

AMENDMENT 2 TO ADDENDUM “B”

TO THE INTERGOVERNMENTAL AGREEMENT MADE DECEMBER 15, 2015, BY AND BETWEEN THE CITY OF DIXON, THE COUNTY OF LEE, THE CITY OF ROCHELLE AND THE COUNTY OF OGLE REGARDING THE ADMINISTRATION OF THE LEE OGLE ENTERPRISE ZONE.

WHEREAS, the Designating Units of Government adopted Ordinances and an Intergovernmental Agreement establishing an Enterprise Zone, certified by the Department of Commerce and Economic Opportunity on January 1, 2017, including incorporated portions of the City of Dixon, unincorporated portions of the County of Lee, incorporated portions of the City of Rochelle and unincorporated portions of the County of Ogle; and

WHEREAS, the Designating Units of Government adopted Amendment 1 to Addendum B, adding the City of Amboy as a Designating Unit of Government, and expanding the Enterprise Zone to include certain industrial and commercial property in the City of Amboy, and;

WHEREAS, the parties have indicated their willingness and desire to further expand the Enterprise Zone to include certain industrial and commercial property in the Village of Mount Morris; and

WHEREAS, a public hearing was held on December 12, 2017, in a location to be added to Enterprise Zone, on the question of expanding the Enterprise Zone to include industrial and commercial properties in the Village of Mount Morris; and

WHEREAS, the said areas to be added to the Lee Ogle Enterprise Zone meet the statutory requirements of contiguity to the existing zone, not exceeding available space for the zone, and meeting at least 3 of the criteria (“the ten tests”); and

NOW, THEREFORE, in consideration of the foregoing premises, the Designating Units of Government agree that the intergovernmental agreement shall be amended in the following respects:

- A.** The Village of Mount Morris, Illinois, adopts the terms of the Intergovernmental Agreement made on December 15, 2015, and is hereby added as a “Designating Unit of Government” of the Lee Ogle Enterprise Zone.

- B.** CHANGE TO SECTION I. OF THE INTERGOVERNMENTAL AGREEMENT– GENERAL PROVISIONS

Subsection A) is hereby amended to read as follows:

- A) Legal Description. The area as described in the original Lee Ogle Enterprise Zone Addendum “A”, Amendment 1 to Amendment 1 of Addendum “A”, and Amendment 2 to Addendum “A” shall be designated as the Lee Ogle Enterprise Zone.

Subsection D) is hereby amended to read as follows:

D) Administration Fees.

- 2) **Designating Units of Government** – The Designating Units of Government agree to provide financial assistance to the organization employing the Zone Administrator. Said assistance shall be calculated using a per capita rate of \$0.75 (seventy-five cents) based on the population of the respective Designating Units of Government according to the most recent decennial census as well as allocation of Enterprise Zone Acreage as described below:

Lee Ogle Enterprise Zone Area & Funding Formula for Administration Operating Expense

2010 US Census Population Lee & Ogle Counties			
Dixon	15,692	Rochelle	9,574
Amboy	2,404	Mount Morris	2,998
Lee	36,031	Ogle	53,497
Total population both counties		89,528	
Budget of \$.75 Per Capita for EZ Admin		\$67,146.00	

<u>LEE COUNTY PORTION</u>	<u>% of Zone</u>	<u>OGLE COUNTY PORTION</u>	<u>% of Zone</u>
to Uninc. Lee	3206.40 acres 36.22%	to Uninc. Ogle	1066.92 acres 12.05%
to Dixon	1157.32 acres 13.07%	to Rochelle	3130.40 acres 35.36%
to Amboy	73.97 acres 0.84%	to Mount Morris	193.43 acres 2.18%
50% of Strips	12.13 acres 0.14%	50% Strips	12.13 acres 0.14%
Area to Lee County:	4449.82 acres, 50.27%	Area to Ogle County:	4402.88 acres, 49.73%

Zone Parcel Acreage	8828.44 acres	99.73%
Connector Strips	<u>+ 24.26 acres</u>	<u>0.27%</u>
Total Zone Area	8852.70 acres	100.00%

Total Zone Area	8852.70 acres	92.22%
Acres in reserve	<u>+747.30 acres</u>	<u>7.78%</u>
Max. acres per Statute	9600.00 acres	100%

LEE FINANCIAL SHARE

Lee County Share	\$10,574.00
Dixon Share	\$22,508.00
Amboy Share	\$ 670.00
50.27%of Budget	\$33,752.00

OGLE FINANCIAL SHARE

Ogle County Share	\$ 7,778.00
Rochelle Share	\$23,866.00
Mount Morris Share	\$ 1,750.00
49.73%of Budget	\$33,394.00

Total Administration Budget \$67,146.00

Budget shall be adjusted each year for the following year according to the 3-year rolling average of each year's annualized October CPI published by the US-BLS.

