

INTRODUCTION TO THE
STANDARDIZED TAX ABATEMENT AGREEMENT WITH THE
CHARTER TOWNSHIP OF VAN BUREN

Since 1993 the State of Michigan has required that all industrial facilities exemption requests forwarded to the State must include a separate agreement between the company requesting the exemption and the Charter Township of Van Buren, an agreement which goes beyond the actual application. The agreement lists the “conditions and recourses” of tax abatement, spelling out Van Buren’s requirements of a company during an exemption period. If these requirements are not met, Van Buren has the right to reduce or revoke any and all abatements.

The Charter Township of Van Buren Board of Trustees approved a standardized agreement on September 2, 1997 with amendments on September 5, 2006, December 17, 2013, November 15, 2016, and May 18, 2021 that will be used with all companies seeking an exemption. Companies seeking approval for the exemption from the Board of Trustees must agree to this document prior to the public hearing process. If this is done, approval of the application by the Board following the public hearing will henceforth include the township’s approval of the agreement.

Both the company representative and Van Buren’s Supervisor and Clerk, who are designated to sign on behalf of the Board of Trustees and community, must sign the agreement. Attached is a copy of the agreement as prepared by the Charter Township of Van Buren for your review. This agreement will not be altered in form by the Board and must be agreed to by the company as currently written.

If you have any questions on this agreement or other aspects of the tax abatement process in Van Buren Township please feel free to contact 734.699.8946 or email the Township at publicservices@vanburen-mi.org

Application for Industrial Facilities Tax Exemption Certificate

Issued under authority of Public Act 198 of 1974, as amended. Filing is mandatory.

INSTRUCTIONS: File the original and one copy of this form and the required attachments (two complete sets) with the clerk of the local government unit. The State Tax Commission (STC) requires one complete set (one original). One copy is retained by the clerk. If you have any questions regarding the completion of this form, call 517-335-7460.

To be completed by Clerk of Local Government Unit	
Signature of Clerk	▶ Date Received by Local Unit
STC Use Only	
▶ Application Number	▶ Date Received by STC

APPLICANT INFORMATION
All boxes must be completed.

▶ 1a. Company Name (Applicant must be the occupant/operator of the facility)	▶ 1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code)	
▶ 1c. Facility Address (City, State, ZIP Code) (real and/or personal property location)	▶ 1d. City/Township/Village (indicate which)	▶ 1e. County
▶ 2. Type of Approval Requested <input type="checkbox"/> New (Sec. 2(5)) <input type="checkbox"/> Transfer <input type="checkbox"/> Speculative Building (Sec. 3(8)) <input type="checkbox"/> Rehabilitation (Sec. 3(6)) <input type="checkbox"/> Research and Development (Sec. 2(10)) <input type="checkbox"/> Increase/Amendment	▶ 3a. School District where facility is located	▶ 3b. School Code
▶ 4. Amount of years requested for exemption (1-12 Years)		

5. Per section 5, the application shall contain or be accompanied by a general description of the facility and a general description of the proposed use of the facility, the general nature and extent of the restoration, replacement, or construction to be undertaken, a descriptive list of the equipment that will be part of the facility. Attach additional page(s) if more room is needed.

6a. Cost of land and building improvements (excluding cost of land)	▶ _____
* Attach list of improvements and associated costs. * Also attach a copy of building permit if project has already begun.	Real Property Costs
6b. Cost of machinery, equipment, furniture and fixtures	▶ _____
* Attach itemized listing with month, day and year of beginning of installation, plus total	Personal Property Costs
6c. Total Project Costs	▶ _____
* Round Costs to Nearest Dollar	Total of Real & Personal Costs

7. Indicate the time schedule for start and finish of construction and equipment installation. Projects must be completed within a two year period of the effective date of the certificate unless otherwise approved by the STC.

	<u>Begin Date (M/D/Y)</u>	<u>End Date (M/D/Y)</u>	
Real Property Improvements ▶ _____	_____	_____	▶ <input type="checkbox"/> Owned <input type="checkbox"/> Leased
Personal Property Improvements ▶ _____	_____	_____	▶ <input type="checkbox"/> Owned <input type="checkbox"/> Leased

▶ 8. Are State Education Taxes reduced or abated by the Michigan Economic Development Corporation (MEDC)? If yes, applicant must attach a signed MEDC Letter of Commitment to receive this exemption. Yes No

▶ 9. No. of existing jobs at this facility that will be retained as a result of this project. _____	▶ 10. No. of new jobs at this facility expected to create within 2 years of completion. _____
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11. Rehabilitation applications only: Complete a, b and c of this section. You must attach the assessor's statement of SEV for the entire plant rehabilitation district and obsolescence statement for property. The Taxable Value (TV) data below must be as of December 31 of the year prior to the rehabilitation.

a. TV of Real Property (excluding land)	_____
b. TV of Personal Property (excluding inventory)	_____
c. Total TV	_____

▶ 12a. Check the type of District the facility is located in:

Industrial Development District Plant Rehabilitation District

▶ 12b. Date district was established by local government unit (contact local unit) _____	▶ 12c. Is this application for a speculative building (Sec. 3(8))? <input type="checkbox"/> Yes <input type="checkbox"/> No
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APPLICANT CERTIFICATION - complete all boxes.

The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all are truly descriptive of the industrial property for which this application is being submitted.

