter into a Tax Exemption Agreement with the Developer, in the form of the attached Exhibit A (the "Agreement"), finding it in the best interests of Greenville after considering all of the factors and issues recited in the Agreement; and

WHEREAS, as indicated in the Affidavit of Fees, attached as Exhibit B, no payment of any kind, whether they be referred to as "fees," "payments in lieu of taxes," "donations" or by other like terms, has been made to the City in connection with the Developer's application for an Industrial Facilities Tax Exemption Certificate, except for such fees as are explicitly authorized under PA 198 of 1974.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The City Council finds and determines that the granting of the Industrial Facilities Tax Exemption Certificate considered together with the aggregate amount of certificates previously granted and currently in force under PA 198 of 1974, as amended, and PA 225 of 1978, as amended, shall not have the effect of substantially impeding the operation of the City of Greenville, or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City of Greenville.
2. The application from the Developer, for an Industrial Facilities Tax Exemption Certificate, with respect to its new facility to be acquired and installed within the District, is approved, pending Developer's signing of the Agreement attached as Exhibit A, in such form as is acceptable to the City.
3. The Agreement attached as Exhibit A is approved by City Council, with such changes as are approved by the Mayor and the Mayor and the Clerk are authorized to sign the Agreement.
4. The Industrial Facilities Tax Exemption Certificate, when issued, shall remain in force for a period of twelve (12) years, subject to the terms and conditions of the Agreement.
5. The Agreement is approved and the Mayor and City Clerk are authorized and directed to sign it on behalf of the City.
6. The Affidavit of Fees is approved and the City Treasurer is authorized and directed to sign it on behalf of the City.



7. The City Clerk is authorized and directed to file a copy of this Resolution, the fully signed Agreement, and the Affidavit of Fees with the State Tax Commission upon the Developer's signing of the Agreement.
8. All resolutions and parts of resolutions are, to the extent of any conflict with this resolution, rescinded.

Councilperson Warner seconded. Adopted with a vote of (7) Ayes: Hoppough, Lehman, Cunliffe, Dora, Moss, Linton, and Warner; (0) Nays; and (0) Absent.

9. Council considered the approval of Resolution No. 19-19 authorizing the submission of a Community Development Block Grant (CDBG) application in the amount of \$500,000 in connection with a proposed expansion at Kent Foundry.

Councilperson Lehman RESOLVED: To approve Resolution No. 19-19, a resolution authorizing the submission of a Community Development Block Grant (CDBG) application in the amount of \$500,000 in connection with the proposed \$3.5 million expansion project at Kent Foundry Company, Inc.:

WHEREAS, Community Development Block Grant ("CDBG") funds have become available to the Michigan Economic Development Corporation (the "MEDC") to assist local governments in fostering economic development; and

WHEREAS, Kent Foundry Company, Inc. plans to invest over \$3.5 million in an industrial expansion project, and at least 51% of the beneficiaries of the proposed project will be low- and moderate-income persons;

WHEREAS, the expansion project will positively affect the economic, social, and cultural well-being of the City of Greenville, as described in the Community Development; and

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Application is approved.
2. The City Manager, George Bosanic, is authorized and directed to sign and submit the Application to the MEDC in order to seek \$500,000 in CDBG funds to support Kent Foundry Company, Inc. expansion project.

3. The City Manager, George Bosanic, is authorized to sign any additional documents needed to accept and receive grant funds, including but not limited a grant agreement with the MEDC, any amendments thereto, and written requests for payment under the grant.
4. Kent Foundry Company, Inc. shall be on notice that no project costs (including both CDBG and non-CDBG costs) shall be incurred before a grant has been formally awarded, before environmental review procedures have been completed, or before a formal written authorization to incur costs has been submitted by the CDBG project manager.

Councilperson Moss seconded. Adopted with a vote of (7) Ayes: Hoppough, Lehman, Cunliffe, Dora, Moss, Linton, and Warner; (0) Nays; and (0) Absent.

10. Council received a presentation from Utility Financial Services in connection with the rate study for Foremost Farms.
11. Council considered a contract for professional services in connection with the Wastewater Treatment Plan renovation and expansion.

Councilperson Lehman MOVED: To approve the proposed Project Scope, Cost Opinion, Schedule, and Agreement with Williams and Works LLC as presented. Councilperson Linton seconded. Unanimously adopted.

12. Council considered two (2) Purchasing Policies; one (1) a revision of our current purchasing policy and one (1) new Transit Agency Procurement Policy required for compliance with the FTA and MDOT.

