

ORDINANCE 2018 – O -21

AN ORDINANCE FOR THE ESTABLISHMENT OF AN ENTERPRISE ZONE IN THE CITY OF ZION, THE VILLAGE OF BEACH PARK AND THE VILLAGE OF WINTHROP HARBOR, SUBJECT TO THE ENTERPRISE ZONE ACT OF THE STATE OF ILLINOIS.

WHEREAS, the State of Illinois Enterprise Zone Act, 20 ILCS 655/1 et seq., as amended (the “Act”) provides for the creation of enterprise zones to encourage private sector investments, stimulate business and industrial growth in economically distressed areas as well as neighborhood revitalization by relaxing government controls and tax incentives throughout the State; and

WHEREAS, the City of Zion, the Village of Beach Park and the Village of Winthrop Harbor (collectively, the “Municipalities”), corporate bodies politic organized and existing under the laws of that State of Illinois, each have areas within their respective legal boundaries that are economically distressed with a disproportionate number of residents who have suffered pervasive poverty, unemployment and economic distress related to prolonged economic transformation, shifts of industries throughout the region, and a variety of other factors. These factors have negatively affected areas that would benefit from private sector investments with an Enterprise Zone; and

WHEREAS, the aforesaid Municipalities have joined in the collective pursuit of a joint Enterprise Zone, subject to approval of their respective governing bodies; and

WHEREAS, it is determined that it is in the best interest of the citizens of the Municipalities to establish an Enterprise Zone and encourage private sector investments within said Enterprise Zone; and

WHEREAS, prior to filing an application for approval of the designation of an Enterprise Zone under the Act, it is required that the Municipalities adopt an Ordinance designating the proposed Enterprise Zone.

NOW, THEREFORE, BE IT ORDAINED, by the Municipalities as follows:

Sec. 1. Establishment of Enterprise Zone and Enterprise Zone designation - In accordance with the Act, in cooperation with the City of Zion, the Village of Beach Park and the Village of Winthrop Harbor hereby declare, establish, name and designate the Zion Benton Enterprise Zone (the “Enterprise Zone”); said Enterprise Zone is further subject to and contingent on approval by the Illinois Enterprise Zone Board and certification by the Illinois Department of Commerce and Economic Opportunity.

Sec. 2. Term - The term of the Enterprise Zone shall commence upon certification and approval of the Illinois Department of Commerce and Economic Opportunity (“DCEO”) and shall remain in effect for a period of fifteen (15) calendar years and is subject to review for an additional ten (10) year extension prescribed under the Act.

Sec. 3. Description of zone - The area of the designated Enterprise Zone is described in Exhibit A - Boundaries of Enterprise Zone and depicted in Exhibit B – Map of Enterprise Zone, which exhibits are attached to this Ordinance and incorporated herein by reference.

Sec. 4. Qualifications. - The Municipalities hereby declare and affirm that the proposed Zone

Area is qualified for designation as an Enterprise Zone and further affirms and finds that:

- a) The Zone Area is a contiguous area and entirely within the corporate limits of the Municipalities being the Enterprise Zone;
- b) The Zone Area comprises an area larger than one-half (1/2) square mile and not more than thirteen (13) square miles in total area;
- c) The Zone Area is a depressed area;
- d) The Zone Area addresses a reasonable need to encompass portions of more than one (1) municipality;
- e) The Zone Area exceeds the minimum requirement of meeting three (3) of the eleven (11) criteria specified in the Act (20 ILCS 655/4 (f)) and any additional criteria established by the DCEO;
- f) A public hearing was conducted pursuant to a notice duly published in a newspaper of general circulation, within the Zone Area, not more than twenty (20) days nor less than five (5) days before the hearing date on questions about whether or not to create the Enterprise Zone, what local plans, tax incentives and other programs should be established in connection with said Enterprise Zone and what the boundaries thereof should be; and
- g) The Zone Area meets the qualifications under Section 4 of the Act and satisfies any additional criteria stated in the Act or established by the Rules of DCEO.