It is further certified that the undersigned is familiar with the provisions of P.A. 198 of 1974, as amended, being Sections 207.551 to 207.572, inclusive, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he has complied or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the local unit of government and the issuance of an Industrial Facilities Exemption Certificate by the State Tax Commission.

13a. Preparer Name	13b. Telephone Number	13c. Fax Number	13d. E-mail Address
14a. Name of Contact Person	14b. Telephone Number	14c. Fax Number	14d. E-mail Address
▶ 15a. Name of Company Officer (No Authorized Agents)			
15b. Signature of Company Officer (No Authorized Agents)		15c. Fax Number	15d. Date
▶ 15e. Mailing Address (Street, City, State, ZIP Code)		15f. Telephone Number	15g. E-mail Address

LOCAL GOVERNMENT ACTION & CERTIFICATION - complete all boxes.

This section must be completed by the clerk of the local governing unit before submitting application to the State Tax Commission. Check items on file at the Local Unit and those included with the submittal.

▶ 16. Action taken by local government unit <input type="checkbox"/> Abatement Approved for _____ Yrs Real (1-12), _____ Yrs Pers (1-12) After Completion <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Denied (Include Resolution Denying)	16b. The State Tax Commission Requires the following documents be filed for an administratively complete application: Check or Indicate N/A if Not Applicable <input type="checkbox"/> 1. Original Application plus attachments, and one complete copy <input type="checkbox"/> 2. Resolution establishing district <input type="checkbox"/> 3. Resolution approving/denying application. <input type="checkbox"/> 4. Letter of Agreement (Signed by local unit and applicant) <input type="checkbox"/> 5. Affidavit of Fees (Signed by local unit and applicant) <input type="checkbox"/> 6. Building Permit for real improvements if project has already begun <input type="checkbox"/> 7. Equipment List with dates of beginning of installation <input type="checkbox"/> 8. Form 3222 (if applicable) <input type="checkbox"/> 9. Speculative building resolution and affidavits (if applicable)
16a. Documents Required to be on file with the Local Unit Check or Indicate N/A if Not Applicable <input type="checkbox"/> 1. Notice to the public prior to hearing establishing a district. <input type="checkbox"/> 2. Notice to taxing authorities of opportunity for a hearing. <input type="checkbox"/> 3. List of taxing authorities notified for district and application action. <input type="checkbox"/> 4. Lease Agreement showing applicants tax liability.	
16c. School Code	
17. Name of Local Government Body	▶ 18. Date of Resolution Approving/Denying this Application

Attached hereto is an original application and all documents listed in 16b. I also certify that all documents listed in 16a are on file at the local unit for inspection at any time, and that any leases show sufficient tax liability.

19a. Signature of Clerk	19b. Name of Clerk	19c. E-mail Address
19d. Clerk's Mailing Address (Street, City, State, ZIP Code)		
19e. Telephone Number	19f. Fax Number	

State Tax Commission Rule Number 57: Complete applications approved by the local unit and received by the State Tax Commission by October 31 each year will be acted upon by December 31. Applications received after October 31 may be acted upon in the following year.

Local Unit: Mail one original of the completed application and all required attachments to:

**Michigan Department of Treasury
 State Tax Commission
 PO Box 30471
 Lansing, MI 48909**

(For guaranteed receipt by the STC, it is recommended that applications are sent by certified mail.)

STC USE ONLY				
▶ LUCI Code	▶ Begin Date Real	▶ Begin Date Personal	▶ End Date Real	▶ End Date Personal

Instruction for Completing Form 1012, Industrial Facilities Tax Exemption (IFT) Application

The completed original application form 1012 and all required attachments, **MUST** be filed with the clerk of the local unit of government where the facility is or will be located. Complete applications must be received by the State Tax Commission by October 31 to ensure processing and certification for the following tax year. Applications received after the October 31 deadline will be processed as expeditiously as possible.

Please note that attachments listed on the application in number 16a are to be retained by the local unit of government, and attachments listed in number 16b are to be included with the application when forwarding to the State Tax Commission (STC).

(Before commencement of a project the local unit of government must establish a district, or the applicant must request in writing a district be established, in order to qualify for an IFT abatement. Applications and attachments must be received by the local unit of government **within six months of commencement of project.**)

The following information is required on separate documents attached to form 1012 by the applicant and provided to the local unit of government (city, township or village). (Providing an accurate school district where the facility is located is vital.)

1. Legal description of the real property on which the facility is or will be located. Also provide property identification number if available.
2. Personal Property Requirements: Complete list of new machinery, equipment, furniture and fixtures which will be used in the facility. The list should include description, **beginning date of installation** or expected installation by **month/day/year**, and costs or expected costs (see sample). Detail listing of machinery and equipment **must match amount shown** on question 6b of the application. Personal property applications must have attached a certified statement/affidavit as proof of the beginning date of installation (see sample).
3. Real Property Requirements: Proof of date the construction started (groundbreaking). Applicant must include one of the following if the project has already begun; building permit, footings inspection report, or certified statement/affidavit from contractor indicating exact date of commencement.
4. Complete copy of lease agreement as executed, if applicable, verifying lessee (applicant) has direct ad

valorem real and/or personal property tax liability. The applicant must have real and/or personal property tax liability to qualify for an IFT abatement on leased property. If applying for a real property tax exemption on leased property, the lease must run the full length of time the abatement is granted by the local unit of government. Tax liability for leased property should be determined before sending to the STC.

