Finance and Personnel Committee Meeting
February 4, 2019-5:30 PM
McHenry Municipal Center – Police Training Room
333 S Green Street
McHenry, IL 60050
AGENDA

1. Call to Order.

2. Roll Call.

3. Public Comment: Persons wishing to address the Committee will be asked to identify themselves for the record and will be asked but are not required to provide their address. Public comment may be restricted to three-minutes for each individual speaker. Order and decorum shall be maintained at public meetings.

4. Motion to approve the December 3, 2018 Finance and Personnel Committee meeting report.

5. Discussion on Fiscal Year 19/20 Priorities

6. Property Tax Abatement for Brake Parts-1600 Industrial Drive

7. Staff Reports.

8. Any Other Business.

9. Motion to adjourn the meeting.
FINANCE AND PERSONNEL COMMITTEE
Monday, December 3, 2018
Municipal Center Classroom, 5:30 PM

Call to Order: The meeting was called to order at 5:30 p.m.

Roll Call: Deputy Clerk Meadows called the roll. Roll call: Members present: Chairman Curry, Alderman Schaefer and Alderman Mihevc. Also in attendance: Finance Director Lynch.

Public Comment: None.

Motion to approve the November 12, 2018 Finance and Personnel Committee meeting report. Alderman Curry reported that the minutes were amended as there was an error on the first paragraph on page three under the discussion titled “Revenue Sources”. Alderman Curry asked if the Committee Members had any other comments regarding the meeting minutes under consideration. The Committee Members offered no comments. A Motion was made by Alderman Mihevc and seconded by Alderman Schaefer to approve the November 12, 2018 Finance and Personnel Committee meeting report as amended. Roll call: Vote: 3 ayes: Alderman Mihevc, Alderman Schaefer, and Alderman Curry. 0-nay, 0-abstained. Motion carried.

Revenue Sources-Discussion and Recommendation
Alderman Curry opened the continuing discussion regarding increasing the Simplified Municipal Telecommunication Tax. Finance Director Lynch reported that currently the City’s telecommunication tax rate is at 1% and this year generated $129,000 in revenue. Alderman Schaefer inquired if the annual revenue has remains constants over the years. Finance Director Lynch replied that the revenue stream has decrease over the last few years in part due to the fact that many people no longer have landlines. She went on to report that in FY-16/17 the Telecommunication Tax revenue was $143,000. Alderman Schaefer asked if the revenue stream would be impacted by any State regulations. Finance Director Lynch replied at this time she is unaware of any changes with respect to the State’s collection and distribution of the telecommunication tax. She noted that the State does charge municipalities a ½% administration fee.

There was some discussion with respect to the public prescription if the City were to increase the Telecommunication Tax from 1% to 6%. 6% is the average tax imposed by the majority of the surrounding communities. Alderman Curry suggested increasing the tax from 1% to 3% which would double the current revenue stream and aid in making up for the loss in revenue with respect to maintaining a flat property tax. In addition, this is a tax based on personal usage not on the assessed value of one’s home.
The Committee Members discussed recommending to the full City Council an increase to the Telecommunication Tax. Finance Director Lynch directed the Committee Members attention to the preliminary CIP worksheet drafted by Administrator Morefield which depicts the fund balances as of April 30, 2018. She reported that the Capital Improvement Fund balance is $212,721. However, the fund balance is depleted after all the capital improvements that should be completed in the next fiscal year are funded. Finance Director Lynch continued on to discuss the General Fund balance which is $7,266,958. She noted that the General Fund balance has an $80,000 shortfall which conflicts with the City’s Fund Balance Policy. Finance Director Lynch noted that once the City fails to maintain a reserve of 120 days of operating expenses they required to draft a plan to replenish the funds.