All of the Findings are supported, sustained and consistent with the substantive materials contained in Exhibit C, attached here to, and incorporated herein by reference.

Sec. 5. Incentives. The Municipalities offer incentives designed to encourage businesses in the private sector to locate or expand within an Enterprise Zone, subject to terms, conditions, rules and legal limitations in the law:

- a) *State sales tax exemption.* Pursuant to applicable law, the County and Municipalities authorize any retailer, as defined in the Retailers' Occupation Tax Act (35 ILCS 120.1 et. seq.) who makes a qualified sale of building materials to be permanently affixed and incorporated into real estate located within the Enterprise Zone, as amended from time to time, in connection with the expansion, rehabilitation or new construction of a qualified project may deduct receipts from such sale when calculating the tax imposed by the State, City, Village and County, pursuant to the Retailers' Occupation Tax Act; provided, however, that said deduction shall be allowed if and only if the retailer obtains from the purchaser an Enterprise Zone Building Materials Exemption Certificate (as that term is defined in the Act, the "Exemption Certificate"), which must contain the Exemption Certificate number issued to the purchaser by the Illinois Department of Revenue. Upon request from the Zone Administrator, the Illinois Department of Revenue shall issue an Exemption Certificate for each construction contractor or other entity identified by the Zone Administrator. The Illinois Department of Revenue shall make the Exemption Certificates available directly to the Zone Administrator and each construction contractor or other entity. The Department of Revenue shall issue the Exemption Certificate within three business days after receipt of request from the Zone Administrator. The Exemption Certificates shall be provided to the retailer at the time of sale and maintained by such retailer in its books and records for the purposes of documenting such deduction. Exemption Certificates shall be valid for twelve (12) months from the date of issuance; provided, however, that such Exemption Certificates may be extended for an additional twelve (12) months upon request to the Zone Administrator. Such requests for extension shall not be granted more than twice for any one project, and the requesting party must demonstrate good faith efforts to diligently pursue construction of the project.

- b) *State Enterprise Zone machinery and equipment consumables/pollution control facilities sales tax exemption.* A 6.25 percent state sales tax exemption on purchases of tangible personal property to be used in the manufacturing or assembly process or in the operation of a pollution control facility within an Enterprise Zone is available. Eligibility is based on a business making an investment in an Enterprise Zone of at least \$5 million in qualified property that creates a minimum of 200 full-time equivalent jobs, a business investing at least \$40 million in a Zone and retaining at least 2,000 jobs, or a business investing at least \$40 million in a Zone which causes the retention of at least 80 percent of the jobs existing on the date it is certified to receive the exemption.
- c) *State Enterprise Zone utility tax exemption.* A state utility tax exemption on gas, electricity and the Illinois Commerce Commission's administrative charge and telecommunication excise tax is available to businesses located in Enterprise Zones. Eligible businesses must make an investment of at least \$5 million in qualified property that creates a minimum of 200 full-time equivalent jobs in Illinois, an investment of \$20 million that retains at least 1,000 full-time equivalent jobs, or an investment of \$175 million that creates 150 full-time equivalent jobs in Illinois. The majority of the jobs created must be located in the Enterprise Zone where the investment occurs.
- d) *State Enterprise Zone investment tax credit.* A state investment tax credit of 0.5 percent is allowed a taxpayer who invests in qualified property in a Zone. Qualified property includes machinery, equipment and buildings. The credit may be carried forward for up to five (5) years. This credit is in addition to the regular 0.5 percent investment tax credit, which is available throughout the state, and up to 0.5 percent credit for increased employment over the previous year.
- e) *State contribution deduction.* Businesses may deduct double the value of a cash or in-kind contribution to an approved project of a Designated Zone Organization from taxable income as allowed under the Act.

