

ORDINANCE 2020-004

PASSED: JANUARY 13, 2020

APPROVING A THIRD AMENDMENT TO THE DEKALB COUNTY ENTERPRISE ZONE INTERGOVERNMENTAL AGREEMENT.

WHEREAS, on December 8, 2014, the corporate authorities of the City of DeKalb adopted Ordinance No. 2014-049 (the "**Initial Designating Ordinance**"), designating an enterprise zone known as the "DeKalb County Enterprise Zone" (the "**Zone**"); and

WHEREAS, the corporate authorities of the County of DeKalb, the Town of Cortland, the City of Genoa, the City of Sandwich, the City of Sycamore and the Village of Waterman (collectively, with the City of DeKalb, the "**Designating Units of Government**") each adopted ordinances substantially identical to the Initial Designating Ordinance (collectively, with the Initial Designating Ordinance, the "**Initial Designating Ordinances**"); and

WHEREAS, all of the Designating Units of Government entered into an Intergovernmental Agreement dated as of December 5, 2014 (the "**Initial IGA**") setting forth, among other things, mutually-agreed property tax abatements available to certain types of businesses located within the Zone, as set forth in the Initial Designating Ordinances; and

WHEREAS, the Initial Designating Ordinances and the Zone were certified by the Illinois Department of Commerce and Economic Opportunity (the "**DCEO**") to begin operations on January 1, 2016, in accordance with the Illinois Enterprise Zone Act, 20 ILCS 655/1, *et seq.*; and

WHEREAS, the corporate authorities of the City of DeKalb adopted the following ordinances: (1) on October 28, 2019, Resolution No. 2019-146 (the "**First Amending Ordinance**"), amending the Initial Designating Ordinance to provide for certain additional incentives for projects located within the Northern Illinois University Research Park (the "**First Amending Ordinance**"); (2) on January 13, 2020, Ordinance No. 2020-002 (the "**Second Amending Ordinance**"), further amending the Initial Designating Ordinance, as amended by the First Amending Ordinance, to amend the boundaries of the Zone to include certain additional real property; and (3) on January 13, 2020, Ordinance No. 2020-004 (the "**Third Amending Ordinance**"), further amending the Initial Designating Ordinance, as amended by the First Amending Ordinance and the Second Amending Ordinance (collectively, with the Third Amending Ordinance, the "**Designating Ordinance**"), to change the qualifying criteria for, and the terms of the property tax abatements available within, the Zone (the "**Abatement Amendments**"); and

WHEREAS, the corporate authorities of each of the other Designating Municipalities each have adopted or will adopt ordinances substantially identical to the First Amending Ordinance (collectively, the "**First Amending Ordinances**"), the Second Amending Ordinance (collectively, the "**Second Amending Ordinances**"), and the Third Amending Ordinance (collectively, the "**Third Amending Ordinances**"); and

WHEREAS, the corporate authorities of each of the Designating Units of Government have approved or will approve, and the authorized officials of each of the Designating Units of Government have executed or will execute: (1) a first amendment to the Initial IGA (the "**First Amendment**"), agreeing to the terms of the incentives set forth in the First Amending Ordinances; and (2) a second amendment (the "**Second Amendment**") to the Initial IGA, as amended by the First Amendment (collectively, with the Second Amendment, the "**IGA**"), agreeing to the amended boundaries of the Zone, as set forth in the Second Amending Ordinances; and

WHEREAS, the Designating Units of Government have determined and concur that it is desirable, necessary, and in the best interests of the Designating Units of Government to approve and enter into a third amendment to the IGA (the "**Third Amendment**") to agree to the Abatement Amendments;

NOW, THEREFORE, BE IT ORDAINED by the Mayor and City Council of the City of DeKalb, DeKalb County, Illinois, as follows:

SECTION 1: RECITALS. The foregoing recitals are incorporated into, and made a part of, this Ordinance as if fully set forth in this Section.

SECTION 2: APPROVAL OF THIRD AMENDMENT TO THE IGA. The corporate authorities of the City of DeKalb hereby approve the Third Amendment in substantially the form attached to this Ordinance as **Exhibit A**, and in a final form to be approved by the City Manager.

SECTION 3: EXECUTION OF THIRD AMENDMENT TO THE IGA. The Mayor and the City Clerk or Executive Assistant are hereby authorized and directed to execute and attest, on behalf of the City of DeKalb, the Third Amendment.

SECTION 4: EFFECTIVE DATE. This Ordinance will be in full force and effect upon its passage and approval in accordance with law.

