

# **The Conditional Land Transfer Act: Research, Reflections and Policy Recommendations<sup>1</sup>**

Gary D. Taylor, J.D.  
Extension Specialist, Department of Agricultural Economics  
Michigan State University

Lynn R. Harvey, Ph.D.  
Professor and Extension Specialist, Department of Agricultural Economics  
Michigan State University

William Shields  
Visiting Specialist, Department of Agricultural Economics  
Michigan State University

**Abstract:** *Annexation battles often are the root cause of long-standing conflicts between municipalities. Some states have sought to reduce the number of annexation battles by allowing the use of intergovernmental agreements addressing municipal boundary expansion and service delivery. This paper reviews Michigan's Conditional Land Transfer Act, Public Act 425 of 1984, including its unique land transfer and reversion provisions. Using a database of all agreements filed since the law's inception, this paper reviews the common provisions found in these agreements. The authors also analyze emerging policy issues and suggest amendments to further the initial policy objectives of Michigan's alternative to annexation.*

## **Introduction**

The genesis of many long-standing conflicts between neighboring units of local government often can be found in battles over the annexation of territory. In Michigan, a state with strong township government, these annexation disputes mostly occur between townships and cities. Cities are frequently unwilling to provide sewer and water services to land outside their boundaries without capturing the tax base associated with the area's development. Conversely, townships resist attempts at annexation that result in the loss of tax base gained through township economic development efforts. As these disputes simmer, potential developers become discouraged with the delays caused by the lack of cooperation and seek development

---

<sup>1</sup> The authors thank Kenneth VerBurg, Professor Emeritus, Michigan State University and Chair of the Michigan State Boundary Commission for his review and editorial comments. The authors also thank Jesse Sutton, Joe Martin and Lena Stevens (Department of Agricultural Economics) for their assistance in assembling and analyzing the data from the 425 agreements filed with the Office of the Great Seal.

opportunities elsewhere. Economic expansion goes unrealized, and intergovernmental relations may be permanently scarred.

Occasionally, states attempt to reduce the frequency and intensity of annexation disputes between local jurisdictions by redistributing all or part of the final decision-making authority for boundary adjustments among the various parties (cities, townships or counties, residents, property owners) or from directly affected parties to governmental units (state agencies or commissions). These changes are made with the belief that if the entity or entities with less of a voice are given a stronger voice, greater equilibrium of power will be achieved and disagreements will subside.

The Michigan legislature, at various times, has engaged in this redistribution of power. In 1947, the legislature passed the Charter Township Act, which provided charter townships with some measure of boundary protection. In 1970, the State Boundary Commission was empowered to hear annexation and consolidation petitions in addition to their previous oversight of incorporations. The Charter Township Act was revised in 1978 to provide greater immunity from annexation for those townships incorporated after June 1978 that meet specific thresholds related to population, equalized valuation and public service provision.<sup>2</sup> The Michigan legislature has revisited the annexation issue and made modifications to the state's boundary laws on other occasions, as well.

Michigan's numerous attempts at compromise over the annexation issue certainly have not lessened the frequency or intensity of disputes. Rather, the redistribution of power has merely placated the complaining parties and enraged those from whom power was taken. Townships, who are usually the aggrieved party in annexation disputes, end up fighting proposed annexations at boundary commission hearings and in court for years. Other strategies include "blocking" petitions presented to the boundary commission in order to buy time and some freedom from further actions, and detachment proceedings to interrupt the contiguity of boundaries necessary for annexation (Browne and VerBurg 1995).

Changes to a state's annexation laws, regardless of the form they take, rarely reduce the number of disputes for one simple reason: annexation is always a zero-sum game. The winner gets the revenue. The loser gets nothing, even though a shopping center in Meridian Township, on the border of the city of East Lansing, draws customers from both municipalities and creates as much traffic in East Lansing as in the township. In an effort to win at least some new revenue, a municipality at risk of being shut out often offers tax abatements to retailers or developers; thus depriving the winner, as well as the loser, of the full benefits of the new business.

States are increasingly turning to legislation that attempts to convert this "win-lose" situation into a "win-win" scenario for both units. Intergovernmental agreements addressing municipal boundary expansion, shared service delivery and revenue sharing are often seen as a viable

---

<sup>2</sup> To be exempt, these charter townships must (1) have an SEV of not less than \$25 million; (2) have at least 150 residents per square mile; (3) provide or contract for fire, police, solid waste disposal and water and sewer services; and (4) be governed by a comprehensive zoning ordinance or master plan. Exceptions to the exemption exist to eliminate freestanding islands of township territory, to straighten borders, and by mutual consent of the involved local units.

alternatives designed to avoid “municipal cannibalism.” Allowing local governments to work collaboratively on land use issues that arise along municipal boundaries advances the opportunities for economic development and fosters strengthened intergovernmental relations on other issues. If both municipalities receive revenue from the shopping center, for example, the pressure on the townships to fight annexation is reduced, as is the pressure to offer tax abatements in an attempt to try to lure the development away from the neighbor.

In December 1984, the Michigan Legislature, with support from local governmental organizations, adopted the Conditional Land Transfer Act (PA 1984, No. 425; MCLA 124.21 et. seq.). The agreements reached under the authority of this act are commonly referred to as “425 agreements.” The original impetus for PA 425 was a proposal for cooperation between the city of Flint and Genesee Township in response to General Motor’s expressed desire to expand a manufacturing plant. As is frequently the case, the city was able to provide needed services, but the desired parcel was located in the township, which could not offer services. The Act was an after-the-fact legislative enactment designed to fit the Flint/Genesee Township situation and eliminate any questions about the parties’ powers to enter into such an agreement.<sup>3</sup> Since 1984, however, PA 425 has provided Michigan local governments with a tool to engage in cooperative projects for mutual gain. The text of PA 425 is reproduced in Appendix A. The following discussion summarizes the basic provisions of PA 425, reviews the pertinent provisions of all the agreements filed since the law’s inception, and recommends changes to the law to respond to the emerging policy issues resulting from the implementation of Michigan’s most widely used alternative to annexation.

## **Basic Provisions of PA 425**

### ***Conditional Land Transfer***

As the name implies, the “Conditional Land Transfer Act” permits two or more local units of government to enter into a written agreement to “conditionally transfer” property from one local unit to another. Local units are defined as cities, townships and villages.

What does it mean to “conditionally transfer” land under a PA 425 agreement? When land is conditionally transferred to another unit, for example from a township to a city, it is assumed that “for all purposes” the transferred property comes under the jurisdiction of the local unit to which the property is transferred. (PA 1984, No. 425, § 8). This means that the property becomes subject to the property tax levy of the receiving unit; the residents living in the transferred area, and non-residents working in the transferred area are subject to income tax if the receiving unit levies an income tax (Op. Atty. Gen. 1994, No. 6826); the property is afforded access to the full scope of services provided by the receiving unit; the property assessment records and voting records of residents will be transferred to the receiving unit; and the transferred land becomes subject to the planning and zoning controls of the receiving unit. In short, the transferred area comes under the complete control and jurisdiction of the unit to which the land has been transferred.

---

<sup>3</sup> Although Flint and Genesee Township reached agreements on service provision and revenue sharing, General Motors eventually dropped its plan to build its facility.

The transfer of control and jurisdiction can be limited. The language of the Act provides for complete transfer “unless the contract specifically provides otherwise.” The parties can agree to terms that amount to something less than complete transfer; thus the use of the term “conditional” in the title of the legislation. Many of the existing 425 agreements (indeed the majority of the more recently filed agreements) do specifically delineate a transfer of something less than complete jurisdiction. Some agreements, for example, require mutual assent between the two units on decisions related to the planning and zoning of the subject property. In several agreements where the transferred property is not contiguous to the receiving jurisdiction (an issue discussed below) many official responsibilities such as the transfer of records or the provision of municipal police and fire services remain with the transferring jurisdiction.

***“...for a period of not more than 50 years...”***

The Act provides that the local units of government may conditionally transfer property “for a period of not more than 50 years.” The agreement may be renewed for additional periods not to exceed 50 years upon approval of the legislative bodies of the involved units and the acquiescence of their citizens. The contract must specify which local unit has jurisdiction over the property upon the expiration, termination or nonrenewal of the agreement; however, several existing agreements are, in fact, silent on this point. Others provide for “automatic” renewal of the contract for an additional 50 years, which seems to contradict the express requirement of the Act for “approval of the legislative bodies.” Generally these automatically renewing agreements are likewise silent on the eventual disposition of the land at the conclusion of the 100-year period. It is likely that the failure to specify disposition at termination in these agreements is not a mere oversight, but is a way to reach resolution without addressing the difficult issue of jurisdiction. This undoubtedly will be fruitful ground for litigation in years to come.

Presumably if the agreement calls for the transferred land to revert to the transferring jurisdiction upon expiration of the agreement, then responsibility for all municipal functions reverts to the transferring jurisdiction, and the receiving jurisdiction’s laws concerning taxation, zoning, etc. in effect at the time of the reversion control the property. What is less certain is the ownership/disposition of any infrastructure (roads, pipes, etc.) installed by the receiving jurisdiction during the period of the contract. Does it, too revert to the transferring jurisdiction? If so, will the transferring jurisdiction be responsible for assuming outstanding investment costs? Does the receiving jurisdiction’s obligation to provide services end? Many practical questions will arise at the end of the contract period, but the Act is silent on these points. Many agreements are silent on these points, as well; again likely leading to full employment for municipal attorneys when these agreements reach their expiration.

***“...for the purpose of an economic development project”***

PA 425 is quite permissive both in terms of its application and the flexibility provided to cities, villages and townships. The stated purpose of PA 425 is to enhance economic development, housing, and environmental protection. “Economic development project” is defined as “land and existing or planned improvements suitable for use by an industrial or commercial enterprise, or housing development, or the protection of the environment, including, but not limited to groundwater or surface water.” (PA 1984, No. 425, § 1). Projects covered by Act 425 include everything from industrial park development to port improvements. PA 425 was amended in 1990 to redefine “housing development” as an economic development project in and of itself.

Prior to the amendment, the legislation specified that housing development had to be incidental to commercial and industrial development. A 1991 Attorney General’s opinion determined that mobile home parks fall under the definition of economic development project as a “commercial enterprise” because they are carried on for profit (Op. Atty. Gen. 1991, No. 6689). A 1997 Attorney General’s opinion, however, prevents the consideration of public recreation parks as economic development projects. (Op. Atty. Gen. 1997, No. 6936).

Two recent court cases have examined the economic development project requirement of the Act. In an unpublished<sup>4</sup> Michigan Court of Appeals case the Court observed that: “the focus of the definition of an economic development project is on the activity undertaken on the affected land, not on the suitability of the land for that activity.”<sup>5</sup> Although the facts of the case are rather unusual and the opinion is unpublished this simple statement, if picked up by future courts or litigants, could be construed in a way that would impede the use of 425 agreements as part of a larger, forward-looking planning effort. This issue will be discussed in greater detail below.

The other case indirectly addresses the requirement of an economic development project, but also answers other longstanding questions concerning the Act.<sup>6</sup> In 1995, the city of Richmond filed an annexation petition on property in Richmond Township. In response, Richmond, Columbus and Casco Townships entered into reciprocal, identical 425 agreements with Lenox Township to provide joint fire, police, and library services, and to extend sewer and water from Lenox to the other townships. A review of the record and evidence taken at the hearing made it evident to the State Boundary Commission (SBC) that the 425 agreements in question were in fact “blocking” agreements designed to thwart any future city annexation, not to foster economic development as required under the statute. The city had sewer and water stubs a few hundred feet from the land in question, but rather than negotiate a 425 agreement (or a revenue sharing agreement under the Urban Cooperation Act) with the city the townships looked to Macomb County Public Works to eventually provide services to the area, over a distance of some miles and at a cost in the tens of millions of dollars. The SBC concluded that it had the authority to review these agreements to determine the true intentions of the parties, and the Court of Appeals affirmed that authority. The case turned on this question of authority, but it also impliedly confirmed that speculative claims that an agreement supports an economic development project will be closely scrutinized.

### ***Statutory Considerations***

When formulating a 425 agreement, the local units of government are directed to consider several factors, including:

- Population;
- Land area and land uses;
- Assessed valuation;
- Past and probable future growth, including population increase, and commercial and industrial development;

---

<sup>4</sup> Unpublished cases cannot be relied on as precedent in future cases before Michigan courts.

<sup>5</sup> *Arthur Land Company, LLC v. Livingston Township*, CA No. 223942 (Mich. App. 2001).

<sup>6</sup> *Casco Township v. State Boundary Commission*, 243 Mich.App. 392, 622 N.W.2d 332 (2000).

- The need for organized community services;
- The cost and adequacy of governmental services in the area to be transferred;
- Probable change in taxes and tax rates in relation to the benefits expected to accrue from the transfer;
- The ability of the receiving jurisdiction to provide and maintain services; and
- The relationship of the proposed action to any relevant land use plans. (PA 1984, No. 425, § 3).

The extent to which local units are to consider these factors is not stated in the statute. In fact, many agreements simply state that the parties “have considered” these factors, and parrot the statutory language without further elaboration.

### ***Written Contract Provisions***

Section 7 of the Act identifies contract provisions that must be included in any 425 agreement:

- 1) The length of the contract;
- 2) Specific authorization and terms for the sharing of taxes and other revenues;
- 3) Methods of contract enforcement; and
- 4) Identification of which unit has jurisdiction over the transferred area upon expiration of the agreement.

