

**AMENDMENT TO CITY OF FRESNO  
TAX REBATE AGREEMENT**

This AMENDMENT TO CITY OF FRESNO TAX REBATE AGREEMENT ("Amendment") is entered into this \_\_\_\_\_ day of \_\_\_\_\_ 2019, ("Execution Date") by and between THE CITY OF FRESNO, a California municipal corporation ("City") and DARLING INGREDIENTS, INC., a Delaware corporation ("Company") and amends the City of Fresno Tax Rebate Agreement dated September 19, 2019. City and Company may be referred to collectively as the "Parties" and individually as a "Party."

**RECITALS**

The Parties enter into this Agreement with reference to the following circumstances:

- A. City entered into the Jensen Road Transfer Agreement between the City of Fresno and the County of Fresno ("County"), dated \_\_\_\_\_, 2019 ("County Agreement"), which provides for payments by County to City on an annual basis for a period of ten years in an amount equal to the County's share of ad valorem real and personal property taxes paid by Company or any successor owner or taxpayer for the 20 acre parcel located near the southwest corner of Jensen Avenue and Cornelia Avenue comprising a portion of Assessor's Parcel No. 327-030-41T (the "Site").
- B. City intends to pay to Company an amount equal to the County's share of ad valorem real and personal property taxes paid by Company to County and by County to City pursuant to the County Agreement.

**TERMS AND CONDITIONS**

NOW, THEREFORE, FOR VALUABLE CONSIDERATION, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

- 1. Section 2.1 is amended to read as follows.

**2.1**

- A. Company shall be eligible for the following rebates:

- (1) Property Tax Rebate. All of the City's share of real and personal property taxes attributable to the Site shall be rebated to Company for a period of thirty years following the Closing Date as defined in the DADA ("Property Tax Rebate"). Since property taxes have not been owed on the Site under City ownership, all property taxes are incremental property taxes and shall be rebated to Company. Rebates under this section will be payable only after property tax obligations for the Site have been paid by the Company to the County, and County has distributed property taxes to the City.

- (2) Rebate of Local Sales and Use Tax on Purchases. All of the Local Sales and Use Tax Revenues paid by Company in connection with the purchase of taxable tangible personal property put in service within the City, from the Execution Date through one year following recordation of the Certificate of Completion as set forth in the DADA, shall be rebated to Company as long as such tax is reported and allocated to, and received by, the City ("Sales Tax Rebate").

(3) Rebate of County's Share of Real Property Taxes. All of the County's share of ad valorem real and personal property taxes paid by Company, or any successor owner or taxpayer, for the Site to County, and by County to City pursuant to the County Agreement, shall be paid to Company for a period of ten years commencing with the first full tax year after recordation of the Certificate of Completion as set forth in the DADA, or the date the final transfer of the Jensen Avenue corridor occurs pursuant to the County Agreement, whichever is later ("County Tax Rebate").

B. The Property Tax Rebate, Sales Tax Rebate, and County Tax Rebate are referred to collectively as the "Rebates" and shall be payable as described in Section 2.2.

C. Notwithstanding the foregoing, in no event shall City be obligated to make payment of Rebates to Company upon the expiration of this Agreement.

2. Section 2.2 is amended to read as follows:

### **2.2 Timing of Rebate Payments.**

A. City shall pay the Property Tax Rebate to Company in annual payments. Before making each annual payment, City shall confirm that it has received Property Taxes from the County Assessor. After the end of the City's Fiscal Year, Company will be eligible to receive a rebate of Property Tax revenues that were generated in the most recently completed Fiscal Year. Within 60 days after the end of the Fiscal Year, City will verify receipt of Property Taxes from the County and make an electronic payment to the Company for the Property Tax Rebate annual payment.

B. Upon written request by Company which must be made no later than one year after recordation of the Certification of Completion as set forth in the DADA, City shall pay the Sales Tax Rebate to Company in a single payment within 90 days following the later of (i) City's receipt of Company's request for the Sales Tax Rebate; or, (ii) City's actual receipt of the Sales and Use Tax Revenues to be rebated. Before making the Sales Tax Rebate payment, City shall confirm that it has received Sales and Use Tax Revenues from the California Department of Tax and Fee Administration.

C. City shall pay the County Tax Rebate to Company in annual payments. Before making each annual payment, City shall confirm that it has received the County Tax Rebate from the County. Within 60 days after the end of the Fiscal Year, City will verify receipt of the County Tax Rebate and make electronic payment to the Company for the County Tax Rebate annual payment.

3. Section 5 is added as follows:

## **5. ADJUSTMENTS**

In the event of any successful appeal or application for reduction by the property owner or tax payer responsible for payment of any ad valorem taxes on the Site during the Term, or any refund of ad valorem property taxes to the property owner or responsible tax payer, or any reduction in payment to the City under the County Agreement, City shall offset a proportionate share of any such reduction to City against the next payment due to the Company under this Agreement.

4. All other provisions of the City of Fresno Tax Rebate Agreement remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement at Fresno, California, on the day and year first above written.

CITY OF FRESNO,  
A California municipal corporation

DARLING INGREDIENTS INC.,  
A Delaware Corporation

By: \_\_\_\_\_  
Wilma Quan                      Date  
City Manager

By: \_\_\_\_\_  
Rick Elrod                      Date  
Executive Vice President  
DAR Pro U.S.A.

ATTEST:  
YVONNE SPENCE, CMC  
City Clerk

By: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:  
DOUGLAS T. SLOAN  
City Attorney

By: \_\_\_\_\_  
Laurie Avedisian-Favini    Date  
Assistant City Attorney