AGREEMENT FOR CONDITIONAL TRANSFER

OF PROPERTY PURSUANT TO 1984 P.A. 425

This Agreement is made on the _____ day of _____, 2022, between the CITY OF LANSING (City), a Michigan municipal corporation, and the CHARTER TOWNSHIP OF WINDSOR (Township), a Michigan municipal corporation, each a "Party" and collectively, the "Parties".

Recital of Facts

The City and the Township are "local units" as defined by Public Act 425 of 1984, as amended, (Act 425), (MCL 124.21 *et seq.*). Act 425 enables two local units of government to conditionally transfer property by written agreement for the purpose of economic development projects.

The City and the Township have proposed that certain property be conditionally transferred from the Township to the City pursuant to Act 425 to promote economic development and secure certain public improvements and infrastructure necessary for the development of the properties (described in this Agreement as the "Transferred Area"), including water service to the properties included in the district for development, as set forth in this Agreement, and the Transferred Area. Pursuant to Act 425, the Township before signing this Agreement held a public hearing on _______ regarding this Agreement, and the City Council held a public hearing on ______ regarding this Agreement, both preceded by notice in accordance with the requirements of Michigan's Open Meetings Act. As consideration and further benefit to the City by agreeing to enter into this Agreement, the City will retain substantial revenue from the real, personal and income taxes generated from the Transferred Area. The City, through its Board of Water and Light (BWL), will further preserve its existing revenue obtained through water rates and capital charges imposed onto users of its water service.

The City and the Township find that the conditional transfer of the Transferred Area from the Township to the City pursuant to this Agreement, will assist economic development and benefit the residents of the City and the Township, including revenue that will support the economic development.

NOW THEREFORE, pursuant to Act 425, the Parties agree as follows:

ARTICLE I DEFINITIONS AND REPRESENTATIONS

Section 1.1 Definitions.

- "Agreement" means this Agreement for Conditional Transfer of Property.
- "BWL" mean the Lansing Board of Water and Light, a City owned municipal utility supplier.
- "Transferred Area" means that portion of the Township legally described in **Exhibit A**, containing approximately 77 acres, as depicted in **Exhibit B**.
- "Water Service" means water production, transmission, and distribution, or any part thereof. This does not include wastewater sewage service or electric service.

Section 1.2 Representations. The City and the Township represent that before entering into this Agreement the following factors were considered:

- The composition of the population; population density; land areas and land uses; assessed valuation; topography; natural boundaries and drainage basins; and past and probable future growth, including population increase and business and commercial development in the area and the comparative data for the Township and the portion of the Township remaining after the transfer of the Transferred Area.
- The need for organized community services; the present costs and adequacy of governmental services in the Transferred Area; the practicality of supplying such services to the Transferred Area; the probable effect of the transfer and of the alternative courses of action on the costs and adequacy of services in the Transferred Area and on the remaining portion of the Township; the probable change in taxes and tax rate in the Transferred Area in relation to the benefits expected to accrue from such transfer; and the financial ability of the Township and the City to provide and maintain municipal Water Service, including supply and distribution, and other governmental services in the Transferred Area.
- General effect upon the Parties of the transfer and the relationship of the transfer to applicable land use plans.

ARTICLE II AREA AND JURISDICTION TRANSFERRED

Section 2.1 <u>Conditional Transfer of Property.</u> The Transferred Area shall be conditionally transferred from the jurisdiction of the Township to the jurisdiction of the City solely for the purposes specified in this Agreement.