Sec. 6. Zone administration – Upon designation as an Enterprise Zone by DCEO, a Zone Management Board (the “ZMB”) shall be formed and comprised of one representative appointed by each municipality. The ZMB will be the governing body of the Enterprise Zone and will elect a chairman, create and appoint the position of Zone Administrator (“ZA”) and will be responsible for all decisions within the Enterprise Zone that may include charging fees associated with the administration of the Enterprise Zone up to 0.5% (one half of one percent) of the cost of building materials of the project associated with the Enterprise Zone, provided that the maximum fee is no more than \$50,000, as permitted in the Act (20 JLCS 655/8.2 (c)). The Zone Administrator is responsible for the day-to-day operation of the Enterprise Zone including:

- a) Supervise the implementation of the provisions of the Enterprise Zone Intergovernmental Agreement and the Act.
- b) Act as a liaison between the Counties, Municipalities, DCEO, Designated Zone Organizations, and other State, Federal and local agencies, whether public or private.
- c) Conduct an ongoing evaluation of the Enterprise Zone Programs and submit evaluative reports to the ZMB.
- d) Promote the coordination of other relevant programs, including, but not limited to, housing, community and economic development, small business, financial assistance and employment training within the Enterprise Zone.
- e) Recommend qualified Designated Zone Organizations to the ZMB.

- f) Have other such duties as specified by the ZMB, including the appointment of authorized personnel as appropriate, to assure the smooth operation of the Enterprise Zone.
- g) The Zone Administrator shall file a copy of the Enterprise Zone's fee schedule with DCEO by April 1 of each year.

Sec. 7 Enterprise Zone Goals – The Municipalities hereby approve the following activities, which have been identified as initial goals of the Enterprise Zone:

- a) To identify available sites and vacant or underused buildings for new or expanding businesses;
- b) To market available sites and buildings on the economic development websites;
- c) To assist businesses and Enterprise Zone residents in receiving available local, state, or federal economic development incentives and benefits;
- d) To hold educational forums and programs for Enterprise Zone communities, businesses and residents to explain and promote program benefits and incentives;
- e) To coordinate available and future economic development incentives within the Enterprise Zone;
- f) To encourage investment for location and expansion of businesses in the Enterprise Zone owned by minorities, women and persons with disabilities and encourage investment made by companies within the Enterprise Zone to utilize labor and materials provided by businesses owned by minorities, women and persons with disabilities.

Sec. 8. Intergovernmental Agreement - The Enterprise Zone shall be governed, managed and operated in accordance with the Intergovernmental Agreement between the Municipalities as set forth in Exhibit D, which is attached hereto and incorporated into this Ordinance, by reference. The chief elected official or designee of the Municipalities is hereby authorized to execute the Intergovernmental Agreement, on behalf of the Municipalities and further authorized to sign all documents reasonably necessary in the furtherance of the Joint Application for said Enterprise Zone, to be filed with DCEO.

Sec. 9. Severability - This Ordinance and every provision thereof shall be considered severable and the invalidity of any Section clause, paragraph, sentence or provision of this Ordinance will not affect the validity of any other portion of this Ordinance.

Sec. 10. Publication and effective date – The Municipalities are hereby authorized to publish this Ordinance in pamphlet form. This Ordinance shall be in full force and effect from after its passage, approval and publication as required by law.

Effective date: This Ordinance shall be in effect immediately upon adoption.

Approved and adopted this 4th of December, 2018.

