



VILLAGE OF EAST DUNDEE

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ECONOMIC DEVELOPMENT INCENTIVES

East Dundee recognizes the impact businesses and industries have on a community. In addition to providing for a diversified tax base, businesses provide sales tax revenue that helps fund the day-to-day operations of the local government, and more importantly, provides employment opportunities for area residents. Accordingly, Village President Lael Miller and the East Dundee Village Board are committed to working with existing and prospective businesses and industries to assist in the growth, expansion, development and enhancement of current and proposed operations.

Accordingly, there are a myriad of resources available for business assistance. In many cases, information is easily available through the State of Illinois Department of Commerce and Economic Opportunity, Elgin Community College Small Business Development Center, Kane County Economic Development Department, Northern Kane County Chamber of Commerce, or other regional initiatives. East Dundee's Village Staff will work with businesses to connect them with the appropriate agency or agencies. Additionally, if a company meets the eligibility criteria, incentives may be available to allow financial aid to prospective or expanding businesses.

Incentives/Assistance

- Tax Increment Financing
- Business Development District
- Sales Tax Sharing

Business Listings

Village of East Dundee Website - www.eastdundee.net The Village of East Dundee is in the process of creating an interactive business listing page, which would highlight businesses in the community, and where applicable, provide direct links from the village website to the individual company listing.

Small Business Resources

- U.S. Small Business - www.sba.gov
- Illinois Department of Commerce and Economic Opportunity - www.commerce.state.il.us, and <http://business.illinois.gov>
- Illinois Skills Match: Workforce Development System - www.illinoisworknet.com, and www.rivervalleywib.com
- Upper Illinois River Valley Development Authority-Industrial Development Revenue Bonds and Recovery Zone Bonds www.uirvda.com
- Elgin Community College-Small Business Development Center (SBDC) www.elgin.edu/business
- Kane County Economic Development www.co.kane.il.us

Tax Increment Financing

TIF Districts are established pursuant to applicable state statutes, and allow municipalities to utilize the incremental property taxes realized from new construction or facility improvements, to reimburse companies for various eligible expenses. These can include site acquisition, relocation expenses, infrastructure improvements, job training, interest expense, and many more. Village approved funding is available, on a pay-as-you-go-basis, for up to fifty-percent (50%) of the incremental taxes to be realized from the site improvement.

The Village of East Dundee has seven active TIF Districts:

- The Prairie Lakes TIF, located on the north side of Route 68 east of Route 25 was established in 2001;
 - Dundee Crossings TIF, centered at the intersection of Routes 25 and 72, was established in 2007;
 - the Downtown TIF, which is contiguous to the Dundee Crossings TIF, was established in 2008.
 - The fourth TIF, known as the Christina Drive TIF, connects the Prairie Lakes and Dundee Crossings TIF was created in 2010.
 - TIF number 5, the Route 68 West TIF, includes the intersection of Hwys 72 and 68, was established in 2011.
 - In 2012, what we refer to as the Cook County TIF which straddles the Cook and Kane County line, north of Highway 72 (Higgins Rd.),
 - also in 2012, the South Route 25 TIF was created to assist in business expansion and attraction.
- Please refer to the enclosed map of East Dundee's TIF Districts.

Interested applicants should meet with the Village as early as possible in the development schedule to determine eligibility and estimate projected TIF revenue. Keep in mind that once a building permit has been issued for a project, companies can no longer meet the "but-for argument" and are therefore no longer eligible to receive TIF monies. Request for TIF assistance is considered on a case by case basis. Meeting policy guidelines or other criteria does not guarantee the award of assistance. Moreover, the approval or denial of one project is not intended to set a precedent for approval or denial of another or similar project. The Village's decision to participate in any development agreement should be viewed as a contribution that will aid growth and add long-term value to the community.

Business Development Districts (BDD's)

BDD's are similar to TIF, except they rely on sales tax revenue as opposed to property tax revenue.

- The Dundee Crossings BDD takes in much of the same area as the Dundee Crossings TIF, along with commercial properties fronting Route 72 between Route 72 west to Linden Avenue. A one half-of-one percent sales tax was levied in this area, and is intended to assist in infrastructure improvements, and business creation expenses.
- The second BDD is known as the Dundee Gateway BDD, and is centered at the southeast and southwest corners of the Route 25 and Route 68 intersection.
- The Third BDD is a BDD overlay of the Cristina Drive TIF. This was activated in the summer of 2010.

Interested applicants should meet with the Village as early as possible in the development schedule to determine eligibility and estimate projected BDD revenues. Request for BDD assistance is considered on a case by case basis, and cannot exceed 50% of the projected incremental revenue. Moreover, the approval or denial of one project is not intended to set a precedent for approval or denial of another or similar project. The Village's decision to participate in any development agreement should be viewed as a contribution that will aid growth and add long-term value to the community.

Sales Tax Sharing

As a home rule community, the Village has levied an additional one-and-one-half percent sales tax. Under existing state statutes, this additional sales tax applies to general merchandise, but excludes automobile purchases, pharmaceuticals, grocery and other items. East Dundee will consider sales tax sharing agreements only in those circumstances in which significant amounts of sales tax revenue will be realized.

Interested applicants should meet with the Village as early as possible in the development schedule to determine eligibility and estimate projected sales tax revenues. Request for sales tax sharing assistance is considered on a case by case basis, and cannot exceed 50% of the projected incremental revenue. Moreover, the approval or denial of one project is not intended to set a precedent for approval or denial of another or similar project. The Village's decision to participate in any development agreement should be viewed as a contribution that will aid growth and add long-term value to the community.

Small and Large Business Resources

While some business owners prefer to research business resources anonymously by surfing the net, others prefer to speak to a real person and ask their questions in a confidential setting. The Village of East Dundee has retained the services of an economic development consulting service to help in this manner. The firm of Main Street Development Consulting is on retainer with the Village to act as the Village's ombudsman in helping business owners navigate through and interpret the various governmental programs available. If you need help in determining if any of these programs are applicable to your business, please call upon this firm for **FREE** assistance in those efforts. Their representatives can come to your place of business, meet you at East Dundee Village Hall or address your questions over the phone or via email:

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