



Dear Applicant,

Thank you for considering the Business Incentive Program in Marengo (BIPiM). The Marengo local governments (School Districts 18, 154, and 165, Marengo Fire Protection District, Marengo Rescue Squad District, Marengo-Union Library District, Marengo Park District, and City of Marengo) through coordination from the Marengo Economic Development Commission (MEDC) may be prepared to offer monetary incentives for your business to expand or locate in Marengo. The three criteria we look for are:

1. Minimum investment in taxable property improvements of \$200,000
2. Minimum creation of five full-time equivalency (FTE) jobs
3. Minimum average wage paid to employees of \$12.00/Hr.

If your business decision satisfies two of the above three criteria you can be considered for one or more of the following business incentives from the Marengo community:

- Property Tax Abatement
- Sales Tax Rebate
- Fee Reductions/Waivers

In order to be considered for business incentives you will need to:

1. Fill out the attached application (see attachment A).
2. Provide a copy of the full legal description for the property you wish to make a business investment if known.
3. Fill out the attached Project Information Form provided by the Chicago Metropolitan Agency for Planning (CMAP) (see attachment B) for at least three years. This analysis is used by MEDC to generate an economic impact analysis.
4. Provide a copy of your Business Plan used to secure financing or other materials which verify your investment and job creation intentions. Documents that may be substituted for a business plan include work done by a consultant, quotes or bills from contractors or vendors, correspondence with your financial institution or corporate entity, or any other working documents that support your application.
5. Provide proof of creditworthiness as defined by the State of Illinois listed below:
 - a. Corporate debenture ratings of BBB or higher by Standard & Poor's Corporation or Baa or higher by Moody's Investors Service, Inc.
 - b. A letter from a financial institution with assets of \$10,000,000 or more attesting to the financial strength of the developer
 - c. Specific evidence of equity financing for not less than 10% of the total project cost

Please return these five items to the MEDC before you receive a building permit or occupy a building as failure to do so will prohibit you from consideration for incentives. You may mail or hand in your materials to:

Attn: EDC Coordinator
Marengo Economic Development Commission
116 South State Street
Marengo, IL 60152

Or, you may E-mail the application materials to edc@cityofmarengo.com in a .pdf format.

Once the MEDC receives a complete application you will be notified. If your application is approved by the MEDC you will receive a draft of an Incentive Agreement (see attachment C) provided by the City of Marengo's attorney for review. This may take up to a month. If you approve the draft it will be forwarded to the taxing entities. Because each taxing entity must pass their portion of tax abatements under an Intergovernmental Agreement the process may take several months to complete. During this time, please do not stop from fulfilling your business plan, we understand this process takes time and we do not want the incentive to interfere with your schedule.

To monitor your incentives we will periodically be requesting Illinois's Employer's Contribution and Wage Reports, Illinois Sales and Use Tax Returns (ST-1), and other documents throughout the multi-year contract. For any reason you fail to reach the minimums stated in your Economic Incentive Agreement the taxing entities may stop providing incentives and/or request funds be returned. The Commission understands business climates change. For any reason you feel your business will be unable to meet the conditions in your Incentive Agreement, please contact the MEDC as soon as possible. We will work with you in any way we can as your continuing success has a direct impact on our community.

There are other incentives and programs that may work in conjunction with or separate from BIPiM offered by various government entities. These programs include **low interest loans, grants, and tax incentives**. To learn more about these programs visit www.edcmarengo.com or contact the MEDC.

If you have questions, you may call the MEDC at (815) 568-5105 or e-mail us at edc@cityofmarengo.com.

Thank you for your interest and we look forward to working with you.