Village of Winthrop Harbor, Illinois

ATTESTED:

Dr. Michael Bruno, Mayor

Julie Rittenhouse, Village Clerk

(SEAL)

EXHIBIT A

DESCRIPTION OF TERRITORY OF ENTERPRISE ZONE

EXHIBIT B

MAP OF ENTERPRISE ZONE

EXHIBIT C

ENTERPRISE ZONE FINDINGS

The Municipalities hereby declare and affirm that the proposed Enterprise Zone Area is qualified for designation as an Enterprise Zone and further affirms and finds that:

- a) The Zone Area is a contiguous area and entirely within the corporate limits of the Municipalities being the Enterprise Zone;
- b) The Zone Area comprises an area larger than one-half (1/2) square mile and not more than thirteen (13) square miles in total area;
- c) The Zone Area is a depressed area;
- d) The Zone Area addresses a reasonable need to encompass portions of more than one (1) municipality;
- e) The Zone Area exceeds the minimum requirement of meeting three (3) of the eleven (11) criteria specified in the Act (20 ILCS 655/4 (f)) and any additional criteria established by the DCEO;
- f) A public hearing was conducted pursuant to a notice duly published in a newspaper of general circulation, within the Zone Area, not more than twenty (20) days nor less than five (5) days before the hearing date on questions about whether or not to create the Enterprise Zone, what local plans, tax incentives and other programs should be established in connection with said Enterprise Zone and what the boundaries thereof should be; and
- g) The Zone Area meets the qualifications under Section 4 of the Act and satisfies any additional criteria stated in the Act or established by the rules of the DCEO.

EXHIBIT D

INTERGOVERNMENTAL AGREEMENT

ZION BENTON ENTERPRISE ZONE INTERGOVERNMENTAL AGREEMENT

This **INTERGOVERNMENTAL AGREEMENT** (hereinafter referred to as the “*Agreement*”) is made by and between the City of Zion, the Village of Beach Park and the Village of Winthrop Harbor (collectively referred to as the “*Municipalities*”).

WITNESSETH:

WHEREAS, the Municipalities, corporate bodies politic organized and existing under the laws of the State of Illinois, each have areas within their respective legal boundaries that are economically distressed with a disproportionate number of residents who have suffered pervasive poverty, unemployment and economic distress related to prolonged economic transformation, shifts of industries throughout the region, and a variety of other factors. These factors have negatively affected areas that would benefit from private sector investments with an Enterprise Zone; and

WHEREAS, the State of Illinois Enterprise Zone Act, 20 ILCS 655/1 et seq., as amended (the “*Act*”) provides for the creation of enterprise zones to encourage private sector investments, stimulate business and industrial growth in economically distressed areas as well as neighborhood revitalization by relaxing government controls and tax incentives throughout the State; and

WHEREAS, the aforesaid Municipalities have joined in the collective pursuit of a joint Enterprise Zone, subject to approval of their respective governing bodies; and

WHEREAS, it is determined that it is in the best interest of the citizens of the Municipalities to establish an Enterprise Zone and encourage private sector investments within said Enterprise Zone; and

WHEREAS, the Illinois Intergovernmental Cooperation Act, 5 ILCS, Section 220/1 et seq., authorize municipalities to exercise jointly with any public agency of the State, including other units of local government, any power, privilege, or authority which may be exercised by a unit of local

government individually, and to enter into contracts for the performance of governmental services, activities, and undertakings; and

WHEREAS, pursuant to Article 7, Section 10 of the 1970 Constitution of the State of Illinois, the Municipalities are empowered to contract for the purposes set forth therein; and

WHEREAS, the Municipalities have declared and established an Enterprise Zone pursuant the authority granted by the Act, as amended, subject to the approval by the Illinois Enterprise Zone Board and certification by the Illinois Department of Commerce and Economic Opportunity (“DCEO”). This Enterprise Zone is named and designated as the Zion Benton Enterprise Zone; and

WHEREAS, the term of the Enterprise Zone shall commence upon certification and approval of the Illinois Department of Commerce and Economic Opportunity and shall remain in effect for a period of fifteen (15) calendar years and is subject to review for an additional ten (10) year extension prescribed under the Act; and

WHEREAS, the area of the designated Enterprise Zone is described in Exhibit A - Boundaries of Enterprise Zone and depicted in Exhibit B – Map of Enterprise Zone, which exhibits are attached to this Ordinance and incorporated herein by reference; and