ADOPTED BY THE CITY COUNCIL of the City of DeKalb, Illinois at a Regular meeting thereof held on the 13th day of January 2020 and approved by me as Mayor on the same day. Passed on First Reading by an 8-0 roll call vote. Aye: Morris, Finucane, Smith, Perkins, McAdams, Verbic, Faivre, Mayor Smith. Nay: None. Second Reading waived by an 8-0 roll call vote. Aye: Morris, Finucane, Smith, Perkins, McAdams, Verbic, Faivre, Mayor Smith. Nay: None.

ATTEST:



RUTH A. SCOTT
Executive Assistant



EXHIBIT A
THIRD AMENDMENT

**THIRD AMENDMENT TO
DEKALB COUNTY ENTERPRISE ZONE
INTERGOVERNMENTAL AGREEMENT**

THIS THIRD AMENDMENT TO DEKALB COUNTY ENTERPRISE ZONE INTERGOVERNMENTAL AGREEMENT (this “**Third Amendment**”) is entered into this _____ day of _____, 2020, by and between the County of DeKalb, the Town of Cortland, the City of DeKalb, the City of Genoa, the City of Sandwich, the City of Sycamore and the Village of Waterman (collectively, the “**Parties**”).

WHEREAS, in 2014 the corporate authorities of the Parties each adopted substantially identical ordinances (collectively, the “**Initial Designating Ordinances**”) designating an enterprise zone known as the “DeKalb County Enterprise Zone” (the “**Zone**”); and

WHEREAS, the Parties entered into that certain DeKalb County Enterprise Zone Intergovernmental Agreement dated as of December 5, 2014 (the “**Initial IGA**”), setting forth, among other things, mutually-agreed property tax abatements available to certain types of businesses located within the Zone, as set forth in the Initial Designating Ordinances; and

WHEREAS, the Initial Designating Ordinances and the DeKalb County Enterprise Zone were certified by the Illinois Department of Commerce and Economic Opportunity (the “**DCEO**”) to begin operations on January 1, 2016, in accordance with the Illinois Enterprise Zone Act, 20 ILCS 655/1 *et. seq.*; and

WHEREAS, the corporate authorities of each of the Designating Municipalities adopted the following substantially identical ordinances: (1) in 2019, an ordinance (the “**First Amending Ordinance**”) amending the Initial Designating Ordinance to provide for certain additional incentives for projects located within the Northern Illinois University Research Park; (2) in January 2020, an ordinance (the “**Second Amending Ordinance**”) further amending the Initial Designating Ordinance, as amended by the First Amending Ordinance, to amend the boundaries of the Zone to include certain additional real property; and (3) in January 2020, an ordinance (the “**Third Amending Ordinance**” and, together with the First Amending Ordinance and the Second Amending Ordinance, the “**Amending Ordinances**”) further amending the Initial Designating Ordinance, as amended by the First Amending Ordinance and the Second Amending Ordinance (collectively, the Initial Designating Ordinance, as amended by the Amending Ordinances, is the “**Designating Ordinance**”), to change the qualifying criteria for, and the terms of the property tax abatements available within, the Zone (the “**Abatement Amendments**”); and

WHEREAS, the corporate authorities of each of the Parties have approved or will approve, and the authorized officials of each of the Parties have executed or will execute: (1) a first amendment to the Initial IGA titled “DeKalb County Enterprise Zone Amended Intergovernmental Agreement” (the “**First Amendment**”), agreeing to the terms of the

incentives set forth in the First Amending Ordinances; and (2) that certain Second Amendment to DeKalb County Enterprise Zone Intergovernmental Agreement (the “**Second Amendment**” and, together with the Initial IGA and the First Amendment, the “**IGA**”), agreeing to the amended boundaries of the Zone, as set forth in the Second Amending Ordinances; and

WHEREAS, the Parties desire to enter into this Third Amendment to the IGA to agree upon the terms of the Abatement Amendments set forth in the Third Amending Ordinances; and

WHEREAS, upon the execution and delivery by all of the Parties of the First Amendment, the Second Amendment, and this Third Amendment, the Parties intend to file an application with the DCEO for the approval of the Amending Ordinances and the issuance of an amended certificate for the Designating Ordinance and the Zone (the “**Amended Certificate**”);

NOW, THEREFORE, IN CONSIDERATION OF the recitals and the mutual covenants and agreements set forth in this Third Amendment, the Parties hereby agree as follows:

Section 1: Incorporation of Recitals. The foregoing recitals are hereby incorporated into and made a part of this Third Amendment as if fully set forth in this section.