Sincerely,



Hank DeBoer, Chairman
Marengo Economic Development Commission

Attachments

- A – Application for City of Marengo Business Incentives
- B – Project Information Form – CMAP
- C – Blank Economic Incentive Agreement

Application for City of Marengo Business Incentives

Company Data

Date:	MEDC Representative: Checolinski, Dane
Company Name:	
Company Address:	
City, State, Zip:	
Primary Contact:	Title:
Telephone:	FAX:
e-mail Address:	Web Site:

Project Data

Project Description:	
Projected Start Date:	Projected Completion:
Project Location:	Legal Description: <i>(attach to application)</i>
	Address of Project, if known:
Total Project Cost: \$	Land: \$
	Building: \$
	Machinery & Equipment: \$
Current Assessed Value: \$	Estimated Total Value: \$

Job Data

<u><i>Job Creation Data</i></u>	
Proj. # New FT Positions:	Proj. # New PT Positions:
Avg. Projected FT Wages: \$	Avg. Projected PT Wages: \$
Total FTE's Created:	
What is the Projected Date all New Jobs will be in place?	
<u><i>Job Retention Data</i></u>	
Current # FT Positions:	Current # PT Positions:
Avg. Current FT Wages:	Avg. Current PT Wages: \$
Total FTE's Retained:	

Additional Comments:

Project Information Form - CMAP

Attachment B

Project Name: _____

PROJECT LOCATION

County: McHenry

City: Marengo, Illinois

INDUSTRY TYPE

Industry Type/Description _____

This input form has been set up for 5 years. You may fill in data an alternate number of years. A minimum of one complete year of data is required.

	Year				
	2010	2011	2012	2013	2014
EMPLOYEES AND PAYROLL					
Number of Employees (fill in each year)					
Skill Mix (if available):					
% Skilled					
% Semi-Skilled					
% Unskilled					
Total Payroll (fill in each year)					
Percent of employees living in the county					
Percent of employees living in the city					
CAPITAL INVESTMENT					
Value of Building Purchases (enter in year(s) of purchase)					
Value of New Construction (enter in year(s) of completion)					
Value of Land (if new construction)					
Annual Lease Payments on Real Property (if applicable)					
Value of Equipment Purchases (enter in year(s) of purchase)					
Percent Subject to Local Sales Tax					
Occupied Building Square Footage					
SALES AND INCOME					
Direct Taxable Retail Sales (if applicable)					
Illinois Corporate Income					
INCENTIVES					
Construction Sales Tax Refunded (yes/no)					
12 Year Property Tax Abatement (yes/no)					
Override Property Tax Rate (if applicable)					
Override County Sales Tax Rate (if applicable)					
Value of Delinquent Taxes Paid					
Value of Other Incentives					
UTILITIES AND PERMIT FEES					
Permit Fees (if new construction)					
Water Tap Fees					
Sewer Tap Fees					
Electric Usage (Kwh per month)					
Gas Usage (therms per month)					
Gas Expenditures (avg monthly bill)					
Telecom Expenditures (avg monthly bill)					

ECONOMIC INCENTIVE AGREEMENT
by and between
THE CITY OF MARENGO, MARENGO RESCUE SQUAD DISTRICT,
MARENGO PARK DISTRICT, MARENGO-UNION LIBRARY DISTRICT,
MARENGO FIRE PROTECTION DISTRICT,
MARENGO COMMUNITY HIGH SCHOOL DISTRICT 154,
MARENGO-UNION ELEMENTARY SCHOOL DISTRICT 165/RILEY
CONSOLIDATED COMMUNITY SCHOOL DISTRICT 18
and
Fullbusinessname

THIS ECONOMIC INCENTIVE AGREEMENT (this “Agreement”) is entered into by and between the City of Marengo, an Illinois municipal corporation located in McHenry County, Illinois (“City”), the Marengo Rescue Squad District, the Marengo Park District, the Marengo-Union Library District, the Marengo Fire Protection District, the Marengo Community High School District 154, and Marengo-Union Elementary School District 165/Riley Consolidated Community School District 18; (all collectively referred to as “Taxing Bodies”) and Fullbusinessname (referred to as “Shortname”). The Taxing Bodies, and Shortname are collectively referred to as the Parties.