WHEREAS, The Municipalities hereby declare and affirm that the proposed Zone Area is qualified for designation as an Enterprise Zone and further affirms and finds that:

- a) The Zone Area is a contiguous area and entirely within the corporate limits of the Municipalities being the Enterprise Zone;
- b) the Zone Area comprises an area larger than one-half (1/2) square mile and not more than thirteen (13) square miles in total area; the Zone Area is a depressed area;
- c) the Zone Area addresses a reasonable need to encompass portions of more than one (1) municipality;
- d) the Zone Area exceeds the minimum requirement of meeting three (3) of the eleven (11) criteria specified in the Act (20 ILCS 655/4 (f)) and any additional criteria

established by the DCEO;

- e) A public hearing was conducted pursuant to a notice duly published in a newspaper of general circulation, within the Zone Area, not more than twenty (20) days nor less than five (5) days before the hearing date on questions about whether or not to create the Enterprise Zone, what local plans, tax incentives and other programs should be established in connection with said Enterprise Zone and what the boundaries thereof should be;
- f) the Zone Area meets the qualifications under Section 4 of the Act and satisfies any additional criteria stated in the Act or established by the rules of the DCEO and
- g) All of the Findings are supported, sustained and consistent with the substantive materials contained in the Ordinances establishing the Enterprise Zone.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED HEREIN, THE RECITALS HEREIN ABOVE SET FORTH AND OTHER GOOD AND VALUABLE CONSIDERATIONS, RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED, IT IS HEREBY AGREED BETWEEN THE MUNICIPALITIES, AS FOLLOWS:

SECTION 1. INCORPORATION BY REFERENCE - The Preamble to this Agreement and all Exhibits referred to in this Agreement and its Preamble are hereby incorporated herein as if fully set forth in this Section.

SECTION 2. DESIGNATION - The Municipalities have adopted such Ordinances as are convenient and necessary to designate and implement an Enterprise Zone pursuant to the Act. The Enterprise Zone is named and known as the Zion Benton Enterprise Zone.

SECTION 3. INCENTIVES - The Municipalities offer incentives designed to encourage businesses in the private sector to locate or expand within an Enterprise Zone, subject to terms, conditions, rules and legal limitations in the law:

- a) *State sales tax exemption.* Pursuant to applicable law, the County and Municipalities authorize

any retailer, as defined in the Retailers' Occupation Tax Act (35 ILCS 120.1 et. seq.) who makes a qualified sale of building materials to be permanently affixed and incorporate into real estate located within the Enterprise Zone, as amended from time to time, in connection with the expansion, rehabilitation or new construction of a qualified project may deduct receipts from such sale when calculating the tax imposed by the State, City, Village and County, pursuant to the Retailers' Occupation Tax Act; provided, however, that said deduction shall be allowed if and only if the retailer obtains from the purchaser an Enterprise Zone Building Materials Exemption Certificate (as that term is defined in the Act, the "Exemption Certificate"), which must contain the Exemption Certificate number issued to the purchaser by the Illinois Department of Revenue. Upon request from the Zone Administrator, the Illinois Department of Revenue shall issue an Exemption Certificate for each construction contractor or other entity identified by the Zone Administrator. The Illinois Department of Revenue shall make the Exemption Certificates available directly to the Zone Administrator and each construction contractor or other entity. The Department of Revenue shall issue the Exemption Certificate within three business days after receipt of request from the Zone Administrator. The Exemption Certificates shall be provided to the retailer at the time of sale and maintained by such retailer in its books and records for the purposes of documenting such deduction. Exemption Certificates shall be valid for twelve (12) months from the date of issuance; provided, however, that such Exemption Certificates may be extended for an additional twelve (12) months upon request to the Zone Administrator. Such requests for extension shall not be granted more than twice for anyone project, and the requesting party must demonstrate good faith efforts to diligently pursue construction of the project.