In addition to these basic provisions, the Section 6 of Act suggests that the parties may provide for the following considerations:

- 1) Any method by which the contract may be rescinded or terminated by any participating local unit prior to the stated date of termination.
- 2) The manner of employing, engaging, compensating, transferring, or discharging personnel required for the economic development project to be carried out under the contract.
- 3) The fixing and collecting of charges, rates, rents, or fees, where appropriate, and the adoption of ordinances and their enforcement by or with the assistance of the participating local units.
- 4) The manner in which purchases shall be made and contracts entered into.
- 5) The acceptance of gifts, grants, assistance funds, or bequests.
- 6) The manner of responding for any liabilities that might be incurred through performance of the contract and insuring against any such liability.
- 7) Any other necessary and proper matters agreed upon by the participating local units.

### ***Public Meetings; Referendum***

PA 425 requires each local legislative body to hold at least one public hearing on the proposed agreement prior to its approval by a majority vote of both legislative bodies. The draft agreement is subject to referendum if, within 30 days of the public hearing, a petition is filed with the clerk containing signatures equal to 20 percent or more of the registered voters in the land area to be transferred (or by persons owning 50 percent or more of the land to be transferred

if no registered voters reside in the transferred area). Either local unit, on its own, may call for a referendum on the proposed agreement. Any referendum on the proposed agreement must approve the transfer by a simple majority vote of the electors in that local unit.

### ***State Oversight***

In practical terms no state oversight of 425 agreements exists. Under the statute, the only state involvement is the requirement that duplicate originals of the agreement be filed with the Secretary of State, Office of the Great Seal and the appropriate county clerk(s). The Secretary of State has no other powers or duties under the Act. In fact, the Attorney General has concluded that the Secretary of State is not required to determine the accuracy of boundary descriptions, nor is the Secretary of State authorized to require the contracting parties to submit maps prepared by a registered surveyor. (Op. Atty. Gen. 1993, No. 6773). The Michigan Department of Transportation is required to review each agreement to ensure the accuracy of the boundary descriptions. In practice, if MDOT notes errors the filed document will be returned to the parties for correction. The transfer of property takes place only when filing is accomplished. The filing constitutes prima facie evidence of the conditional transfer. (PA 1984, No. 425, § 10).

### ***Annexation Prohibited***

While an agreement is in effect, “another method of annexation or transfer shall not take place for any portion of an area transferred under the contract.” (PA 1984, No. 425, § 9). This provision, together with PA 425’s revenue sharing provisions, provides the parties with the necessary incentive to pursue agreements. Without this provision, townships would have no incentive to enter into 425 agreements because an annexation petition would override contract provisions. As will be discussed later, this provision also provides an incentive for some townships to pursue “blocking” agreements to prevent pending or contemplated annexations.

Two Attorney General Opinions are important pieces of this picture. In 1990 the Attorney General concluded that property outside of a city’s limits may not be annexed to the city if the property is separated from the city by a contiguous parcel that has been previously conditionally transferred to the city under a 425 agreement. (Op. Atty. Gen. 1990, No. 6667). This means that the boundaries of land involved in a 425 agreement are really not considered to be true city borders, even if the land is to be transferred to the city upon expiration of the agreement. In an opinion from 1987, the Attorney General interpreted the Act to permit the conditional transfer of property to a city even though the property is not contiguous to the city. (Op. Atty. Gen. 1987, No. 6469). Under Michigan annexation law, only parcels contiguous to a city’s boundary may be annexed by the city. Similarly, the creation of “islands” of township land surrounded by the city is also prohibited. Thus, the Act has been interpreted to permit the adjustment of borders in ways that traditional Michigan annexation laws do not contemplate.

## **Summary of PA 425 Agreements**

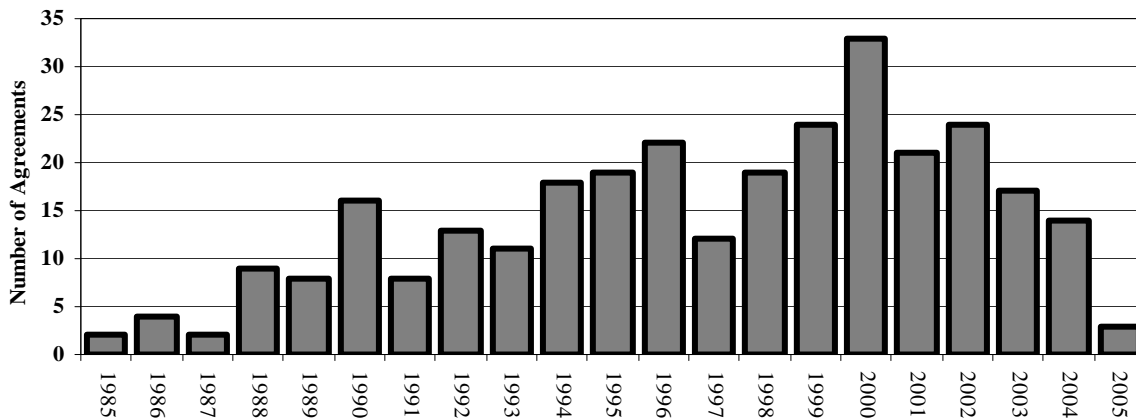
The authors have been tracking 425 agreements filed with the Office of the Great Seal since 1997 (*see* Harvey and Quinones 1998; Harvey and Taylor 2000). As of June 2005, 314 agreements were on file with the Office of the Great Seal. Of the total, fifteen were rescinded subsequent to their filing, four agreements were pending final approval, and several agreements

included multiple parcels. This leaves a total of 295 agreements in force in the State of Michigan.<sup>7&8</sup> The following discussion is based on the authors' research into these 295 agreements.

***Use of 425 Agreements***

The popularity of 425 agreements has steadily increased since the enactment of PA 425. Of all, including pending, agreements on file, 8.3 percent were executed between 1985 and 1989, 22.1 percent between 1990 and 1994, 32.1 percent between 1995 and 1999, and 37.5 from 2000 to the present (Figure 1).

**Figure 1: Number of P.A. 425 Agreements in Michigan, 1985-2005**



***Region***

Geographically, participating units are dispersed around the state, but all the contracts, with the exception of eight, are between local units in the Lower Peninsula. The authors used the MSU Extension regions to sort participating units by location (See Appendix B for the MSUE region map). The southwest region of the state accounts for 109 (36.9 percent) of the PA 425 agreements on file with the Office of Great Seal, with the City of Three Rivers holding the distinction of being a party to more agreements than any other jurisdiction (19). The southeast region represents the next most active region, with 63 filed agreements (Table 1).

<sup>7</sup> This number includes the three township-township agreements called into question by *Casco Township v. State Boundary Commission*, 243 Mich.App. 392, 622 N.W.2d 332 (2000).

<sup>8</sup> This total includes a 27 parcel agreement in Lenawee County that was recorded as one transfer.

**Table 1: Total P.A. 425 Agreements by MSU Extension Region, 1985-2005<sup>9</sup>**

<b>Region</b>	<b>No. Contracts</b>	<b>Pct. Total</b>
Upper Peninsula	8	2.7
North	29	9.8
West Central	45	15.3
East Central	41	13.9
Southeast	63	21.4
Southwest	109	36.9
<b>Total</b>	<b>295</b>	<b>100.0</b>

***Contracting Parties***

The vast majority (73.2 percent) of 425 agreements are between a township and a city (Table 2). The frequency of city-township agreements should not be a surprise because cities typically have the water and sewer infrastructure needed to spur development, while townships have the undeveloped land desired by most developers. Township-township agreements have been the subject of much recent discussion. In some cases a township will have the necessary sewer and/or water infrastructure and be willing to extend it to an adjacent township. This is a rare circumstance, however, leading to questions about whether the actual intent of the townships is to promote economic development or to thwart annexation proposals by neighboring cities. Again, these “blocking” agreements will be discussed more fully below.

**Table 2: Parties to P.A. 425 Agreements in Michigan, 1985-2005**

<b>Transfer</b>		<b>Contract</b>	
<b>From</b>	<b>To</b>	<b>Number</b>	<b>% Share</b>
Township	City	219	73.2
Township	Township	17	5.7
Township	Village	48	16.1
City	City	5	1.7
City	Township	10	3.3
<b>Total<sup>10</sup></b>		<b>299</b>	<b>100.0</b>

***Duration of Contract***

Jurisdictions participating in 425 agreements enthusiastically prefer long-term agreements to short-term agreements. The duration of most 425 agreements is the full 50 years permitted by statute (Table 3). The average contract duration for 425 agreements is 38.0 years; however, this

<sup>9</sup> MSU Extension Regions as of June 30, 2005. The number of Regions have been reduced from six to five through realignment of counties assigned to the West Central, East Central, Southeast and Southwest Regions but for continuity in analysis, the old regional alignment is utilized in the analysis.

<sup>10</sup> Total reflects multi-part agreements for Sturgis City and Sturgis Township (St. Joseph Co.) and Durand City and Vernon Township (Shiawassee Co.)

is a decrease of nearly a year since the database of agreements was updated and analyzed in 2000.

**Table 3: Duration of P.A. 425 Agreements in Michigan, 1985-2005**

<b>Years</b>	<b>Number</b>	<b>% of Total</b>
Less than 5	7	2.3
5 - 9	12	4.0
10 - 14	14	4.7
15 - 19	11	3.7
20 - 24	19	6.3
25 - 29	23	7.7
30 - 34	21	7.0
35 - 39	4	1.3
40 - 44	7	2.3
45 - 50	180	60.0
N/A	2	0.7
<b>Total<sup>11</sup></b>	<b>300</b>	<b>100.0</b>
<b>Avg. Duration</b>	<b>38.0</b>	

***Disposition of Land Upon Expiration of Agreement***

Over 55 percent of the agreements permanently transfer jurisdiction to the receiving community upon contract termination. 30.1 percent of the agreements call for the land to revert to the transferring unit of government. This is 8 percentage points lower than in 2000. A small number of the contracts contain either an automatic renewal clause or are subject to renegotiation at the end of the contract term. One agreement, containing several different parcels under differing terms and conditions, even contains a clause for the township to assume jurisdiction over a parcel currently within the city limits; effectively executing a detachment without following statutory detachment proceedings. Of the 299 agreements, 11 contracts do not include a “disposition clause,” despite the statutory directive to do so (Table 4).

The seventeen township-township agreements create an interesting situation as fourteen of these contracts call for the subject property to revert to the transferring township. In reality, this is the only option available to the jurisdictions since it is not clear that statutory authority exists for the adjustment of boundaries between two townships.

<sup>11</sup> One Agreement has two parcels, one at 20 years and the other at 40 years.

**Table 4: Summary of Land Disposition for P.A. 425 Agreements in Michigan, 1985-2003**

<b>Contract Terms</b>	<b>Number</b>	<b>Pct. Total</b>
Revert to Original Jurisdiction	90	30.1
Permanently Transferred	167	55.8
Renegotiate at Expiration	23	7.7
Split Transfer/Reversion	8	2.7
Not Stated	11	3.7
<b>Total</b>	<b>299</b>	<b>100.0</b>

***Revenue Sharing and Service Provision***

PA 425 was designed as an after-the-fact validation of the Flint-Genesee Township deal by permitting the receiving unit to share revenue with the unit that is transferring the land. In a review of the 299 conditional land transfer agreements, all but 46 of the 263 agreements contain a revenue sharing clause. Although the law is silent on how the parties may structure any revenue sharing provisions, the general intent of the agreement in most cases is to reimburse the transferring unit for lost property tax revenues and, in many cases, to provide “win-win” outcomes that allow both jurisdictions to share in the increased tax base resulting from the economic development project.

When annexation petitions for contiguous parcels come before the State Boundary Commission the Commission has limited discretion in its actions: approve the annexation of all requested territory, approve the annexation of some of the requested territory, or deny the annexation. The Commission cannot order revenue sharing arrangements, service provision arrangements or any other form of relief. The flexibility of PA 425 permits local jurisdictions to work out mutually beneficial revenue and service sharing clauses. As a result, a wide variety of arrangements can be found among the agreements currently on file. Some of the more common revenue sharing arrangements include:

- A specified number of mills,
- The township's full millage rate plus some specified additional millage;
- A percentage of the property tax revenues collected from the transferred land;
- A percentage of the constitutional and statutory revenue sharing, based on the population that is “transferred” by the agreement;
- A percentage of the user fees collected from the transferred land;
- A percentage of the city income tax levied on residents (and non-resident workers) of the transferred land;
- A flat rate of revenue per year;
- Indemnification for bonded indebtedness;
- Any combination of these considerations.

Revenue sharing is only one piece of the puzzle when communities try to come together on 425 agreements. A review of the filed agreements shows that these arrangements are increasing in detail and complexity as time goes on. Experience is leading more communities to think outside

the box and create more workable solutions. This creativity, in turn, is likely a significant factor in the increasing frequency with which the Act is being used. Agreements can be found that creatively utilize:

- Police and fire services;
- Zoning and planning questions;
- Wetlands protection;
- Well-crafted “if...then” contingency agreements;
- Use of renaissance zones, downtown development authorities, etc.;
- Phased development;
- Special assessment districts.

### **Policy Problems of 425 Agreements**

PA 425 has been part of Michigan’s local government landscape for 22 years. With 317 agreements filed with the state thus far, numerous policy problems have emerged. These issues have come to light through review of these filed agreements, as well as from the authors’ numerous experiences providing local leaders with educational assistance and facilitation services on boundary dispute questions. A discussion of these policy problems follows.