Section 2: Clarification Regarding First Amendment. The Parties hereby acknowledge, agree, and clarify that the First Amendment amended the Initial IGA by deleting all of the provisions of the Initial IGA and replacing them in their entirety with the text of the First Amendment. In the event of a conflict between the text of the Initial IGA and the text of the First Amendment, the text of the First Amendment shall control.

Section 3: Definitions; Rules of Construction.

A. Definitions. All initial-capitalized words and phrases used in this Third Amendment have the meanings set forth in the various provisions of this Third Amendment. If a word or phrase is not specifically defined in this Third Amendment, it has the same meaning as in the IGA.

B. Rules of Construction. Except as specifically provided in this Third Amendment, all terms, provisions, and requirements contained in the IGA remain unchanged and in full force and effect. In the event of a conflict between the text of the IGA and the text of this Third Amendment, the text of this Third Amendment controls.

Section 4: Amendments.

A. Other Definitions. Section II of the IGA, titled “Other Definitions”, is hereby amended further to read as follows:

“Section II – OTHER DEFINITIONS

* * *

- C) “Knowledge-Based Companies” as defined herein are enterprises that are research oriented and that require a highly skilled workforce such as biotechnology, electronics and/or professional services such as engineering, architecture, finance, and law. **“Knowledge-Based Companies” include companies that construct and/or operate data centers** or similar operations involving the storage and distribution of data and related technology applications where data and electronic information is housed, distributed and/or manipulated to foster technology sector innovation, growth and development or other emerging technologies, **and accessory uses.** Technical training/vocational schools and telemarketing companies are excluded from this definition.

* * *

- G) “High Impact ICM Manufacturing and Distribution Projects” are defined as projects locating within the Interstate Competition Market (ICM) Area which involve the manufacturing and distribution of products with significant investment and job thresholds. Projects requesting DeKalb County Enterprise Zone property tax abatement under this definition must invest a minimum of \$100 million resulting in the construction of at least 900,000 square feet of new building space and create a minimum of 400 new full-time jobs.**

- H) “High Impact ICM Knowledge-Based Companies” are defined as Knowledge-Based Companies that undertake projects within the Interstate Competition Market (ICM) Area that are capital and tax revenue intensive and result in high quality technology jobs. Companies requesting DeKalb County Enterprise Zone property tax abatement for projects under this definition must invest a minimum of \$800 million resulting in the construction of at least 900,000 square feet of new building space and create a minimum of 50 new full-time jobs located on the property where project is located. Except as specifically set forth in this Third Amendment, the provisions, conditions, and requirements applicable to Knowledge-Based Companies do not apply to High Impact ICM Knowledge-**

Based Companies, which are subject only to the separate provisions, conditions, and requirements that specifically apply to High Impact ICM Knowledge-Based Companies set forth in this Intergovernmental Agreement.

B. DESIGNATING UNITS' OF GOVERNMENT PROPERTY TAX ABATEMENT, JOB CREATION AND WAGE POLICIES. Section III of the IGA, titled "Designating Units' of Government Property Tax Abatement, Job Creation and Wage Policies", is hereby amended further to read as set forth below, and the subsections of Section III of the IGA are hereby re-numbered as set forth below and in the table attached to and hereby made a part of this Third Amendment as **Exhibit A.**

"SECTION III — DESIGNATING UNITS' OF GOVERNMENT PROPERTY TAX ABATEMENT, JOB CREATION AND WAGE POLICIES. Each designating unit of government for the DeKalb County Enterprise Zone shall have property tax abatement, job creation and wage policies specific to their unit of government. The terms for each are outlined below.

A. County of DeKalb — Taxes on real property levied by the County of DeKalb shall be abated on property located within the boundary of the Enterprise Zone, as certified by the Department, and upon which new improvements have been constructed as follows:

* * *

c. *ICM Area Project Terms and Conditions.* DeKalb County Enterprise Zone property tax abatement shall be available for companies meeting the following criteria in the **ICM Area** and according to the following terms and conditions.

* * *

v. High Impact ICM Manufacturing and Distribution Companies shall construct a minimum of 900,000 square feet of new building space and must also invest at least a minimum of \$100 million. Abatement shall only apply to the increased assessed valuation attributable to said new construction.

vi. High Impact ICM Knowledge-Based Companies shall construct a minimum of 900,000 square feet of new building space and must also invest at least a minimum of \$800 million. Abatement shall only apply to the increased assessed valuation attributable to said new construction.

vii. The abatements outlined in Sections III.A.c.v and III.A.c.vi above are not subject to Section III.A.c.iv above and will be effective after new improvements, or phases of new improvements, have been constructed in whole or in part and the property upon which such improvements have been constructed has been reassessed to reflect the value of those improvements. Abatements are also contingent upon execution of a Memorandum of Understanding as described in Section III.H below.