C. CHANGE TO SECTION II OF THE INTERGOVERNMENTAL AGREEMENT– DEFINITIONS

Subsection D) is hereby amended to read as follows:

- D) “Eligible Special Uses, Variations” as defined herein are considered Eligible Project Types when the Special Use or Variation is granted pursuant to local ordinance of the applicable Designating Unit of Government where the project is located.

City of Dixon Districts for Eligible Project Types:

- B-1 Limited Neighborhood Business District
- B-2 General Business District
- CBD Central Business District
- BH-1 Interchange Planned Unit Development District
- LM Limited Manufacturing/Business Park District
- GM General Manufacturing District

City of Amboy Districts for Eligible Project Types

- C-1 Neighborhood Commercial District
- C-2 General Commercial District
- I-1 Light Industrial District
- I-2 Heavy Industrial District

Lee County Districts for Eligible Project Types:

- C-1 Neighborhood Office and Business District
- C-2 Planned Office and Business District
- C-3 General Business District
- I-1 Planned Industrial District
- I-2 General Industrial District
- PUD Planned Unit Development
- DPA Detailed Planning Area

Rochelle Districts for Eligible Project Types:

Commercial Districts

- B-1 Central Business District (CBD)
- B-2 Highway Commercial District
- B-3 Neighborhood Commercial District

Industrial Districts

- I-1 Light (limited) Industry District
- I-2 General Industrial District
- I-3 Heavy Industrial District

Overlay Districts

- TTO Transportation Overlay District
- TOD Technology Overlay District

Village of Mount Morris Districts for Eligible Project Types

- C-1 General Business District
- C-2 Highway Business District
- I-1 Light Industrial District
- I-2 General Industrial District

Ogle County Districts for Eligible Project Types:

- B-1 Business District
- B-2 Business Recreational District
- B-3 Restricted Interstate Highway Area Business District
- I-1 Industrial District
- PD Planned Development District

D. CHANGE TO SECTION III OF THE INTERGOVERNMENTAL AGREEMENT– DESIGNATING UNITS OF GOVERNMENT PROPERTY TAX ABATEMENT POLICIES

Subsection B) is hereby amended to read as follows:

- B) **City of Dixon, City of Amboy, County of Lee, City of Rochelle, Village of Mount Morris, and County of Ogle Property Tax Abatement** - In no event shall any abatement of taxes on any property exceed the amount attributable to the construction of the improvements or the renovation or rehabilitation of existing improvements on such property.
 - 1) Commencing on or after January 1, 2017, taxes on real property levied by the City of Dixon, City of Amboy, the County of Lee, the City of Rochelle, the Village of Mount Morris, and the County of Ogle, whichever is applicable, shall be abated on approved property located within the boundary of the Enterprise Zone, as certified by the Department, and upon which new improvements have been constructed as follows:
 - a) For taxes levied in the first year of abatement: 50%

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| b) | For taxes levied in the second year of abatement: | 50% |
| c) | For taxes levied in the third year of abatement: | 50% |
| d) | For taxes levied in the fourth year of abatement: | 50% |
| e) | For taxes levied in the fifth year of abatement: | 50% |
| f) | For taxes levied in the sixth year of abatement: | 50% |

Said abatements shall be for six (6) consecutive years beginning with the real estate taxes payable in the year following the first full year of a project's commercial operation after which said improvements have been made and fully assessed. Abatement for a specific project will cease after the sixth year or upon expiration, termination or decertification of the Zone, whichever is sooner.

2) The above property tax abatements shall be applicable solely for Eligible Project Types for improvements to real property upon which new construction, improvements, renovation or rehabilitation, for which a building permit is required and one has been obtained, has been completed after January 1, 2017, and before the expiration, termination or decertification of the Zone, whichever is sooner. Abatement shall only apply to the incremental increase in real estate taxes assessed as a result of the project and its related improvements.

In all other respects, the Intergovernmental Agreement dated December 15, 2015 shall remain in full force and effect.

This Amendment 2 may be executed in any number of counterparts and any party hereto may execute any such counterparts, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute one and the same instrument. This Amendment 2 shall become binding when one or more of the counterparts taken together shall have been executed and delivered by the parties. It shall not be necessary in making proof of this Amendment 2 or any counterpart hereof to produce or account for any other counterparts.

(the signature of the parties appears on the following page)

Dated this ____ day of _____, 2018

City of Dixon

City of Amboy

County of Lee

By: _____

By: _____

By: _____

Mayor

Mayor

County Board Chairman

City of Rochelle

Village of Mount Morris

County of Ogle

By: _____

By: _____

By: _____

Mayor

Village President

County Board Chairman