#### ***Agreements Without Planning***

425 agreements are a tool for revenue sharing, but these agreements also could be a valuable tool for implementing community planning objectives. The review of current agreements reveals that, in the vast majority of cases, 425 agreements are developed as a reaction to immediate development opportunities. This is an appropriate use of 425 agreements, as long as the type and location of these development opportunities are consistent with the communities’ long-term vision for the future. The language of the Act itself suggests that the appropriate use of a 425 agreement is for an economic development *project*, not as part of a proactive growth strategy. Unfortunately, the Act itself only requires “consideration” of the relationship of the transfer to any applicable land use plan.

Some communities have taken care to see that their 425 arrangements reflect a strategy for growth and development. The city of Charlotte and its surrounding townships have entered into a series of 425 agreements and Urban Cooperation Act agreements that define areas appropriate for immediate annexation, areas where annexation is appropriate upon request, areas appropriate for transfer under 425 agreements, and areas into which the city will extend sewer and water infrastructure without annexation or conditional transfer. The city of Midland has employed a similar strategy using only Urban Cooperation Act agreements; identifying the Midland Urban Growth Area, and extending city services beyond that area only upon agreement with the township. Both of these illustrate creative, proactive approaches to managing urban development. Unfortunately, state statute was not the catalyst for either effort.

### ***Non-Contiguity of Transferred Parcels***

PA 425 is silent on the issue of contiguity of parcels. Under Michigan annexation law, parcels must be contiguous for annexation to occur; however, as stated earlier, a 1987 Attorney General's Opinion determined that contiguity was not a required prerequisite to the execution of a 425 agreement (Op. Atty. Gen. 1987, No. 6469). Several agreements have brought the issues associated with non-contiguity to light. The city of Lansing entered into a 425 agreement with Alaiedon Township, located seven miles east of Lansing, to extend sewer and water services to the new corporate offices of a prominent local insurance company. This agreement, in effect, allows Lansing to leapfrog the city of East Lansing. The agreement provided Alaiedon Township officials with the means for protecting township borders from annexation efforts by East Lansing and sharing in property tax revenues. Lansing viewed the agreement as a means of maintaining city income tax revenue from the 1,200 insurance company employees.<sup>12</sup> The transferred parcel is now an island in the township. Insurance company employees are subject to Lansing city income tax, despite working in a building seven miles away from Lansing and possibly never traveling into the city,

The city of Lansing entered into a similar 425 agreement that created an island within Meridian Township. This agreement also leapfrogged the city of East Lansing. Again, one of the motivating factors was the fear of annexation by East Lansing. Under the agreement the city will supply water, sewer, refuse and recycling services to a new golf course and housing development. The township remains responsible for police, fire and emergency medical services. An interesting twist is that residents of the development are conferred voting rights in Meridian Township, but pay city property taxes.

Creating islands of development by not requiring contiguity inevitably leads to sprawl. In both of the cases cited above the desired sewer and water services could have been extended from East Lansing's systems at a lower cost over a much shorter distance. In the case of the Lansing/Alaiedon Township arrangement, services from East Lansing would have needed only to cross a freeway. The Lansing/Alaiedon Township arrangement also permitted a major employer to leave the core city to break ground on a greenfield in a relatively remote location. In reviewing annexation petitions, the State Boundary Commission is required to review several factors when acting on an annexation petition, including population density; land area and land uses; past and probable future urban growth; the practicability of supplying services in the area; and the probable effect of the proposed incorporation and of alternative courses of action on the cost and adequacy of services in the area. (PA 1968, No. 191, § 9). In conditional land transfers and annexations alike, the same considerations should be applied.

### ***Length of Agreements***

The average contract period of the filed 425 agreements is 38 years; an extremely long time in the institutional memory of most local governments. Many different local officials and

---

<sup>12</sup> The company's former headquarters was in south Lansing. The State of Michigan provided a \$2.1 million grant to partially offset the \$5.0 million cost of running the sewer and water lines to the new development. One major benefit of the agreement to the insurance company was a \$290,000 reduction in personal property tax liability. Such a reduction was possible because Lansing is designated as a "distressed city," granted the power to extend personal property tax abatements to firms and businesses expanding or locating "within city boundaries".

administrative officers will serve their respective townships, cities and villages during the contract period. It is entirely likely that a public official serving in 2010 will be unaware of the details of an agreement executed in 1990 even exists. In the summer of 2003 the authors conducted a random survey of municipal clerks<sup>13</sup> from jurisdictions that are parties to 425 agreements. The survey revealed that nearly 90 percent of those surveyed were aware of the existence of the contracts (Table 5). It also revealed that all of those who were aware of the contracts had a system for filing the agreements and could locate the document if necessary (Table 6).

**Table 5: Municipal Officials' Awareness of Existence of 425 Agreement(s) (N=79).**

<b>Response</b>	<b>Number</b>	<b>Pct. Total</b>
Yes	71	89.9%
No	8	10.1%
<b>Totals</b>	<b>79</b>	<b>100.0%</b>

**Table 6: System in Place for Filing 425 Agreement(s) (N=71\*).**

<b>Response</b>	<b>Number</b>	<b>Pct. Total</b>
Yes	71	100.0%
No	0	0.0%
<b>Totals</b>	<b>71</b>	<b>100.0%</b>

\*Does not include those unaware of agreement (8).

Most, but not all respondents confirmed that a system was in place that ensured revenue sharing payments were made on time and in the right amount. Most of those that answered “yes” stated that these issues were the treasurer’s responsibility (Table 7).

**Table 7: System in Place for Tracking the [Receipt/Payment] and Accuracy of Revenue Sharing (N=65\*).**

<b>Response</b>	<b>Number</b>	<b>Pct. Total</b>
Yes	47	72.3%
No	11	16.9%
Unsure	7	10.8%
<b>Totals</b>	<b>65</b>	<b>100%</b>

Does not include those unaware of agreement (8), or agreement does not include revenue sharing (4) or respondent declined to answer question (2)

<sup>13</sup> Clerks were chosen as the survey subjects because they are the primary official charged with the recordkeeping function. In some cases the clerk referred the survey worker on to other municipal officials. The responses from those officials are also included in the results.

Unfortunately, less than half of the respondents could confirm that a system was in place to alert the elected body when an agreement was about to expire (Table 8).

**Table 8: System in Place for Tracking Expiration of Agreement (N=69\*)**

<b>Response</b>	<b>Number</b>	<b>Pct. Total</b>
Yes	33	47.8%
No	35	50.7%
Unsure	1	1.4%
<b>Totals</b>	<b>69</b>	<b>100.0%</b>

\*Does not include those unaware of agreement (8), or N/A because agreement has expired (1) or does not specify expiration date (1).

The Conditional Land Transfer Act has been in effect since 1984. More than 37 percent of the agreements have been executed since 2000. If important details such as revenue sharing payments and expiration dates are getting lost in the shuffle of municipal business in this relatively short period of time, the likelihood that a municipality will accurately track its rights and obligations for the full term of a 50-year contract is indeed remote.

***Reversion of Control at Expiration of Contract***

For the parties to the 30.1 percent of the agreements that call for the transferred land to revert to the original jurisdiction upon expiration of the agreement, the potential for significant confusion exists. If the objective of these agreements (economic development) is accomplished, the transferred land will take on an unquestionably urban character. The residents and businesses within the transferred area will be city residents accustomed to receiving the full scope of city services. The residents have voted in city elections (unless the agreement states otherwise) and their property has been assessed as city property. The land has been developed with city infrastructure and maintained by the city. Both the Lansing/Alaiedon and the Lansing/Meridian agreements call for the land to revert to the respective townships at the expiration of the agreement. At the expiration of these reversion agreements, who will own the infrastructure? Will the city be willing to turn the infrastructure back to the township without compensation or, in the alternative, will the city have the option to “turn off the tap” or discontinue other municipal services it has provided for many years? Will the governing bodies of the communities be receptive to the change in political landscape that the shifted block of voters will bring about? The two agreements referred to above address some of these questions, but most of the 425 agreements calling for reversion fail to address them. We can probably assume the parties to these contracts have set themselves up for major legal battles forty or so years from now.

As stated earlier, when 425 agreements are filed with the Office of the Great Seal, the office sends the agreement to MDOT for verification of the accuracy of the boundaries. The stated purpose of MDOT’s involvement is to “insure that each municipality receives a proper pro rata

distribution of gasoline and motor vehicle weight tax revenue, intangible tax revenue, and state alcoholic liquor tax revenue...” and to “insure the population figures and Act 51 maps are accurate for reporting to the federal government, and to obtain other state funds, moneys or grants as they become available.” (Michigan Department of State 2004). Neither MDOT nor the Office of the Great Seal have any statutory obligation to notify communities, the U.S. Census Bureau, the Michigan Department of Treasury, or anyone else for that matter, of the pending expiration of an agreement and reversion of land.

### ***Blocking Agreements***

Township-city 425 agreements often are negotiated in order to avoid an annexation battle. However, the law also opens an opportunity for a city and township (as in the Lansing/Alaiedon and Lansing/Meridian agreements) or two or more townships adjacent to a city to enter into 425 agreements in order to block annexations initiated by a city or a resident. Recall that PA 425 prohibits annexation of property covered by a 425 agreement while the agreement is in force. From the review of executed agreements and conversations with local officials it is apparent that some townships have engaged in township-township 425 agreements as a defensive measure against annexation, with economic development only a minor consideration. Several of the township-township agreements resemble “buy-sell” agreements for sewer and/or water services. Property is not conditionally transferred, nor is the responsibility for municipal functions. In the *Casco Township v. Michigan State Boundary Commission* case discussed above the State Boundary Commission concluded that the primary purpose of those township-township agreements was to forestall annexation by the city of Richmond. Those agreements did little more than address the possible provision of sewer service from a third party (Macomb County) at an indeterminable time in the future.<sup>14</sup> They did not address other municipal service considerations. Instead of a 425 agreement, when a township with a need for infrastructure seeks it from another township with the capacity to provide it, an intergovernmental “buy-sell” agreement is appropriate and sufficient to accomplish the objective. When infrastructure can be supplied at a lower cost from a nearby city, it is wise fiscal and land use policy to obtain it from the city.

### **Suggested Reforms**

#### ***Require Planning***

Ideally, a 425 agreement should be part of a larger comprehensive effort by neighboring communities to create certainty in planning boundary changes or freezes over a long time horizon. Recent legislation such as the Coordinated Planning Act and the Joint Planning Commission Act evidence an intent by the legislature to promote cooperation among local units of government on land use matters. Legislative amendments to the Conditional Land Transfer

---

<sup>14</sup> Perhaps the best evidence that the agreements in question were primarily blocking agreements came from the brief of Appellant, Lenox Township:

“...since the Boundary Commission knows why Lenox Township cannot commit to a specific timetable for sewers, it is wrong for the Boundary Commission to deny that the agreement is a valid Act 425 Agreement on that basis. *If that were the case, then no two townships could ever enter into an Act 425 Agreement in an attempt to keep a nearby municipality from annexing their property.*” (*Emphasis added*) (Brief of Appellant, p. 8).

Act that require parties to an agreement to cooperate in the development of a coordinated land use plan for the communities, or that the agreement be consistent with existing coordinated land use plans would be consistent with the legislature's recent efforts. Wisconsin has adopted legislation that allows cities, villages and townships to cooperatively determine municipal boundaries and enter into service agreements upon the adoption of a cooperative plan that addresses physical development, service provision, housing and environmental needs (Wis. Stat. § 66.023 et. seq.). The Wisconsin Department of Administration must review and approve these plans before they effect. The plans must be for a period of 10 years, and may be longer if approved by the Department of Administration.<sup>15</sup> This type of statutory requirement gives communities an opportunity to be cooperative and comprehensive in planning for future growth and development, and provides the public with an opportunity to participate in shaping that future.

### ***Limit Length of Contract, or Require Periodic Review***

While there *may* be valid reasons for entering into relatively long-term agreements (for example, to fully capture and share the revenues from an economic development project) the *fifty-year* timeframe lacks a sound policy basis. Communities grow and change dramatically over time. Planners have historically limited long-term comprehensive planning to a twenty-year time horizon (five and ten-year comprehensive plans are now becoming the norm). The lion's share of revenue flowing from an economic development project can be captured during a twenty- to thirty-year period; likewise, the depreciation lifecycle of most investments in infrastructure is also twenty to thirty years.

Given the evidence that existing 425 agreements are already getting lost in the shuffle, the legislature should implement a system under which local policymakers must periodically review and/or reaffirm contract provisions. One option is to limit 425 agreements to ten to twenty years in length, with renewal upon agreement of both jurisdictions at the end of each ten-year period. This would allow policymakers to evaluate the progress and relative success of the economic development project, and to re-negotiate, if appropriate, the terms and conditions contract. Another option is to allow non-negotiable twenty-year agreements that must come before the governing bodies of the municipalities every four years. This would ensure that each new board and council is made aware of the municipality's involvement in these agreements. Under both scenarios, a centralized system of tracking agreements and notifying municipalities of their duties would be ideal.

### ***Eliminate Reversion Option***

Many of the thorniest long-term issues associated with 425 agreements could be avoided by eliminating the option to revert the land to the transferring party at the expiration of the agreement. The Conditional Land Transfer Act often has been promoted as a type of "phased annexation," even though was in reality an after-the-fact legislative enactment designed to fit the

---

<sup>15</sup> Wisconsin law also provides for intergovernmental agreements "for the receipt or furnishing of services or the joint exercise of any power or duty required or authorized by law." (Wis. Stat. § 66.30). Many Wisconsin municipalities have used Section 66.30 to make boundary agreements without pursuing the lengthy planning process required of Section 66.023. For example, a township will agree not to contest annexation of particular parcels in exchange for a city's agreement not to pursue annexation or extend services to other parcels.