Councilperson Lehman RESOLVE: To approve Resolution 19-20, a resolution revising the City's current purchasing policy and establishing a new Transit Agency Procurement Policy:

WHEREAS, to provide a procedure for procuring supplies, materials, equipment, contractual services, and construction, as required by Section 12 of the Charter for the City of Greenville, with the Procurement and Purchasing Policy dated June 27, 2019;

WHEREAS, to provide a procurement procedure for Greenville Transit so it may obtain the lowest price or best value for the agency, and the citizens and

units of government who support it, with the Transit Agency Procurement Policy;

NOW, THEREFORE, BE IT RESOLVED, that this Resolution be adopted and the above policies be approved.

RESOLUTION DECLARED ADOPTED.

Councilperson Moss seconded. Adopted with a vote of (7) Ayes: Hoppough, Lehman, Cunliffe, Dora, Moss, Linton, and Warner; (0) Nays; and (0) Absent.

13. Council considered the award of a bid for the purchase and installation of a chain-link fence in connection with the Vet's Park Skateboard Project.

Councilperson Lehman MOVED: To award a bid for the purchase and installation of a chain-link fence to Contract Fence Consultants of West Michigan in the amount not to exceed \$12,900 as presented. Councilperson Moss seconded. Unanimously adopted.

14. Council considers a motion to enter into executive session to discuss correspondence with legal council.

Councilperson Lehman MOVED: To enter into Executive Session at the request of the City Manager to discuss correspondence with legal counsel. Councilperson Cunliffe seconded. Unanimously adopted.

15. Council Members entered into executive session at 9:57 p.m.

Councilperson Lehman MOVED: The regular meeting reconvene. Councilperson Cunliffe seconded. Unanimously adopted.

16. Council Members returned to the regular meeting at 10:17 p.m.

Councilperson Lehman MOVED: To hold a public hearing on August 6, 2019, to hear comments on an Ordinance to Create the Administrative Position of Finance Director. Councilperson Dora seconded. Unanimously adopted.

Councilperson Lehman MOVED: The meeting be adjourned. Councilperson Moss seconded. Unanimously adopted.

Meeting adjourned at 10:39 p.m.

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John M. Hoppough  
Mayor

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Norice Rasmussen  
Clerk-Finance Director

**EXHIBIT A**

## TAX EXEMPTION AGREEMENT

This Tax Exemption Agreement is made as of July 16, 2019, by the City of Greenville, a Michigan municipal corporation, the principal business address of which is 411 S. Lafayette Street, Greenville, MI 48838 (the “**City**”) and Aggressive Tooling, Inc., a Michigan corporation, the principal business address of which is 608 Industrial Park Dr., Greenville, MI 48838 (“**Aggressive Tooling**”).

### RECITALS

- A. Aggressive Tooling is in the process of improving its property located at 608 Industrial Park Dr., Greenville, MI 48838 (the “**Facility**”), with such improvements described on the attached Exhibit A-1.
- B. Aggressive Tooling commenced constructing the Facility Improvements on May 1, 2019, and anticipates completion by June 10, 2019.
- C. Aggressive Tooling plans to invest \$600,000 in the Facility, which consists of real property and building improvements (the “**Facility Improvements**”) and anticipates that this investment will provide for the creation of 20 full-time equivalent job opportunities at the Facility.
- D. Aggressive Tooling applied for an exemption of real property taxes pursuant to 1974 P.A. 198, MCL 207.551 *et seq.* (“**Act 198**”).
- E. For the reasons provided above, the City is amenable to granting the requested tax exemption, but seeks assurance related to the anticipated investment and job growth

### TERMS AND CONDITIONS

In exchange for the consideration in and referred to by this Agreement, the parties incorporate the foregoing Recitals into this Agreement as binding upon one another and further agree:

1. Acknowledgments, Representations, and Covenants. On May 24, 2019, Aggressive Tooling filed an “Application for Industrial Facilities Tax Exemption Certificate,” Michigan Department of Treasury Form 1012 (Rev. 04-14), seeking an exemption of real property taxes for the Facility Improvement pursuant to Act 198. The City Council’s approval of the Application was based in significant part on each and all of the following representations and covenants such that, if Aggressive Tooling had not made all of them, the City Council would not have approved the Application.
  - a. Aggressive Tooling will invest at least \$600,000 to construct and install the Facility Improvements.
  - b. Aggressive Tooling will create at least 20 full time equivalent new job opportunities at the Facility by May 24, 2021 (the “New Jobs”).
  - c. Once created, all of the New Jobs will remain at the Facility until at least May 24, 2033.
2. Annual Certification and Asset Record Keeping. No later than February 20 each year following the year that the exemption is first in effect, Aggressive Tooling will file an annual letter certifying as of the previous December 31 the number of jobs at the Facility and the number of New Jobs, a statement as to how many of the New Jobs are full-time equivalent, and statement of the annual pay range of the New Jobs, without revealing confidential information (the “annual certification letter”). The last annual certification letter will be due on February 20 of the year in which the exemption on real property expires. Each letter shall include a certification that its contents are true to the best knowledge of the person signing the letter.
3. Term, Termination, and Extension.
  - a. Except as otherwise provided in this section, this Agreement shall terminate after a period of 12 years of exemptions: on February 20, 2031 (if the exemption is first effective for 2019) or February 20, 2032 (if the exemption is first in effective for 2020).
  - b. By resolution, the City Council may, seek revocations of the tax exemption granted under this Agreement if it determines one or more of the following: (i) the Facility Improvements were not completed by June 10, 2019; (ii) Aggressive Tooling has failed to create the New Jobs by May 24, 2021 or to retain the New Jobs until May 24, 2033; (iii) Aggressive Tooling has substantially ceased operations at the Facility for a period of more than 90 days, which period shall be extended an additional