The following information is required of the local unit of government: [Please note that only items 2, 4, 5, 6, & 7 below are forwarded to the State Tax Commission with the application, along with items 2 & 3 from above. The original is required by the STC. The remaining items are to be retained at the local unit of government for future reference. **(The local unit must verify that the school district listed on all IFT applications is correct.)**]

1. A copy of the notice to the general public and the certified notice to the property owners concerning the establishment of the district.
2. **Certified copy of the resolution establishing the Industrial Development District (IDD) or Plant Rehabilitation District (PRD), which includes a legal description of the district (see sample). If the district was not established prior to the commencement of construction, the local unit shall include a certified copy or date stamped copy of the written request to establish the district.**
3. Copy of the notice and the certified letters to the taxing authorities regarding the hearing to approve the application.
4. **Certified copy of the resolution approving the application. The resolution must include the number of years the local unit is granting the abatement and the statement “the granting of the Industrial Facilities Exemption Certificate shall not have the effect of substantially impeding the operation of (governmental unit), or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in (governmental unit – see sample).**
5. **Letter of Agreement (signed by the local unit of government and the applicant per P.A. 334 of 1993 (see sample)).**
6. **Affidavit of Fees (signed by the local unit of government and the applicant), (Bulletin 3, January 16, 1998). This statement may be**

incorporated into the Letter of Agreement (see sample).

7. Treasury Form 3222 (if applicable - *Fiscal Statement for Tax Abatement Request.*)

The following information is required for rehabilitation applications in addition to the above requirements:

1. A listing of existing machinery, equipment, furniture and fixtures which will be replaced or renovated. This listing should include description, beginning date of installation or expected installation by month/day/year, and costs or expected costs.
2. A rehabilitation application must include a statement from the Assessor showing the taxable valuation of the plant rehabilitation district, separately stated for real property (EXCLUDING LAND) and personal property. Attach a statement from the assessor indicating the obsolescence of the property being rehabilitated.

The following information is required for speculative building applications in addition to the above requirements:

1. A certified copy of the resolution to establish a speculative building.
2. A statement of non-occupancy from the owner and the assessor.

Please refer to the following Web site for P.A. 198 of 1974: www.legislature.mi.gov/. For more information and Frequently Asked Questions, visit www.michigan.gov/propertytaxexemptions.

For guaranteed receipt by the State Tax Commission, it is recommended that applications and attachments are sent by certified mail.

CHARTER TOWNSHIP OF VAN BUREN PA 198 TAX ABATEMENT GUIDELINES

(Effective September 2, 1997, amended September 5, 2006, December 17, 2013, November 15, 2016, and further amended May 18, 2021)

Introduction

PA 198 of 1974, the Plant Rehabilitation and Industrial Development Districts Act was enacted in the State of Michigan as an incentive program to stimulate economic growth. The primary goal of this program is to provide an atmosphere that will encourage capital formation and investment in the community. The "Act" provides a tax incentive to manufacturers in order to enable renovation and expansion of aging facilities, building of new facilities, and to promote establishment of high-tech facilities. An IFT certificate entitles the facility to exemption from ad valorem real and/or personal property taxes for a period of 1 to 12 years. A certificate holder will pay a specific tax known as the Industrial Facility Tax. Applications are filed, reviewed and approved locally with the local unit determining the numbers of years granted, but are also subject to review at the state level by the Property Services Division and the Michigan Economic Development Corporation. The State Tax Commission is ultimately responsible for final approval and issuance of certificates. Exemptions are not effective until approved by the Commission.

The Township will evaluate all tax abatement applications as to whether a proposed project can be expected to diversify and expand the Township's industrial tax base and whether spin-off effects occur such as additional employment and capital investments in other areas of the private sector. The proposed project must compliment the Township's master land use plan, environmental objectives, and all applicants must satisfy all of their current financial obligations to the Township. This includes being in compliance with all codes, ordinances and standards of the Township, County of Wayne and State of Michigan. The Township also has a right to consider the implication of current and past litigation between the Company and the Township when determining the term length of proposed tax abatement. The Township must find that the granting of the exemption certificate, when considered together with other certificates previously granted will not substantially impede the operation of the local government unit or impair the financial soundness of the taxing unit prior to the granting of the certificate.

FEES

A **\$500** non-refundable fee is required with each request to establish an Industrial Development District.

****PA 198 REQUIRES THAT A REQUEST FOR THE ESTABLISHMENT OF A PROPOSED PLANT REHABILITATION DISTRICT OR INDUSTRIAL DEVELOPMENT DISTRICT MUST BE MADE PRIOR TO THE START OF CONSTRUCTION OF THE PROPERTY OR START OF INSTALLATION OF PERSONAL PROPERTY FOR WHICH EXEMPTION IS BEING SOUGHT.**

Requests to establish an Industrial Development District are to be submitted in writing by the owner of the property along with a legal description of the property to the Township Assessing Office.

A **\$1,200** non-refundable application fee is required with any tax abatement application. If the

development proposed is not in a pre-existing Industrial Development District or Plant Rehabilitation District, the Charter Township of Van Buren Board of Trustees is not obligated to consider establishment of an Industrial development or Plant Rehabilitation district or approve an Industrial Facilities Exemption application.

Plant rehabilitation projects qualify for approval only if there is a change in use, change in ownership or the value of the project substantially exceeds the statutory minimum 10 percent of true cash value as defined in PA 198 of 1974 as amended, 207.553, Section 3 (6), and the project is not attributable to delayed or deferred maintenance.