The Committee Members discussed in length increasing the Home Rule Municipal Retailers’ Occupation Tax. A Motion was made by Alderman Schaefer and seconded by Alderman Mihevc to recommend to the full City Council an increase in the Telecommunication Tax by 2% bringing the total to 3% and increasing the Home Rule Municipal Retailers’ Occupation Tax and the Home Rule Service Occupation Tax by ½% bringing the total to 3½%. Roll call: Vote: 3-ayes: Alderman Schaefer, Alderman Mihevc and Alderman Curry. 0-nays, 0-abstained. Motion carried.

There was some discussion with respect to a previous conversations regarding imposing a Transfer of Property Tax. However, this type of taxation would require a referendum on an upcoming ballot. In addition, the Community Development Committee has already investigated this matter and decided not to move forward with a recommendation to the full City Council.

Staff Reports
Finance Director Lynch reported that residents may now view their water bills via the City’s website.

Any Other Business
Alderman Curry reported that he had sent Director Martin his comments regarding the Economic Incentive Policy. Alderman Schaefer and Alderman Mihevc noted that they will also sent their comments to Director Martin. This matter will be discussed during on upcoming Finance and Personnel Committee Meeting.

Alderman Curry commented on the fact that 2019 Committee meeting schedule may need to be amended.

Motion to adjourn from the meeting
There being no further public business to discuss, a Motion was made by Alderman Schaefer and seconded by Alderman Curry to adjourn from the public meeting at 6:20 p.m. Roll call: Vote: 3-ayes: Alderman Schaefer, Alderman Mihevc and Alderman Curry. 0-nays, 0-abstained. Motion carried.
Respectfully submitted,
Debra Meadows, Deputy City Clerk

Reviewed and approved this _____ day of __________ 2018.

______________________________
Alderman Curry, Chairman
City of McHenry
Finance and Personnel Committee
Agenda Item
Submittal Form

Meeting Date: February 4, 2019

Agenda Item Name: Tax Abatement for Brake Parts-1600 Industrial Drive

Submitted By: Douglas Martin
Submittal Date: January 24, 2019
Resubmitted:

Draft: Yes
Final:
Approved: __________
COMMITTEE SUPPLEMENT

TO: Chairman Curry, Finance and Personnel Committee
Finance and Personnel Committee Members

FROM: Douglas Martin, Director of Economic Development

FOR: February 4, 2019 Finance and Personnel Committee Meeting

RE: Property Tax Abatement --- Brake Parts

ATT: 1. Location Map
2. Excerpt from Municipal Code on Tax Abatements
3. Photographs of Site
4. Fabrik Property Tax Abatement Agreement

Brake Parts Inc, located at 4400 Prime Parkway, is contemplating relocating their research and development facility from Winchester, KY to 1600 Industrial Drive in McHenry. They currently own the building at 1603 Industrial Drive, which has been vastly underutilized for numerous years since their manufacturing facility relocated to China. The building was constructed in 1975 and is approximately 267,000 square feet.

Brake Parts would make a $4.0 million investment in this building to relocate their R and D facility and in order to make it more attractive to them staff is proposing a property tax abatement. The building and situation meet the criteria outlined in the Municipal Code and Economic Development Strategy. The total assessed valuation is currently $1,883,476 or market value equal to $5,650,428. This equates to just over $13,000 annually in property taxes paid to the City.

Staff is recommending a 10 year 100% abatement over and above the 2018 City of McHenry taxes for 1600 Industrial Drive which would be the base tax amount, similar to the methodology utilized in the Fabrik agreement. Using a straight $4,000,000 market value, the approximate abatement would be slightly under $12,000 annually, as the tax rate is 11.8 and the City receives .73 of that amount. This is an estimate however.
Below are the anticipated benefits of the Brake Parts expansion.

- Potential partnership with the schools;
- Quality jobs for people in the area;
- Create up to 15-20 new jobs;
- Average pay between $75,000-$80,000;
- Facility investment of $4,000,000;
- Buildout of 55,000 square feet state-of-the-art testing and processing center.

**Economic Development Strategy**
Below is evaluation criteria set forth in the Strategy, which should be considered when evaluating a request for any economic incentive.


2. Revenue benefit to the City.

3. Level of circumstances with the property characteristics that create challenges or practical difficulties regarding the development of the site.

4. Number and quality of jobs produced.

5. Strong public benefit to the City.

6. The ability of the development to spur additional economic development in the area.

7. The impact of a proposed development on the existing businesses within the City.

8. Level of applicant’s creditworthiness and financial strength.

9. Level of compliance with approved design guidelines and development standards.

The City Council has approved several economic incentive agreements to partially offset the capital investments required for different projects. They also approved a property tax abatement along with eight other taxing bodies for Fabrik Molded Plastics.
Staff believes this is a worthwhile project for the City and will benefit other businesses and the residents of the community. Additionally, it will assist in revitalizing an older primarily vacant building in the heart of town. Staff recommends supporting the request.

If the Finance and Personnel Committee concurs staff will work with the City Attorney preparing a Property Tax Abatement Agreement for City Council consideration.
1600 INDUSTRIAL DRIVE
ARTICLE V 
TAX ABATEMENT

Sec. 23-40. Consideration.
The City Council of the City of McHenry, will consider granting tax abatement on the City share of the property tax for any new industrial plant construction by an industrial firm considering locating in the City of McHenry from out of state and for existing or newly created McHenry industrial firms considering the construction of new facilities or the expansion of existing McHenry facilities.

Sec. 23-41. Application and evaluation.
Any industrial firm from out of state or from the City of McHenry wishing to request tax abatement for any proposed new construction shall contact the Office of the Mayor for the purpose of having the request referred to the Finance Committee of the City Council for evaluation and recommendation to the full Council. The request of the applicant shall be accompanied by the name and location of the firm, the estimated fair market value of the new construction, the estimated number of new employees to be added as a consequence of said construction, the tax year in which the first tax abatement is requested to commence, and such other information as the applicant, the Mayor and Finance Committee deem desirable.

Sec. 23-42. Recommendation.
Upon receipt of a recommendation from the Finance Committee concerning the request for tax abatement, the City Council, in its sole discretion, may pass a resolution to abate any portion of its taxes on said property for any period of time up to, but not exceeding, ten (10) years. Any resolution awarding a tax abatement should, as a minimum, specify the amount of the taxes abated (the amount to be either in the form of a percentage or dollar figure), the number of years for which such abatement is awarded and the specific tax years to which such abatement applies.

Sec. 23-43. Abatement of tax.
The Mayor will advise the applicant by letter of the action taken by the City Council. Thereafter, contemporaneously with the enactment of the annual levy ordinance, the City Council and the Mayor shall, without further request from the applicant, enact an appropriate tax abatement ordinance or ordinances and shall file the same with the County Clerk in sufficient time to implement such tax abatements for the tax years in question.
PHOTOGRAPHS OF SITE

Looking Northwest at 1600 Industrial Drive

Looking West at 1600 Industrial Drive
Looking Southwest at 1600 Industrial Drive
ORDINANCE NO. 15-1737

AN ORDINANCE AUTHORIZING THE MAYOR’S EXECUTION OF A PROPERTY TAX ABATEMENT AGREEMENT BETWEEN THE CITY OF McHENRY, McHENRY COUNTY, NUNDA TOWNSHIP CEMETARY DISTRICT, McHENRY COUNTY CONSERVATION DISTRICT, McHENRY COUNTY COLLEGE DISTRICT 528, McHENRY SCHOOL DISTRICT 156, McHENRY SCHOOL DISTRICT 15, McHENRY TOWNSHIP FIRE PROTECTION DISTRICT, McHENRY LIBRARY DISTRICT, NUNDA TOWNSHIP AND NUNDA TOWNSHIP ROAD AND BRIDGE DISTRICT AND SETH WAGNER AND ASSOCIATES REAL ESTATE COMPANY

WHEREAS, the City of McHenry, McHenry County, Illinois, is a home rule municipality as contemplated under Article VII, Section 6, of the Constitution of the State of Illinois, and the passage of this Ordinance constitutes an exercise of the City’s home rule powers and functions as granted in the Constitution of the State of Illinois.

NOW, THEREFORE, BE IT ORDAINED by the CITY COUNCIL of the CITY OF McHENRY, McHenry County, Illinois, as follows:

SECTION 1: The Property Tax Abatement Agreement, bearing the date of July 6, 2015 between the City of McHenry, McHenry County, Nunda Township Cemetery District, McHenry County Conservation District, McHenry County College District 528, McHenry School District 156, McHenry School District 15, McHenry Township Fire Protection District, McHenry Library District, Nunda Township and Nunda Township Road and Bridge District and Seth Wagner and Associates Real Estate Company is attached to this ordinance and incorporated herein by reference as Exhibit “A”.

SECTION 2: The Mayor and City Clerk are hereby authorized to affix their signatures as Mayor and City Clerk to said Property Tax Abatement Agreement for the uses and purposes therein set forth.

SECTION 3: All Ordinance or parts thereof in conflict with the terms and provisions hereof are hereby repealed to the extent of such conflict.

SECTION 4: This Ordinance shall be published in pamphlet form by and under the authority of the corporate authorities of the City of McHenry, McHenry County, Illinois.

SECTION 5: This Ordinance shall be in full force and effect from and after its passage, approval, and publication in pamphlet form as provided by law.
PASSED and APPROVED this 6th day of July 2015.

Voting Aye: Condon, Peterson, Wimmer, Curry, Schaefer, Glab, Santi
Voting Nay: None
Abstaining: None
Not Voting: None
Absent: None

[Signature]
Mayor

ATTEST:

[Signature]
City Clerk
PROPERTY TAX ABATEMENT AGREEMENT
BETWEEN THE CITY OF MCHenry, MCHENRY COUNTY, NUNDA TOWNSHIP CEMETERY DISTRICT, MCHENRY COUNTY CONSERVATION DISTRICT, MCHENRY COUNTY COLLEGE DISTRICT 528, MCHENRY TOWNSHIP FIRE PROTECTION DISTRICT, NUNDA TOWNSHIP, NUNDA TOWNSHIP ROAD AND BRIDGE DISTRICT AND SETH WAGNER AND ASSOCIATES REAL ESTATE COMPANY

This Property Tax Abatement Agreement ("Agreement") is made and entered into this 6th day of July, 2015 by and between the City of McHenry ("City"), McHenry County, Nunda Township Cemetery District, McHenry County Conservation District, McHenry County College District 528, McHenry Township Fire Protection District, Nunda Township and Nunda Township Road and Bridge District, (hereinafter collectively "Taxing Bodies" or singularly "Taxing Body") and Seth Wagner and Associates Real Estate Company and/or their successor (hereinafter "Fabrik"), an Illinois Corporation.

WHEREAS, the Taxing Bodies have the power to abate property taxes pursuant to Section (35 ILCS 200/18-165); and,

WHEREAS, the Taxing Bodies may enter into intergovernmental cooperation agreements pursuant to Article VII, Section 10 of the Illinois Constitution of 1970 and the Intergovernmental Cooperation Act (5ILCS 220/1 et seq.); and,

WHEREAS, the Taxing Bodies desire to attract and retain new and diverse business and industrial enterprises within their boundaries in order to increase the equalized assessed valuation by encouraging private sector investment; and,

WHEREAS, the creation and retention of jobs is essential to the economic and social well-being of the people of McHenry County and the surrounding region; and,
WHEREAS, the Taxing Bodies find the granting of certain property tax abatements may be necessary to attract, retain and encourage the growth of diverse business and industrial enterprises; and,

