

**INTERGOVERNMENTAL AGREEMENT
BETWEEN
THE CITY OF PEORIA, ARIZONA
AND
THE CITY OF PHOENIX, ARIZONA
TO ESTABLISH AMKOR TECHNOLOGY ARIZONA, INC. WITHIN FOREIGN-
TRADE ZONE**

This Intergovernmental Agreement is entered into this _____ day of _____, 2024 by and between the City of Peoria, Arizona, a municipal corporation (“Peoria”) and the City of Phoenix, Arizona, a municipal corporation (“Phoenix”).

I. RECITALS:

A. Pursuant to A.R.S. §11-952, as amended, Peoria is empowered to enter into this intergovernmental agreement and has, by Resolution, a copy of which is attached hereto as Exhibit A and incorporated herein by this reference, authorized the undersigned to execute this Agreement on behalf of Peoria.

B. Pursuant to A.R.S. §11-952, as amended, Phoenix is empowered to enter into this intergovernmental agreement and has, by Resolution, a copy of which is attached hereto as Exhibit B and incorporated herein by this reference, authorized the undersigned to execute this Agreement on behalf of Phoenix.

C. Phoenix has received a Grant (Board Order 185, dated March 25, 1982) from the Foreign-Trade Zones Board (the “Board”) to establish FTZ No. 75, and the alternative site framework format for FTZ No. 75 was approved by the Board in a notice published on October 20, 2010 in 75 Fed. Reg. 64708.

D. Peoria does not have a grant of authority to establish a Foreign-Trade Zone.

E. Amkor Technology Arizona, Inc. (“Amkor”) intends to operate a facility on certain real property within the City of Peoria located on that land identified as Maricopa County Assessor’s Parcel No. 510-08-937 (the “Site”) and desires to have the Site designated as a usage-driven site (the “Zone Site”). The Site, as legally described on Exhibit C attached hereto, will be utilized as a manufacturing and distribution facility. Amkor seeks the benefit of import/export duty reduction afforded businesses located within the FTZ. Amkor plans to pursue the beneficial tax treatment for existing or new facilities located on the Site as afforded by Arizona law.

F. Peoria has entered a development agreement with Amkor wherein Peoria agreed to make reasonable efforts to assist and cooperate with Amkor throughout Amkor’s Foreign Trade Zone (“FTZ”) application process, including without limitation Amkor’s efforts to

obtain approval from the Board to establish, operate and maintain a usage-driven site at the Zone Site.

G. Phoenix is willing to submit an application to the Board on behalf of Amkor (the "Application") for a minor boundary modification to establish, operate and maintain a usage-driven site at the Zone Site to demonstrate its interest in a cooperative regional effort to encourage the retention and expansion of business in the greater metropolitan area.

NOW, THEREFORE, in consideration of the promises and mutual agreements contained and described herein, the parties agree as follows:

II. AGREEMENTS:

1. PURPOSE

The purpose of this Agreement is to memorialize Peoria's and Phoenix's agreement to work together to assist Amkor in its efforts to obtain usage-driven site status for the Zone Site and to assure Phoenix that the establishment, operation and maintenance of a usage-driven site status at the Zone Site, including any unsuccessful efforts made in respect thereto, shall be accomplished without any cost or liability whatsoever to Peoria or Phoenix.

2. PEORIA'S RESPONSIBILITIES

2.1 To reasonably facilitate the negotiation and execution of a Foreign-Trade Zone Operations Agreement ("Operating Agreement"), if any, between the City of Phoenix and Amkor.

2.2 To reasonably support the Application process.

2.3 To consent to any beneficial tax treatment for the Site that may be available to Amkor upon obtaining FTZ Approval as set forth in Peoria's Resolution, including, without limitation, property tax reclassification pursuant to A.R.S. § 42-12006(A)(2), as amended (the "Reclassification Statute") with regard to certain improvements constructed on and equipment acquired for the Zone Site.

2.4 To take all reasonable action requested by Phoenix related to the enforcement of the Operating Agreement and to indemnify, defend and hold Phoenix, its departments, agents, officers or employees harmless from and against any loss, expense, damage or claim resulting from or arising out of the performance or enforcement of the Operating Agreement.

3. PHOENIX'S RESPONSIBILITIES

3.1 To conduct its operations in good faith with Amkor.

3.2 To enter into an Operating Agreement with Amkor for the operation of the Zone Site.

3.3 To provide in the Operating Agreement that Amkor must be responsible for all costs related to the Zone Site that are incurred by Phoenix and/or Peoria.

