

## REIMBURSEMENT CLARIFICATION AGREEMENT

This Reimbursement Clarification Agreement (“Agreement”) is entered into this 3<sup>rd</sup> day of April, 2024, by and between the I-69 International Trade Corridor, Next Michigan Development Corporation (hereinafter “NMDC”), Local Development Financing Authority, whose address is 547 N. Carney Drive (hereinafter “LDFA”) and the City of St. Clair, whose address is 547 N. Carney Drive, St. Clair, MI 48079 (hereinafter the “City”). The LDFA and City are sometimes collectively herein referred to as the parties or the party if in the singular.

### Recitals

**Whereas**, to facilitate the expansion of the Magna facility located in Development Area No. 1, the NMDC on December 13, 2023, prepared a development and tax increment financing plan for the Development Area No. 1 (“Development/TIF Plan”);

**Whereas**, on February 14, 2023, the NMDC approved the adoption of the Development/TIF Plan;

**Whereas**, the Development/TIF Plan anticipates the installation of a water main, a booster station, and an elevated tank to be completed and paid for by grant funds, the City, or the LDFA, using tax increment financing revenue;

**Whereas**, there were three (3) proposed locations for the booster station. The first choice was determined to have soils less desirable for the booster station. The second and third choices need to be acquired from a private party in the form of an easement;

**Whereas**, the City is currently negotiating for the easement and believes it is close to securing it for a cost of approximately Fifty Thousand Dollars (\$50,000.00);

**Whereas**, the City anticipates advancing the funds for the easement set forth above;

**Whereas**, because the easement is part of the overall project, the cost of the easement is considered a part of the project costs of the booster station, and the LDFA will reimburse the City its cost for the easement with either bond proceeds or tax increment revenue prior to the time the Development/TIF Plan is dissolved;

**Now, therefore**, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties, the parties hereby agree as follows:

### ARTICLE I INTRODUCTORY PROVISIONS

All of the matters stated in the recitals of this Agreement are true and correct and are hereby incorporated into the body of this Agreement as though fully set forth in their entirety herein,

provided that in cases of conflict, provisions of this Agreement shall control over matters stated in the recitals.

## **ARTICLE II** **PAYMENT FOR EASEMENT**

The City and the LDFA agree the easement to be acquired from the private property owner for the installation of the booster station set forth in the Development/TIF Plan is considered part of the project, and the LDFA agrees to reimburse the City for any monies expended for the acquisition of the easement from the bond proceeds or the tax increment revenue before the LDFA dissolves the Development/TIF Plan.

## **ARTICLE III** **GENERAL PROVISIONS**

3.1 **Force Majeure.** If by reason of force majeure either party hereto shall be rendered unable wholly or in part to carry out its obligations under this Agreement, then if such party shall give notice and full particulars of such force majeure in writing to the other party within a reasonable time after occurrence of the event or cause relied on, the obligation of the party giving such notice, so far as it is affected by such force majeure, shall be suspended during the continuance of the inability then claimed, but for no longer period, and any such party shall endeavor to remove or overcome such inability with all reasonable dispatch. If the event results in an insurance claim and settlement is authorized, the settlement proceeds shall be in the name of the LDFA and the City. The LDFA and City shall mutually determine if the LDFA and the City shall be entitled to a share of the insurance proceeds. As used in the section, Force Majeure shall mean acts of God; strikes; lockouts or other industrial disturbances; acts of public enemy; orders of any kind of the Government of the United States or the State or any civil or military authority; insurrection; riots; epidemics; landslides; lightning; earthquake; fires; hurricanes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions, breakage, or accidents to machinery, pipelines, or canals; partial or complete failure of treated water supply; or on account of any other causes not reasonably within the control of the party claiming such inability.

3.2 **Term of Agreement.** This Agreement shall remain in effect until such time as the construction of the projects set forth in the Development/TIF Plan are completed; the LDFA dissolves the Development/TIF Plan; or until the LDFA reimburses the City for the cost of the easement for the booster station.

3.3 **Severability.** The parties specifically agree that in the event that any one or more of the sections, subsections, provisions, clauses or words of this Agreement or the application of such sections, subsections, provisions, clauses or words to any situation or circumstance should be, or should be held to be, for any reason, invalid or unconstitutional, under the laws or constitutions of the State of Michigan or the United States of America, or in contravention of any such laws or constitutions, such invalidity, unconstitutionality or contravention shall not affect any other sections, subsections, provisions, clauses or words of this Agreement or the application of such sections, subsections, provisions, clauses or words to any other situation or circumstance, and it is intended that this Agreement shall be severable and shall be construed and applied as if any

such invalid or unconstitutional section, subsection, provision, clause or word had not been included herein, and the rights and obligations of the parties shall be construed and remain in force accordingly.