b) *State Enterprise Zone machinery and equipment consumables/pollution control facilities sales tax exemption.* A 6.25 percent state sales tax exemption on purchases of tangible personal property to be used in the manufacturing or assembly process or in the operation of a pollution control facility within an Enterprise Zone is available. Eligibility is based on a business making

an investment in an Enterprise Zone of at least \$5 million in qualified property that creates a minimum of 200 full-time equivalent jobs, a business investing at least \$40 million in a Zone and retaining at least 2,000 jobs, or a business investing at least \$40 million in a Zone which causes the retention of at least 80 percent of the jobs existing on the date it is certified to receive the exemption.

- c) *State Enterprise Zone utility tax exemption.* A state utility tax exemption on gas, electricity and the Illinois Commerce Commission's administrative charge and telecommunication excise tax is available to businesses located in Enterprise Zones. Eligible businesses must make an investment of at least \$5 million in qualified property that creates a minimum of 200 full-time equivalent jobs in Illinois, an investment of \$20 million that retains at least 1,000 full-time equivalent jobs, or an investment of \$175 million that creates 150 full-time equivalent jobs in Illinois. The majority of the jobs created must be located in the Enterprise Zone where the investment occurs.
- d) *State Enterprise Zone investment tax credit.* A state investment tax credit of 0.5 percent is allowed a taxpayer who invests in qualified property in a Zone. Qualified property includes machinery, equipment and buildings. The credit may be carried forward for up to five (5) years. This credit is in addition to the regular 0.5 percent Investment tax credit, which is available throughout the state, and up to 0.5 percent credit for increased employment over the previous year.
- e) *State contribution deduction.* Businesses may deduct double the value of a cash or in-kind contribution to an approved project of a Designated Zone Organization from taxable income as allowed under the Act.

SECTION 4. ZONE ADMINISTRATION - Upon designation as an Enterprise Zone by DCEO, a Zone Management Board (the “ZMB”) shall be formed and comprised of one representative appointed by each municipality. The ZMB will be the governing body of the Enterprise Zone and will elect a chairman, create and appoint the position of Zone Administrator (“ZA”) and will be responsible for all

decisions within the Enterprise Zone that may include charging fees associated with the administration of the Enterprise Zone up to 0.5% (one half of one percent) of the cost of building materials of the project associated with the Enterprise Zone, provided that the maximum fee is no more than \$50,000 as permitted in the Act (20 JLCS 655/8.2 (c)). The Zone Administrator is responsible for the day-to-day operation of the Enterprise Zone including:

- a) Supervise the implementation of the provisions of the Enterprise Zone Intergovernmental Agreement and the Act.
- b) Act as a liaison between the Counties, Municipalities, DCEO, Designated Zone Organizations, and other State, Federal and local agencies, whether public or private.
- c) Conduct an ongoing evaluation of the Enterprise Zone Programs and submit evaluative reports to the ZMB.
- d) Promote the coordination of other relevant programs, including, but not limited to, housing, community and economic development, small business, financial assistance and employment training within the Enterprise Zone.
- e) Recommend qualified Designated Zone Organizations to the ZMB.
- f) Have other such duties as specified by the ZMB, including the appointment of authorized personnel as appropriate, to assure the smooth operation of the Enterprise Zone.
- g) The Zone Administrator shall file a copy of the Enterprise Zone's fee schedule with DCEO by April 1 of each year.

SECTION 5. DESIGNATED ZONE ORGANIZATIONS - The ZMB, at its discretion, may select Designated Zone Organizations, pursuant to the qualifications enumerated in the Act (20 ILCS 655/3(d)) and delegate the performance of permissible services or functions to said Designated Zone Organizations. Nothing herein shall be deemed to limit or restrict the right of the ZMB to delegate operational responsibilities to Designated Zone Organizations or other appropriate entities, permitted by law. Provided that no delegation including performance, services or functions, is effective until the

proposed Designated Zone Organization is approved, pursuant to Application duly filed, by DCEO.