WHEREAS, Fabrik currently operates their business at 5213 Prime Parkway ("Existing Property"), legally described on attached Exhibit "A" and is located within the corporate limits of the City. Fabrik is interested in purchasing the building and property located at 1515 Miller Parkway ("Subject Property") legally described on attached Exhibit "B," located in the City to accommodate their proposed business expansion; and,

WHEREAS, the Existing Property is identified as tax parcels 14-10-154-001, 14-10-154-002, 14-10-154-003, 14-10-154-004, 14-10-154-005 and 14-10-154-006, consists of 1.63 acres more or less and contains an approximately 113,904 square-foot one-story building constructed in 1992; and,

WHEREAS, the Subject Property is identified as tax parcels 14-10-151-007 and 14-09-276-007, consists of 3.10 acres more or less and contains an approximately 43,928 square-foot one-story building constructed in 1991; and,

WHEREAS, the total 2014 Equalized Assessed Valuation of the Subject Property is $395,360;

WHEREAS, Fabrik has estimated the costs of the purchase of the Subject Property and associated improvements, purchase of equipment and hiring of additional personnel to be in excess of Five Million Dollars.
NOW, THEREFORE IT IS AGREED by and between the Taxing Bodies and Fabrik as follows:

SECTION 1. The Taxing Bodies and Fabrik incorporate each of the above recitals into this Agreement as if set forth in their entirety in this Section 1.

SECTION 2. The Taxing Body (Bodies) hereby agree to abate the real estate taxes levied against the Subject Property each year that the Taxing Body's (Bodies') property taxes exceed the dollar amount listed for said Taxing Body (Bodies) on Exhibit "C" ("2014 Base Property Taxes") attached hereto and incorporated herein. The 2014 Base Property Taxes are a minimum dollar threshold for each Taxing Body, and the sum of all the 2014 Base Property Taxes ($51,209) shall serve as a minimum cumulative dollar threshold for all Taxing Bodies. If at any time during the Property Tax Abatement Term described in Section 3 the sum of the 2014 Base Property Taxes for all Taxing Bodies is less than $51,209 referenced on Exhibit C there shall be no property tax abatement required by any Taxing Body for that year. The 2014 Base Property Taxes Amount refers to the existing property tax bills prior to new capital investment and reoccupation of a previously vacant building on the Subject Property.

SECTION 3. Each Taxing Body agrees to abate their portion of the real estate taxes levied against the Subject Property in accordance with Section 2 for a ten (10) year term commencing with the 2016 property tax bill payable in 2017 through the 2025 property tax bill payable in 2026 ("Property Tax Abatement Term").

Subject to the terms outlined in Section 2 each Taxing Body agrees to adopt an Abatement Ordinance, ("Abatement Ordinance") annually and file the Abatement Ordinance with the McHenry County Clerk's and Treasurer's Offices no later than the March following the proposed tax abatement year. For example an ordinance authorizing the abatement of 2016 property taxes must be filed no later than March 2017.
SECTION 4. The Taxing Bodies and Fabrik hereby agree the maximum cumulative total property tax abatement levied against the Subject Property shall not exceed $314,270 ("Maximum Total Property Tax Abatement").

SECTION 5. Fabrik agrees to repay all Property Tax Abatements referenced in Section 3 of this Agreement, in accordance with the provisions in this Section to all Taxing Bodies if Fabrik ceases its business operation in the City at any time during the term of this Agreement. Ceasing business operation shall be defined as the permanent closure of the building on the Subject Property or at its Existing Property and the building(s) remaining less than 100% occupied, as determined by the Nunda Township Assessor, for a period of six (6) or more consecutive months prior to the end of the Property Tax Abatement Term.

However the Property Tax Abatement shall not be required to be repaid if Fabrik expands their business operation at a location other than at its Existing Property or Subject Property but within the City.

If Fabrik ceases its business operation in accordance with the aforementioned provisions in this Section Fabrik agrees to repay all property taxes to all applicable Taxing Bodies (Body) which have been previously abated by an Abatement Ordinance(s) filed in accordance with Section 3. The repayment shall be cumulative and inclusive of all Abatement Ordinances filed by all Taxing Bodies during the Property Tax Abatement Term.

Other than the Property Tax Abatements agreed to pursuant to this Agreement, The Taxing Bodies shall have no obligation to incur any expense, share any revenue or abate any property tax associated with Fabrik, their business or the Subject Property.

SECTION 6. To the extent permitted by the Illinois Freedom of Information Act ("FOIA") and other relevant laws, the Taxing Bodies shall endeavor to keep any such financial information confidential. The foregoing, however, shall not preclude any Taxing Body from disclosing such information to the extent it is mandated to do so by court order or to the extent
it makes a good faith determination that such disclosure is required by law. The City shall give Fabrik prompt notice of any request that is made under the FOIA to disclose any Information described above.

If required the Taxing Bodies shall be permitted to disclose such information and documents to employees and consultants as the Taxing Bodies in their sole discretion, deems appropriate in order to monitor compliance and audit this Agreement. Fabrik understands and agrees that the provisions of this Agreement and any and all subsequent property tax abatements regarding the Subject Property pursuant to this Agreement are public records and are subject to release under FOIA.

Fabrik also agrees to execute any consent form requested by the Taxing Bodies and furnish such additional consent, powers of attorney or waivers as may be required by State and/or Federal Law to furnish any required financial information and/or disclosures to the Taxing Bodies.

SECTION 7. The Taxing Bodies and Fabrik agree to do all things necessary or appropriate to carry out the terms and provisions of this Agreement and to aid and assist each other in carrying out the terms hereof.

SECTION 8. No cash payment shall be due from the Taxing Bodies to Fabrik under this Agreement, and no interest shall be due on the obligations set forth in this Agreement. Fabrik acknowledges that the Taxing Bodies Obligation is a limited obligation related solely to certain abatement of property taxes levied on the Subject Property subject to the terms outlined in Section 2 and the sole source of Fabrik’s abatement shall be from the aforesaid increase over and above the 2014 Base Property Taxes.

SECTION 9. This Agreement shall be in full force and effect for a Term commencing from date the Agreement is considered by all Taxing Bodies and ending on the earlier to occur of: (a)
the Taxing Bodies Maximum Total Property Tax Abatement to Fabrik outlined in Section 4 of this Agreement has been satisfied; (b) Fabrik ceases its business operation at its Existing Property or Subject Property prior to Fabrik’s receipt of the Maximum Total Property Tax Abatement except that, in that event, Fabrik must still repay the Taxing Bodies pursuant to Section 5 of this Agreement; (c) the end of the Property Tax Abatement Term; (d) Fabrik has not obtained a certificate of occupancy to conduct its business operations at the Subject Property by June 1, 2016; (e) Fabrik relocates its business outside of the City except that, in that event, Fabrik must still repay the Taxing Bodies pursuant to Section 5 of this Agreement or (f) Agreement is not executed by Fabrik by December 31, 2015. This Agreement shall remain in effect for enforcement, indemnity and accounting purposes following the expiration of the Term.

SECTION 10. This Agreement shall be binding upon and inure to the benefit of the Taxing Bodies and Fabrik (unless Fabrik and Taxing Bodies agree otherwise in writing). Any notices required or contemplated by this Agreement shall be sent by certified mail or via a nationally-recognized private carrier (such as Fed Ex or UPS), as follows:

If to Fabrik: Fabrik Industries, Inc.
5213 Prime Parkway
McHenry, IL 60050
Attention: Keith Wagner

If to the City: City of McHenry
333 S. Green Street
McHenry, IL 60050
Attention: City Administrator