4. BOARD AUTHORITY

The Parties acknowledge that 15 C.F.R §400.49 provides for monitoring and reviews of foreign trade zone operations and activity. Section 400.49(c) provides that the Board or the Commerce Department's Assistant Secretary for Import Administration may restrict or prohibit zone activity that it finds is no longer in the public interest and, pursuant to 15 C.F.R. § 400.61, the Board has the authority to revoke a grant of authority to operate a zone, for cause.

5. INDEMNIFICATION

5.1 To the extent permitted by law, each party will indemnify and save the other party harmless, including any of the parties' departments, agencies, officers, employees, elected officials or agents, from and against all loss, expense, damage or claim of any nature whatsoever which is caused by any activity, condition or event arising out of the performance or non-performance by the indemnifying party of any of the provisions of this Agreement.

5.2 Each party (as "Indemnitor") agrees to defend, indemnify, and hold harmless the other party (as "Indemnitee") from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as "Claims") arising out of bodily injury of any person (including death) or property damage, but only to the extent that such Claims which result in vicarious/derivative liability to the Indemnitee are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents, employees, or volunteers.

6. DURATION

The term of this Agreement shall begin on the date executed and approved by both parties and shall remain in effect for the same term as the Operating Agreement, unless terminated sooner pursuant to the terms of this Agreement.

7. GENERAL PROVISIONS

7.1 Conflict of Interest. This Agreement is subject to cancellation pursuant to the provisions of A.R.S. § 38-511.

7.2 Immigration Law Compliance Warranty. As required by A.R.S. § 41-4401, each party hereby warrants its compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A). Each party further warrants that after hiring an employee, it verifies the employment eligibility of the employee through the E-Verify program. If either party uses any subcontractors in performance of the Agreement, subcontractors shall warrant their compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A), and subcontractors shall further warrant that after hiring an

employee, such subcontractor verifies the employment eligibility of the employee through the E-Verify program. A breach of this warranty shall be deemed a material breach of the Agreement subject to penalties up to and including termination. A party shall not be deemed in material breach if it and/or its subcontractors establish compliance with the employment verification provisions of Sections 274A and 274B of the federal Immigration and Nationality Act and the E-Verify requirements contained in A.R.S. § 23-214(A). Each party retains the legal right to inspect the papers of the other party and/or its subcontractor engaged in performance of this Agreement to ensure that the other party and/or its subcontractor is complying with the warranty. Any inspection will be conducted after reasonable notice and at reasonable times. If state law is amended, the parties may modify this paragraph consistent with state law.

7.3 Notices. All notices, demands and communications given or to be given, by either party to the other, shall be given in writing, by certified mail, and shall be addressed to the parties at the addresses hereinafter set forth, or at such other address as the parties may by written notice hereafter designate. All notices shall be deemed received upon actual receipt or three (3) business days after deposit in the United States mail, whichever date is earlier. Notices shall be addressed as follows:

Phoenix: Director
 Community and Economic Development Department
 200 West Washington Street, 20th Floor
 Phoenix, Arizona 85003-1611

and

 City Clerk
 City of Phoenix
 200 West Washington Street, 15th Floor
 Phoenix, Arizona 85003-1611

Peoria: Henry Darwin,
 City Manager
 City of Peoria
 8401 West Monroe Street
 Peoria, Arizona 85345

and

 Rick Buss,
 Assistant City Manager
 City of Peoria
 8401 West Monroe Street
 Peoria, Arizona 85345

and

Emily Jurmu,
City Attorney
City of Peoria
8401 West Monroe Street
Peoria, Arizona 85345

7.4 Construction. Paragraph headings and captions appearing with this Agreement are for convenient reference only and in no respect define, limit or describe the scope or intent of this Agreement or the provisions of such sections.

7.5 Binding Effect. All terms, provisions and conditions hereof shall be binding upon and inure to the benefit of all parties hereto and their respective heirs, personal representatives, successors and assigns.

7.6 Severability. In the event any term or provision of this Agreement is held to be invalid or unenforceable, the validity of the other provisions shall not be affected, and the Agreement shall be construed and enforced as if it did not contain the particular term or provision that is deemed to be invalid or unenforceable.

7.7 Governing Law. This Agreement will be governed by the laws of the State of Arizona, both as to interpretation and performance.

7.8 Modification. This Agreement may be modified only by mutual written agreement of the parties.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above.

