

**FIRST AMENDMENT
TO DEVELOPMENT COOPERATION AGREEMENT
BETWEEN CITY OF CHARLOTTE AND CARMEL TOWNSHIP**

This First Amendment to the Development Cooperation Agreement (“Agreement”) is made as of the _____ day of _____ 2019, between the City of Charlotte, a Michigan Municipal Corporation, its principal business address of which is 111 E. Lawrence Avenue, Charlotte, MI 48813, Attn: City Manager (“City”), and Carmel Township, a General Law Township, its principal business address of which is 661 Beech Highway, Charlotte, MI 48813, Attn: Township Clerk (“Township”).

RECITALS

WHEREAS, the City and Township entered into an Agreement as authorized by Act 425 of the Public Acts of Michigan of 1984, as amended, MCL 124.21, *et seq*, for purposes of a conditional transfer of property and, for all other purposes, the Urban Cooperation Act of 1967, Act 7 of the Public Acts of Michigan of 1967, as amended, particularly by Act 108 of the Public Acts of Michigan of 1995, MCL 124.501, *et seq*, as well as the general authority of each of the parties under the statutes authorizing their organization in existence, as well as the City Charter of the City; and

WHEREAS, the Agreement, which was made effective as of August 28, 2000, and which Agreement had, among its other purposes as set forth in the recitals therein, to provide for tax sharing between the City and the Township; and

WHEREAS, the voters of the State of Michigan abolished and/or under certain circumstances, phased out personal property taxes for industrial and commercial properties, made effective for the calendar year 2017; and

WHEREAS, the City and the Township desire to amend the Agreement to provide for an equitable resolution of the loss of personal property tax revenues occasioned by the City and the Township; and

WHEREAS, the City and the Township have agreed to a formula applicable to those properties subject to the Phase One Annexation, as set forth at Article 2 of the Agreement and for

those properties which have been, or may be conditionally transferred in the future, subject to Article 2 of the Agreement; and

WHEREAS, pursuant to Act 7 and Act 425, the City Council held a public hearing on the _____ day of _____ 2019, at _____ p.m., and the Township Board held a public hearing on the _____ day of _____ 2019, at 7:30 p.m., regarding the terms of this First Amendment, notice of which public hearing was given in the manner provided by the Open Meetings Act, Act 267 of the Public Acts of Michigan of 1976; and

WHEREAS, the City Council and Township Board have each decided, by a majority vote of the members elected and serving on each body, to enter into this First Amendment to the Development Cooperation Agreement; and

WHEREAS, neither the City Council nor the Township Board adopted a resolution calling for a referendum on the First Amendment of this Agreement, and more than 30 days have elapsed since the public hearings of the City Council and the Township Board have been held regarding this First Amendment, and since the City Council and the Township Board have adopted resolutions indicating their intention to enter into this First Amendment to the Agreement, and neither the City Clerk nor the Township Clerk has received a petition calling for a referendum on this First Amendment to the Agreement;

NOW, THEREFORE, the Development Cooperation Agreement between the City and the Township shall be, and is hereby amended as set forth herein below:

1. Section 2.2(c), as it is now written, shall no longer have any force and effect and the following language shall replace said language and shall be given full force and effect:

(c) Replacement of Personal Property Taxes. In addition to the taxes to be shared under Section 2.2, commencing with taxes returned to the Township after September 1, 2017, and in lieu of sharing revenues received from the Local Community Stabilization Authority, during the first 50 years following annexation, the City shall also return to the Township an additional amount equal to 64 percent of 2 mills (\$2 per \$1,000 of taxable value) levied against the taxable value of industrial and commercial real property that is subject to tax sharing as provided in subparagraph 2.2(a) above.

In addition to the taxes to be shared under Section 2.2, for the following 50 years of this Agreement, unless it is terminated earlier, the City shall also return to the Township an amount equal to 64 percent of one mill (\$1 per \$1,000 of taxable value), levied against the taxable value of industrial and commercial real property that is subject to the tax sharing as provided in subparagraph 2.2(a) above.

2. Section 3.5(c), as it is now written, shall no longer have any force and effect and the following language shall replace said language and shall be given full force and effect:

