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For Immediate Release

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RE: Burgess Seminar Reveals Financing Options

Yes, there is some light at the end of the tunnel; no, it's not a speeding train.

That was the message approximately 100 industry professionals heard at "State Secrets: Seizing New Funding Sources in Commercial Real Estate," a recent seminar at the Hotel Arista in Naperville.

Sponsored by Burgess Commercial Real Estate, the session provided details about economic development incentives available from federal, state and local governments.

These government programs can help companies prosper, often through below market financing, but most business owners don't know about them, said Tom Burgess, CEO of Burgess Commercial Real Estate.

"These programs are available for small business owners, but because we're so busy doing what we do, we often don't take advantage of what's out there," said Burgess, adding that the timing for such a seminar is good because the economy has improved somewhat.

"Business seems to be stabilizing a little bit," said Burgess, pointing to a market-rate, 50,000-square-foot lease he had finalized a day earlier.

"We're no longer worried about falling off the edge. We've re-discovered that the world is not flat," he said. "The great news is that the government sees the opportunity to help small business as the way to help get the country out of the Great Recession."

"Small business is the engine that will power us forward."

Co-sponsored by the Arista and the Valley Industrial Association, a trade association focused on manufacturing along the Fox River Valley, the April 14 seminar included information about the 2010 extension of the Industrial Jobs Recovery Act, state legislation that allows communities to provide financing to encourage redevelopment projects of sites that would not work without public participation.

The jobs recovery law expands municipalities' ability to use tax increment financing, using anticipated future tax revenues to get a project off the ground. Usually this can be done for blighted sites, but the jobs recovery act expands the criteria to include areas with high unemployment.

David Dorgan a former city manager who now works for a downtown redevelopment group in Aurora, told the seminar audience that the newly re-authorized law will help keep other states from poaching Illinois companies. However, he also warned that the law will need to be re-authorized again next year.

Other programs discussed include:

- Industrial revenue bonds (IRBs), which can be used to finance construction and equipment for manufacturing facilities. In 2009 the federal government expanded the parameters to include less tangible assets such as patents and processes.

- The Illinois Angel Investment Credit Program, which offers tax credits of up to \$2 million to innovative new companies in targeted industries that encourage job growth and capital investment.
- The Illinois Employer Training Investment Program, which provides grants to companies to retrain their employees in new technology.

The economic development directors from two of metro Chicago's largest cities told the audience that neighbors can cooperate as well as compete for new investment. "Of course, sometimes we'll compete with Naperville and other cities, but we'd rather see a company go to a neighboring town instead of out of state," said Sherman Jenkins, executive director of the Aurora Economic Development Commission.

With almost 200,000 residents, Aurora is the second-largest city in Illinois. Next door is Naperville, the state's fifth largest city with 142,000 people.

Aurora offers rebates on property and sales taxes, as well as permit fee waivers for eligible companies. An expedited permit process for high-profile projects is also available.

Some places consider fostering a positive business climate more important than specific financial incentives. Christine Jeffries, president of the Naperville Development Partnership, said her city will sometimes offer tax breaks, but first she points out the city's top-notch utilities, transportation, and low tax rate.

The seminar was presented in cooperation with the Aurora Regional Chamber of Commerce, the Naperville Area Chamber of Commerce and the Aurora Hispanic Chamber of Commerce.

Burgess Commercial Real Estate is currently developing: Aurora Corporate Center; Fermi Commerce Center, also in Aurora; High Point, a business park in Naperville on Ferry Road; and Prairie Point Corporate Center, also in Naperville.

For more information, call 630-585-0021.

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Caption: Tom Burgess (right), who hosted the event, makes a point to speaker Dave Dorgan.

