

## FIRST AMENDMENT TO TAX ABATEMENT AGREEMENT

THIS FIRST AMENDMENT TO TAX ABATEMENT AGREEMENT (this “First Amendment”), dated [\_\_\_\_], 2025, by and between the CITY OF GRAND RAPIDS, MINNESOTA, a municipal corporation and political subdivision of the State of Minnesota (the “City”), ITASCA COUNTY, MINNESOTA, a body corporate and politic and political subdivision of the State of Minnesota (the “County”) and YANMAR COMPACT EQUIPMENT NORTH AMERICA, INC., a Delaware corporation (the “Developer”);

WITNESSETH:

WHEREAS, the City, County, and Developer previously entered into a Tax Abatement Agreement, dated October 12, 2022 (the “Agreement”), pursuant to which the City agreed to provide the Developer with tax abatement assistance in connection with an expansion of Developer’s existing manufacturing facility located within the City (the “Project”); and

WHEREAS, the City, County, and Developer have determined that as a result of a scrivener’s error, Section 3.17(2) of the Abatement Agreement mistakenly provides for an average hourly wage requirement in the amount of \$37.18; and

WHEREAS, the Grand Rapids Economic Development Authority (the “Authority”) entered into a Loan Agreement Minnesota Investment Fund with the Developer, dated as of October 12, 2022 (the “MIF Loan Agreement”) regarding the Project. Pursuant to Section 8.1(b) of the MIF Loan Agreement, the Developer agreed to create a set number of jobs that meet an average hourly wage requirement of \$20.55; and

WHEREAS, the City, County, and Developer wish to amend the Agreement to reflect the originally intended average hourly wage requirement of \$20.55 as was provided in the MIF Loan Agreement.

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants and obligations set forth herein, the Authority and the Developer hereby agree as follows:

1. Amendment to Section 3.17(2) of the Agreement. Section 8 of the Original Agreement is hereby deleted and replaced with the following:

(2) *Job and Wage Goals.* By the Compliance Date, which is the date two (2) years after the Benefit Date, the Developer shall (i) create at least 115 full-time equivalent jobs at the Project, and (ii) cause the average hourly wage of the 115 created jobs to be at least \$20.55 per hour, exclusive of benefits. Notwithstanding anything to the contrary herein, if the wage and job goals described in this paragraph are met by the Compliance Date, those goals are deemed satisfied as of the date such wage and job goals are met, despite the Developer’s continuing obligations under Sections 3.17(1)(f) and 3.17(4). The City and County may, after a public hearing, extend the Compliance Date by up to one year, provided that nothing in this section will be construed to limit the City’s or the County’s legislative discretion regarding this matter.

2. Effective Date. The amendments made to the Agreement, as set forth in this First Amendment, shall be effective as of the date and year first written above.

3. Counterparts. This First Amendment may be executed in any number of counterparts, each of which shall constitute one and the same instrument.



IN WITNESS WHEREOF, the City has caused this First Amendment to be duly executed in its name and behalf and its seal to be duly affixed hereto and the County and the Developer have caused this First Amendment to be duly executed as of the date and year first above written.

YANMAR COMPACT EQUIPMENT  
NORTH AMERICA, INC.

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

CITY OF GRAND RAPIDS, MINNESOTA

By \_\_\_\_\_  
Its Mayor

By \_\_\_\_\_  
Its City Administrator

ITASCA COUNTY, MINNESOTA

By \_\_\_\_\_  
Its Chair

By \_\_\_\_\_  
Its County Administrator