Flint/Genesee Township situation. The revenue sharing provisions, it is argued, provides townships with compensation for providing one of the necessary ingredients (land) to an economic development projects, and allows townships to adjust over time to the loss of property tax base. A review of the executed agreements casts a different view on what is actually happening with conditional land transfers. If 30.1 percent of the agreements call for reversion to the transferring unit of government, then revenue recovery alone, not revenue recovery coupled with boundary adjustments, is the central motivation behind these agreements. If revenue sharing is, indeed, the sole motivation of the municipalities involved in these agreements, they can enter into simple revenue sharing agreements permitted by the Urban Cooperation Act (MCLA § 125.505a et. seq.). The Urban Cooperation Act permits “the sharing of all or a portion of revenue derived by and for the benefit of a local governmental unit...” This option was made available for the very purpose described in many of the reversionary 425 agreements; that is, revenue sharing in exchange for service provision. If, however, it makes sense from a planning, political and economic perspective for the receiving unit of government to assume all the jurisdictional responsibilities over the transferred property, then a 425 agreement that *permanently* shifts these responsibilities, an annexation by mutual consent, or a mutual consent annexation coupled with revenue sharing under the Urban Cooperation Act should be the preferred alternative.

Municipalities trying to decide on the terms of an intergovernmental agreement should ask how this parcel fits into their long-term vision for their communities. Is it in an area likely to experience further development beyond its boundaries, or is it an isolated need for services? If it is in an area of future growth and change, a 425 agreement that permanently shifts boundaries is the preferred alternative. If it is an isolated need for services, a service extension agreement without transfer may indeed be appropriate. Again, land use planning is a critical first-step in developing a long-term vision for the future. Choosing the correct tools for implementing that vision is thus made easier. It has been the authors’ experience that the reversion question is usually the stumbling block to reaching mutually-acceptable agreements. Facilitated negotiations go well until the question of final disposition of the land is addressed. Cities invariably demand transfer; townships invariably demand reversion.<sup>16</sup> If so many long-term problems are associated with reversion (confusion over service delivery, revenue payments, boundary readjustment, etc.) and reversion is the stumbling block to otherwise win-win situations, why should the legislature allow the continuance of these problems?

### ***Require Contiguosness***

Annexation law requires contiguity because the creation of islands of city land in townships contributes to sprawl through the extension of sewer and water, the inefficient use of public resources to extend this infrastructure over unreasonable distances, and problems providing other municipal services such as police and fire protection. The State Boundary Commission is required to address these considerations in deciding upon the appropriateness of boundary adjustments. Conditional land transfer agreements are boundary adjustments. The agreements should adhere to the same standards as annexation procedures regarding contiguity.

---

<sup>16</sup> Michigan Townships Association’s sample contract for conditional transfer of property only includes a sample provision for reversion, not transfer. (Michigan Townships Association, 2004).

The Lansing/Alaiedon and Lansing/Meridian agreements illustrate the problems associated with non-contiguity. Rather than utilize the lowest cost option by obtaining services from East Lansing in order to minimize public costs, the parties in each case chose to run pipes a considerable distance at considerable cost to serve a non-contiguous parcel. In the Lansing/Alaiedon agreement, the State of Michigan used its financing capacity to subsidize a project that adopted a higher cost option when a lower cost alternative was present. This is not sound public policy.

Other legal problems may arise with these types of agreements. For example, state law prohibits the annexation of non-contiguous parcels. Will “island” agreements that permanently transfer the property be valid upon their expiration, or will it depend on whether the parcels become contiguous (through growth of the city) during the intervening contract period? Creative legal work has led to some “unique” agreements; creative legal work will undoubtedly be needed to resolve many of these issues.

### ***Oversight of Agreements***

Oversight of 425 agreements by an independent governmental entity would be instrumental in guaranteeing the success of the reforms suggested in this paper. Indeed, several of the reforms would be meaningless without some entity overseeing the terms and execution of the agreements. Currently it is left to the judicial system, through lawsuits brought by parties to the agreements or interested citizens, to determine the communities’ legal rights and responsibilities under an agreement. Revision of the Act to include some measure of oversight by an independent state or regional entity could alleviate the pressure to run to court every time a dispute over a 425 agreement arose.

The oversight could take several forms. For example, the Office of the Great Seal, with assistance from Michigan State University Extension, has developed a searchable database of all 425 agreements, including parties, revenue sharing terms and expiration dates. The Office of the Great Seal could use this database to trigger notifications to municipalities that the contract period of their agreement has expired, or that periodic review of the agreement is due. A county or regional planning commission could be given the task of reviewing land use plans, or assisting in the development of plans, to ensure that 425 agreements reflect sound land use planning policy. This type of oversight would create minimal intrusion into the contracting process while ensuring that the true intent of the law is being put into practice.

The concerns over the sprawl-inducing effects of these agreements would best be addressed through a process of State Boundary Commission oversight similar to that required in many annexation petitions. Again, a 425 agreement is a boundary adjustment. The considerations found in the State Boundary Commission Act for deciding on annexation petitions (Appendix C) are equally applicable to 425 agreements. Currently the statute only dictates that agreements must be filed with the Office of the Great Seal, after which they are passed to the Department of Transportation to determine boundary accuracy. The Supreme Court’s ruling in *Casco Township v. State Boundary Commission* only permits the SBC to get involved in matters concerning 425 agreements if an annexation petition is filed for the subject parcel. Oversight of all 425 agreements by the SBC provides the best measure of protection for sound local government growth policy.

## **Conclusion**

Local officials from municipalities involved in 425 agreements indicate that the land transfer agreements result in the creation of additional economic activity and provide an opportunity for win-win economic development where, in some cases, none would otherwise exist. In some cases, industrial tax abatements have been granted to locating firms and expanding businesses, which makes it difficult to ascertain which policy instrument was the determining factor in expansion. It is probably safe to assume, however, that both policy instruments contributed to the economic development of the area. At a minimum, cooperation through an agreement, versus confrontation over annexation eliminates one obstacle to landing a development project. Officials report that the agreements improve intergovernmental cooperation, minimize the threats of annexation, and create an environment whereby economic development has the potential to evolve.

Situations have emerged where 425 agreements were developed as a defensive mechanism in order to prevent annexation, as a revenue sharing arrangement more appropriately addressed through the Urban Cooperation Act, or as a buy-sell arrangement more appropriately handled with a fee-for-service contract. Moreover, gaps in the legislation have resulted in agreements that promote sprawl, and agreements that will inevitably require legal action to sort out the various rights and responsibilities of the parties. Whether a 425 agreement will satisfy the mutual interests of both municipalities must be considered in the context of long-range comprehensive planning for the area and sound long-term fiscal management. The authors have suggested several legislative reforms that, if enacted, would put an end to the unintended negative consequences. Whether PA 425 will continue to satisfy its stated policy objectives will depend on the steps Michigan legislators take to position it among other potential intergovernmental agreements as an effective alternative to annexation.

## References

- Browne, W.P. and K. VerBurg. 1995. *Michigan Politics and Government: Facing Change In a Complex State*. Lincoln, NE: University of Nebraska Press.
- Michigan Compiled Laws, Annotated*. St. Paul, MN: West Publishing Co.
- Michigan Department of State. 2004. *Boundary Changes*. Retrieved March 15, 2004 from [http://www.michigan.gov/sos/0,1607,7-127-1638\\_8733\\_8750---,00.html](http://www.michigan.gov/sos/0,1607,7-127-1638_8733_8750---,00.html)
- Michigan Townships Association. 2004. *Sample Contract for Conditional Transfer of Property*. Retrieved March 15, 2004 from [http://www.michigantownships.org/information\\_department/contracts\\_agreements/annexation.htm](http://www.michigantownships.org/information_department/contracts_agreements/annexation.htm)
- Perlberg, E.J. 1990. "Act 425: Best Idea Since Ice Cream." *Michigan Municipal Review*. March, 74-75.
- Quinones, A.R. 1999. *An Analysis of the Conditional Land Transfer Program as a Policy Tool for Economic Development In Michigan*. Plan B Paper. East Lansing, MI: Michigan State University Department of Agricultural Economics
- Sengstock, F.D. 1960. *Annexation: A Solution to the Metropolitan Area Problem*. Ann Arbor, MI: University of Michigan Law School.
- VerBurg, K. 1990. *Managing the Modern Michigan Township*. East Lansing, MI: Michigan State University Department of Natural Resources.
- Wisconsin Statutes, Annotated*. St. Paul, MN: West Publishing Co.



## Appendix A

### INTERGOVERNMENTAL CONDITIONAL TRANSFER OF PROPERTY BY CONTRACT Act 425 of 1984

AN ACT to permit the conditional transfer of property by contract between certain local units of government; to provide for permissive and mandatory provisions in the contract; to provide for certain conditions upon termination, expiration, or nonrenewal of the contract; and to prescribe penalties and provide remedies.

*The People of the State of Michigan enact:*

#### **124.21 Definitions.**

Sec. 1.

As used in this act:

- (a) "Economic development project" means land and existing or planned improvements suitable for use by an industrial or commercial enterprise, or housing development, or the protection of the environment, including, but not limited to, groundwater or surface water. Economic development project includes necessary buildings, improvements, or structures suitable for and intended for or incidental to use as an industrial or commercial enterprise or housing development; and includes industrial park or industrial site improvements and port improvements or housing development incidental to an industrial or commercial enterprise; and includes the machinery, furnishings, and equipment necessary, suitable, intended for, or incidental to a commercial, industrial, or residential use in connection with the buildings or structures.
- (b) "Local unit" means a city, township, or village.

#### **124.22 Conditional transfer of property; period; written contract; renewal.**

Sec. 2.

- (1) Two or more local units may conditionally transfer property for a period of not more than 50 years for the purpose of an economic development project. A conditional transfer of property shall be controlled by a written contract agreed to by the affected local units.
- (2) A contract under this act may be renewed for additional periods of not to exceed 50 years upon approval of each legislative body of the affected local units.

#### **124.23 Formulation of contract; factors.**

Sec. 3.

When formulating a contract under this act, the local units shall consider the following factors:

- (a) Composition of the population; population density; land area and land uses; assessed valuation; topography, natural boundaries, and drainage basins; and the past and probable future growth, including population increase and business, commercial, and industrial development in the area to be transferred. Comparative data for the transferring local unit and the portion of the local unit remaining after transfer of the property shall be considered.
- (b) The need for organized community services; the present cost and adequacy of governmental services in the area to be transferred; the probable future needs for services; the practicability of supplying such services in the area to be transferred; the probable effect of the proposed transfer and of alternative courses of action on the cost and adequacy of services in the area to be transferred and on the remaining portion of the local unit from which the area will be transferred; the probable change in taxes and tax rates in the area to be transferred in relation to the benefits expected to accrue from the transfer; and the financial ability of the local unit responsible for services in the area to provide and maintain those services.
- (c) The general effect upon the local units of the proposed action; and the relationship of the proposed action to any established city, village, township, county, or regional land use plan.

#### **124.24 Public hearing; notice; majority vote required.**

Sec. 4.

(1) The legislative body of each local unit affected by a proposed transfer of property under this act shall hold at least 1 public hearing before entering into a contract under this act. Notice of the hearing shall be given in the manner provided by the open meetings act, Act No. 267 of the Public Acts of 1976, being sections 15.261 to 15.275 of the Michigan Compiled Laws.

(2) A decision to enter into a contract under this act shall be made by a majority vote of those members elected and serving on the legislative body of each affected local unit.

**124.25 Compliance as condition to entering into contract; resolution; referendum; approval by majority of electors; petition; effect of not filing petition or adopting resolution.**

Sec. 5.

(1) A contract shall not be entered into under this act except in compliance with this section.

(2) If the governing body of a local unit involved in a transfer of property under this act adopts a resolution calling for a referendum on the transfer, the local unit may enter into the contract only if the transfer is approved by a majority of the electors voting on the transfer.

(3) If, within 30 days after a public hearing is held under section 4, a petition signed by 20% or more of the registered electors residing within the property to be transferred is filed with the clerk of the local unit in which the property is located, a referendum on the transfer shall be held in that local unit. If a majority of the electors voting on the transfer approve the transfer, the local unit may enter into the contract.

(4) If no registered electors reside within the property to be transferred and if, within 30 days after a public hearing is held under section 4, a petition signed by persons owning 50% or more of the property to be transferred is filed with the clerk of the local unit in which the property is located, a referendum on the transfer shall be held in that local unit. If a majority of the electors in the local unit voting on the transfer approve the transfer, the local unit may enter into the contract.

(5) If a petition is not filed or resolution is not adopted as provided in this section, the local unit may enter into the contract to transfer the property.

**124.25a Violation of §§ 168.1 to 168.992 applicable to petitions; penalties.**

Sec. 5a.

Except as otherwise provided in this section, a petition under section 5, including the circulation and signing of the petition, is subject to section 488 of the Michigan election law, 1954 PA 116, MCL 168.488. A petition under section 5(4) that is signed by landowners because no registered electors reside within the property to be transferred is not subject to section 488 of the Michigan election law, 1954 PA 116, MCL 168.488. A person who violates a provision of the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992, applicable to a petition described in this section is subject to the penalties prescribed for that violation in the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992.