Section 2.2 <u>Jurisdiction After Reversion, Termination, Expiration, Non-Renewal, or Non-Ownership.</u>

- Reversion of Transferred Area. Upon the termination, expiration, or non-renewal of this Agreement, the Transferred Area shall for all purposes be automatically and unconditionally reverted and returned to the sole jurisdiction of the Township and shall thereafter be treated as within the corporate limits of the Township.
- Transfer upon Consumers' Lack of Ownership. If Consumers Energy or its parent, subsidiary, and affiliate entities, now in existence and hereafter formed, or their corporate successors in interest (collectively referred to as "Consumers") ceases to own all of the Transferred Area, the Transferred Area shall automatically revert back to the Township and shall thereafter be treated as within the corporate limits of the Township.
- Transfer upon City Failure to Provide Water Service. If the City fails to construct or authorize construction, which shall not be unreasonably withheld, delayed, or not authorized, of the infrastructure necessary to provide Water Service to the Transferred Area or fails to otherwise provide such Water Service to the Transferred Area, the Transferred Area shall automatically revert back to the Township and shall thereafter be treated as within the corporate limits of the Township.
- City Rights After Termination. Regardless of the method of transfer or termination under this Agreement, nothing herein shall be considered as transferring ownership of the Water System to the Township from the ownership of the City or BWL.

Continuation of Utilities. After termination of this Agreement, the City, through its BWL, shall
have the right and shall have a continued obligation to provide Water Service to the Transferred
Area as permitted under this Agreement, at the City's customary rates and fees and subject to the
same requirements and conditions for customers within the boundaries of the City for Water
Service.

Section 2.3 Jurisdiction—Governmental Services.

- Transferred Area Considered within the City. Immediately upon this Agreement becoming effective, the Transferred Area shall be treated as being within the corporate limits of the City and subject to the City ordinances, rules, and regulations enacted now and during the Term of this Agreement or any Renewal Term (as defined hereinafter) thereof as identified in Section 2.3.D of this Agreement, provided such ordinances, rules and regulations do not conflict with this Agreement. City shall be responsible for enforcing its applicable ordinances, rules, and regulations. The Township shall enforce its ordinances, rules, and regulations, which shall be under the jurisdiction of, and enforced by, the Township. Nothing in this Agreement shall be construed to limit the discretion of any police officer, fire official, or building code official with appropriate jurisdiction to enforce statutes of the State of Michigan.
 - For violations of the applicable Lansing City Code of Ordinances, venue shall be in the 54-A Judicial District Court, with any such ordinance appeal being to the Ingham County Circuit Court.
 - For violation of the applicable Township ordinances and Michigan misdemeanors and felonies, venue shall be in the 56-A Judicial District Court and Eaton County Circuit Court.
- Water Distribution within the Transferred Area. Water Service for the Transferred Area shall be provided by the City, which includes but is not limited to construction of at least a 16-inch water line to the Transferred Area. The Township consents to the use of public roads, rights-of-way and easements throughout the Township for purposes of Water Service infrastructure from the City to the Transferred Area. The Township agrees to support acquisition and/or permitting that may be needed to effectuate this provision. The Transferred Area shall be considered as being within the corporate limits and jurisdiction of the City for the purpose of constructing service lines and laterals on public property for connection with the City's water distribution system and the conduct of a Water Service utility business therein.
- Township Governmental Services. In the Transferred Area, fire, ambulance and police protection and enforcement, including but not limited to the Michigan Fire Prevention Code, the Michigan Vehicle Code, and the Uniform Traffic Code; library services; zoning or planning, including but not limited to site plan review, re-zoning, zoning inspections, permits, and fees; and any other services relating to ordinances, rules, and regulations not otherwise expressly assumed in Sections 2.3(C) and (D) of this Agreement, shall be provided by and under the jurisdiction of the Township. It is further understood and agreed that authority over the grant of an electrical utility franchise and jurisdiction over electrical utility services for the Transferred Area is expressly reserved to the Township, and notwithstanding any City ordinance specified within Section 2.3(D), ordinances of the Township pertaining to electrical utility service franchise authority or jurisdiction shall solely apply to the Transferred Area. Nothing contained herein shall abrogate, limit, or impair, any franchise validly granted by the Township to BWL or Consumers for the purpose of transacting electrical utility service within the Township outside of the Transferred

Area. The Township shall retain all fees pertaining to the services provided for by the Township. The Township shall also provide for wastewater collection.