WHEREAS, the City is a non-home rule municipality and taxing district of the State of Illinois; and

WHEREAS, all Taxing Bodies have approved an economic incentive program referred to as the Business Incentive Program in Marengo (“BIPiM”); and

WHEREAS, Shortname intends to develop and establish a description of business intentions (the “Businessidea”) located at 123 E Marengo St, Marengo, Illinois (the “Subject Property”) as depicted on the legal description found in Exhibit A which is attached hereto and incorporate herein; and

WHEREAS, the Taxing Bodies find that the development of the Businessidea will create and enhance existing and additional business opportunities, will improve the image of the City as a good place to do business and will generate a direct increase to the Taxing Bodies' annual property and sales tax revenue and an indirect increase to sales tax of other local business; and

WHEREAS, the Taxing Bodies find that the development of this business is in the best interests of the Taxing Bodies and Marengo area residents; and

WHEREAS, it is the desire of the Taxing Bodies to have Shortname undertake and complete this development, subject to reasonable economic incentives as set forth herein; and

WHEREAS, but for the economic incentives contained in this Agreement, the Shortname would likely not go forward with the development of the Businessidea; and

WHEREAS, the Taxing Bodies have worked cooperatively to promote the economic growth in the community as a whole; and

WHEREAS, negotiations have taken place between Shortname and the Taxing Bodies through the Marengo Economic Development Commission and an accord has been reached; and

Property Tax Abatement:

WHEREAS, all Taxing Bodies are authorized to abate any portion of its property taxes for commercial or industrial firms for a period not to exceed ten years and for an aggregate amount for all taxing districts combined not to exceed \$4,000,000 pursuant to 35 ILCS 200/18-165(a)(1); and

WHEREAS, the Taxing Bodies have each adopted resolutions in favor of the BIPiM to attract and retain high quality business developments through the use of tax abatements provided that certain conditions are met; and

WHEREAS, in order to be eligible for such a property tax abatement under the BIPiM the following two conditions must be met: (1) Increase the assessed valuation of its real property

from these improvements between Four Hundred Thousand (\$400,000.00) and One Million Dollars (\$1,000,000.00); and (2) Create a minimum of five (5) net new full-time equivalent (FTE) jobs at an average \$18.01 an hour; and the Taxing Bodies find that Shortname have met these requirements; and

Economic Incentive Agreement:

WHEREAS, the City is authorized, under 65 ILCS 5/8-11-20 to enter into economic incentive agreements related to the development or redevelopment of land within the City including rebating a portion of any retailers' occupation taxes received by the City that were generated by this development provided that the corporate authorities make certain findings; and

WHEREAS, the corporate authorities of the City do hereby make the following required findings for providing tax rebates under 65 ILCS 5/8-11-20:

- (1) That the property subject to the agreement is vacant and has remained vacant for at least one year.
- (2) That the project is expected to create or retain job opportunities within the municipality;
- (3) That the project will serve to further the development of adjacent areas;
- (4) That without this Agreement, the project would not be possible;
- (5) That the Shortname meet high standards of creditworthiness and financial strength as demonstrated by one or more of the following:

- (a) corporate debenture ratings of BBB or higher by Standard & Poor's Corporation or Baa or higher by Moody's Investors Service, Inc.;
- (b) a letter from a financial institution with assets of \$10,000,000 or more attesting to the financial strength of the developer; or

- (c) specific evidence of equity financing for not less than 10% of the total project costs;
- (6) That the project will strengthen the commercial sector of the municipality;
- (7) That the project will enhance the tax base of the municipality; and
- (8) That the agreement is made in the best interest of the municipality.

NOW, THEREFORE, for and in consideration of the foregoing recitals, the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Recitals:** The recitals set forth above are expressly incorporated into and made a part of this Agreement.

- 2. **Authority:** This Agreement is entered into by the Taxing Bodies pursuant to:
 - a. 35 ILCS 200/18-165(a)(1) providing for the abatement of taxes to commercial firms; and
 - b. By the City pursuant to 65 ILCS 5/8-11-20 authorizing municipalities to enter into economic incentive agreements relating to the development of land within the corporate limits of the municipality through the sharing or rebating of a portion of the municipality's share of any retailers' occupation taxes generated by the development.

- 3. **Undertakings on the Part of Shortname:**
 - a. Shortname hereby covenant and agree to negotiate for themselves a Commercial Lease for a term of no less than five years or a term equivalent to the term of this Agreement, under such terms and conditions as are acceptable to Shortname, including a term that the economic incentives components of this Agreement shall flow directly to the Tenant. Nevertheless, this lease shall also contain terms

defining the Developer's and Tenant's obligations to the Taxing Bodies under this Agreement. Such Commercial Lease between Shortname is a condition precedent to the Taxing Bodies' obligations set forth in this Agreement.