**124.26 Contract; provisions.**

Sec. 6.

(1) If applicable to the transfer, a contract under this act may provide for the following:

(a) Any method by which the contract may be rescinded or terminated by any participating local unit prior to the stated date of termination.

(b) The manner of employing, engaging, compensating, transferring, or discharging personnel required for the economic development project to be carried out under the contract, subject to the provisions of applicable civil service and merit systems. An employee who is transferred by a local unit due to a contract under this act shall not by reason of the transfer be placed in any worse position with respect to worker's compensation, pension, seniority, wages, sick leave, vacation, health and welfare insurance, or any other benefits that he or she enjoyed before the transfer.

(c) The fixing and collecting of charges, rates, rents, or fees, where appropriate, and the adoption of ordinances and their enforcement by or with the assistance of the participating local units.

(d) The manner in which purchases shall be made and contracts entered into.

(e) The acceptance of gifts, grants, assistance funds, or bequests.

(f) The manner of responding for any liabilities that might be incurred through performance of the contract and insuring against any such liability.

(g) Any other necessary and proper matters agreed upon by the participating local units.

**124.27 Contract; additional provisions.**

Sec. 7.

A contract under this act shall provide for the following:

(a) The length of the contract.

(b) Specific authorization for the sharing of taxes and any other revenues designated by the local units. The manner and extent to which the taxes and other revenues are shared shall be specifically provided for in the contract.

(c) Methods by which a participating local unit may enforce the contract including, but not limited to, return of the transferred area to the local unit from which the area was transferred before the expiration date of the contract.

(d) Which local unit has jurisdiction over the transferred area upon the expiration, termination, or nonrenewal of the contract.

**124.28 Conditionally transferred property; jurisdiction.**

Sec. 8.

Unless the contract specifically provides otherwise, property which is conditionally transferred by a contract under this act is, for the term of the contract and for all purposes, under the jurisdiction of the local unit to which the property is transferred.

**124.29 Other method of annexation or transfer prohibited.**

Sec. 9.

While a contract under this act is in effect, another method of annexation or transfer shall not take place for any portion of an area transferred under the contract.

**124.30 Effect of filing contract; entering contract in book; contract as prima facie evidence of conditional transfer.**

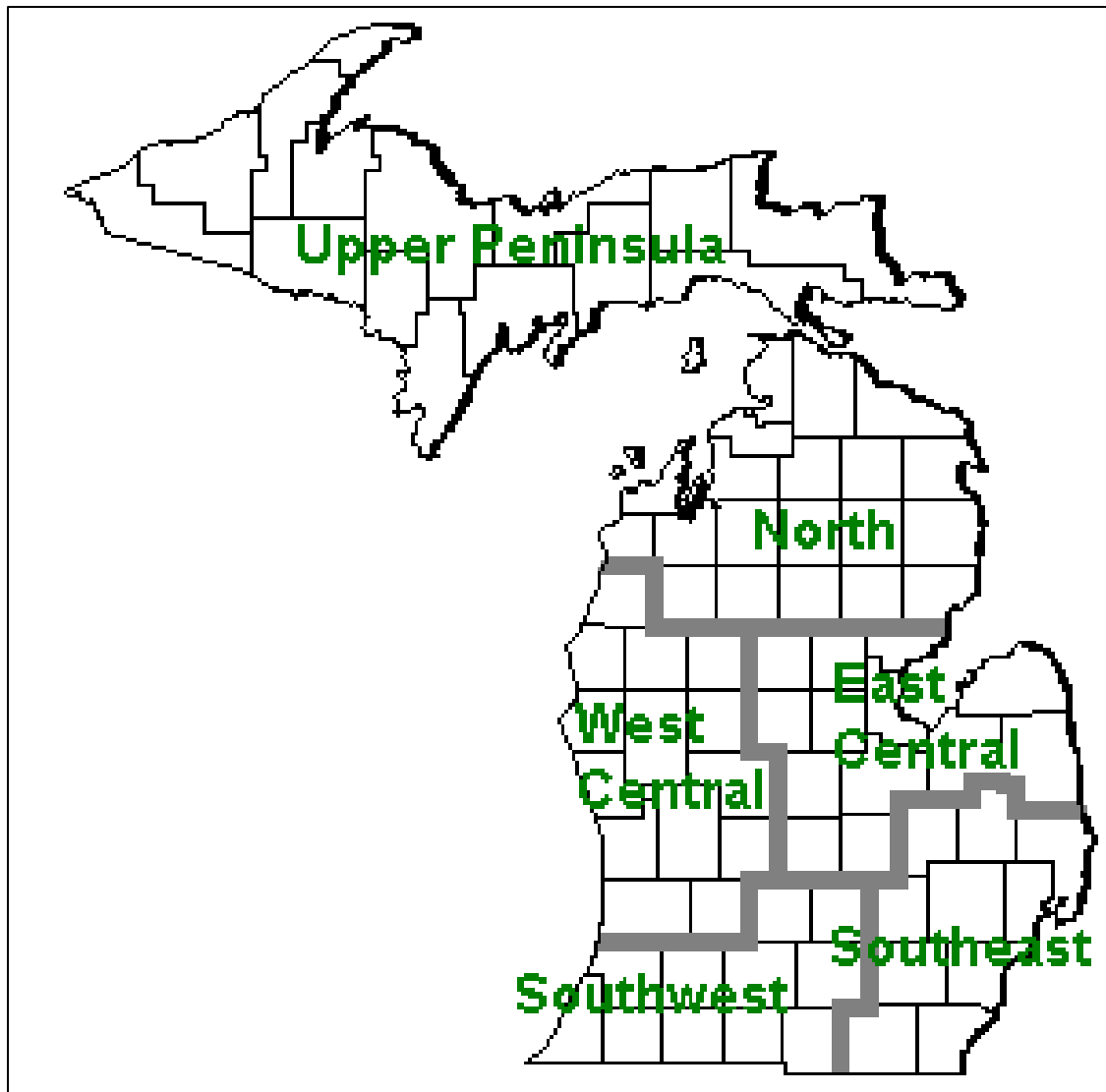
Sec. 10.

The conditional transfer of property pursuant to a contract under this act takes place when the contract is filed in the manner required by this section. After the affected local units enter into a contract under this act, the clerk of the local unit to which the property is to be conditionally transferred shall file a duplicate original of the contract with the county clerk of the county in which that local unit, or the greater part of that local unit, is located and with the secretary of state. That county clerk and the secretary of state shall enter the contract in a book kept for that purpose. The contract or a copy of the contract certified by that county clerk or by the secretary of state is prima facie evidence of the conditional transfer.

© 2004 Legislative Council, State of Michigan. Retrieved from <http://www.michiganlegislature.org>

Appendix B

Michigan State University Extension Region Map



## Appendix C

### STATE BOUNDARY COMMISSION Act 191 of 1968 (EXCERPT)

#### **123.1009 Review of proposed incorporation; criteria.**

Sec. 9.

Criteria to be considered by the commission in arriving at a determination shall be:

(a) Population; population density; land area and land uses; assessed valuation; topography, natural boundaries and drainage basins; the past and probable future urban growth, including population increase and business, commercial and industrial development in the area. Comparative data for the incorporating municipality, and the remaining portion of the unit from which the area will be detached shall be considered.

(b) Need for organized community services; the present cost and adequacy of governmental services in the area to be incorporated; the probable future needs for services; the practicability of supplying such services in the area to be incorporated; the probable effect of the proposed incorporation and of alternative courses of action on the cost and adequacy of services in the area to be incorporated and on the remaining portion of the unit from which the area will be detached; the probable increase in taxes in the area to be incorporated in relation to the benefits expected to accrue from incorporation; and the financial ability of the incorporating municipality to maintain urban type services in the area.

(c) The general effect upon the entire community of the proposed action; and the relationship of the proposed action to any established city, village, township, county or regional land use plan.

©

## Appendix B: P.A. 425 Agreements Filed as of July 1, 2005

Adopted	Units Involved	Purpose	Years	Revenue Sharing Agreement	Disp at End of Agreement
3/4/1992	Adams Twp & North Adams GLV	Economic Development	50	Township Millage Rate	Reverts to Township
11/17/2003	Adrian HRC & Adrian Twp	New Land Transfer Agreements	10	None	Reverts to City
11/4/2002	Adrian Twp & Adrian HRC	Residential Development	50	2.8188 Mills of Taxable Value	Transfers to City
6/10/1996	Adrian Twp & Adrian HRC	Econ & Housing Development	50	1.5 Mills	Transfers to City
4/11/2004	Adrian Twp-C & Adrian HRC	Econ & Comm Development	50	TWP Millage Rate + 1.0 mill	Transfers to City if Contiguous
9/12/1994	Alabaster Twp & Tawas City HRC	Economic Development, S&W	20	Twp 60% of St/Fed Rev Sharing, St. Fire Reimb, 2.0 Mills	Reverts to Township, Opt-Renew
10/27/1998	Alaiedon Twp & Lansing HRC	Commercial Development, S&W	50	2.5 mills for 1st 10 Years, 2.0 Mills Thereafter	Reverts to Township
11/30/1999	Alaiedon Twp & Lansing HRC	Economic Development, S&W	50	Township Levy, <10 mills	Reverts to Township
10/17/2001	Algoma Twp & Rockford HRC	Econ & Housing Development, S&W	50	2 Mills to TWP If Land Were in Legal Limits of City	Transfers to City
4/1/2004	Allegan Twp & Allegan HRC	Econ Develop, Create Jobs,	1	None	Transfers to City
7/19/1994	Almont Twp & Almont HRV	Economic Development	50	Township Millage Rate	Transfers to Village
11/4/1996	Alpine Twp & Plainfield Twp-C	Econ Dev, Public Water	24	\$200 Per Hydrant	Reverts to Alpine T.
12/21/2001	Arcada Twp & Alma HRC	Residential Development, S&W	50	3 Mills of TV(tract1), After 5yrs 2 Mills (tracts 1,2&3)	Transfers to City
5/10/2000	Bagley Twp & Gaylord HRC	Economic Development, S&W	50	1.5 Mills	Transfers to City
6/13/1996	Bagley Twp & Gaylord HRC	Economic Development, S&W	8	None	Reverts to Township
3/15/1996	Bagley Twp & Gaylord HRC	Economic Development, S&W	5	Township Millage Rate	Reverts to Township
8/11/2000	Bangor Twp-C & Bay City HRC	Economic Development, S&W	50	100% of City's Gen Op Levy	Reverts to Township
9/18/2001	Baraga Twp & Baraga GLV	Economic & Infrastructure Develop	25	100% of Taxes Collected & St/Fed Revenue Sharing	Reverts to Township
10/1/2004	Baroda Twp & Baroda GLV	Econ, Comm & Ind Dev, Res Housing	10	1 mill of Taxable Value	Reverts to TWP
6/28/2002	Bath Twp-C & East Lansing HRC	Economic Development, S&W	50	TWP Millage, < 5.0 Mills	Transfers to City
11/1/1993	Beaverton Twp & Beaverton HRC-F	Economic Development	20	2.0 Mills	Transfers to City
1/18/1991	Benton Twp-C & Benton Harbor HRC	Industrial Development, S&W	50	Township Millage Rate	Reverts to Township
7/12/2000	Berlin Twp & Ionia HRC	Economic Development, S&W	50	50% of City Millage & Inc. Tax, 50% of SSR	Renewable
6/16/1990	Berlin Twp & Ionia HRC	Economic Development, S&W	7	2.0 Mills	Reverts to Township
3/17/2000	Bethany Twp & St Louis HRC	Comm & Ind Develop, Env Protection	25	15 Yrs 50% Prop Tax, 2.0 Mills after, 5% of City Inc Tax	Reverts to Township
3/17/2000	Bethany Twp & St Louis HRC	Comm, Ind & Res Develop, S&W	25	15 Yrs 50% Prop Tax, 10 Yrs 2 Mills, 25 Yrs 5% Inc.Tax	2 Parcels to Twp, 1 to City
3/17/2000	Bethany Twp & St Louis HRC	Econ, Comm & Ind Dev, S&W	50	2 Mills of SEV to Extent Taxable, 5% of Inc Tax collected	Reverts to Township
4/13/1991	Big Rapids Twp-C & Green Twp-C	Economic Development	5	Big Rapids to Make Payments on Bonds Issued	Reverts to Big Rapids T.
2/14/1995	Bingham Twp & St Johns HRC	Economic Development, S&W	50	1.0 Mill	Transfers to City
9/1/1996	Bingham Twp & St Johns HRC	Economic Development, S&W	50	1.0 Mill	Transfers to City
3/16/1999	Blackman Twp-C & Jackson HRC	Economic Development, S&W	20	50% of Township Millage, St/Fed Rev Sharing 75% 25% City	Reverts to Township
10/1/2003	Blackman Twp-C & Summit Twp	S&W for School District	2	None	Transfers to Blackman TWP
8/17/2000	Bloomer Twp & Carson City HRC	Com, Ind & Res Dev, S&W	35	2.5 Mills of TV (Non-Renaissance), Various for Renaissance	Transfers to City
8/17/2000	Bloomer Twp & Carson City HRC	Com, Ind & Res Dev, S&W	35	2.5 Mills of Taxable Value	Transfers to City
8/30/2001	Bloomfield Twp-C & Birmingham HRC	Economic Development	5	Township Levy Not > 10 Mills, 2 Mills to Econ Dev Fund	Auto-Renew 5 Yrs, to TWP
11/27/2002	Bloomfield Twp-C & Pontiac HRC	Economic Development	50	3.0 Mills Adjusted > 2.5 Mills, TWP Equivalent Fed&SSR	By Vote
1/18/2002	Boyne Valley Twp & Boyne City HRC	Economic Development	50	1 Mill of TV for 20 Yrs or Until Bonds are Paid, 2 Mills after	Transfers to City
8/27/2002	Brampton Twp & Gladstone HRC	Comm, Ind & Res Develop, S& W	50	TWP Millage Rate, Proportional Split of St/Fed Rev Sharing	Transfers to City
2/29/1996	Brampton Twp & Gladstone HRC	Economic Development	50	Township Millage Rate	Reverts to Township
9/13/1999	Brockway Twp & Yale HRC-F	Economic Development	1	None	Transfers to City
11/24/2003	Brooks Twp & Newago HRC	Econ, Comm and Housing Dev, S&W	50	St/Fed Rev Sharing	Not Stated