- City Governmental Services. In the Transferred Area, the City hereby assumes the responsibility for the administration and enforcement of only the following City Code Sections: Chapter 257 Board of Review, Chapter 297 Human Rights, Chapter 880 Taxation Generally, Chapter 882 Uniform City Income Tax, Chapter 1026 Special Assessments, and Chapter 1050 Utilities Generally, except not as to any portion of these Sections that relate to any utility service or other service or matter otherwise reserved under other jurisdictions as referenced in this Agreement.
- Governmental Services not Provided by the City or the Township. Street and road maintenance and repair within the Transferred Area shall be provided by the Eaton County Road Commission. Storm water regulation and control and soil erosion and sedimentation control shall be as required by the Eaton County Drain Commissioner, consistent with properties within the Township's jurisdiction. Administration and enforcement of the State Construction Code pursuant to the Stille-DeRossett-Hale Single State Construction Code Act, Act 230 of 1972, consisting of the Michigan Building Code, the Michigan Electrical Code, the Michigan Mechanical code, and the Michigan Plumbing code (collectively the Construction Code), shall be provided by Eaton County Building and Planning Department, its successor county agency or other agency approved by the State of Michigan to administer and enforce the Construction Code within the Township's jurisdiction. The County or applicable enforcing agency shall charge, collect, and retain all fees pertaining to Construction Code inspections, reviews and approvals.
- *No Impact on Other Agreements*. Nothing in this Section shall be construed to terminate or modify the terms of any other governmental agreement to which the City or the Township is a party.

Section 2.4 Jurisdiction—Special Assessments. The Transferred Area shall be treated as being within the corporate limits and jurisdiction of the City for purposes of special assessments except as follows:

- No special assessments for Water Service shall be applied to the Transferred Area or services the City does not otherwise provide to the Transferred Area, except for any special assessments related to connection fees, construction costs and any other payments pursuant to Section 2.6;
- Storm drain assessments shall be permitted only by the Eaton County Drain Commissioner; and
- Special assessments for services provided by the Township under this Agreement and as permitted by the Township under Michigan law.

Section 2.5 City Water Service Provided.

- Sewage Disposal Services in the Transferred Area. The Dimondale-Windsor Wastewater Treatment Plant shall provide sewage disposal services in the Transferred Area.
- New Water Services Outside of the Transferred Area. The City agrees to provide water service connections and extensions to properties neighboring the Transferred Area from the to-be existing water distribution infrastructure constructed pursuant to this Agreement, if otherwise permitted under all applicable BWL standards, rules and regulations for Water Service and the Master Retail Water Service Agreement between the Township and the BWL. The landowner or

developer of each neighboring property shall be individually responsible for the cost of service connections or extensions to their property. The City's failure to enter into a separate written agreement for extensions or service installations for neighboring properties outside of the Transferred Area upon request by the Township, landowners or developers shall not constitute a breach of this Section so long as the City acts in good-faith. If the City (including BWL) denies a request for water system connections or extensions, the Township may request and the City must provide the Township with the reason(s) for denial. The Township shall have thirty (30) days to, at its discretion, request reconsideration or otherwise respond.

- Rates. All rates, tariffs, charges, and fees (collectively "rates"), not otherwise specifically specified in this Agreement, for Water Service, including hydrants, shall be calculated, levied and collected by the City (including BWL) in accordance with the rates and ordinances applicable to property in the corporate limits of the City and as may be adjusted by the City pursuant to its ratemaking authority.
- Connection Fees. Connection fees and capital charges for Water Service connections both within and outside the Transferred Area shall be at the rates normally charged by the City within the City and connection fees for such Services shall belong to the City and be at the rates normally charged by the City and BWL for customers within Lansing.
- Liens by City. Liens for Water Service made against real property in and outside the Transferred Area may be created and remain in full force and effect as if the properties were within the corporate limits of the City.

Section 2.6 Water Service Franchise and Construction.