- b. As soon as practicable, Tenant agrees to approve construction plans for the Businessidea to allow Developer to move forward with construction in accordance with the timeline established in this Agreement.
- c. Within one year from the date of this Agreement, Shortname hereby covenants and agrees, if applicable, to acquire any such property necessary for the Construction, under such terms and conditions as are acceptable to Shortname. Such acquisition by Shortname is a condition precedent to the City's obligations set forth in this Agreement.
- d. Within eighteen months from the date of this Agreement, Shortname hereby covenants and agrees to complete the finalized build out of the Businessidea on the Subject Property, and to have obtained a Certificate of Occupancy for the Businessidea.
- e. Within eighteen months from the date of this Agreement, Shortname hereby covenants and agrees that it shall increase the assessed valuation of the property between Four Hundred Thousand (\$400,000.00) and One Million Dollars (\$1,000,000.00) (excluding any contribution made by the City to Shortname as may be applicable under this Agreement) in completing the build out of the Subject Property as Businessidea.
- f. Shortname hereby covenants and agrees to construct the Businessidea in a manner and of a type and quality consistent with the City's ordinances and Code

requirements in effect at the time of construction and the plans approved by the Tenant pursuant to Section 3(b) of this Agreement.

- g. Shortname hereby covenant and agree to maintain their respective corporate entities to own, manage and operate, as applicable to each, the Subject Property and the Businessidea and to maintain said corporate entities in good standing as an Illinois corporation or limited liability company, as applicable, during the term of this Agreement.
- h. Shortname hereby covenant and agree to promptly pay, as applicable to each party, as the same become due, any and all taxes and governmental charges of any kind that may at any time be assessed with regard to the ownership and operation of the Businessidea.
- i. Shortname hereby covenants and agrees that at all times it shall comply with all applicable local zoning and subdivision ordinances and regulations, building code, fire code, and all other applicable City ordinances, resolutions, and regulations. Shortname shall bring itself into compliance with any applicable local zoning ordinances and regulations, building code, fire code, and all other applicable City ordinances, resolutions, and regulations within thirty (30) days after written notice from the City of any violation of any of the foregoing.
- j. Shortname hereby covenants and agrees to comply with all applicable laws, rules, and regulations of the State of Illinois, the United States, and all agencies of each of them having jurisdiction over the construction and development of the Businessidea, including Prevailing Wage Act requirements, if any are applicable, and to hold the City harmless for any breach of this obligation.

k. Shortname hereby covenants and agrees to operate the Businessidea and comply with all applicable laws, rules and regulations of the State of Illinois, the United States and all agencies having jurisdiction over Tenant's operation of the Businessidea.

l. Shortname hereby represent and warrant that they are, respectively, able and have corporate authority to enter into this Agreement and the Commercial Lease, to perform their respective obligations thereunder and to consummate the transactions contemplated thereby. The execution, delivery and performance of the Agreement and Commercial Lease and the consummation of the transactions provided for in those documents are willingly and knowingly undertaken.

4. **Undertakings on the Part of the Taxing Bodies:** On the condition that there is no default on the part of Shortname under this Agreement, the Taxing Bodies covenant and agree to provide the following incentives to Shortname:

a. **Property Tax Abatement:** Subject to the timing provision in Section 4(c) below, Shortname is entitled to a five-year property tax abatement effective on the commencement date of the Commercial Lease between Shortname or the date in which the increased assessment goes into effect, whichever is later, but in no event shall this tax abatement plan extend beyond ten (10) years from the date this Agreement is executed:

1. First full year: 90%
2. Second full year: 72.5%
3. Third full year: 55%
4. Fourth full year: 37.5%
5. Fifth full year: 20%

The property tax abatement calculation shall be made by applying the percentages above to the difference between the original tax assessment on the Subject

Property and tax assessment on the built out Businessidea and shall not apply to any other increases in assessed valuation. Accordingly, for the term of this Agreement, the Taxing Bodies shall continue to receive 100% of their allotted property taxes based on the 2010 tax year liability plus the allowable tax for the built out Businessidea (less the abatement), namely 10% in the first year, 27.5% in the second year, 45% in the third year, 62.5% in the fourth year and 80% in the fifth year. To the extent that the property tax abatement is intended to flow directly to the Tenant, such process shall be governed by the Commercial Lease between Shortname and the Taxing Bodies' abatement of taxes shall satisfy their obligations to both Shortname.