* * *

h. Tax Abatement: High Impact ICM Manufacturing and Distribution Companies. The duration for tax abatement, as described in Section III.A.c.v above, shall be for 15 years or until the expiration, termination or decertification of the DeKalb County Enterprise Zone, whichever is sooner, according to the following schedule:

i. For taxes levied in in the first through the fifteenth years of abatement: 50%.

i. Tax Abatement: High Impact ICM Knowledge-Based Companies. The duration for tax abatement, as described in Section III.A.c.vi above, shall be for 20 years for each phase of a project (each a "Phase", as further defined in the Memorandum of Understanding with the DeKalb County

Enterprise Zone Administrator required by Section III.H below) or until the expiration, termination or decertification of the DeKalb County Enterprise Zone, whichever is sooner (provided, however, that: (a) if the Enterprise Zone Board (created pursuant to Section 5.2.1 of the Enterprise Zone Act, 20 ILCS 655/5.2.1) extends the initial term of the DeKalb County Enterprise Zone by granting an additional 10-year designation pursuant to Section 5.3(c) of the Enterprise Zone Act, 20 ILCS 655/5.3(c), any 20-year tax abatement for a High Impact ICM Knowledge-Based Company that has not expired for any Phase shall remain in full force and effect until the sooner to occur of: (i) the expiration of the term of the 20-year tax abatement for that Phase; or (ii) the expiration of the term of the additional 10-year designation; and (b) if the term of the DeKalb County Enterprise Zone (whether or not the initial term is extended by the Enterprise Zone Board pursuant to Section 5.3(c) of the Enterprise Zone Act, 20 ILCS 655/5.3(c)) expires or terminates before the expiration of any 20-year tax abatement for a High Impact ICM Knowledge-Based Company for any Phase, and the City of DeKalb designates, alone or with other designating units of government, a new enterprise zone (the "New Zone") pursuant to the Enterprise Zone Act that includes the land on which any Phase is located, the City of DeKalb will use all reasonable, good faith efforts to: (i) encourage the designating ordinance of the New Zone to authorize an abatement for each Phase for a term equal to the number of years remaining in the term of the 20-year abatement for each respective Phase and in an annual percentage amount equal to the annual percentage amount of the 20-year abatement (the "True Up Abatement"); (ii) adopt an order granting, and take all other actions legally required to grant, the True Up Abatement with respect to each Phase; and (iii) encourage other taxing

districts with jurisdiction over the property on which each Phase is located to honor the True Up Abatement with respect to each Phase) according to the following schedule:

i) For taxes levied in years 1 through 20 of abatement applicable to each phase of the project: 55%.

* * *

k. m. Job Creation: New or expanded Knowledge-based Companies within the ICM Area. New or expanded Knowledge-based Companies in the ICM Area must create one job for every **350** square feet of office space created in conformance with the above. Said knowledge-based Companies which are expanding shall provide the DeKalb County Enterprise Zone Administrator, as part of its abatement application, with the number of existing employees employed at the subject property and whether they are full or part time.

* * *

n. Job Creation: New High Impact Manufacturing and Distribution Companies within the ICM Area. New High Impact ICM Manufacturing and Distribution Companies in the Interstate Competition Market Area must create a minimum of 400 full-time, permanent jobs.

The aforementioned employment thresholds shall be achieved within two years of the date of the execution of the abatement and said thresholds must be maintained over the life of the abatement and shall be defined in the MOU between the DeKalb County Enterprise Zone Administrator and the taxpayer.

o. Job Creation: New High Impact ICM Knowledge-Based Companies within the ICM Area. New High Impact ICM Knowledge-

Based Companies in the Interstate Competition Market Area must create a minimum of 50 full-time, permanent jobs located on the property where the project is located.

The aforementioned employment thresholds shall be achieved within two years after the issuance of a certificate of occupancy by the City of DeKalb for the first phase of the project and said thresholds must be maintained over the life of the abatement and shall be further defined in the MOU between the DeKalb County Enterprise Zone Administrator and the taxpayer.

* * *

m. g. ***Job Creation: New or expanded Knowledge-based Companies Outside of the ICM Area.*** New or expanded Knowledge-based Companies in areas outside the ICM Area must create one job for every **350** square feet of office space created in conformance with the above. Said Knowledge-based Companies which are expanding shall provide the DeKalb County Enterprise Zone Administrator, as part of its abatement application, with the number of existing employees employed at the subject property and whether they are full or part time.