- Franchise. The Township consents and grants the right, power and authority to the City and BWL, a municipal utility, its successors and assigns to construct, set, string, lay, operate, repair, maintain and use public water lines, consisting of pipes, valves, gauges, hydrants, and other public water appliances, on, along, over, under, through, and across Township rights of way for the purpose of providing Water Service to the Transferred Area. Provided however, that the Township shall grant written approval under Section 2.6(C) prior to doing so.
- Standard of Utility Construction. All City utility infrastructure to be erected under, at, or on street crossings, highway crossings or railroad crossings shall be in full compliance as to construction as required by the laws of the State of Michigan and subject to the City's policies, procedures, and rules and regulations.
- *Place of Utilities within Township*. The Township agrees to work cooperatively with BWL on the City's placement of any water utility infrastructure necessary for the purpose of providing Water Service to the Transferred Area, provided such placement shall be approved by the Township prior to construction.
- Costs. By entering into this Agreement, the City, Township, and BWL agree that between the Parties, BWL shall be responsible for, any costs associated with the construction of infrastructure necessary for the purpose of providing Water Service to the Transferred Area as provided in this Agreement, including but not limited to the construction of at least a 16 inch water line to the Transferred Area. "Infrastructure," may include, but is not limited to water lines, pipes, valves, gauges, hydrants, water storage or re-pumping facilities, or any other public water appliance. This Section 2.6.D shall not restrict or prohibit BWL from charging Consumers or other customers in the Township BWL's customary construction costs and expenses and other

payments pursuant to BWL Service Agreements for Water Extension/Service Installation, Domestic Water and Fire Service (BWL Service Installation Agreements). If Consumers and BWL do not execute BWL Service Installation Agreements, BWL will not be required to provide such services or install any Water Service.

• Construction Deadline. Subject to Force Majeure, as defined in Section 6.8 of this Agreement and the execution of any applicable BWL Service Agreements, the City (through BWL) shall complete construction of infrastructure necessary for the purpose of providing Water Service to the Transferred Area and provide such Water Service to the Transferred Area within two (2) years of the Effective Date of this Agreement. The City, the Township and BWL may extend this deadline through written mutual agreement, which shall not be unreasonably withheld.

Section 2.7 Voting. Any qualified electors residing in the Transferred Area shall for voting purposes be considered qualified electors of the Township entitled to vote on all Township, state, and federal matters.

ARTICLE III TAXES AND OTHER REVENUE

Section 3.1 <u>Taxing Jurisdiction</u>.

- Taxing of Transferred Area. Except as otherwise provided:
 - As of the Effective Date of this Agreement and for the remaining Term of this Agreement
 and any Renewal Term, for the purposes of real and personal property taxation (including
 without limitation the granting of any exemptions under 1998 PA 328 or 1974 PA 198)
 and City income taxes, both corporate and individual, the Transferred Area shall be
 considered as being within the corporate limits and jurisdiction of the City.
 - The assessing of real and personal property within the Transferred Area will be by the Lansing City Assessor. The Taxable Value of the Transferred Area real and personal property shall be determined by the Assessor in accordance with the tax laws and tax manuals of the State of Michigan, and property tax appeals shall be heard and decided by the Lansing Tax Board of Review. The City shall appear and defend all tax assessment appeals filed by property owners within the Transferred Area.
 - The City shall collect all taxes on all real and personal property and income within the Transferred Area. The City may collect and retain the one percent (1%) property tax administration fee on all taxes collected for property within the district as authorized pursuant to MCL 211.44 and for income tax as authorized by statute now and in the future.
 - The City agrees to diligently and in good faith enforce all property and income tax laws and defend against any appeals to the Michigan Tax Tribunal.
- *Tax Abatements*. The Transferred Area may be designated by the City as an Industrial Development District pursuant to 1974 PA 198, as amended, or 1998 PA 328. The Transferred Area shall not be made part of any tax increment financing area, authority, or similar taxing jurisdiction during the Term or any Renewal Term of this Agreement. Except as otherwise provided in Section 3.2 for personal property, any tax abatements, incentives, or other similar city

or statutory mechanisms that impact the collection of taxes for the City shall have no bearing on the amount of taxes due and owing to the Township under Section 3.2.