Questions concerning Act 198 tax exemption certificates can be directed to the , Van Buren Charter Township Assessing Office or Public Services Department, 46425 Tyler Road, Van Buren Township, MI 48111. Questions can be answered by contacting (734) 699-8946 or by emailing publicservices@vanburen-mi.org.

Goals and Objectives

The Charter Township of Van Buren Board of Trustees will evaluate all Act 198 applications in light of the following goals and objectives:

1. Long term investment in the community.
2. Environmental impact on the community.
3. Expansion of Van Buren's tax base.
4. Creation and retention of jobs.
5. Demonstration of a commitment to those distinguishing qualities, values and amenities identified by Van Buren Township.
6. The applicant meets current financial obligations to the Township, is in compliance with all applicable state and township codes and ordinances and has no pending or current litigation against Van Buren Township, including appeals to the Michigan Tax Tribunal.

The above-mentioned goals and objectives are not intended to be exhaustive. The Charter Township of Van Buren Board of Trustees reserves the discretion to consider such additional goals and criteria as are consistent with the interest of the Charter Township of Van Buren.

Criteria for Granting Industrial Facilities Exemption Certificates

Section 16 of Public Act 198 of 1974, as amended provides that the legislative body of the local governmental unit shall determine the duration of an Industrial Facilities Exemption Certificate (tax abatement). The Van Buren Township Board of Trustees shall make this determination based on consideration of an analysis by the Supervisor or his/her designee of the following criteria.

The following set of criteria is an advisory tool to be used along with other submitted application materials. The Board of Trustees retains discretionary power for the final determination and is not bound to using only these criteria when acting on a specific abatement request.

Abatements are offered for new facilities and expansions only. The Charter Township of Van Buren Board of Trustees does not offer a tax abatement option on Personal

Property equipment that qualifies as Eligible Manufacturing Personal Property. The Board does not offer abatements for a speculative building where the tenant is unknown. Processing facilities, which are primarily engaged in packaging for distribution, may not be eligible for abatement, unless the Township Board determines it to be significant and in the best interest of the Township. In considering applications by an applicant that is leasing property, all leases must be reviewed by the Township and a signed lease must be provided prior to board approval. In no case may the term of an abatement extend the term of a lease, and in no case may an abatement be issued for a greater length of time than the term of the lease.

The certificate may be revoked in the event that the purpose for which the certificate was issued is not being fulfilled, as a result of failure of the holder to proceed in good faith with the replacement, restoration or construction or operation of the replacement facility or new facility, or with the use of the speculative building as a manufacturing facility in a manner consistent with the purposes of Public Act 198 of 1974, as amended.

Certain terms apply to the categories within which applicants can seek points. Terms described herein which are defined in the Michigan Public Act 198 of 1974 shall be defined as they are defined in that Act.

The following evaluation system was developed and approved by the Van Buren Board of Trustees to determine eligibility and duration of an Industrial Facilities Exemption Certificate. It is used in the interest of uniformity. All applicants are strongly encouraged to thoroughly study the questions below and make every effort to understand each criterion and provide as accurate information as possible.

Baseline Criteria

Points

1. The current project will expand the tax base of Van Buren Township	
Cost of proposed project or improvements:	
Less than \$500,000-----	0
\$500,000 - \$999,000-----	5
\$1,000,000 - \$2,999,999-----	10
\$2,000,000 - \$4,999,000-----	15
\$5,000,000 - \$9,999,999-----	20
\$10,000,000 - \$19,999,999 and over-----	25
\$20,000,000 and over-----	30
2. a. Project coming <u>from outside</u> the State of Michigan	
No-----	0
Yes-----	10

- b. Project expanding from within Van Buren Township
 - No----- 0
 - Yes----- 5

- 3. The firm applying for the abatement owns the land on which it plans to locate.
 - The applicant is the property owner----- 15
 - The applicant is a lessee (7 or more years) of the property----- 10
 - The applicant is a lessee (3 - 6 years) of the property----- 5
 - The applicant has not executed a lease on the property yet----- 0

(Please note copy of lease must be included)

- 4. The main headquarters of the applicant is the site for which the abatement is requested
 - No----- 0
 - Yes----- 5

- 5 The project will produce jobs within the community (to be used only when a new company is locating in the community for the first time).

- Number of new jobs:
 - Fewer than 5 jobs----- 00
 - Between 5 and 20 jobs----- 05
 - Between 21 and 50 jobs----- 10
 - Between 51 and 199 jobs----- 15
 - 200 jobs or greater----- 25

Number of existing jobs retained at this location in Van Buren Charter Township (to be used for an existing company that is expanding in community)

- Number of new jobs:
 - Fewer than 5 jobs----- 00
 - Between 5 and 20 jobs----- 05
 - Between 21 and 50 jobs----- 10
 - Between 51 and 199 jobs----- 15
 - 200 jobs or greater----- 25

**** Please note that only one option may be answered in question 5**

- 6. The project is primarily composed of manufacturing or research and development.

Percent of building allocated to Manufacturing* or Research and Development:
(*Warehousing, Distribution and Packaging associated with said objectives shall not be considered manufacturing).

- Less than 50%----- 0

50% - 75%-----	10
Greater than 75%-----	20

Upon review of the specific site development, up to 15 points may be deducted for negative impacts on the surrounding areas which would include but not be limited to traffic management (trucks, vans, etc.) hours of operation and adjacent existing land use, outside storage, air quality or noise levels.)