Adopted	Units Involved	Purpose	Years	Revenue Sharing Agreement	Disp at End of Agreement
1/10/2002	Brooks Twp & Newaygo HRC	Middle School, S&W, Env Protection	50	Loses Tax Exemption Status, TWP Levy < 3.0 Mills	Transfers to City
1/16/1995	Brooks Twp & Newaygo HRC	Economic Development	15	0.3 Mills	Transfers to City
10/1/2000	Buchanan Twp & Buchanan HRC	Econ, Comm & Ind Dev, S&W	50	2.0803 Mills<Township Levy <3 Mills	Reverts to Township
7/14/1993	Buckeye Twp & Gladwin HRC	Economic Development	50	< 2.0 Mills	Transfers to City
6/6/1995	Buckeye Twp & Gladwin HRC	Economic Development, S&W	50	1.0 Mill	Transfers to City
7/31/1997	Buckeye Twp & Gladwin HRC	Economic Development	50	1.0 Mill	Transfers to City
3/11/1996	Burlington Twp & Union City GLV	Economic Development	50	None	Reverts to Township
10/9/1996	Burlington Twp & Union City GLV	Economic Development	50	None	Reverts to Township
1/19/2000	Burlington Twp & Union City GLV	Econ & Res Development	50	None	Reverts to Township
8/13/2002	Burlington Twp & Union City GLV	Econ & Res Development	50	None	Reverts to Township
1/30/2003	Burlington Twp & Union City GLV	Econ & Res Development	50	None	Reverts to Township
11/11/1998	Burlington Twp & Union City GLV	Environment Protection, S&W	50	None	Auto-Renew, Reverts to TWP
5/13/1998	Burlington Twp & Union City GLV	Housing	50	None	Reverts to Township
1/22/2001	Burnside Twp & Brown City HRC	Comm & Ind Dev, Env Protection	50	Current Years Millage on TV to	Transfers to City
7/31/2000	Burr Oak Twp & Sturgis HRC	Economic Development	50	1.5 Mills of Taxable Value of District II, for 40 yrs	Dist I to Twp, Dist II to City
3/14/2002	Byron Twp & Wyoming HRC	Comm, Ind & Res Dev	50	1.0 Mill	Reverts to Township
9/2/1997	Byron Twp & Wyoming HRC	Economic Development	50	1.0 Mill	Reverts to Township
6/15/2000	Carmel Twp & Charlotte HRC	Econ Development, Env Protection	50	2 Mills of Taxable Value, 1 Mill After 50yrs.	Reverts to Township
1/1/1992	Carmel Twp & Charlotte HRC	S&W, Other	10	1.0 Mill	Transfers to City
7/19/1993	Carmel Twp & Charlotte HRC	S&W, Other	10	1.0 Mill	Transfers to City
12/13/1995	Casco Twp & Lenox Twp	Economic Development, S&W	30	50% of Levy	Reverts to Township
8/13/1985	Caseville Twp & Caseville HRV	Economic Development	12	50% Ind Fac Tax	Reverts to Township
10/7/2002	Clam Lake Twp & Cadillac HRC	Economic Development, S&W	50	1 Mill of Taxable Value	Transfers to City
8/14/2002	Clam Lake Twp & Cadillac HRC	Economic Development, S&W	50	1 Mill of Taxable Value	Transfers to City
9/10/1989	Clam Lake Twp & Cadillac HRC	S&W, Refuse	50	1.0 Mill	Transfer to City
11/8/2001	Clay Twp & Algonac HRC	Residential Development, S&W	10	.6016 Mills of Taxable Value	Transfers to City
12/19/2001	Clay Twp & Algonac HRC	Residential Development, S&W	10	.6016 Mills of Taxable Value	Transfers to City
3/9/2000	Coldwater Twp & Coldwater HRC	Residential Development, S&W	N/A	N/A	N/A
11/4/1988	Coldwater Twp & Coldwater HRC	Econ, Ind & Residential Development	50	1.5 Mills	Transfers to City
4/12/1996	Coldwater Twp & Coldwater HRC	Econ Development & Env Protection	50	1.6 Mills	N/A
10/28/1996	Coldwater Twp & Coldwater HRC	Economic Development	50	TWP Millage + 0.5 Mills, <2.5	N/A
7/6/1998	Coldwater Twp & Coldwater HRC	Economic Development	50	None	Transfers to City
10/5/1999	Coldwater Twp & Coldwater HRC	Housing	50	20% of City Millage Levy	Transfers to City
5/24/1999	Coldwater Twp & Coldwater HRC	Economic Development, S&W	50	20% of City Millage Levy	Transfers to City
12/2/2004	Coldwater Twp & Coldwater HRC	S&W Franchise Agreement	50	None Noted	Transfers to City, Renewable
6/23/2003	Colfax Twp & Bad Axe Twp	Economic Development, S&W	50	2.5 mills of Taxable Value	Dist I to TWP, Dist II to City
11/2/1995	Columbus Twp & Lenox Twp	Economic Development, S&W	30	50% of Levy	Reverts to Township
5/2/2005	Custer Twp & Scottville HRC	S&W	50	1 mill of Taxable Value	Auto-Renew 50 Yrs,to TWP
9/8/1997	Day Twp & Stanton HRC	Industrial Development	30	4.0 Mills	Reverts to Township
5/8/2000	Delta Twp-C & Lansing HRC	Ind Development, S&W	25	50% of levy	Reverts to Township
7/1/1999	Dewitt Twp-C & Bath Twp-C	Economic Development, S&W	50	50% of Millage Revenue From Transferred Property	Reverts to Township
5/5/1998	Dewitt Twp-C & East Lansing HRC	Ind & Comm Development	30	4.0 Mills	Transfers to City
2/15/2000	Dundee Twp & Dundee GLV	Economic Development	50	If Village Becomes City, TWP Mill + 1 mill.	Transfers to Village
3/20/1990	Dundee Twp & Dundee GLV	S&W, Other	50	2.0 Mills	Transfers to Village

Adopted	Units Involved	Purpose	Years	Revenue Sharing Agreement	Disp at End of Agreement
6/2/1999	Dundee Twp & Dundee GLV	Economic Development	50	Township Millage Rate	Transfers to Village
1/15/2003	Dundee Twp & Dundee GLV	Economic Development, S&W	50	If Village becomes City, Twp mill. + 1 mill.	Transfers to Village, Renewable
9/4/2003	Dundee Twp & Dundee GLV	Economic Development	50	If Village becomes City, Twp mill. + 1 mill.	Transfers to Village, Renewable
8/26/2003	Dundee Twp & Dundee GLV	Economic Development	50	If Village becomes City, Twp mill. + 1 mill.	Transfers to Village, Renewable
10/14/2003	Dundee Twp & Dundee GLV	Economic Development	50	If Village becomes City, Twp mill. + 1 mill.	Transfers to Village, Renewable
10/14/2003	Dundee Twp & Dundee GLV	Economic Development	50	If Village becomes City, Twp mill. + 1 mill.	Transfers to Village, Renewable
10/14/2003	Dundee Twp & Dundee GLV	Economic Development	50	If Village becomes City, Twp mill. + 1 mill.	Transfers to Village, Renewable
10/14/2003	Dundee Twp & Dundee GLV	Economic Development	50	If Village becomes City, Twp mill. + 1 mill.	Transfers to Village, Renewable
12/9/2003	Dundee Twp & Dundee GLV	Economic Development	50	If Village becomes City, Twp mill. + 1 mill.	Transfers to Village, Renewable
9/7/2004	Dundee Twp & Dundee GLV	Economic Development	50	If Village becomes City, Twp mill. + 1 mill.	Transfers to Village, Renewable
9/7/2004	Dundee Twp & Dundee GLV	Economic Development	50	If Village becomes City, Twp mill. + 1 mill.	Transfers to Village, Renewable
12/7/2004	Dundee Twp & Dundee GLV	Economic Development	50	If Village becomes City, Twp mill. + 1 mill.	Transfers to Village, Renewable
1/4/2005	Dundee Twp & Dundee GLV	Economic Development	50	If Village becomes City, Twp mill. + 1 mill.	Transfers to Village, Renewable
2/14/2000	Eagle Twp & Grand Ledge HRC	Ind & Housing Development	40	50% of City Millage or 3.75 mills, whichever is >	Transfers to City
12/13/1988	Easton Twp & Ionia HRC	Housing	50	50% Housing Commission Rev, 50% SSR	Transfers to City
10/15/1990	Easton Twp & Ionia HRC	Economic Development	20	2.0 Mills	Transfers to City
2/13/1992	Eaton Twp & Charlotte HRC	Econ Develop, Municipal Services	10	1.0 Mill	Transfers to City
12/18/1986	Elba Twp & Lapeer HRC	Economic Development, S&W	50	1.5 Mills	Transfers to City
4/13/1998	Emerson Twp & Ithaca HRC	Economic Development	10	4.0 Mills	Auto-Renewal every 10 yrs.
6/18/1996	Escanaba Twp & Gladstone HRC	Economic Development	50	3.0 Mills	Transfers to City
6/14/1994	Evangeline Twp & Boyne City HRC	Economic Development, S&W	10	Township Millage Rate	Auto-Renew 10 Yrs to TWP
5/4/1990	Fabius Twp & Three Rivers HRC	Economic Development, S&W	50	1.5 Mills + TWP levy	Transfers to City
1/22/1991	Fabius Twp & Three Rivers HRC	Economic Development, S&W	50	1.5 Mills + TWP levy	Transfers to City
1/22/1991	Fabius Twp & Three Rivers HRC	Residential S&W	50	2.0 Mills	Reverts to Township
4/12/1995	Fabius Twp & Three Rivers HRC	Economic Development, S&W	50	2.0 Mills	Reverts to Township
8/20/1997	Fabius Twp & Three Rivers HRC	Commercial S&W	25	TWP Millage Rate + 2.8 mills	Transfers to City
5/20/1998	Fabius Twp & Three Rivers HRC	Commercial S&W	50	3.0 Mills (Yrs 1-25), 2.0 Mills (Yrs. 26-50)	Transfers to City
4/6/1999	Fabius Twp & Three Rivers HRC	Economic Development, S&W	50	3.0 Mills (Yrs 1-25), 2.0 Mills (Yrs. 26-50)	Transfers to City Unless Renewed
9/18/1998	Fabius Twp & Three Rivers HRC	Economic Development, S&W	20	None	N/A
8/14/1995	Fawn River Twp & Sturgis HRC	Economic Development, S&W	15	1.5 Mills	Transfers to City
7/15/1998	Fawn River Twp & Sturgis HRC	Economic Development, S&W	25	1.5 Mills	Transfers to City
1/21/1999	Fawn River Twp & Sturgis HRC	Economic Development, S&W	25	1.5 Mills	Transfers to City
1/21/1999	Fawn River Twp & Sturgis HRC	Economic Development, S&W	25	1.5 Mills	Transfers to City
11/23/1988	Fayette Twp & Hillsdale HRC	Economic Development, S&W	30	3 Mills of SEV, 50% of St/Fed Rev Sharing	Automatic Renewal
N/A	Fayette Twp & Hillsdale HRC	Restaurant Development,	15	3 Mills, 50% St/Fed Rev Sharing	Auto-Renew 30 Yrs, to TWP
12/30/1988	Flint Twp-C & Flint HRC	Airport Development	50	50% of Revenues	Reverts to Township
12/3/1991	Fredonia Twp & Marshall HRC	Economic Development	50	2.0 Mills or 10.81% of City Levy	Reverts to Township
12/16/2002	Frenchtown Twp-C & Monroe HRC	Economic Development	50	20% of General Operating Mills Levied	Transfers to City
6/10/1992	Garfield Twp & Newaygo HRC	Economic Development, S&W	15	0.3 Mills	Transfers to City
8/10/1994	Garfield Twp & Newaygo HRC	Economic Development	15	0.3 Mills	Transfers to City
1/18/1995	Garfield Twp & Newaygo HRC	Economic Development	15	0.3 Mills	Transfers to City
1/18/1995	Garfield Twp & Newaygo HRC	Economic Development	15	0.3 Mills	Transfers to City
9/10/1990	Garfield Twp-C & Traverse City HRC	Economic Development, S&W	50	TWP Millage Rate, Not to Exceed 5.0 Mills	Reverts to Township
12/5/1987	Genoa Twp & Brighton HRC	Economic Development, S&W	50	2.5 Mills	Transfer to City

