

TAX INCREMENT REVENUE SHARING AGREEMENT

This Tax Increment Revenue Sharing Agreement (“Agreement”), entered into this _____ day of _____, 2014, by and between the Union Township East Downtown Development Authority (“EDDA”) a downtown development authority, of 2010 S. Lincoln, Mt. Pleasant, Michigan, and the County of Isabella, a Michigan political subdivision (“County”) of 200 N. Main Street, Mt. Pleasant, Michigan, and the Charter Township of Union, a Michigan political subdivision, (“Township”) of 2010 S. Lincoln, Mt. Pleasant, Michigan (the County and Township being collectively referred to herein as the “Taxing Entities”),

WHEREAS, the parties desire to avail themselves of MCL 125.1664(4), which authorizes taxing entities to enter into tax sharing agreements for a tax increment financing plan;

WHEREAS, the existing plan of the EDDA provides for the capture of the “tax increment revenues” from the Development Area as defined in the Tax Increment Finance and Development Plan of the EDDA, as renewed and amended (“Plan”); and

WHEREAS, pursuant to the terms and conditions set forth herein, the EDDA has agreed that a portion of the captured tax increment revenues shall be allocated to the Taxing Entities.

NOW, THEREFORE, in consideration of the mutual promises and covenants of the parties hereto it is agreed as follows:

1. Effective as of June 30, 2014, and continuing through December 31, 2021 (“Term”), Seventy-Five Percent (75%) of the tax increment revenues captured from the Development Area pursuant to the Plan shall be allocated and disbursed to the EDDA, and Twenty-Five Percent (25%) of the tax increment revenues captured from the Development Area pursuant to the Plan shall be allocated and disbursed to the respective Taxing Entities. Said portion allocated to the Taxing Entities shall be divided in proportion to the property taxes levied against those properties within the Development Area over which the respective Taxing Entities have jurisdiction. The captured tax increment revenues shall be determined based on the Taxing Entities’ respective annual allocated and voted millage assessments.

2. The parties shall cause and direct that the tax collecting treasurer distribute the tax increment revenues captured from the Development Area pursuant to the Plan to the EDDA and respective Taxing Entities in accordance with the allocations set forth herein.

3. The parties agree that notwithstanding the terms of this Agreement, the Taxing Entities shall have no claim against, and shall not be entitled to any refund or repayment of, any portion of the tax increment revenues previously captured and disbursed to the EDDA, and that it is the parties’ intent that the allocation of captured tax increment revenues specified hereunder is prospective only and not in any manner retroactive.

4. The EDDA shall provide notice prior to any modification and/or extension of the Plan as required by MCL 125.1664 and MCL 125.1668. In addition to the statutory notice requirements, the EDDA agrees to notify the County at least 90 days prior to any planned

modification and/or extension of the Plan. This Agreement does not constitute a waiver or consent to any future modification and/or expansion of the existing Plan by the Taxing Entities.

5. This Agreement sets forth the entire agreement of the parties' understanding regarding the matters identified herein. There are no other oral or written understandings. This Agreement replaces any and all previous agreements on this subject entered into by the parties and may only be amended upon mutual written agreement, approved by the legislative bodies, of all parties.

6. The parties hereto each acknowledge that they have been involved in the drafting and preparation of this Agreement and said parties agree that it accurately reflects the intent and understanding of the parties and that if there is any dispute over the meaning or intent of any of the provisions of this Agreement there shall be no presumption that one party or the other drafted or prepared this document.

By signing below, representatives of each respective legislative body hereby attest that the legislative body he or she represents duly approved this Agreement and authorized its execution.

EDDA

COUNTY

By:
Its:
Dated:

By:
Its:
Dated:

By:
Its:
Dated:

By:
Its:
Dated:

TOWNSHIP

By:
Its:
Dated:

By:
Its:
Dated: