

Exhibit B

EFFINGHAM ENTERPRISE ZONE

INTERGOVERNMENTAL AGREEMENT

WHEREAS, The City of Effingham (hereinafter referred to as City) and the County of Effingham (hereinafter referred to County) have, contemporaneous herewith, adopted ordinances establishing an Enterprise Zone including portions of the City of Effingham and portions of unincorporated Effingham County; and

WHEREAS, the ordinances are part of an application to the State of Illinois, Department of Commerce and Community Affairs for "wild-card" certification of an Enterprise Zone under the provisions of the Illinois Enterprise Act, hereinafter referred to as the Act; and

WHEREAS, the City and County are desiring to operate an Enterprise Zone in an efficient and effective manner in keeping with the terms of the Act and rules and regulations promulgated by the Illinois Department of Commerce and Community Affairs for operation of the Enterprise Zone;

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements contained herein, the City and County mutually agree that the terms and provisions as set forth below shall govern the operation and management of the Enterprise Zone:

SECTION I: GENERAL PROVISIONS

(A) The area described in Exhibit "A" shall be designated as the Enterprise Zone.

(B) The name of the Enterprise Zone shall be the Effingham Enterprise Zone.

(C) The Enterprise Zone shall be in effect for 20 years unless decertified by the Illinois Department of Commerce and Community Affairs or repealed by ordinance of the participating government entities as named below in this in this Section Item (D).

(D) The administration of the Enterprise Zone shall be under the jurisdiction of the City of Effingham and County of Effingham, Illinois.

SECTION II: ENTERPRISE ZONE BOARD

(A) A seven (7) member Board to be known as the Enterprise Zone Board shall be created to perform the following functions with respect to the operation and management of the Zone:

- (1) Establish policies and procedures for operation and management of the Zone;
- (2) Report to the Mayor and City Council, and Chairman and County Board of Effingham County, on a periodic basis (but not less than quarterly) with respect to zone activities, policies, procedures;
- (3) Prepare and distribute an Annual Report for the Zone;
- (4) Develop and implement a marketing program to inform local businesses, industries, and residents (as well as out of town prospects) about the Zone and its incentive programs;
- (5) Coordinate Enterprise Zone programs and activities with the various other planning, economic development, and community development entities in the area;
- (6) Provide the necessary reporting data to the Illinois Department of Commerce and Community Affairs; and
- (7) Perform other functions and duties as may be stipulated by future amendments to this agreement by the Effingham City Council and the Effingham County Board.

(B) The Enterprise Zone Board shall be comprised of the following members:

- (1) The Chairman of the Effingham County Board (or his Board designee).
- (2) The Mayor of the City of Effingham (or his Council designee).
- (3) The Chairman of the Effingham City Planning Commission (or his Commission designee).
- (4) The Superintendent of Effingham Community Unit School District No. 40 (or his designee).
- (5) One representative of an industry located within the Enterprise Zone. This person shall be appointed by the Mayor of the City of Effingham with consent of the Chairman of the Effingham County Board.
- (6) One representative of an area industry not located within the Enterprise Zone. This person shall be appointed by the Mayor of the City of Effingham with consent of the Chairman of the Effingham County Board.
- (7) One representative of Effingham's financial community. This person shall be appointed by the Mayor of the City of Effingham with consent of the Chairman of the Effingham County Board.

(C) The terms of membership for the Enterprise Zone Board shall be for the duration that the individual holds the position or office stipulated above with the following exception:

The two Industry representatives and the Financial representative shall be appointed to three year staggered terms.

(D) The Enterprise Zone Board shall hold elections on an annual basis to elect the following officers: Chairman, Vice Chairman, and Secretary. Each member shall have one vote for election purposes and for any and all matters upon which the Board must vote. A simple majority (4 persons) of the membership of the Zone Board (7 persons) present and accounted for at any meeting shall constitute a quorum. A simple majority of the members present at any meeting (assuming a quorum is achieved) shall be required for action upon any item brought before the Zone Board for a vote.

(E) The Enterprise Zone Administrator will act as advisor and staff to the Enterprise Zone Board in order to assist it in carrying out its functions and duties.

(F) The Enterprise Zone Board will serve without compensation. Any expenses involved with the Enterprise Zone Board shall be borne in accordance with the provisions of Section IV of this agreement.

(G) All meetings of the Enterprise Zone Board shall be open to the public. Due notice shall be provided in advance of any meeting in accordance with State law and local practice.

SECTION III: ENTERPRISE ZONE ADMINISTRATOR

(A) The position of Enterprise Zone Administrator will be assumed by the person holding the position of City Engineer of the City of Effingham.

(B) The position of Deputy Zone Administrator will be assumed by the person holding the position of the Chairman of the Industrial Commission for the City of Effingham.

SECTION IV: COST OF ZONE MANAGEMENT AND OPERATION

(A) Expenses associated with the management and operation of the Zone are expected to be minimal and will generally be related to the following areas:

- (1) Clerical, printing, copying and/or duplicating expenses associated with meetings and/or reporting functions of the Enterprise Board.
- (2) Expenses associated with the development of marketing materials or events used to advertise and promote the Effingham Enterprise Zone.

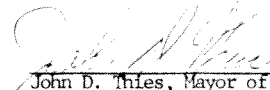
(3) Travel and per diem expenses for the Zone Administrator and/or Deputy Zone Administrator associated with attendance at seminars, meetings, and training sessions for Enterprise Zone Administrators sponsored by the Illinois Department of Commerce and Community Affairs.

(B) The Zone Administrator acting on behalf of the Zone Board will prepare an annual zone operation/management budget. The Zone Board will review this budget (incorporating any suggested modifications which they may make) and will forward it to the City Council and County Board for consideration and inclusion in their respective budgets as may be required.


(C) All expenses associated with Zone operation and management shall be borne by the City of Effingham.

IN WITNESS WHEREOF, the City of Effingham and County of Effingham hereby agree to the operation and management of the Enterprise Zone as outlined above and have caused this agreement to be executed this 15 day of March, 1988.

CITY OF EFFINGHAM, ILLINOIS



John D. Thies, Mayor of Effingham



Rick J. Goeckner, City Clerk

COUNTY OF EFFINGHAM, ILLINOIS



Ernest Garbe, Chairman of County Board



Robert L. Behrman, County Clerk