If to McHenry County: McHenry County Administration Offices
667 Ware Road
Woodstock, IL 60098
Attention: McHenry County Administrator
| If to Nunda Township: | Nunda Township Supervisor  
| 3510 Bay Road  
| Crystal Lake, IL 60012  
| Attention: Nunda Township Supervisor |

| If to Nunda Township Road and Bridge District: | Nunda Township Highway Commissioner  
| 3510 Bay Road  
| Crystal Lake, IL 60012  
| Attention: Nunda Township Highway Commissioner |

| If to Nunda Township Cemetery: | Nunda Township Cemetery  
| 3510 Bay Road  
| Crystal Lake, IL 60012  
| Attention: President Nunda Township Cemetery |

| If to McHenry County College District 528: | McHenry County College  
| Administrative Office  
| 8900 U.S. Highway 14  
| Crystal Lake, IL 60012-2761  
| Attention: President McHenry County College |
SECTION 11. In the event of a claimed default under this Agreement, the non-defaulting party shall provide notice of default to the defaulting party. No legal action may be commenced with respect to a claimed default until thirty (30) days after said notice has passed, during which time the claimed defaulting party may cure the claimed default. This Agreement shall be governed by Illinois law without regard to its rules regarding conflicts of law.

SECTION 12. Any action to enforce this Agreement shall only be filed in the Twenty-Second Judicial Circuit, McHenry County, Illinois. The party who prevails in any such action shall be entitled to recover its reasonable attorney’s fees from the other party.
SECTION 13. Fabrik agrees to indemnify, defend, and hold harmless the Taxing Bodies, their elected officials, duly appointed officials, agents, employees and representatives, from and against any and all claims suits, settlements, actions, losses, expenses, damages, injuries, judgments, and demands arising out of this Agreement including but not limited to all applicable local, state and federal laws.

SECTION 14: This Agreement sets forth all the promises, inducements, agreements, conditions and understandings between Fabrik and the Taxing Bodies relative to the property tax abatement and there are no other promises, agreements, conditions or understandings, oral or written, express or implied, between them relative thereto. This Agreement may only be amended by way of a written instrument that is signed by both Fabrik and the Taxing Bodies.

SECTION 15. The terms of this Agreement shall be severable. In the event any of the terms or provision of this Agreement are deemed to be void or otherwise unenforceable for any reason, then such provision shall be modified to the minimum extent necessary to make it enforceable and the remainder of this Agreement shall remain in full force and effect.

City of McHenry

[Signature]
Suzan E. Low, Mayor

Fabrik (Seth Wagner and Associates Real Estate Company)

[Signature]
By: Keith Wagner, President Fabrik Industries, Inc.

Attest:

Janice C. Jones, City Clerk

Attest: [Signature]
McHenry County

Name: Joseph Gottmiller

Signature: [Signature]

Title: County Board Chairman

Date: 1-199-116

Attested: [Attestation]

Date: [Date]
Certification of Property Tax Abatement Agreement Approval

The Nunda Township Cemetery Board by Ordinance approved the Property Tax Abatement Agreement between the City of McHenry, McHenry County, Nunda Township Cemetery District, McHenry County Conservation District, McHenry County College District 528, McHenry Township Fire Protection District, Nunda Township and Nunda Township Road and Bridge District and Seth Wagner and Associates Real Estate Company on \[\text{July 13}, 2015\] and authorized the President and Secretary of the Board to execute the Agreement.