SECTION 6. AMENDMENTS TO THIS AGREEMENT - This Agreement shall remain in full force and effect unless amended or modified by the mutual written agreement of the parties. Except as expressly set forth above, nothing contained within this paragraph shall be construed to bar or limit the rights of either the County or the Municipalities to enforce the terms of this Agreement.

SECTION 7. DURATION OF AGREEMENT - This Agreement shall be in full force and effect during the legal existence of the Enterprise Zone unless duly terminated, amended, extended, renewed or revised by the mutual written agreement of the respective corporate authorities of the Municipalities.

SECTION 8. REPRESENTATION BY THE PARTIES - The Parties represent, warrant, and agree, to and with each other, that each has taken all necessary corporate and legal action to authorize the execution, delivery, and performance on their part of this Agreement, and the performance hereto by each will not be in contravention of any resolutions, ordinances, laws, contracts, or agreements to which it is a party or to which it is subject. The Parties shall deliver to each other certified copies of all resolutions or ordinances authorizing the execution and performance of this Agreement.

SECTION 9. FAILURE TO ENFORCE - The failure of any party hereto to enforce any of the provisions of this Agreement, or the waiver thereof in any instance, shall not be construed as a general waiver thereof in any instance, nor shall it be construed as a general waiver or relinquishment on its part of any such provision, but the same shall, nevertheless, be and remain in full force and effect.

SECTION 10. CAUSES BEYOND CONTROL - No party to this Agreement shall be liable to another for failure, default or delay in performing any of its obligations hereunder, provided such failure, default or delay in performing any of its obligations specified herein is caused by strikes; by forces of nature; unavoidable accident; fire; acts of public enemy; or order of court. Should any of the foregoing occur, the parties hereto agree to proceed with diligence to do what is reasonable and necessary so that each party may perform its obligations under this Agreement.

SECTION 11. NOTICES - Any notice required by this Agreement shall be in writing and shall be served by personal delivery on the municipal/county clerk or chief administrative officer of the receiving party. In lieu of personal service, required notices may be served by certified mail, return receipt requested, addressed to the municipal/county clerk or chief administrative officer of the receiving party. Notices shall be deemed served on the day of personal delivery or on the fourth day following mailing.

SECTION 12. RESERVATION OF RIGHTS - Nothing in this Agreement is intended to confer a benefit or right of enforcement upon any third party. Further, both parties specifically reserve all rights, privileges and immunities conferred upon them by law.

SECTION 13. AGENCY - Neither party is an agent of the other party nor shall any of the parties incur any costs, expenses or obligations on behalf of any of the other parties.

SECTION 14. COMPLETE AGREEMENT - This Agreement sets forth the complete understanding between the parties relating to the terms and conditions hereof and any amendment hereto to be effective must be in writing and duly authorized and signed by the duly authorized representative of the parties.

SECTION 15. SEVERABILITY - If any provision of this Agreement or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of this Agreement which can be given effect without the invalid provision or application, and to this end the provisions of this Agreement are severable.

SECTION 16. CONSTRUCTION - This Agreement shall be construed in accordance with the laws of the State of Illinois.

SECTION 17. COUNTERPARTS - This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same document.

SECTION 18. EFFECTIVE DATE - This Agreement shall be in full force and effect as of the date set forth below.

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IN WITNESS THEREOF, the parties hereto have caused this Agreement to be executed in their respective corporate names by their respective officers hereunto duly authorized and their respective corporate seals to be hereunto affixed and attested by their respective officers having custody thereof dated this 4th day of December, 2018

City of Zion, Illinois

ATTESTED:

Mayor

Village Clerk

Village of Beach Park, Illinois

ATTESTED:

Mayor

Village Clerk

Village of Winthrop Harbor, Illinois

ATTESTED:

Dr. Michael Bruno, Mayor

Julie Rittenhouse, Village Clerk