90 days in the case of a major renovation, casualty, or Force Majeure at the Facility; (v) Aggressive Tooling has failed to make timely payment of industrial facilities tax or of property taxes; or (vi) Aggressive Tooling has failed to timely submit the certifications and/or records required by Section 2 of this Agreement. If the City Council determines to seek revocation and the State Tax Commission revokes the tax exemption, the City Council, by resolution, may require Aggressive Tooling to pay to the City the total amount of the taxes that would have been paid if such exemption(s) had not been granted, calculated from the time when such exemption(s) first took effect, which amount will be distributed to all taxing units on a *pro rata* basis based on their respective tax levies in the year said payment is made.

c. If the City Council wishes to consider a resolution seeking the revocation of a tax exemption or payment of the exempted taxes, the City shall provide 7 days' written notice to Aggressive Tooling of the meeting at which the City will consider such action and Aggressive Tooling shall have an opportunity to address the City Council prior to formally considering any such action.

4. Appeal of Property Tax Assessment. During the term of this Agreement, Aggressive Tooling shall not contend in any appeal that the value of the Facility is less than its true cash value as reflected in the property tax records prior to the issuance of the industrial facilities exemption certificate plus the costs of the Facility Improvements. This provision does not preclude an appeal of the value of the Facility or the Facility Improvements to the extent it exceeds the value as described in the preceding sentence.

5. Tax Administration Fee. Aggressive Tooling shall pay a 1% administration fee on all industrial facilities taxes paid to the City, in the same manner as property tax administration fees are paid under MCL 211.44(3).

6. Late Penalties. On all industrial facilities taxes owed by Aggressive Tooling under this Agreement after the due date for general *ad valorem* taxes, Aggressive Tooling shall pay the City interest and penalties in the same manner and amounts as would be paid for late payments of *ad valorem* property taxes under the General Property Tax Act, 1893 PA 206, as amended, MCL 211.1 *et seq.*

7. Miscellaneous.

a. This is the entire agreement between the parties as to its subject. It may not be amended or modified except in writing signed by all the parties. It shall not be affected by any course of dealing and the waiver of any breach shall not constitute a waiver of any later breach.

b. This Agreement and the rights and obligations under this Agreement are unassignable and non-transferable without the consent of the other party. It shall, however, be binding upon any successors or permitted assigns of the parties.

c. To the extent permitted by law, the jurisdiction and venue for any action brought pursuant to, arising from or to enforce any provision of this Agreement shall be in the state courts in Montcalm County, Michigan. This subsection shall not be construed as an effort to limit the exclusive jurisdiction of the State Tax Commission and Michigan Tax Tribunal over certain matters.

d. The prevailing party in any action brought pursuant to, arising from, or to enforce any provision of this Agreement shall, in addition to any other remedy, be entitled to recover its costs, including, without limitation, actual, reasonable filing fees, legal fees, expert fees, discovery expenses and other costs incurred to investigate, bring, maintain or defend any such action for its first accrual or first notice thereof through all appellate and collection proceedings.

e. Notices shall be made by personal delivery or by FED EX, UPS or some other delivery service that provides notification to the sender of the delivery date and time sent to the address first given above or such other address as is provided by notice to the other party.

**EXHIBIT B**

**INDUSTRIAL FACILITIES TAX EXEMPTION**

**AFFIDAVIT OF FEES**

In accordance with State Tax Commission Bulletin No. 3 of 1998, the undersigned parties swear and affirm that no payment of any kind, whether they be referred to as "fees," "payments in lieu of taxes," "donations" or by other like terms, has been made to the City of Greenville in connection with Aggressive Tooling Inc.'s application for an Industrial Facilities Tax Certificate, except for such fees as are explicitly authorized under PA 198 of 1974.