* * *

n. i. ***Job Creation: New or expanded NIU Research Park Area Companies.*** New or expanded NIU Research Park Area based Companies must create one job for every **350** square feet of office space created in conformance with the above. Said NIU Research Park Companies which are expanding shall provide the DeKalb County Enterprise Zone Administrator, as part of its abatement application, with the number of existing employees employed at the subject property and whether they are full or part time.

* * *

B. **Town of Cortland – Taxes** on real property levied by the Town of Cortland shall be abated on property located within the boundary of the Enterprise Zone, as certified by the Department, and upon which new improvements have been constructed as follows:

* * *

b. ***ICM Area Project Terms and Conditions.*** DeKalb County Enterprise Zone property tax abatement shall be available for companies meeting the following criteria in the **ICM Area** and according to the following terms and conditions.

* * *

v. High Impact ICM Manufacturing and Distribution Companies shall construct a minimum of 900,000 square feet of new building space and must also invest at least a minimum of \$100 million. Abatement shall only apply to the increased assessed valuation attributable to said new construction.

vi. High Impact ICM Knowledge-Based Companies shall construct a minimum of 900,000 square feet of new building space and must also invest at least a minimum of \$800 million. Abatement shall only apply to the increased assessed valuation attributable to said new construction.

vii. The abatements outlined in Sections III.B.b.v and III.B.b.vi above are not subject to Section III.B.b.iv above and will be effective after new improvements, or phases of new improvements, have been constructed in whole or in part and the property upon which such improvements have been constructed

has been reassessed to reflect the value of those improvements. Abatements are also contingent upon execution of a Memorandum of Understanding as described in Section III.H below.

* * *

g. Tax Abatement: High Impact ICM Manufacturing and Distribution Companies. The duration for tax abatement, as described in Section III.B.b.v above, shall be for 15 years or until the expiration, termination or decertification of the DeKalb County Enterprise Zone, whichever is sooner, according to the following schedule:

i. For taxes levied in in the first through the fifteenth years of abatement: 50%.

h. Tax Abatement: High Impact ICM Knowledge-Based Companies. The duration for tax abatement, as described in Section III.B.b.vi above, shall be for 20 years for each phase of a project (each a "Phase", as further defined in the Memorandum of Understanding with the DeKalb County Enterprise Zone Administrator required by Section III.H below) or until the expiration, termination or decertification of the DeKalb County Enterprise Zone, whichever is sooner (provided, however, that: (a) if the Enterprise Zone Board (created pursuant to Section 5.2.1 of the Enterprise Zone Act, 20 ILCS 655/5.2.1) extends the initial term of the DeKalb County Enterprise Zone by granting an additional 10-year designation pursuant to Section 5.3(c) of the Enterprise Zone Act, 20 ILCS 655/5.3(c), any 20-year tax abatement for a High Impact ICM Knowledge-Based Company that has not expired for any Phase shall remain in full force and effect until the sooner to occur of: (i) the expiration of the term of the 20-year tax abatement for that Phase; or (ii) the

expiration of the term of the additional 10-year designation; and (b) if the term of the DeKalb County Enterprise Zone (whether or not the initial term is extended by the Enterprise Zone Board pursuant to Section 5.3(c) of the Enterprise Zone Act, 20 ILCS 655/5.3(c)) expires or terminates before the expiration of any 20-year tax abatement for a High Impact ICM Knowledge-Based Company for any Phase, and the City of DeKalb designates, alone or with other designating units of government, a new enterprise zone (the "New Zone") pursuant to the Enterprise Zone Act that includes the land on which any Phase is located, the City of DeKalb will use all reasonable, good faith efforts to: (i) encourage the designating ordinance of the New Zone to authorize an abatement for each Phase for a term equal to the number of years remaining in the term of the 20-year abatement for each respective Phase and in an annual percentage amount equal to the annual percentage amount of the 20-year abatement (the "True Up Abatement"); (ii) adopt an order granting, and take all other actions legally required to grant, the True Up Abatement with respect to each Phase; and (iii) encourage other taxing districts with jurisdiction over the property on which each Phase is located to honor the True Up Abatement with respect to each Phase) according to the following schedule:

i. For taxes levied in years 1 through 20 of abatement applicable to each phase of the project: 55%.