Adopted	Units Involved	Purpose	Years	Revenue Sharing Agreement	Disp at End of Agreement
12/6/1995	Girard Twp & Coldwater HRC	Economic Development	50	TWP Millage Rate, .5 Mills < 2.5 Mills	Reverts to Township
9/8/1994	Grand Ledge HRC & Charlotte HRC	Economic Development	50	1.0 Mill	Transfers to City
11/1/1998	Grand Ledge HRC & Charlotte HRC	Economic Development, S&W	50	2.0 Mills	Reverts to Township
7/15/1991	Grd. Rapids Twp-C & Plainfield Twp-C	Econ Development, Env Protection	50	None	Reverts to Grand Rapids Charter T.
2/23/1998	Grandville HRC & Wyoming HRC	Adjust Boundary Lines	N/A	None	None
12/15/2001	Grant Twp & Clare HRC	Comm & Res Development	20	N/A	N/A
10/15/2001	Grant Twp & Clare HRC	Comm & Res Development	20	N/A	N/A
12/21/1992	Grant Twp & Clare HRC	Economic Development	25	1.0 Mill	Reverts to Township
9/16/1996	Grant Twp & Clare HRC	Economic Development, S&W	40	1.0 Mills, < 1.0 Additional	Reverts to Township
7/1/1992	Grant Twp & Rothbury GLV	Organized Services	5	Township Millage Rate	Renewable Up to 50 Yrs.
1/10/1994	Grout Twp & Gladwin HRC	Economic Development, S&W	50	TWP Rate, < 2.0 Mills	Transfers to City
10/5/1998	Grout Twp & Gladwin HRC	Comm, Ind & Housing Dev, S & W	50	TWP Rate, < 2.0 Mills	Transfers to City
4/26/1999	Gun Plain Twp-C & Prairieville Twp	Econ Development, Env Prot, S&W	25	Special Assessment Levy from Sewer Authority	Transfers to Gun Plain
7/26/1999	Hamlin Twp & Eaton Rapids HRC	Economic Development, S&W	30	1.5 Mills	Transfers to City
10/27/1995	Handy Twp & Fowlerville GLV	Economic Development	30	2.0 Mills	Transfers to Village
5/28/1998	Handy Twp & Fowlerville GLV	Ind & Comm Development, S & W	50	2.0 Mills	Transfers to Village
10/18/1999	Handy Twp & Fowlerville GLV	Economic Development, S&W	50	2.0 Mills	Reverts to Township
3/15/1996	Hart HRC & Hart Twp	Economic Development	30	TWP Millage + 1 mill	Transfers to City
12/29/1993	Hartford HRC & Hartford Twp	Economic Development	20	2.4 Mills, Increases 5% Per Year	Transfers to City
11/15/2000	Hillsdale Twp & Hillsdale HRC	Economic Development, S&W	25	4 Mills of TV, 50% of St/Fed Rev Sharing	Transfers to City
9/16/1999	Hillsdale Twp & Hillsdale HRC	S&W	50	TWP Millage Rate + 1 mill > 3.0 Mills	Reverts to Township
12/21/1998	Holly Twp & Holly HRV	Economic Development, S&W, Police	25	None	Transfers to Village
12/7/2001	Imlay Twp & Imlay City HRC	Economic Development, S&W	50	4.0 Mills or 3.0 Mills if Tax abatement occurs	Transfers to City
12/7/2001	Imlay Twp & Imlay City HRC	Economic Development, S&W	50	4.0 Mills or 3.0 Mills if Tax abatement occurs	Transfers to City
6/20/1989	Imlay Twp & Imlay City HRC	S&W	50	TWP Millage Rate, <5.0	N/A
5/11/1993	Imlay Twp & Imlay City HRC	S&W	50	2.0 Mills	N/A
10/4/1994	Inverness Twp & Benton Twp	Econ Dev, Env Protection	18	None	Reverts to Township
7/14/1992	Inverness Twp & Cheboygan HRC	Economic Development, S&W	20	1 Mill * SEV, 50% St/Fed Shared Revenue	Reverts to Township
11/24/1992	Inverness Twp & Cheboygan HRC	Econ Development, Housing	20	1.0 Mill	Reverts to Township
12/22/1999	Ionia Twp & Ionia HRC	Economic Development, S&W	50	50% of City Millage & Inc. Tax, 50% of St/Fed Revenue	Reverts to Township
2/12/2002	Ionia Twp & Ionia HRC	Economic Development, S&W	50	50% of City Millage & Inc. Tax, 50% of St/Fed Revenue	Reverts to Township
6/13/2002	Ionia Twp & Ionia HRC	Economic Development, S&W	50	50% of City Millage > 1.5 Mills, 50% Fed&SSR & Inc Tax	Reverts to Township
11/28/1989	Ionia Twp & Ionia HRC	Economic Development, S&W	50	1.5 Mills	Transfers to City
3/27/1996	Ionia Twp & Ionia HRC	Economic Development	50	1.5 Mills	Reverts to Township
3/14/1994	Jamestown Twp-C & Georgetown Twp-C	Econ, Comm, Ind, Res Dev, S&W	20	20% Surcharge on User Fees by Georgetown TWP	Reverts to Jamestown
3/29/1985	Lapeer Twp & Lapeer HRC	Economic Development, S&W	50	1.5 Mills	Transfers to City
6/24/1994	Lawrence Twp & Lawrence GLV	S&W, Other	50	Township Millage Rate	Reverts to Township
12/13/1994	Lenox Twp & Richmond HRC	Commercial Development	6	1/12 Ad Valorem Tax (City)	Transfers to City
8/6/2001	Leroy Twp & Webberville GLV	Economic Development	50	TWP Levy + 1.0 Mill	Optional-Renew Trans to Village
10/3/1988	Leslie Twp & Leslie HRC	Economic Development	30	Township Millage Rate	Reverts to Township
5/8/1995	Leslie Twp & Leslie HRC	Economic Development, S&W	15	Township Millage Rate	Transfers to City
3/31/1988	Lincoln Twp & Standish HRC	Economic Development, S&W	50	70% St/Fed Revenue Sharing	Transfers to City
10/27/1989	Lincoln Twp & Standish HRC	Economic Development, S&W	50	1.0 Mill, 70% St/Fed Revenue Sharing	Transfers to City

Adopted	Units Involved	Purpose	Years	Revenue Sharing Agreement	Disp at End of Agreement
10/25/1995	Livingston Twp & Gaylord HRC	S&W	5	Township Millage Rate	Reverts to Township 5 yr. Renewal
9/28/1990	Livingston Twp & Gaylord HRC	Economic Development, S&W	5	Township Millage Rate	Reverts to Township
7/9/1990	Livingston Twp & Gaylord HRC	Economic Development	5	Township Millage Rate	Reverts to Township
2/27/1997	Livingston Twp & Gaylord HRC	Economic Development, S&W	20	Township Millage Rate	Reverts to Township
2/1/2000	Lockport Twp & Three Rivers HRC	Economic Development, S&W	15	1 Mill Until Jan 1, 2010	Transfers to City
2/1/2000	Lockport Twp & Three Rivers HRC	Commercial Development, S&W	25	Twn Levy + 2.5 mills, < 3.5 Mills	Transfers to City
11/13/2000	Lockport Twp & Three Rivers HRC	Commercial Development, S&W	50	2.5 Mills	Transfers to City
8/27/2002	Lockport Twp & Three Rivers HRC	Res & Comm Development	35	2.5 Mills Comm Dev, 2.0 Mills Res Dev	Transfers to City if Contiguous
5/16/1988	Lockport Twp & Three Rivers HRC	Economic Development, S&W	50	TWP Millage Rate + 0.5 Mills	Transfers to City
4/14/1989	Lockport Twp & Three Rivers HRC	Economic Development, S&W	50	TWP Millage Rate + 0.5 Mills	Transfers to City
3/21/1990	Lockport Twp & Three Rivers HRC	Economic Development	25	TWP Millage Rate + 0.5 Mills	Transfers to City
3/20/1990	Lockport Twp & Three Rivers HRC	Economic Development, S&W	50	TWP Millage Rate + 0.5 Mills	Transfers to City
6/2/1992	Lockport Twp & Three Rivers HRC	Economic Development, S&W	50	TWP Millage Rate + 1 Mill	Transfers to City
6/2/1992	Lockport Twp & Three Rivers HRC	Economic Development, S&W	50	TWP Millage Rate + 1 Mill	Transfers to City
12/17/1996	Lockport Twp & Three Rivers HRC	Economic Development, S&W	50	2.5 Mills	Transfers to City
3/3/2000	Mackinaw Twp & Mackinaw City GLV	Res Condominium Develop, S&W	50	1.0 Mills, If Village Become City, TWP Rate > 5.0 Mills	Reverts to Township
7/24/2002	Mackinaw Twp & Mackinaw City GLV	Residential Development	50	1 Mill of Assessed Valuation	Reverts to Township
5/4/1995	Madison Twp-C & Adrian HRC	Economic Development	50	Township Millage Rate	Reverts to Township
3/15/1990	Maple Valley Twp & Brown City HRC	Sewer	30	2.0 Mills	Transfer to City
4/18/2005	Marengo Twp & Marshall HRC	Econ Develop, Fin Stability, Pub Sfty	50	3 mills of Taxable Value	Transfers to City if Contiguous
12/28/2004	Marengo Twp & Marshall HRC	Econ Develop, Fin Stability, Pub Sfty	51	4 mills of Taxable Value	Transfers to City if Contiguous
1/19/1987	Marion Twp & Howell HRC	Economic Development, S&W	50	(1.28 Mills) or 7.61% Revenues	Transfers to City
6/3/2002	Marshall Twp & Marshall HRC	Public School or Similar Use	30	1.5 Mills of Taxable Value to Extent Not Exempt From Tax	Transfers to City
6/3/2002	Marshall Twp & Marshall HRC	S&W	30	3 mills of Taxable Value	If Cont to City, Auto-Renew
12/27/1990	Marshall Twp & Marshall HRC	Economic Development	50	10.81% of City Levy	Reverts to Township
6/21/1992	Marshall Twp & Marshall HRC	Economic Development	50	2.0 Mills or 11.36% City Levy	Transfers to City
10/18/1993	Marshall Twp & Marshall HRC	Economic Development	50	2.0 Mills or 11.36% City Levy	Transfers to City
10/18/1993	Marshall Twp & Marshall HRC	Economic Development	30	1.5 Mills	Transfers to City
8/8/1994	Marshall Twp & Marshall HRC	Economic Development, S&W	50	2.0 Mills or 11.36% of City Levy	Transfers to City
8/21/1995	Marshall Twp & Marshall HRC	Economic Development, S&W	30	N/A	Transfers to City
11/9/1999	Marshall Twp & Marshall HRC	Economic Development	50	3.0 Mills	Transfers to City
11/9/1999	Marshall Twp & Marshall HRC	Economic Development	50	3.0 Mills	Transfers to City
9/5/2001	Mayfield Twp & Lapeer HRC	Comm & Housing Dev, S&W	50	1.6452 Mills to TWP, City gets .8826 Mills on City S/W Users	Transfers to City
10/19/2004	Milan Twp & Milan HRC	Economic, Res, Comm Dev	45	1.3 mills for Res, 2 mills for Comm, 3 mills for Ind	Auto-Renew 45 Yrs, to City
7/5/2000	Milan Twp & Milan Twp	Economic Development	35	1.5 Mills of SEV for 35 Yrs	Transfers to City, renewable
6/4/1999	Nelson Twp & Cedar Springs HRC	Economic Development	50	2.0 Mills	Transfer to City
8/1/1992	New Buffalo Twp & New Buffalo HRC	Economic Development	50	1.0 Mill	Transfers to City
9/25/1996	Newark Twp & Ithaca HRC	Economic Development	10	3.0 Mills	Transfers to City
2/9/1996	Newton Twp & Emmett Twp-C	Econ & Housing Development	25	Equivalent Millage	Reverts to Township
12/24/1998	Niles Twp & Niles HRC	Economic Development	20	TWP Millage Rate + 2.5 Mills	Reverts to Township
7/10/1997	North Branch Twp & North Branch GLV	Economic Development, S&W	25	Township Millage Rate	Transfers to Village
10/29/2001	Ogemaw Twp & West Branch HRC	Economic Development	50	25% of City Millage	Transfers to City
8/17/2001	Otisco Twp & Belding HRC	Economic Development	50	50% of all taxes collected, St/Fed Revenue Sharing	Auto-Renewal