3.4 **Venue.** It is specifically agreed among the Parties to this Agreement that St. Clair County, Michigan is the place of performance of this Agreement. In the event that any legal proceeding is brought to enforce this Agreement or any provision hereof, the same shall be brought in the St. Clair County Circuit Court.

3.5 **Applicability of Act 436.** This Agreement is subject to the local financial stability and choice act and may therefore be terminated by an emergency manager pursuant to 2012 PA 436 (Excerpt), being MCL § 141.1541 *et. seq.*

3.6 **Interpretation.** For purposes of interpretation of this Agreement, neither the LDFA nor the City shall be deemed to have been the drafter of this Agreement.

3.7 **Construction.** This Agreement has been prepared and negotiations have occurred in connection with said preparation pursuant to the joint efforts of the parties. This Agreement therefore shall not be construed against any party to this Agreement.

3.8 **Modification.** This Agreement shall not be modified, altered, or amended except through a written amendment signed by duly authorized representatives of the LDFA and the City.

3.9 **No Third-Party Beneficiaries.** This Agreement is not intended to confer upon any person or entity, other than the parties, any rights or remedies of any kind or nature whatsoever.

3.10 **Counterparts.** This Agreement may be executed in several counterparts each of which shall be deemed one and the same Agreement. It shall be binding upon and inure to the benefit of the parties to it and their respective successors and assigns.

3.11 **Captions and Bylines.** The captions and bylines used in this Agreement are for the convenience of reference only and in no way define, limit, or describe the scope of intent of any provision of this Agreement.

3.12 **Notice.** Except for the internal transmission of invoices/pay applications, change orders, and payment to contractors, notice, including any notice, communication, request, reply or advice herein provided or permitted to be given, made or accepted by any party to any other party must be in writing and may be given or be served by depositing the same in the United States mail postpaid and registered or certified and addressed to the party to be notified, with return receipt requested, or by delivering the same to an officer of such party, addressed to the party to be notified. Notice deposited in the mail in the manner described above shall be conclusively deemed to be effective, unless otherwise stated herein, from and after the expiration of three (3) days after it is so deposited. Notice given in any other manner shall be effective only if and when received by the party to be notified. For the purposes of notice, the addresses of the parties shall, until changed as hereinafter provided, be as follows:

If to LDFA, to:

Joseph Sawyer  
Chairman, NMDC/LDFA  
402 N. Shiawassee  
Corunna, MI 48817

If to City, to:

Quentin L. Bishop  
Superintendent, City of St. Clair  
547 N. Carney Drive  
St. Clair, MI 48079

With Copy, to:

McGraw Morris, P.C.  
Attn: Attorney Kevin Kilby  
2075 West Big Beaver Road  
Suite 750  
Troy, Michigan 48084


With Copy, to:

Kane, Clemons, Joachim, and Downey  
Attn: James T. Downey, Jr., Esq.  
721 St. Clair River Drive  
P.O. Box 333  
Algonac, MI 48001

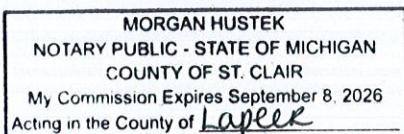
The parties shall have the right from time to time and at any time to change their respective addresses and each shall have the right to specify as its address any other address by at least fifteen (15) days written notice to the other party hereto.

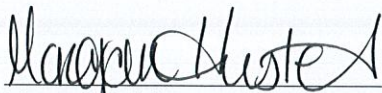
IN WITNESS WHEREOF, the parties acting under the authority of their respective governing bodies, if applicable, have caused this Agreement to be duly executed in several counterparts, each of which shall constitute an original, all as of the day and year first above written, which is the Agreement Date.

LDFA:

  
By: Joseph S. Sawyer  
Its: Chairman

On this 19<sup>th</sup> day of June 2024, before me personally appeared Joe Sawyer, who being first duly sworn, deposes and says that the above Agreement has been approved and he/she is authorized to execute this Agreement in their official capacity.



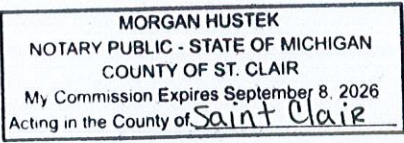
  
Notary Public  
County of Saint Clair  
Acting in the County of Lapeer  
My Commission expires: Sep 8, 2026

City:

Quentin Bishop

By: Quentin Bishop  
Its: City Superintendent

On this 9<sup>th</sup> day of May 2024, before me personally appeared Quentin Bishop, who being first duly sworn, deposes and says that the above Agreement has been approved and he/she is authorized to execute this Agreement in their official capacity.



Morgan Hustek  
Notary Public  
County of Saint Clair  
Acting in the County of Saint Clair  
My Commission expires: Sep 8, 2026

**This Agreement was prepared by:**  
McGraw Morris P.C.  
Attorney Kevin Kilby (P68599)  
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Suite 750  
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