* * *

i.k. ***Job Creation: New or expanded Knowledge-based Companies in the ICM Area.*** New or expanded Knowledge-based Companies in the ICM Area must create one job for every **350** square feet of office space created in conformance with the above. Said knowledge-based Companies which are expanding shall

provide the DeKalb County Enterprise Zone Administrator, as part of its abatement application, with the number of existing employees employed at the subject property and whether they are full or part time.

* * *

l. **Job Creation: New High Impact Manufacturing and Distribution Companies within the ICM Area. New High Impact ICM Manufacturing and Distribution Companies in the Interstate Competition Market Area must create a minimum of 400 full-time, permanent jobs.**

The aforementioned employment thresholds shall be achieved within two years of the date of the execution of the abatement and said thresholds must be maintained over the life of the abatement and shall be defined in the MOU between the DeKalb County Enterprise Zone Administrator and the taxpayer.

m. **Job Creation: New High Impact ICM Knowledge-Based Companies within the ICM Area. New High Impact ICM Knowledge-Based Companies in the Interstate Competition Market Area must create a minimum of 50 full-time, permanent jobs located on the property where the project is located.**

The aforementioned employment thresholds shall be achieved within two years after the issuance of a certificate of occupancy by the City of DeKalb for the first phase of the project - and said thresholds must be maintained over the life of the abatement and shall be further defined in the MOU between the DeKalb County Enterprise Zone Administrator and the taxpayer.

k. o. **Job Creation: New or expanded Knowledge-based Companies Outside of the ICM Area.**

New or expanded Knowledge-based Companies in areas outside the ICM Area must create one job for every 350 square feet of office space created in conformance with the above. Said Knowledge-based Companies which are expanding shall provide the DeKalb County Enterprise Zone Administrator, as part of its abatement application, with the number of existing employees employed at the subject property and whether they are full or part time.

* * *

- C. **City of DeKalb -- Taxes** on real property levied by the City of DeKalb shall be abated on property located within the boundary of the Enterprise Zone, as certified by the Department, and upon which new improvements have been constructed as follows:

* * *

- b. ***ICM Area Project Terms and Conditions.*** DeKalb County Enterprise Zone property tax abatement shall be available for companies meeting the following criteria in the **ICM Area** and according to the following terms and conditions.

* * *

vi. High Impact ICM Manufacturing and Distribution Companies shall construct a minimum of 900,000 square feet of new building space and must also invest at least a minimum of \$100 million. Abatement shall only apply to the increased assessed valuation attributable to said new construction.

vii. High Impact ICM Knowledge-Based Companies shall construct a minimum of 900,000 square feet of new building space and must also invest at least a minimum of \$800 million. Abatement shall only apply to

the increased assessed valuation attributable to said new construction.

viii. The abatements outlined in Sections III.C.b.vi and III.C.b.vii above are not subject to Section III.C.b.v above and will be effective after new improvements, or phases of new improvements, have been constructed in whole or in part and the property upon which such improvements have been constructed has been reassessed to reflect the value of those improvements. Abatements are also contingent upon execution of a Memorandum of Understanding as described in Section III.H below.

* * *

g. *Tax Abatement: High Impact ICM Manufacturing and Distribution Companies.* The duration for tax abatement, as described in Section III.C.b.vi above, shall be for 15 years or until the expiration, termination or decertification of the DeKalb County Enterprise Zone, whichever is sooner, according to the following schedule:

i. For taxes levied in in the first through the fifteenth years of abatement: 50%.

h. *Tax Abatement: High Impact ICM Knowledge-Based Companies.* The duration for tax abatement, as described in Section III.C.b.vii above, shall be for 20 years for each phase of a project (each a "Phase", as further defined in the Memorandum of Understanding with the DeKalb County Enterprise Zone Administrator required by Section III.H below) or until the expiration, termination or decertification of the DeKalb County Enterprise Zone, whichever is sooner (provided, however, that: (a) if the Enterprise Zone Board (created pursuant to