- b. **Sales Tax Rebate:** A rebate of ten percent (10%) of the City's share of Sales Tax Revenue that the City collects from sales by Businessidea, if any, on the Subject Property for a four-year period.
 - i. Reimbursement to Shortname for this Sales Tax Revenue shall be made on a monthly basis only after the City has received its Sales Tax Revenue share from the State of Illinois. Tenant shall provide a State Tax Remittance form to the City Administrator in order to be eligible for this reimbursement.
- c. **Timing:** The obligation to provide the incentives provided for in this Section 4(a)-(c) shall commence at such time as Shortname receives a property tax bill for the fully built out Businessidea following assessment by the Township Assessor, which is anticipated a year after Shortname has received a Certificate of Occupancy for the Businessidea from the City.
 - i. The Taxing Bodies shall file a property tax abatement request with the County within thirty (30) days of receipt of the tax bill from Shortname.
 - ii. The Taxing Bodies shall complete other necessary applications for tax implementation and sharing within sixty (60) days of the date above.

iii. Alternatively, the Taxing Bodies shall, as provided by statute, adopt abatement ordinances for the appropriate percentage of the difference between the original assessment and the increased assessed valuation resulting from the build out Businessidea.

d. **Sources of Funds:** The Taxing Bodies shall only be obligated to abate the incentives provided for in this Agreement from the sources identified in this Agreement. Nothing contained in this Agreement shall commit the Taxing Bodies to abate anything from any other general revenue funds or other revenues of the Taxing Bodies.

e. **Fees Reduction:** Shortname shall be entitled to a 10% fee reduction for such fees as may be charged for the build out of the Businessidea including, but not limited to, any permit fees, inspection fees or re-inspection fees that may be charged by the City.

5. **Taxing Bodies Protections:** In order to ensure that the tax abatement to Shortname by the Taxing Bodies is used to meet the goals articulated in the “Whereas” findings provisions of this Agreement, Shortname hereby agree as follows:

a. Shortname as described in Section 5(b)₂ shall repay to the Taxing Bodies any and all sums already abated to Shortname by the Taxing Bodies under the terms of this Agreement with interest at the rate of five percent (5%) per annum on the unpaid principal amount due, and this Agreement shall terminate if:

i. Shortname fails to complete the development of the Subject Property within eighteen months of the execution date of this Agreement.

ii. Shortname has not obtained a Certificate of Occupancy for the Businessidea within eighteen months of the execution date of this Agreement, with the exception that if the Developer has applied for said certificate within said 18 month period and has not received the Certificate of Occupancy nor a denial of Developer's application, as a result of any unfounded delay by the City, said failure shall not be deemed a default and said 18 month period shall be extended until such

time as the Certificate of Occupancy is issued or Developer's application therefore is denied in writing.

iv. Shortname terminates its business operations in the City before the term of this Agreement has expired.

iv. Shortname fails to increase the assessed valuation of the Subject Property between Four Hundred Thousand (\$400,000.00) and One Million Dollars (\$1,000,000.00) in this project within eighteen months of the execution of this Agreement.

v. Shortname fails to create and maintain a minimum of five full-time equivalent jobs at the prescribed hourly rate within eighteen months of the execution date of this Agreement and thereafter for the term of this Agreement.

b. The repayment of sums already abated shall be made by the responsible party under the terms of this Agreement. Compliance with Section 5(a)(i), (ii) and (iv) shall be the sole responsibility of Developer. Compliance with Section 5(a)(v) shall be the sole responsibility of Tenant. Compliance with Section 5(a)(iii) shall be the responsibility of Shortname and their liability then shall be joint and several to the benefit of the Taxing Bodies. The Taxing Bodies, in their sole discretion, may seek remedies available in this Agreement against the Developer, the Tenant and/or the Shortname as may be applicable.