CITY OF PEORIA:

CITY OF PHOENIX, a municipal corporation

JEFFREY BARTON, City Manager

By:
Its:

Christine Mackay
Community and Economic
Development Director

Date: _____

Date: _____

ATTEST:

ATTEST

City Clerk

City Clerk

ATTORNEY DETERMINATION

In accordance with the requirements of A.R.S. § 11-952(D), each of the undersigned attorneys acknowledge that (1) they have reviewed the above Agreement on behalf of their respective client(s) and (2) as to their respective client(s) only, each attorney has determined that this Agreement is in proper form and is within the powers and authority granted under the laws of the State of Arizona.

City Attorney, City of Peoria

City Attorney, City of Phoenix

Date: _____

Date: _____

Exhibit A

[INSERT PEORIA RESOLUTION/ORDINANCE]

Exhibit B

[INSERT PHOENIX RESOLUTION/ORDINANCE]

Exhibit C

Legal Description of Property

**LEGAL DESCRIPTION FOR
VISTANCIA VILLAGE D SOUTH, PARCELS D-15 & D-16**

All that certain lot, tract, or parcel of land, situated in a portion of Section 25, Township 5 North, Range 1 West and Section 30, Township 5 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, and being more completely described as follows, to wit:

COMMENCING at a found GLO monument on pipe for the Southeast corner of said Section 25, from which a found GLO monument on 2" pipe for the South Quarter corner of said Section 25 bears North 89 deg. 47 min. 14 sec. West (Basis of Bearings) – 2,565.10 feet, said point also being the most southerly Southeast corner of Parcel D6 as shown on the Master Plat of Vistancia Village D South recorded in Book 1498 of Maps, Page 14, of Maricopa County Records (MCR);

THENCE North 89 deg. 47 min. 14 sec. West along the South line of the Southeast Quarter of said Section 25, same being the South line of said Parcel D6, a distance of 2,108.38 feet;

THENCE North 00 deg. 12 min. 46 sec. East departing said South lines, a distance of 1,634.39 feet to the TRUE POINT OF BEGINNING;

THENCE North 22 deg. 13 min. 05 sec. West, a distance of 42.43 feet;

THENCE North 22 deg. 46 min. 55 sec. East, a distance of 114.66 feet to a Point of Curvature of a circular curve to the right, having a radius of 965.00 feet, a central angle of 08 deg. 31 min. 12 sec., and being subtended by a chord which bears North 27 deg. 02 min. 31 sec. East - 143.37 feet;

THENCE in a northeasterly direction along said curve to the right, a distance of 143.50 feet;

THENCE North 31 deg. 18 min. 07 sec. East tangent to said curve, a distance of 1,059.97 feet;

THENCE North 76 deg. 18 min. 07 sec. East, a distance of 42.43 feet;

THENCE South 58 deg. 41 min. 53 sec. East, a distance of 394.70 feet to a Point of Curvature of a circular curve to the left, having a radius of 1,070.00 feet, a central angle of 08 deg. 27 min. 30 sec., and being subtended by a chord which bears South 62 deg. 55 min. 38 sec. East - 157.82 feet;

A-2

THENCE in a southeasterly direction along said curve to the left, a distance of 157.96 feet;

THENCE South 67 deg. 09 min. 23 sec. East tangent to said curve, a distance of 1,064.24 feet;

THENCE South 22 deg. 09 min. 23 sec. East, a distance of 42.43 feet;

THENCE South 22 deg. 50 min. 37 sec. West, a distance of 791.97 feet to a Point of Curvature of a circular curve to the right, having a radius of 635.00 feet, a central angle of 61 deg. 46 min. 14 sec., and being subtended by a chord which bears South 53 deg. 43 min. 44 sec. West - 651.92 feet;

THENCE in a southwesterly direction along said curve to the right, a distance of 684.59 feet;

THENCE South 84 deg. 36 min. 51 sec. West tangent to said curve, a distance of 511.50 feet;

THENCE North 52 deg. 23 min. 23 sec. West, a distance of 43.88 feet to a Point of Curvature of a non-tangent circular curve to the left, having a radius of 715.00 feet, a central angle of 56 deg. 37 min. 20 sec., and being subtended by a chord which bears North 38 deg. 54 min. 25 sec. West - 678.19 feet;

THENCE in a northwesterly direction along said curve to the left, a distance of 706.59 feet;

THENCE North 67 deg. 13 min. 05 sec. West tangent to said curve, a distance of 387.22 feet to the POINT OF BEGINNING, containing 2,452,934 square feet or 56.312 acres of land, more or less.