• *Township Special Assessments*. For the purposes of any special assessment assessed by the Township pursuant this Agreement, the Township retains taxing jurisdiction and shall assess, levy, collect, and defend its own special assessments.

Section 3.2 Tax Payments to the Township.

- Township Tax Payments. As of the Effective Date of this Agreement for the Term of this Agreement and any Renewal Term, the City agrees to make annual real property tax sharing payments to the Township equivalent to the tax revenue the Township would otherwise receive levying its real property millage on the Transferred Area ("Real Property Tax Payment"). In addition, the City shall make annual personal property tax sharing payments to the Township in the years personal property in the Transferred Area is not otherwise exempt from personal property taxation. The Personal Property Tax Payment shall be equivalent to the tax revenue the Township would otherwise receive levying its personal property millage on the Transferred Area ("Personal Property Tax Payment").
- Township Tax Payment Due Date. The City shall pay the Township each annual Tax Payment in two equal installments, which shall be paid as follows: the first installment will be paid no later than November 30 of the tax year and the second installment will be paid no later than May 31 the following year. If the City fails to pay the Township within seven (7) days of the aforesaid dates, this Agreement may be terminated by the Township pursuant to Section 4.2(D) of this Agreement. The Township also retains all rights and recourse to seek any legal remedies regarding any unpaid balance. The Parties both acknowledge that timely payment is of the essence.
- No Change in Tax Payment. The Real Property Tax Payment and Personal Property Tax Payment shall be paid to the Township annually as provided herein irrespective of nonpayment of taxes, except no Personal Property Tax Payment shall be required in the year(s) personal property is otherwise lawfully exempt from taxation. The Township agrees to not offer tax or other economic incentives to business or property owners located on the Transferred Area while under the jurisdiction of the City.
- **Section 3.3** Other Revenue. The Eaton County Road Commission is entitled to apply for, receive, and retain all funds paid by the state of Michigan related to public roads and rights-of-way under its jurisdiction in the Transferred Area as if the Transferred Area was within the corporate limits and jurisdiction of the Township. Any calculation or formula for receipt of such revenues shall assume the Transferred Area is within the corporate limits of the Township for such purposes.
- **Section 3.4 Gifts, Grants, Etc.** All gifts, grants, assistance funds, bequests, or other funds from any private or public source given with respect to the services within the City's jurisdiction over the Transferred Area, and activity performed upon or within the Transferred Area within the City's jurisdiction, shall belong to the City.

ARTICLE IV
TERM AND TERMINATION

Section 4.1 Term. The term ("Term") of this Agreement shall be for twenty-five (25) years commencing June 1, 2021 following the filing with the Secretary of State in the Michigan Office of the Great Seal required by 1984 Public Act 425. The City and the Township may renew this Agreement for a second term of twenty-five (25) years (the "Renewal Term"). To be effective, the Renewal Term must be approved by the Parties in the manner provided in Section 2 of the Act; MCL 124.22. The Renewal Term shall be on the same terms and conditions as stated in this Agreement unless the Parties agree otherwise in writing in a document amending this Agreement in compliance with 1984 PA 425.

Section 4.2 Termination. This Agreement may be terminated:

- By the expiration of the Term or Renewal Term of this Agreement; or
- By mutual written agreement of the Parties; or
- By operation of law should a court of competent jurisdiction order the termination of this Agreement; or
- By a written "Notice of Material Default" provided by one Party to the other specifying a default of a material condition of this Agreement by the defaulting Party and the failure to cure such material default by the defaulting Party within forty-five days of delivery of such Notice of Material Default, except as otherwise provided within the Agreement, or
- By either Party if Consumers (a) does not within one (1) year of the Effective Date of this Agreement become the owner of all the Transferred Area; or (b) does not within four (4) months of obtaining ownership as described in subsection (a), enter into applicable BWL Service Installation Agreements with BWL.