Total the points awarded above to determine the number of years of abatement to be considered for applicant/project and to be recommended to the Board of Trustees for formal consideration:

<u>Total Points</u>	<u>Years</u>
90 or greater-----	12
85 – 89-----	11
80 – 84-----	10
75 – 79-----	9
70 – 74-----	8
65 – 69-----	7
60 – 64-----	6
55 – 59-----	5
50 – 54-----	4
45 – 49-----	3
40 – 44-----	2
35 – 39-----	1
Below 35-----	0

Additional points: Local Talent Recruitment and Training, Public Participation, or Design Benefits

The Township recognizes that the success of applicants who are locating or expanding in the Township requires economic opportunity for Township residents, public participation in the development process, and responsible design of development sites. Actions by applicants that address **local talent recruitment and training, exceptional public participation, and design** benefit categories should be encouraged and at least one (1) action to address one of these categories must be committed to and completed by the applicant. For each action item which addresses these categories, up to five (5) points will be awarded by the Board of Trustees at their discretion, for a maximum total of up to 15 points for all combined action items which address these categories. The categories are described in detail below:

- **Local Talent Recruitment and Training.** This category includes measured efforts to employ local contractors in the process of building a development project and to employ and train local talent in the long-term operation of the project. Examples of

action items may include annual documentation of recruitment and hiring materials distributed or promoted to Township residents, including documentation of any job fair; investment in one or more training programs for potential or current employees in partnership with a qualified educational institution; and/or documentation demonstrating that the project has employed contractors for general building, mechanical, electrical, plumbing systems, excavation, paving, or other services with a physical base of operations located in the Township or within 10 miles of the Township’s boundaries. Job fairs are strongly recommended where feasible based on the number of jobs being added by the Company.

- **Exceptional Public Participation.** This category includes public participation efforts facilitated by the applicant which are committed to prior to the start of construction and which extend beyond the minimum required public participation for development projects under the Township’s Zoning Ordinance and state law. Action items to address this category include public participation events specified in the Township’s adopted Public Participation Plan. A public participation event will be a forum for information exchange regarding the new development or expansion project and a forum to solicit feedback from Van Buren Township residents, specifically those who reside near the project site, regarding how the project’s jobs, design, or civic engagement efforts can benefit the Township’s residents.
- **Design.** This category includes voluntary commitments to ensure that the project complements its surroundings with design features or activities beyond those required under the Van Buren Township Zoning Ordinance. Action items to address this category may include but are not limited to the preservation of additional open space; the use of green technology in architecture and site design; or, landscaping, architecture, or mobility improvements directly tied to the project’s relationship with surrounding properties, either on the project site or in an area of impact surrounding the project site.

The terms for satisfaction of the above criterion or criteria will be provided in the project’s Industrial Facilities Tax Exemption Certificate Agreement with the Township.

Total Points Awarded – Baseline criteria: _____

Additional Points for local talent recruitment and training, public participation, and/or design points (Describe):

Total Years of Abatement (not to exceed the length of a lease for any project involving a company that leasing property): _____

**VAN BUREN CHARTER TOWNSHIP
PA 198 TAX ABATEMENT APPLICATION
SUPPLEMENTAL INFORMATION**

Name of Company: _____

Please complete the following questions along with providing a brief description of the company including its history, type of incorporation, corporate headquarters location, Parent Corporation and any previous corporate names. Describe the type of products produced, principal markets, and the activity to be carried out at the proposed or existing facility in Van Buren Township. The Township reserves the right to request additional information as deemed necessary.

- 1. What is the total cost of the project?

- 2. Are you expanding this project from within Van Buren Charter Township? _____
 - a. Are you relocating this project from a State other than Michigan? _____
 - b. If yes, what State? _____
- 3. Do you own or lease the property? If leasing, what is the length of the lease?

Copy of Lease must be included with application.

- 4. Is the headquarters of your company on the site of the facility for which you are requesting the tax exemption/abatement? _____
 - a. If yes, what portion of the building is office? _____
 - b. Will the Personal Property located at this project be Eligible Manufacturing Personal Property? _____
- 5. How many new jobs are being brought into the Township by this project?

- 6. How many Van Buren Township jobs are being retained? _____
- 7. What percentage of the building is allocated to Manufacturing or Research and Development? _____
- 8. Is the current zoning compatible with the proposed use? _____
- 9. Will this project require improvement to road services? _____
- 10. Will this project require improvement to storm sewer services? _____
- 11. Will this project require improvement to water services? _____
- 12. Will this project require improvement to sanitary sewer services? _____

13. Will this project require additional police personnel or police equipment? _____

14. Will this project require the need for additional fire personnel or specialized fire equipment?

15. Will this project require other costs? _____

16. Has a site plan for the facility been submitted and reviewed? _____

17. Additional local talent recruitment and training, public participation or design benefits (see examples in point system):

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VAN BUREN CHARTER
TOWNSHIP AGREEMENT
INDUSTRIAL FACILITIES TAX EXEMPTION
CERTIFICATE

Pursuant to Act 198 of Public acts of 1974, as amended

THIS AGREEMENT is entered into as of the ___ day of ___, 20___ ("Effective Date"), between the CHARTER TOWNSHIP OF VAN BUREN, a local governmental unit whose business offices are located at 46425 Tyler Road, Belleville, Michigan 48111 (hereinafter referred to as the "Township") and _____, an applicant for tax exemption pursuant to Act 198 of Public Acts of 1974, as amended, whose principal business office is located at _____ (hereinafter referred to as the "Company").

