

# DeKalb County exploring new local business zones, incentives

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DeKALB – DeKalb County Economic Development Corporation and the county are exploring creating enterprise zones, which offer businesses tax breaks to move or expand within its boundaries.

Community leaders are invited to learn about possible enterprise zones in DeKalb County at a meeting Wednesday. County Administrator Gary Hanson hopes, if approved, the zones will help diversify the county's tax base. Currently, DeKalb County competes for economic development with enterprise zones that offer incentives that the county cannot at this time.

"We hope to attract more industry and commercial interests in the county," Hanson said. "Ultimately, it diversifies our tax base. It's good for current residents of the county as it could hopefully bring good quality, high-paying jobs."

The county does not have any enterprise zones currently, but part of Waterman, for the Monsanto company, is included in the Mendota enterprise zone, said Paul Borek, executive director of DeKalb County Economic Development Corporation. Potential boundaries for DeKalb County's enterprise zone have not been designated yet, as it will depend on what kind of a response the county and economic development corporation receive.

Enterprise zones provide tax breaks and other incentives to encourage businesses to move or expand there. Businesses may be eligible for exemption on the sales tax paid on building materials and investment tax credit of 0.5 percent of qualified property. In addition to the state incentives, each zone tends to offer local incentives to enhance business development.

The enterprise zone application needs to be submitted to the state by the end of December, so Wednesday's meeting will describe the program, process and opportunity to community leaders, Borek said.

Borek said when the state enterprise program was created about 30 years ago, it was initially intended for areas of high unemployment or high poverty. Borek said today it can be used to target economic development and job creation.

"Communities with significant industrial operations or industrial development opportunities are prevalent," Borek said. "In the past since the program was so specific, it may have limited the communities that could qualify."

Borek said while the original criteria is still in place and these zones do address unemployment and aim to improve incomes, he hopes possible enterprise zones would help the existing industry expand while attracting new industry.

The county is looking into this option now because the Illinois Department of Commerce and Economic Opportunity released the application materials just within the past month. The state uses certain criteria to evaluate applications and determine which areas can be enterprise zones.