Adopted	Units Involved	Purpose	Years	Revenue Sharing Agreement	Disp at End of Agreement
9/12/1994	Otsego Twp & Otsego HRC	Economic Development	1	None	Transfers to Township
10/24/1994	Owosso Twp & Owosso HRC	Industrial Development	25	3.0 Mills	Renewal
7/12/1999	Parma Twp & Parma GLV	Economic Development, S&W	50	30% of Revenue Sharing	Transfers to Village
12/30/1993	Perry Twp & Perry HRC	Economic Development	50	1.0 Mill 1994, Increase 0.5 Yearly Until 1998	Transfers to City
11/13/1991	Perry Twp & Perry HRC	Residential S&W	50	2.0 Mills	Transfers to City
3/14/2000	Pine River Twp & Alma HRC	Residential Development, S&W	40	1.5 Mills	Transfers to City
2/13/1990	Pittsfield Twp-C & Saline HRC	Economic Development, S&W	50	None	Reverts to Township
8/14/1990	Pittsfield Twp-C & Saline HRC	Economic Development, S&W	50	35% of City Levy Revenues	Reverts to Township
8/5/2004	Plainwell HRC & Gun Plain Twp-C	Econ Develop, Reverse1988 annex	50	None	Transfers to TWP
3/2/2000	Pokagon Twp & Dowagiac HRC	Economic Development, S&W	50	TWP Levy	Transfers to City
11/15/2002	Pokagon Twp & Dowagiac HRC	Economic Development, S&W	50	TWP Millage Rate, < 1.25 Mills	Transfers to City
10/23/2002	Pokagon Twp & Dowagiac HRC	Economic Development	50	TWP Millage Rate >1.25 Mills	Transfers to City
8/16/1994	Pokagon Twp & Dowagiac HRC	Economic Development	50	TWP Millage Rate	Transfers to City
11/12/1997	Pokagon Twp & Dowagiac HRC	Economic Development, S&W	50	TWP Millage Rate <1.25 Mills	Transfers to City
12/30/1992	Portage Twp-C & Houghton HRC	Economic Development	30	3.0 Mills	Reverts to Township
2/15/1993	Portage Twp-C & Houghton HRC	Economic Development	50	3.0 Mills	Reverts to Township
12/6/1988	Portland Twp & Portland HRC	Economic Development, S&W	50	1.5 Mills	Renegotiate
5/14/1997	Portland Twp & Portland HRC	Economic Development, S&W	50	1.5 Mills	Reverts to Township
9/2/2003	Ravenna Twp & Ravenna HRV	Economic Development, S&W	5	None	Transfers to Village
9/26/1994	Resort Twp & Petoskey HRC	Econ, Res, Comm Development	50	2.0 Mills, After 50% Project Completion, 2.5 Mills Thereafter	Renewal
11/2/1995	Richmond Twp & Lenox Twp	Economic Development, S&W	30	50% of Levy	Reverts to Township
10/13/1986	Richmond Twp & Reed City HRC	Economic Development, S&W	50	City Levy Returned	Reverts to Township
6/24/1996	Sage Twp & Gladwin HRC	Economic Development, S&W	50	1.0 Mill	Transfers to City
2/8/2001	Saline Twp & Saline HRC	Econ & Res Development	3	1 Mill of Taxable Value (No More Than \$190,000 Total)	Transfers to City
N/A	Sands Twp & Forsyth Twp	Economic Development	2	None	Transfers to Forsyth T.
5/12/1997	Sciota Twp & Laingsburg HRC	Economic Development, S&W	50	2.0 Mills	Transfers to City
6/16/2004	Sciota Twp & Laingsburg HRC	S&W, Housing Development	50	2 mills of Taxable Value, Subject To Increase	Transfers to City
11/18/1991	Sheridan Twp & Albion HRC	Economic Development, S&W	50	None	Reverts to City
12/29/2004	Sheridan Twp & Fremont HRC	Residential, Commercial, S&W	10	Phase 1 (immediate)&2(option), 2 mills. + Fed&SSR.	Transfers to City
9/15/1998	Sherman Twp & Sturgis HRC	Economic Development, S&W	25	1.5 Mills	Transfers to City
9/15/1998	Sherman Twp & Sturgis HRC	Economic Development, S&W	25	1.5 Mills	Transfers to City
12/15/1989	Sims Twp & Au Gres HRC	Economic Development	50	1.0 Mill	Transfers to City
10/30/1999	Solon Twp & Cedar Springs HRC	S&W	50	Phase 1 2.1, Mills in 2000 Inc .1/yr. to 2.5 mills for duration	Transfers to City
8/8/1990	South Arm Twp & East Jordan HRC	Economic Development	50	1 Mill	Reverts to Township
12/10/1999	South Arm Twp & East Jordan HRC	Comm & Res Development	50	1 Mill of Collected Taxes	Reverts to Township
12/28/1994	South Haven Twp-C & South Haven HRC	Ind & Res Development	25	0.6787 Mills	Transfers to City
5/9/1995	South Haven Twp-C & South Haven HRC	Ind Development, Env Protection	25	0.6787 Mills	Transfers to City
7/1/1998	Southfield Twp & Beverly Hills HRV	S&W, Public Safety	30	None	Reverts to Township
12/17/1999	Sparta Twp & Sparta GLV	Comm, Ind & Res Development	50	Township Levy (If Village Becomes a City)	Transfers to Village
8/22/2000	St Clair Twp & St Clair HRC	Economic Development, S&W	50	2 Mills of Taxable Value	Transfers to City
10/24/1988	St Clair Twp & St Clair HRC	Economic Development, S&W	25	1.0 Mill	Transfer to City
9/2/2003	Stockbridge Twp & Stockbridge GLV	S&W	50	TWP millage, + 2 mills. If Village becomes City 2.85 mills	Not Stated
7/31/2000	Sturgis HRC & Burr Oak Twp	Police, Ambulance, Fire Services	50	None	Reverts to City, Dist III & IV
7/31/2000	Sturgis HRC & Sturgis Twp	Police, Ambulance, Fire Services	50	None	Reverts to City, Dist III & IV

Adopted	Units Involved	Purpose	Years	Revenue Sharing Agreement	Disp at End of Agreement
7/31/2000	Sturgis Twp & Sturgis HRC	Economic Development	50	1.5 Mills of Taxable Value of District II, for 40 Yrs	District I to Twp, Dist II to City
7/31/2000	Sturgis Twp & Sturgis HRC	Commercial Development, Wal-Mart	40	1.5 Mills of Taxable Value	District I to Twp, Dist II to City
7/24/1995	Summerfield Twp & Petersburg HRC	Economic Development, S&W	50	1.0 Mill	Renewal
2/18/2004	Summerfield Twp & Petersburg HRC	Economic Development, S&W	50	3 mills of Taxable Value Through 2007, 2 Mills Thereafter	Transferred to City, Renewable
12/18/1995	Tecumseh HRC & Tecumseh Twp	Economic Development	50	None	Reverts to Township
2/7/2000	Tekonsha Twp & Tekonsha GLV	S&W	50	N/A	Transfers to City
7/23/1998	Tekonsha Twp & Tekonsha GLV	Economic Development, S&W	50	2.0 Mills	Reverts to Township
10/8/2002	Tobacco Twp & Beaverton HRC-F	Commercial Development	25	Cur 1 Mill of SEV, TWP < 2 Mills	Transfers to City if Contiguous
10/9/1996	Union Twp & Union City GLV	Economic Development	50	None	Reverts to Township
6/10/1997	Union Twp & Union City GLV	Environment Protection, S&W	50	None	Auto-Renew Reverts to Township
6/26/1996	Utica HRC & Shelby Twp-C	Economic Development	30	3.0 Mills (Yrs 1-15), Several Other Contingencies	Transfers to City
7/9/1990	Vernon Twp & Durand HRC	Ind Develop, Env Protection, S&W	50	Township Millage Rate, < 4.0 Mills	Transfers to City
12/1/1989	Vernon Twp & Durand HRC	Economic Development	30	Township Millage Rate, < 4.0 Mills	Transfers to City
10/16/1989	Vernon Twp & Durand HRC	Econ Development	30	Township Millage Rate, < 4.0 Mills	Transfers to City
7/9/1990	Vernon Twp & Durand HRC	Ind Development, S&W	30	Township Millage Rate, < 4.0 Mills	Transfers to City
11/16/2000	Vevay Twp & Mason HRC	Econ, Comm, Ind & Res Develop	20/40	1 Mill of Prop @ T. rate & 1.5 Mills of Prop @ City Rate	Transfers to City
2/15/1993	Vevay Twp & Mason HRC	Economic Development	10	1.0 Mill	Reverts to Township
5/3/2004	Vevay Twp & Mason HRC	Housing and Comm Dev, S&W	40	TWP Millage Rate Up to 1 mill	Transfers to City
5/23/2000	Walker HRC & Grand Rapids HRC	Economic Development, S&W	50	Lots 10 & 16 2/3 City Levy or Walker Millage	Transfers to City of GR
8/24/2001	Wawatam Twp & Mackinaw City GLV	S&W, Fire	50	2 Mill of Assessed Valuation	Reverts to Township
12/3/2001	Wayland Twp & Wayland HRC	Industrial Park Development	8	1.5 Mills	Transfers to City
7/5/1996	Wayne Twp & Dowagiac HRC	Economic Development	50	TWP Millage Rate < 1.25 Mills	Transfers to City
4/14/1997	Webster Twp & Dexter Twp	Economic Development, S&W	50	TWP Levy < 1.16 mills	Reverts to Township
11/17/1999	Wells Twp & Escanaba HRC	S&W	20	None	Reverts to Township
12/4/1989	West Branch Twp & West Branch HRC	Economic Development	50	25% of City levy, + 50% State Shared Revenue	Transfers to City
12/5/1997	West Branch Twp & West Branch HRC	Economic Development	50	25% of General Operating Revenue, 50% of State Shared Rev	Transfers to City
3/24/1999	West Branch Twp & West Branch HRC	Economic Development, S&W	50	25% of City Levy	Transfers to City
12/20/1986	West Traverse Twp & Hbr Springs HRC	Economic Development	50	Township Millage Rate	Reverts to Township
6/13/2000	Wheatfield Twp & Williamston HRC	Economic Development	20	1.5 Mills	Transfers to City
6/6/1996	Wheatfield Twp & Williamston HRC	Economic Development	20	1.5 Mills	Transfers to City
1/11/1994	Wheatfield Twp & Williamstown Twp	Economic Development	20	1/2 Wheatfield's Taxes on Property to Williamston	Reverts to Wheatfield
2/2/2001	Wheeler Twp & Breckenridge GLV	Economic Development	15	To be Negotiated if Village Becomes a City	Transfers to City
12/1/2001	Whitehall Twp & Whitehall HRC	Economic Development, S&W	40	TWP Millage Rate + 0.5 Mills, < 2.0 Mills	Transfers to City
6/30/2000	Williamston HRC & Williamstown Twp	Environmental Protection	2	\$1,000 Annually	Reverts to City, renewable
3/12/2000	Williamstown Twp & Williamston HRC	S&W, Additional City Services	50	TWP Pays City \$1879.00 Adj for Inflation <5%	Reverts to Township
6/12/2000	Williamstown Twp & Williamston HRC	Economic Development, S&W	50	TWP < 1 Mill + 2 Mill, 1.28 X TWP < 1.1545 + SSR < .75	I&II to Twn., III to City
6/21/1994	Wilson Twp & Boyne City HRC	Economic Development, S&W	10	Township Millage Rate	Auto-Renewal
2/27/2001	York Twp-C & Milan HRC	Economic Development	50	1 Mill TV Res & Ag Prop, 2 Mills TV Com & Ind Prop	Transfers to City
7/17/1986	York Twp-C & Milan HRC	Economic Development, S&W	50	15% Revenues of City Levy	Reverts to Township
4/19/1993	Zeeland Twp-C & Zeeland HRC	Water	50	User Fees	Reverts to Township

Adopted	Units Involved	Purpose	Years	Revenue Sharing Agreement	Disp at End of Agreement
<b>Pending Agreements</b>					
8/13/2002	Burlington Twp & Union City GLV	Economic, Residential, Development	50	Township Millage	Reverts to Township
5/5/2003	Haring Twp-C & Cadillac HRC	Police, Water, other Munic. Services	50	2.0 Mills	Transfers to City
6/3/2002	Marshall Twp & Marshall HRC	Economic Develop, Munci. Services	50	3.0 Mills + 50% of Revenue Sharing	If cont. to city, auto renew
8/5/2002	Meridian Twp-C & East Lansing HRC	Econ.,Comm.,House Develop	50	Twn. Oper & Fire/Police Millage Rate	Auto-renewal then by vote
<b>Rescinded Agreements</b>					
9/18/2001	Adrian Twp & Madison Twp-C		20		Reverts to Township
9/18/2001	Adrian Twp & Madison Twp-C		20		Reverts to Township
5/24/2001	Bagley Twp & Gaylord HRC	N/A	1	None	Reverts to Township
9/11/1990	Bagley Twp & Gaylord HRC	Sewer, Water	10	Township Millage Rate	Reverts to Township
9/11/1989	Bagley Twp & Gaylord HRC	Economic Development	30	Township Millage Rate, <4.0 Mills	Transfer to City
3/27/1989	Bagley Twp & Gaylord HRC	Sewer, Water	5	Township Millage Rate	Reverts to Township
5/4/1995	Coldwater Twp & Coldwater HRC	Economic Development	50	Tw rate + 0.5 mills (not to exceed 2.25 mills of SEV)	Reverts to Township
9/18/2001	Madison Twp-C & Adrian Twp		20		Reverts to Township
8/20/1990	Marlette HRC & Marlette Twp	Economic Development, S&W	40	\$258 per year	Reverts to Township
6/3/1991	Marshall HRC & Marshall HRC	Economic Development	50	2.0 Mills or 11.36% of City Levy	Reverts to Township
2/24/1988	Swan Creek Twp & St Charles GLV	Industrial Development	50	None	Reverts to Township
6/27/2000	Tecumseh HRC & Tecumseh Twp	Economic Development (Restaurant)	50	Twn. Levy < 2.5	Reverts to City
1/21/1997	Tecumseh HRC & Tecumseh Twp	Economic Development (Restaurant)	50	1.6 mills or Tw levy </ 2.5	Transfer to City
5/11/1993	Utica HRC & Sterling Heights HRC	Sewer, Water	15	1.0 Mill	Reverts to Utica. Rescinded 06/96
11/3/1989	Vevay Twp & Mason HRC	Economic Development, S&W	25	2.1 Mills 1st 7 yrs. 3.0 Mills After	Reverts to Township