6. **Defaults:**

a. Failure on the part of Shortname to comply with any term, representation, warranty, provision, or condition of this Agreement within thirty (30) days after written notice thereof from the City on behalf of all Taxing Bodies shall constitute an event of default. Upon an occurrence of an event of default, the Taxing Bodies shall be relieved of any and all of their obligations arising pursuant to this Agreement, and such obligations shall be immediately canceled and without any force or effect, and the Taxing Bodies may take whatever action at law or in

equity as may appear necessary or desirable to enforce the performance and observance of any obligation, understanding, covenant or agreement of the defaulting Shortname, as applicable, including the reimbursement of the abated taxes. Further, upon an occurrence of an event of default by either the Shortname, the Taxing Bodies shall be entitled to the reimbursement of all costs incurred by the Taxing Bodies in seeking to enforce the performance of any obligation, understanding, covenant, or agreement by the defaulting Shortname, as applicable, including, but not limited to, costs incurred by use of its employees, officers, and attorneys.

- b. Before any failure of any party to this Agreement to perform its obligations under this Agreement shall be deemed to be a breach of this Agreement, the party claiming such failure shall notify, in writing, by certified mail/return receipt requested, the party alleged to have failed to perform and performance within thirty (30) days shall be demanded, which period of time shall be used by the party in breach to cure.
- c. In the event the Taxing Bodies, independently or in conjunction with one another, choose to sue in order to enforce Shortname obligations hereunder, Shortname, its successor or assign, shall pay all costs and expenses incurred by the Taxing Bodies, including, but not limited to, attorneys' fees and court costs, provided the Taxing Bodies substantially prevails in a final non-appealable order of any court of competent jurisdiction.
- d. In the event the Taxing Bodies, independently or in conjunction with one another, choose to sue in order to enforce Tenant's obligations hereunder, Tenant, its successor or assign, shall pay all costs and expenses incurred by the Taxing

Bodies, including, but not limited to, attorneys' fees and court costs, provided the Taxing Bodies substantially prevails in a final non-appealable order of any court of competent jurisdiction.

- e. The Parties' obligations to perform under the terms of this Agreement are specifically conditioned upon the performance of all acts required of the Parties by law.
- f. The Taxing Bodies shall, at their option and sole discretion, seek whatever legal or equitable remedies are available against Shortname.
- g. The Taxing Bodies, independently or in conjunction with one another, in their sole discretion, may take into consideration the economic conditions at the time a breach of the terms of this Agreement may occur and may forego immediate enforcement of this Agreement provided that the breaching Shortname, as may be applicable, have shown a good faith effort to meet their respective obligations under this Agreement, and provided further that any adjustment made shall not result in a waiver of Shortname obligations under this Agreement. Rather, any adjustment shall merely constitute temporary relief. Moreover, the Taxing Bodies' failure, at any time or times hereafter, to require strict performance by Shortname of any provision of this Agreement shall not waive, affect or diminish any right of the Taxing Bodies thereafter to demand strict compliance and performance therewith.

7. **Mutual Agreements:**

- a. **Complete Agreement:** This Agreement incorporates all agreements and understandings of the parties hereto as of the date of its execution regarding the

subject matter hereof. Each party acknowledges that no representations or warranties have been made which have not been set forth herein.

- b. **Time:** Time is of the essence.
- c. **Notice:** All notices and requests, if any, required pursuant to this Agreement shall be sent by certified mail as follows:

To Shortname: Fullbusinessname
Signee

With Copies to: Shortname's Legal Council

To the City: City Administrator
and Taxing Bodies: City of Marengo
116 South State Street
Marengo, IL 60152-2228

With Copies to: Carlos Arévalo
Zukowski, Rogers, Flood & McArdle
50 Virginia Street
Crystal Lake, IL 60014

- d. **Illinois Law and McHenry County Jurisdiction:** This Agreement shall be construed and enforced in accordance with the laws of the State of Illinois, and jurisdiction for any claims brought under this Agreement shall be in the 22nd Circuit Court in McHenry County, Illinois.
- e. **Assignment:** Shortname shall not assign this Agreement to any person or entity without the written consent of the Taxing Bodies, which consent shall not be unreasonably withheld. All obligations of Shortname shall remain in full force and effect until such time as their respective assignee, to which the Taxing Bodies have consented, has assumed, in writing, all such obligations. The terms and conditions of this Agreement are binding upon the successors and assigns of all parties hereto.