Section 5.2.1 of the Enterprise Zone Act, 20 ILCS 655/5.2.1 extends the initial term of the DeKalb County Enterprise Zone by granting an additional 10-year designation pursuant to Section 5.3(c) of the Enterprise Zone Act, 20 ILCS 655/5.3(c), any 20-year tax abatement for a High Impact ICM Knowledge-Based Company that has not expired for any Phase shall remain in full force and effect until the sooner to occur of: (i) the expiration of the term of the 20-year tax abatement for that Phase; or (ii) the expiration of the term of the additional 10-year designation; and (b) if the term of the DeKalb County Enterprise Zone (whether or not the initial term is extended by the Enterprise Zone Board pursuant to Section 5.3(c) of the Enterprise Zone Act, 20 ILCS 655/5.3(c)) expires or terminates before the expiration of any 20-year tax abatement for a High Impact ICM Knowledge-Based Company for any Phase, and the City of DeKalb designates, alone or with other designating units of government, a new enterprise zone (the "New Zone") pursuant to the Enterprise Zone Act that includes the land on which any Phase is located, the City of DeKalb will use all reasonable, good faith efforts to: (i) encourage the designating ordinance of the New Zone to authorize an abatement for each Phase for a term equal to the number of years remaining in the term of the 20-year abatement for each respective Phase and in an annual percentage amount equal to the annual percentage amount of the 20-year abatement (the "True Up Abatement"); (ii) adopt an order granting, and take all other actions legally required to grant, the True Up Abatement with respect to each Phase; and (iii) encourage other taxing districts with jurisdiction over the property on which each Phase is located to honor the True Up Abatement with respect to each Phase) according to the following schedule:

i. **For taxes levied in years 1 through 20 of abatement applicable to each phase of the project: 55%.**

* * *

j.l. ***Job Creation: New or expanded Knowledge-based Companies in the ICM Area.*** New or expanded Knowledge-based Companies in the **ICM Area** must create one job for every **350** square feet of office space created in conformance with the above. Said knowledge-based Companies which are expanding shall provide the DeKalb County Enterprise Zone Administrator, as part of its abatement application, with the number of existing employees employed at the subject property and whether they are full or part time.

* * *

k.n. ***Job Creation: New or expanded Knowledge-based Companies Outside of the ICM Area.*** New or expanded Knowledge-based Companies in areas outside the ICM Area must create one job for every **350** square feet of office space created in conformance with the above. Said Knowledge-based Companies which are expanding shall provide the DeKalb County Enterprise Zone Administrator, as part of its abatement application, with the number of existing employees employed at the subject property and whether they are full or part time.

* * *

m.o. ***Job Creation: New or expanded NIU Research Park Area Companies.*** New or expanded NIU Research Park Area based Companies must create one job for every **350** square feet of office space created in conformance with the above. Said NIU Research Park Companies which are expanding shall provide the DeKalb County Enterprise Zone Administrator, as part of its abatement application, with the number of

existing employees employed at the subject property and whether they are full or part time.

* * *

- D. **City of Genoa** -- Taxes on real property levied by the City of Genoa shall be abated on property located within the boundary of the Enterprise Zone, as certified by the Department, and upon which new improvements have been constructed as follows:

* * *

- e. ***Job Creation: New or expanded Knowledge-based Companies Outside of the ICM Area.*** New or expanded Knowledge-based Companies in areas outside the ICM Area must create one job for every **350** square feet of office space created in conformance with the above. Said Knowledge-based Companies which are expanding shall provide the DeKalb County Enterprise Zone Administrator, as part of its abatement application, with the number of existing employees employed at the subject property and whether they are full or part time.

* * *

- E. **City of Sandwich** -- Taxes on real property levied by the City of Sandwich shall be abated on property located within the boundary of the Enterprise Zone, as certified by the Department, and upon which new improvements have been constructed as follows:

* * *

- e. ***Job Creation: New or expanded Knowledge-based Companies Outside of the ICM Area.*** New or expanded Knowledge-based Companies in areas outside the ICM Area must create one job for every **350** square feet of office space created in conformance with the above. Said Knowledge-based Companies which are expanding shall provide the DeKalb County Enterprise Zone Administrator, as part of its abatement application, with the number of

existing employees employed at the subject property and whether they are full or part time.

* * *

- F. **City of Sycamore** -- Taxes on real property levied by the City of Sycamore shall be abated on property located within the boundary of the Enterprise Zone, as certified by the Department, and upon which new improvements have been constructed as follows:

* * *

- e. ***Job Creation: New or expanded Knowledge-based Companies Outside of the ICM Area.*** New or expanded Knowledge-based Companies in areas outside the ICM Area must create one job for every 350 square feet of office space created in conformance with the above. Said Knowledge-based Companies which are expanding shall provide the DeKalb County Enterprise Zone Administrator, as part of its abatement application, with the number of existing employees employed at the subject property and whether they are full or part time.

* * *

- G. **Village of Waterman** -- Taxes on real property levied by the Village of Waterman shall be abated on property located within the boundary of the Enterprise Zone, as certified by the Department, and upon which new improvements have been constructed as follows:

* * *

- e. ***Job Creation: New or expanded Knowledge-based Companies Outside of the ICM Area.*** New or expanded Knowledge-based Companies in areas outside the ICM Area must create one job for every 350 square feet of office space created in conformance with the above. Said Knowledge-based Companies which are expanding shall provide the DeKalb County Enterprise Zone Administrator, as part of its abatement application, with the number of

existing employees employed at the subject property and whether they are full or part time.