RECITALS

- A. The Company, for its business located at _____ (the "Facility"), has submitted an application to the Township for an Industrial Facilities Tax Exemption Certificate ("IFTEC") pursuant to Michigan Public Acts of 198 of 1974, as amended, and
- B. The Township Board has approved, by resolution on _____, the Company's application for tax abatement, subject only to the Company and the Township entering into a written agreement, and,
- C. The Township and the Company now desire to enter into such a written agreement.

NOW, THEREFORE,

As consideration for the granting of the IFTEC and in recognition of the investment the Township will be making toward the economic growth of the Company and thus the economic growth of the Township, and the above Recitals being fully incorporated into the Agreement by reference, the Company and the Township hereby agree to the following terms and conditions:

1. General Terms and Conditions.

(Check applicable lines consistent with the Application)

- a. The Company will make the improvements set forth in the Application within two (2) years of the Effective Date of the IFTEC.

- b. The Company will create ___new full-time jobs at the Facility within two (2) years of the Effective Date.
 - c. The Company will comply with the requirements imposed by the Township as part of the site plan review prior to issuance of a Certificate of Occupancy.
2. **Compliance with Laws.** The Company agrees that it will operate the Facility in accordance with all applicable Federal, State, and local laws or regulations, including but not limited to zoning, outside storage, industrial waste disposal, air and water quality, noise control, and other environmental regulations.
3. **Continued Operation of the Facility.** The Company further agrees to continue to operate the Facility within the Township for the period of the IFTEC in order to retain the benefits of the IFTEC.
4. **Premature Vacation of the Facility.** If the Company vacates, or intends to vacate, the Facility prior to the end of the term of the IFTEC, the Company shall be responsible for the following:
- a. If the Company intends to vacate the Facility for which the IFTEC has been approved and issued prior to the end of the term of this agreement, the Company agrees to notify the Township Assessor in writing of such intent and the reasons for vacating not less than 60 days prior to vacating the facility.
 - b. The Company agrees to make reasonable provisions satisfactory to the Township and in compliance with all applicable laws, codes and ordinances to maximize the likelihood of re-occupancy or re-use of the unoccupied building for productive use within a reasonable time period after the facility is vacated.
 - c. The Company shall, if requested by the Township, deposit an amount equal to the amounts anticipated to be due from the Company under this agreement as a result of the Company vacating the Facility prior to the term for which the IFTEC was approved, including but not limited to any reasonable cleanup or maintenance costs, administrative fees, court costs, and attorney fees incurred.
 - d. The Company shall pay any outstanding taxes and shall repay to all affected taxing authorities an amount equal to the total tax amount abated by the IFTEC (unless recovery of a lesser amount is requested by the Township or other taxing authority) within 30 days of the date of an invoice for such taxes. If not repaid within the required time period, the Township may exercise any and all legal and equitable rights and remedies available to it for collection of such taxes.
 - e. If the Company fails to pay the amount of the invoice for abated taxes within 30 days of the date of the Township invoice, the Company shall be responsible for any additional

costs incurred by the Township in recovery of such taxes, including, but not limited to administrative fees, court costs, and attorney fees incurred.

5. **Notice of Completion and Final Cost Report.** The Company will submit to the Township not later than 90 days after the completion date for each property

component for which an IFTEC was granted a Notice of Completion and Final Cost Report in a form requested by the Township, which includes the actual completion date and final cost of each project component for which an IFTEC was originally granted, and an explanation if the final cost of either the real or personal property listed on the Application was greater than the original estimated amount by more than 10%. The Company agrees that if the construction and/or expansion project has not been completed or expenditures made are less than ninety (90%) from the projected costs as described in the application, the Township Board has the right to petition the State Tax Commission for revocation of the IFTEC.

If the final cost of a project, either the real or tangible personal property components, will exceed 10% of the estimated amount indicated on the original application form, a certificate holder shall request in writing that the local government unit approve the additional cost. Upon receipt of a request, the clerk of the local governmental unit shall notify in writing the assessor and the legislative body of each taxing unit and shall afford the applicant, the assessor and a representative of the affected taxing units an opportunity for a hearing.

If the scope of the project increases by either additional real and/or tangible personal property components, the certificate holder shall file an amended application and revised list of improvements with the clerk of the local unit. Upon receipt of an amended application, the clerk of the local governmental unit shall notify in writing the assessor and the legislative body of each taxing unit and shall afford the applicant, the assessor, and a representative of the affected taxing units an opportunity for a hearing.

The Company agrees that if the construction and/or expansion project has not been completed or expenditures made are less than ninety (90%) from the projected costs as described in the application, the Township Board has the right to petition the State Tax Commission for revocation of the IFTEC.

6. **Employment Status Report.** The Company will submit to the Township, not later than January 31st of the second year after the effective date, and every year after that date an Employment Status Report in a form requested by the Township, which includes the number of actual full-time jobs created as a direct result of the project for which the certificate was granted, and an explanation if the jobs created during the term of the IFTEC was less than the original estimated amount. The Company agrees that if employment has not been retained or reached as stated in the application, the Township Board has the right to petition the State Tax Commission for revocation of the IFTEC. The Township reserves the right to obtain from the Company such additional information and reports

related to the Company's performance of this Agreement.