Prohibition of Annexation. While the Agreement is in effect, the City is prohibited from annexing any portion of the Township, including but not limited to the Transferred Area, and the City shall not sponsor or encourage annexation of any portion of the Township. The Parties recognize that private individuals may have statutory rights to file for annexation. The City may, in accordance with the Freedom of Information Act, provide information to property owners or residents of the Transferred Area upon their request. The City shall have the right to participate in any legal proceedings regarding annexation brought on behalf of its property owners or residents, and to express its position upon any proposed annexation or transfer related to other areas within the Township. This Agreement shall also not set any binding precedent, policy, or custom as to whether future developments within the Township which seek water service from the City's BWL, consistent with Section 2.5(B) above, require execution of an agreement similar to this Agreement for conditional transfer of jurisdiction over the property proposed for development.

ARTICLE V ENFORCEMENT

Section 5.1 Enforcement.

- In the event of a dispute between the Parties arising under this Agreement, this Agreement may be enforced by either Party in an action commenced in the Eaton County Circuit Court and under Michigan law.
- The Parties reserve the right to extend any date or deadline included in this Agreement upon mutual written agreement, except the termination date other than by a Renewal Term. This right

of extension shall also be available to the Parties if the Agreement, or any part thereof, is enjoined or stayed by a court of competent jurisdiction.

ARTICLE VI MISCELLANEOUS

Section 6.1 Employees and Liabilities. The City shall be solely responsible for the manner of employing, engaging, compensating, transferring or discharging any employees, independent contractors or other personnel with respect to the government services the City shall provide under this Agreement. The Township shall be solely responsible for the manner of employing, engaging, compensating, transferring or discharging any employees, independent contractors or other personnel with respect to the governmental services the Township shall provide under this Agreement. The City and the Township shall each be responsible for such liabilities as may be incurred through their respective provision of governmental services and other performance of this Agreement and shall respond to and provide for such potential liabilities on the same basis as the City and the Township do generally.

Section 6.2 <u>Notices.</u> Any notice, demand, or communication required, permitted, or desired to be given under this Agreement shall be deemed effectively given when personally delivered or mailed by first class or certified mail addressed as follows:

If to the City: If to the Township: City of Lansing Windsor Charter Township c/o City Clerk c/o Township Clerk 124 W. Michigan Ave., 9th 405 W. Jefferson Street Dimondale, Michigan 48821; Lansing, MI 48933; AND AND Windsor Charter Township Attorney Fahey Schultz Burzych Rhodes PLC Lansing City Attorney 124 W. Michigan Ave., 5th 4151 Okemos Road Okemos, MI 48862 Lansing, MI 48933

Any notice, demand, or communication required, permitted, or desired to be given under this Agreement shall be deemed effectively delivered on the day such notice, demand, or communication is personally delivered, or three (3) business days after such notice, demand, or communication is mailed by first class or certified mail. The Parties may, by written notice, designate any further or different address to which subsequent notices, demands, or communications may be given.

Section 6.3 <u>Michigan Right to Farm Act</u>. The Transferred Area may be located within the vicinity of farmland or a farm operation. Generally accepted agricultural and management practices which may generate noise, dust, odors, and other associated conditions may be used and are protected by the Michigan Right to Farm Act.

Section 6.4 Governing Law. This Agreement has been executed and delivered and it shall be interpreted, construed, and enforced pursuant to and in accordance with the laws of the State of Michigan. The venue for any litigation arising from this Agreement shall be Eaton County, Michigan. The Parties agree that this Agreement was mutually drafted and cannot be construed against either the City or the Township upon the basis that one was the scrivener of this Agreement.