Nunda Township Cemetery Board

By: \[\text{[Signature]}\]
President

Attest:

\[\text{[Signature]}\]
Secretary
McHenry County Conservation District

Name: Bora Heinsohn
Signature: [Signature]
Title: President

Date: 8/20/15
Attested: [Signature]
Date: 8/21/15
McHenry County College District 528

Name: Michael K. Smith

Signature: [signature]

Title: Chairman, Board of Trustees

Date: Aug 20, 2015

Attested: [signature]

Date: 8-27-15
McHenry Township Fire Protection District

Name: Allen R. Miller

Signature: Allen R. Miller

Title: President

Date: 1/29/2016

Attested: _________

Date: _________
Certification of Property Tax Abatement Agreement Approval

The Nunda Township Board by Ordinance approved the Property Tax Abatement Agreement between the City of McHenry, McHenry County, Nunda Township Cemetery District, McHenry County Conservation District, McHenry County College District 528, McHenry Township Fire Protection District, Nunda Township and Nunda Township Road and Bridge District and Seth Wagner and Associates Real Estate Company on August 13, 2015 and authorized the Supervisor and Clerk to execute the Agreement.

Nunda Township

By: [Signature]

Supervisor Lee Jennings

Attest:

[Signature]

Angela Koscavage, Clerk
Certification of Property Tax Abatement Agreement Approval

The Nunda Township Highway Commissioner by Ordinance approved the Property Tax Abatement Agreement between the City of McHenry, McHenry County, Nunda Township Cemetery District, McHenry County Conservation District, McHenry County College District 528, McHenry Township Fire Protection District, Nunda Township and Nunda Township Road and Bridge District and Seth Wagner and Associates Real Estate Company on Aug 13, 2015.

Nunda Township Highway Commissioner

[Signature]

Mike Lesperance
Exhibit A
Legal Description of Existing Property (5213 Prime Parkway)

LOTS 50 THRU 55 IN MCHENRY CORPORATE CENTER UNIT II, BEING A SUBDIVISION OF PART OF THE NORTHEAST QUARTER OF SECTION 9 AND PART OF THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED OCTOBER 26, 1990 AS DOCUMENT NO. 90R3993, IN MCHENRY COUNTY, ILLINOIS
Exhibit B

Legal Description of the Subject Property (1515 Miller Parkway)

LOTS 45 THRU 49 IN MCHENRY CORPORATE CENTER UNIT II, BEING A
SUBDIVISION OF PART OF THE NORTHEAST QUARTER OF SECTION 9 AND PART OF
THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 44 NORTH, RANGE 8 EAST
OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF
RECORDED OCTOBER 26, 1990 AS DOCUMENT NO. 90R3993, IN MCHENRY COUNTY,
ILLINOIS.
### Exhibit C

#### 2014 Base Property Taxes for the Subject Property

<table>
<thead>
<tr>
<th>Taxing Districts</th>
<th>Tax Rate</th>
<th>1515 Miller Parkway</th>
</tr>
</thead>
<tbody>
<tr>
<td>McHenry County</td>
<td>1.14122</td>
<td>$4,512</td>
</tr>
<tr>
<td>Nunda Township Cemetery</td>
<td>0.002036</td>
<td>$8</td>
</tr>
<tr>
<td>McHenry County Conservation District</td>
<td>0.283996</td>
<td>$1,123</td>
</tr>
<tr>
<td>McHenry County College District</td>
<td>0.445272</td>
<td>$1,760</td>
</tr>
<tr>
<td>McHenry Elementary District 15</td>
<td>5.850754</td>
<td>$23,132</td>
</tr>
<tr>
<td>McHenry High School District 156</td>
<td>2.886732</td>
<td>$11,413</td>
</tr>
<tr>
<td>McHenry Township Fire Protection District</td>
<td>0.62785</td>
<td>$2,482</td>
</tr>
<tr>
<td>McHenry Library District</td>
<td>0.383963</td>
<td>$1,518</td>
</tr>
<tr>
<td>Nunda Township</td>
<td>0.117836</td>
<td>$466</td>
</tr>
<tr>
<td>Nunda Township Road and Bridge</td>
<td>0.338027</td>
<td>$1,336</td>
</tr>
<tr>
<td>City of McHenry</td>
<td>0.874808</td>
<td>$3,459</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>12.952494</td>
<td><strong>$51,209</strong></td>
</tr>
</tbody>
</table>