

7. The likelihood of accomplishing the proposed project in a timely fashion.
8. The effect of the proposed project upon the environment.
9. The extent to which the proposed project will require the provision of additional services.
10. The extent to which the proposed project will provide additional sources of revenue for municipalities and school districts.

C. Deviation from Uniform Tax Exemption Policy

IDAs are required under the IDA Act to establish a procedure for deviation from its uniform tax exemption policy. After taking into consideration the issues set forth above in Section VI (B), the Agency may determine to deviate from the guidelines and policies established herein. In addition to any deviations previously set forth herein, the Agency may deviate from such policies after complying with the following:

1. Setting forth in writing the reasons for deviation from such policy; and
2. Notifying the ATJ or ATJs of the proposed deviation and the reasons therefore.

D. Indemnification of the IDA Under Agreements Granting Tax Exemptions

In any documents executed by the project company in connection with the Agency providing financial assistance to such company, the project company will agree to the following:

1. To indemnify the Agency for any liability incurred by the Agency in connection with the project; and
2. To deliver certificates to the Agency evidencing that the indemnification described above is covered by insurance in an amount and by a company whose rating is acceptable to the IDA.

E. Recapture of Benefits

Projects that receive enhanced real property tax abatements are subject to the recapture of all real property tax abatements previously granted pursuant to the following schedule.

Within 1 year	100%
Within 2 years	100%
Within 3 years	50%
Within 4 years	50%
Within 5 years	25%
Within 6 years	25%
After 6 years	10%

The above period begins on the effective date of the PILOT Agreement. Such recapture is in the sole discretion of the IDA and is reviewed on a case-by-case basis. Reasons for the recapture of benefits include the following:

1. Sale or closure of the facility.
2. Significant change in the use of the facility and/or the business activity or the applicant or occupant.
3. Significant employment reductions not reflective of the occupant's business cycle and/or local and national economic conditions.

## VII. INVESTMENT AND DEPOSIT POLICY

### A. Introduction

1. Scope - This investment and deposit policy applies to all moneys and other financial resources available for investment and deposit on its own behalf or on behalf of any other entity or individual.
2. Objectives - The primary objectives of the local government's investment activities are, in priority order:
  - a. to conform with all applicable federal, state and other legal requirements (legal);
  - b. to adequately safeguard principal (safety);
  - c. to provide sufficient liquidity to meet all operating requirements (liquidity); and
  - d. to obtain a reasonable rate of return (yield).