- **Section 6.5 Binding Effect.** This Agreement shall be binding upon the Parties hereto, their successors, and assigns.
- **Section 6.6** <u>Assignment.</u> No assignment of this Agreement or any of the rights and obligations thereunder shall be valid without the specific written consent of both Parties hereto.
- **Section 6.7** Severability. In the event any provision of this Agreement is held to be unenforceable or any portion of the Transferred Area is held to be invalidly transferred for any reason, the unenforceability or invalidity thereof shall not affect the remainder of this Agreement, which shall remain in full force and effect and enforceable in accordance with its terms, except, in the event this Agreement is held to be void in its entirety, the Transferred Area shall return to the Township's complete jurisdiction, except for the City's jurisdiction over the Water Service within the Transferred Area. If, because of the invalidity of any part of this Agreement, either Party determines that the purpose and intent of the Agreement has failed, the Parties shall renegotiate in good faith to amend the Agreement to make it valid and satisfactory to both Parties.
- **Section 6.8 Force Majeure.** Notwithstanding anything contained in this Agreement to the contrary, each Party shall be excused from performing any obligation hereunder, and any delay in the performance of any obligation hereunder shall be excused, while and so long as the performance of the obligation is prevented, delayed or otherwise hindered by acts of God, fire, earthquake, flood, explosion, actions of the elements, epidemic, pandemic, war, riots, mob violence, or inability to procure or a general shortage of labor, equipment, facilities, materials or supplies in the open market as a result of acts of God, fire, earthquake, flood, explosion, actions of the elements, epidemic, pandemic, war, riots, mob violence, or condemnation, court orders, laws, regulations or orders of governmental or military authorities.
- **Section 6.9** Articles and Other Headings. The articles and other headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.
- **Section 6.10** Counterparts. This Agreement may be executed in any number of counterparts and each such counterpart shall be considered a valid original.
- **Section 6.11** Entire Agreement. This Agreement supersedes all previous and contemporaneous contracts and constitutes the entire agreement between the Parties. Neither Party shall be entitled to benefits other than those specified in this Agreement. No oral statements or prior or contemporaneous written material not specifically incorporated or referenced herein shall be of any force and effect, and both Parties specifically acknowledge in entering into and executing this Agreement they rely solely upon the representations and agreements contained in this Agreement, and in the other contracts specified herein.
- **Section 6.12** Allocation of Cost of Litigation. In the event a lawsuit or action is filed by any citizen or governmental entity, other than the City and the Township, challenging this Agreement, the costs of defending this Agreement, including attorneys' fees, shall be borne by both Parties, provided the Township's costs shall be capped at no more than the total amount of mileage revenue that it is entitled to collect in the tax year(s) challenged and such costs are proportionally shared based on the taxes levied by the City and amount the Township is entitled to collect from the Transferred Area. If, after conclusion of the lower court proceedings, one of the Parties desires to further proceed on appeal, and the other Party declines, the Party desiring to proceed shall bear all remaining costs and attorney fees. Settlement of any dispute filed concerning this Agreement shall be approved by both the City Council and the Township Board. This allocation of cost of litigation shall not apply to a suit between the City and the Township

over this Agreement, the attorney fees for which shall be the responsibility of each Party unless otherwise ordered by a court a competent of jurisdiction.

Section 6.13 Filing and Effective Date. In accordance with Act 425, following the execution of this Agreement by the City and the Township, a duplicate original of the Agreement shall be filed with the Clerk of Ingham County and with the Michigan Secretary of State. This Agreement, certified by the County Clerk or Secretary of State, shall be prima facie evidence of the conditional transfer of the Transferred Area. This Agreement shall be effective June 1, 2021 following the filing with the Ingham County Clerk and Secretary of State ("Effective Date").

Section 6.14 Referendum. If a petition signed by twenty percent (20%) or more of the registered electors residing on the Transferred Area or, if no registered electors reside therein, signed by persons owning fifty percent (50%) or more the Transferred Area is filed with the Clerk of the Township within thirty (30) days after the last of the foregoing public hearings having been held, a referendum election shall be held within the Township on whether or not the Agreement should be executed by the Township. The results of such election shall govern the execution of the Agreement by the Township. If no such petition is filed, the Agreement may be executed by the Parties thereto.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date first written above by authority of the respective City Council and Township Board.

Witnesses:	CITY OF LANSING
	By:Andy Schor, Mayor
Witnesses:	BOARD OF WATER AND LIGHT
	By:, Representative
Witnesses:	CHARTER TOWNSHIP OF WINDSOR
	By:, Supervisor
Approved as to form only:	I hereby certify that funds are available in Account No.

Lansing City Attorney	Finance Director, City of Lansing