7. **Review and Audit: Payment of Costs.** The Company understands that the Township may review and audit the information provided by the Company to determine compliance with this agreement and that any costs for such services will be paid by the Company within thirty (30) days of the date of written notice from the Township in accordance with the outside professional service cost for consultant's on the most current fee schedule approved by the Township Board, which may be adjusted from time to time based upon increases in costs to the Township.
8. **Remedies for a default created by a Failure to Satisfy Representations Made in Application.** The Company understands that the Township may pass a resolution requesting that the State Tax Commission reduce the term of the IFTEC or revoke the IFTEC to the extent that the construction or expansion of the Facility has not been completed, expenditures made, or employment reached as represented by the Company in the application, by sending a copy of this Agreement along with a copy of the Township Board resolution authorizing such action to the State Tax Commission. In addition, the Company acknowledges that the Township may take into account any deficiency in job creation, or real or personal property investment made under this application in a subsequent application for an IFTEC or an Exemption of New Personal Property filed by the Company.
9. **Payment of Taxes.** The Company agrees that all ad valorem real and personal property taxes, specifically IFT real and personal property taxes, and special assessments shall be paid in a timely manner, and by the signing of this Agreement acknowledges that failure to pay in a timely manner may result in the adoption of a resolution by the Township Board requesting the State Tax Commission to revoke the IFT.
10. **Timely Filing of Personal Property Statements.** The Company agrees to complete and submit all required annual Personal Property Statements or if applicable Form 5278 (Affidavit & Statement for Eligible Manufacturing Personal Property and Essential Services Assessment to the Van Buren Charter Township Assessing Office by the required due date. Failure to submit the necessary Statements may result in the adoption of a resolution by the Township Board requesting a revocation of the IFTEC by the State Tax Commission
11. **Consequences of Unsuccessful Real or Personal Property Tax Appeal.** The Company acknowledges that if during the term of this Agreement, the Company appeals any real or personal property assessment to the Michigan Tax Tribunal or other court of competent jurisdiction upon which it does not fully prevail, that the Company shall pay to the Township all reasonable costs, expenses, and attorney fees incurred by the Township in defending such appeals within thirty (30) days of the date of receipt of an invoice from the Township.

12. **Unforeseen Events.** By execution of this Agreement, it is understood that the Company's investment in the Facility and the Township's investment in the granting of the IFTEC are to encourage economic growth within the Township. The Township acknowledges that in some instances, economic conditions may prevent the Company from complying fully with this Agreement and the terms of the application. The Township will give the Company an opportunity to explain the reasons for any variations from the representations contained in the application and will evaluate the Company's situation prior to taking any action authorized by this Agreement.
13. **Entire Agreement.** This is the entire agreement of the parties relating to the matters covered by this Agreement, and no prior or subsequent promises, representations or assurances, whether in any other form, shall be used to modify, vary or contradict any provision of this Agreement, except for any written amendment to this Agreement or separate agreement signed following the date of this Agreement by authorized representatives of all parties to this Agreement.
14. **Severability.** The invalidity of any section, subsection, clause or provision of this Agreement shall not affect the validity of the remaining sections, subsections, clauses or provisions thereof, which shall remain in full force and effect to govern the parties' relationship.
15. **Reimbursement of Attorney Fees for Modification of Standard Agreement.** The Company agrees to reimburse the Township within 30 days of the date of a receipt of an invoice from the Township for all attorney fees incurred by the Township in the negotiation or preparation of changes to the standard IFTEC Agreement.
16. **Binding Effect.** This Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their successors and assigns. The Company agrees should ownership of the business and/or Facility for which a IFTEC approval is issued be changed in the future, thereby requiring a hearing before the Township Board under state law, the transferee or new owners shall abide by all the terms and conditions of this Agreement, and that the Company will communicate all terms and conditions of this Agreement to the transferee or new owner and assist in obtaining the signature of the authorized agent of the transferee or new owner on this Agreement or, at option of the Township, with a newly executed Agreement that substantially corresponds with this policy and any subsequent amendments to Act 198.
17. **Notice.** Notice shall be deemed to have been properly given hereunder if delivered by hand and date-stamped by the recipient or mailed certified mail, return receipt requested, with the date of notice for purposes hereof being the date of the date-stamp or the date shown on the certified receipt as the date of delivery.
18. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be considered an original.

19. **Acknowledgements.** By signatures of the representatives of both the Company and the Township below, it is understood and agreed that both the Company's investment in the project and the Township's investment through the granting of the IFTEC is to encourage the economic growth of the parties. It is also acknowledged that economic factors beyond the Company's control can, at times, prohibit the maintenance of the Company's targeted status. It is understood that if such conditions exist at the time of the designated Company reports, the governing body of the Township will carefully evaluate the Company's situation and will inform the Company if any action is considered necessary in order to give the Company an opportunity for correction of a default under this Agreement.

20. **Local Recruitment Report.** If the company seeks points for completing annual local recruitment efforts as an action item under the **local talent recruitment and training benefits** category of the Township's PA 198 Tax Abatement policy, the Company will submit to the Township, not later than January 31st of the second year after the effective date, and every year after that date, documentation of recruitment materials that are or have been directly distributed or promoted to Township residents and documentation any job fairs that been held as represented in the application, if applicable. The Company agrees that if annual local recruitment efforts are not made as stated in the application, the Township Board has the right to petition the State Tax Commission for revocation of the IFTEC. The Township reserves the right to obtain from the Company such additional information and reports related to the Company's performance of this Agreement.

21. **Annual Training Report.** If the company seeks points for investing in training programs as an action item under the **local talent recruitment and training benefits** category of the Township's PA 198 Tax Abatement policy, the Company will submit to the Township, not later than January 31st of the second year after the effective date, and every year after that date, documentation of investments in training programs at qualified educational institutions for potential or current employees. The Company agrees that if investments in training programs at qualified educational institutions for potential or current employees are not made as stated in the application, the Township Board has the right to petition the State Tax Commission for revocation of the IFTEC. The Township reserves the right to obtain from the Company such additional information and reports related to the Company's performance of this Agreement.

22. **Project Construction Contractor Report.** If the company seeks points for hiring local contractors as an action item under the **local talent recruitment and training benefits** category of the Township's PA 198 Tax Abatement policy, the Company will submit to the Township, not later than January 31st of the second year after the effective date, documentation of construction contracts that were granted to companies with physical locations within 10 miles of the Township's borders and will identify what role these contractors had in the construction process (e.g., general contractor, excavator, mechanical work, etc.). The Company agrees that if local contractors are not employed in the construction of the project as stated in the application, the Township Board has

the right to petition the State Tax Commission for revocation of the IFTEC. The Township reserves the right to obtain from the Company such additional information and reports related to the Company's performance of this Agreement.

23. **Public Participation Report.** If the company seeks points under the **exceptional public participation** category of the Township's PA 198 Tax Abatement policy, the Company will submit to the Township, not later than January 31st of the second year after the effective date, documentation of public participation events or activities that were consistent with the Township's Public Participation Plan, beyond public participation activities required under the Township's Zoning Ordinance or State law, which were completed prior to the commencement of project construction. The Company agrees that if exceptional public participation is not completed as stated in the application, the Township Board has the right to petition the State Tax Commission for revocation of the IFTEC. The Township reserves the right to obtain from the Company such additional information and reports related to the Company's performance of this Agreement.
24. **Design Report.** If the company seeks points for a **design** action item under the **design** category of the Township's PA 198 Tax Abatement policy, the Company will submit to the Township, not later than January 31st of the second year after the effective date, documentation of design commitments, beyond those required in the Township Zoning Ordinance, which are documented on the project's final "Issued for Construction" site plan filed with the Township Planning and Economic Development Department. The Company agrees that if the additional **design** items are is not completed as stated in the application, the Township Board has the right to petition the State Tax Commission for revocation of the IFTEC. The Township reserves the right to obtain from the Company such additional information and reports related to the Company's performance of this Agreement.

The Township shall give notice by certified mail to the Company of any hearing regarding the proposed revocation or reduction of the term of the IFTEC. Such notice shall be delivered no less than fifteen (15) days prior such hearing.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year stated below, and a true copy hereof shall be filed with the Department of Treasury of the State of Michigan

Witnesses:

Charter Township of Van Buren

By:

Township Supervisor

Dated: _____

By: _____

Township Clerk

Dated: _____

Witnessed:

Company Name

By: _____

Dated: _____

By:

Dated: _____, _____

INDUSTRIAL FACILITIES EXEMPTION APPLICATION

AFFIDAVIT OF FEES

In accordance with State Tax Commission Bulletin No. 3 dated January 1998, the Township of Van Buren and the Applicant for Industrial Facilities Exemption Certificate do hereby swear and affirm, by the signatures below, that no payment of any kind, whether they be referred to as "fees", payments in lieu of taxes", "donations" or by other like terms in excess of the fees allowed by PA 198 of 1974, as amended by Public Act 323 of 1996 has been made or promised in exchange for favorable consideration of an exemption certificate application."

Township of Van Buren

Signed: _____

Name:

Title: Supervisor

Dated:

Applicant/Company:

Signed: _____

Name:

Title:

Dated:

Tax Abatement Application – Checklist of Attachments and Documents

To be submitted by the applicant (submit four copies except as noted):

- ___ Completed Tax Abatement Guideline Form and Supplemental information
- ___ PA 198 application (submit one original signed application)
- ___ Drawing of the property (copy of reduced site plan).
- ___ Legal description of the property (copy of deed or exhibit sheet w/legal).
- ___ List of new equipment to be purchased including date of acquisition.
- ___ List of existing equipment.
- ___ Completed copy of lease agreement as executed, if applicable, verifying lessee has ad valorem real and personal liability.
- ___ Copy of Workers Compensation Insurance.
- ___ Copy of certified resolution of release from other governmental unit (if applicable).
- ___ Standard tax abatement agreement with Van Buren (3 signed originals).
- ___ Copy of Building Permit.
- ___ Check for \$1,200 made payable to the Charter Township of Van Buren – Application fee.
- ___ Check for \$500 made payable to the Charter Township of Van Buren to establish an Industrial Development or Plant Rehabilitation District, if needed.

To be completed by Van Buren Township:

- ___ Copy of published notice on hearing to approve application.
- ___ Certified copy of resolution establishing industrial development district.
- ___ Certified copy of resolution approving PA 198 application.
- ___ List of other taxing units who received notices.
- ___ Copies of notices to other taxing units.
- ___ Supplement to Treasury Form 3222.