* * *

H. Abatement Performance Monitoring Process.

Entities meeting abatement qualification criteria outlined above must enter into a Memorandum of Understanding with the DeKalb County Enterprise Zone Administrator. The MOU must outline projected square footage, job creation and/or job retention, wage rates and capital investment for the eligible Industrial, Logistics, Knowledge-based and NIU Research Park projects as well as eligible High Impact ICM Manufacturing and Distribution and High Impact ICM Knowledge-based projects. The said Administrator is hereby authorized to enter into such agreements on behalf of the DeKalb County Enterprise Zone and the participating taxing bodies.

- a. Entities receiving property tax abatement for eligible Industrial, Logistics, Knowledge-based and NIU Research Park projects as described above and High Impact ICM Manufacturing and Distribution and High Impact ICM Knowledge-based projects agree to maintain a minimum of 95% of the employment level at that location, as described in the MOU, for the term of the abatement.

Should employment levels drop to between 95% and 50% of the project employment level agreed to at that location, as described in the MOU, a pro-rata reduction of the applicable abatement will be implemented for the next tax year or until employment levels return to the levels agreed to in the MOU.

* * **

Section 5: Effective Date of Third Amendment. This Third Amendment shall be in full force and effect upon the date that the DCEO approves the Amending Ordinances and issues the Amended Certificate.

Section 6: Severability. If any provisions of this Third Amendment shall be held to be invalid by a court or other authority of competent jurisdiction, such provisions shall be disregarded and, to the fullest extent feasible and permitted under applicable law, the remaining provisions of this Third Amendment shall remain in full force and effect.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have hereunto set their hands on the date first written above.

City of DeKalb

By: [Signature]
Mayor

ATTEST

By: [Signature]
City Clerk Executive Assistant

County of DeKalb

By: [Signature]
County Board Chairman

ATTEST

By: [Signature]
County Clerk

Town of Cortland

By: [Signature]
Mayor



ATTEST

By: [Signature]
Town Clerk

City of Genoa

By: [Signature]
Mayor

ATTEST

By: [Signature]
City Clerk

City of Sandwich

By: [Signature]
Mayor

ATTEST

By: [Signature]
City Clerk



City of Sycamore

By: [Signature]
Mayor

ATTEST

By: [Signature]
City Clerk



Village of Waterman

By: [Signature]
Village President

ATTEST

By: [Signature]
Village Clerk

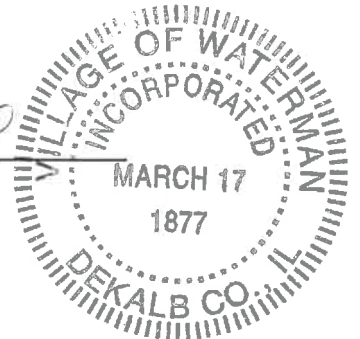


EXHIBIT A

AMENDMENTS TO SECTION NUMBERS

Section number before Third Amendment	Section number, as amended by Third Amendment
III.A.h	III.A.j
III.A.i	III.A.k
III.A.j	III.A.l
III.A.l	III.A.p
III.A.o	III.A.s
III.A.p	III.A.t
III.A.q	III.A.u
III.B.g	III.B.i
III.B.h	III.B.j
III.B.j	III.B.n
III.B.l	III.B.p
III.B.m	III.B.q
III.C.g	III.C.i
III.C.h	III.C.j
III.C.i	III.C.k
III.C.k	III.C.m
III.C.n	III.C.p
III.C.o	III.C.q
III.C.p	III.C.r



**Illinois
Department of Commerce
& Economic Opportunity**
JB Pritzker, Governor

CERTIFICATION

Pursuant to 20 ILCS 655/5.4 of the "Enterprise Zone Act", as amended, the Department of Commerce and Economic Opportunity hereby certifies the attached Ordinances that adds territory and provides modification and revision to the Property Tax Incentives of the Dekalb County Enterprise Zone.

This certification is effective on and after execution of this certification by the Director of the Department of Commerce and Economic Opportunity or designee.

ATTEST:

A handwritten signature in black ink, appearing to read "Erin B. Guthrie", written over a horizontal line.

Erin B. Guthrie
Director
Illinois Department of Commerce
and Economic Opportunity

3/16/2020
Date

DekalbCounty_2020_03_08_TA_2138