- f. **Severability**: In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.
- g. **No Recourse Against Officials**: No recourse under or upon any obligation, covenant, or provision of this Agreement, or for any claim based thereon or otherwise in respect thereof shall be had against the Taxing Bodies, their officers, appointed officials, agents, and employees, in any amount or in excess of any specific sum agreed by the Taxing Bodies and/or abated to Shortname under this Agreement. No liability, right or claim at law or in equity shall attach to or shall be incurred by the Taxing Bodies, their officers, appointed officials, agents and employees in excess of such amounts; and all and any such rights or claims against the Taxing Bodies, their officers, appointed officials, agents and employees are hereby expressly waived and released as a condition of and as consideration for the execution of this Agreement by the Taxing Bodies.
- h. **Indemnity**: The Shortname shall indemnify, hold harmless and defend the Taxing Bodies from any and all liability, loss, acts, damages, expenses, claims or actions, including attorney's fees, arising wholly or in part due to any act or omission by Shortname, its officers, agents, or employees in the execution, performance, or failure to adequately perform its obligations pursuant to this Agreement.
- The Tenant shall indemnify, hold harmless and defend the Taxing Bodies from any and all liability, loss, acts, damages, expenses, claims or actions, including attorney's fees, arising wholly or in part due to any act or omission by Tenant, its

officers, agents, or employees in the execution, performance, or failure to adequately perform its obligations pursuant to this Agreement.

- i. **Reporting:** Shortname shall each on an annual basis, by the 31st day of January, furnish a written report to the Taxing Bodies which certifies compliance with their respective obligations under this Agreement and to ensure that they remain eligible to the benefits of this Agreement.
- j. **Inspection:** Upon reasonable notice and at such times as consented to by Tenant, the Taxing Bodies shall have the right to inspect the Subject Property and the books and records of Shortname's facility at the Marengo Businessidea including, but not limited to, build out costs and operating costs of the Businessidea, for the purpose of insuring compliance with this Agreement. The right to inspect shall include the performance of an audit, should the Taxing Bodies have cause to believe that the promises herein have been breached by the Shortname.

8. **Term:** The term of this Agreement shall commence as of the date of its execution after approval by the corporate authorities of each Taxing Body. This Agreement will terminate once Shortname have received five years of tax abatement as provided for in this Agreement.

9. **Counterparts:** This Agreement may be executed in counterparts, such of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Taxing Bodies have caused this Agreement to be executed by their duly authorized officers, and Shortname has executed this Agreement, this ____ day of _____, 20__.

CITY OF MARENGO

Fullbusinessname

By: _____
Donald B. Lockhart, City Mayor

By: _____
Signee

ATTEST:

City Clerk

MARENGO PARK DISTRICT

MARENGO RESCUE SQUAD DISTRICT

By: _____
Its: _____

By: _____
Its: _____

ATTEST:

ATTEST:

MARENGO-UNION LIBRARY DISTRICT

MARENGO FIRE PROTECTION DISTRICT

By: _____
Its: _____

By: _____
Its: _____

ATTEST:

ATTEST:

MARENGO COMMUNITY HIGH SCHOOL DISTRICT 154

Marengo-Union or Riley SCHOOL DISTRICT 165/18

By: _____
Its: _____

By: _____
Its: _____

ATTEST:

ATTEST:

STATE OF ILLINOIS)
) ss
COUNTY OF McHENRY)

I, _____, a Notary Public in and for said county, in the state aforesaid, do hereby certify that Mayor Donald B. Lockhart and City Clerk _____, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

Given under by hand and official seal, the ____ day of _____, 2010.

Notary Public

(Notary Stamp)