

Incentives

Enterprise Zone: Benefits for companies meeting investment and job criteria within the zone include: sales tax deductions on building materials, property tax abatements, investment tax credit, machinery and equipment sales tax exemptions, utility tax exemptions, dividend income deductions and interest deductions. The Enterprise Zone boundaries may be extended for projects that meet all City and State regulations. The Springfield Enterprise Zone expires in 2014.

TIF Districts: Currently Springfield has seven geographically dispersed TIF districts in which the City uses the increase in increment to fund a variety of public and private uses. The use of TIF is dependent upon the project specifics, the status of the existing district and available funds. The City will consider the establishment of additional TIF districts based upon state and local ordinances and statutes.

Utility Rate Rider: The City of Springfield is served by a municipal electric utility. Within the City of Springfield, City water Light and Power offers an Economic Development Rider to any new or existing permanent, general service customer that meets specific demand qualifications.

Private Activity Bonds: As a “home-rule” unit of government, the City of Springfield may issue these bonds as a way to offer tax exempt financing for qualifying manufacturing companies. Bonds are issued by the City, on behalf of the borrower, to finance new construction, rehabilitation, new equipment and other related development costs. Interest paid on the bonds is tax free to investors, which induces lending at below market interest rates.

Community Development Block Grant Funds: The City can use Block Grant funds for public infrastructure improvements and business loans. In both programs, projects are required to meet HUD’s national objective of benefiting low to moderate income persons, which can be accomplished by requiring that a minimum 51% of jobs created or retained be filled by persons meeting specified income criteria. Funding amounts are subject to eligible costs and availability.

More information on programs offered by the City of Springfield Office of Planning and Economic Development can be found on their website www.springfield.il.us

Quantum Growth Partnership staff will work with client’s to obtain incentive funding, tax credits and training funds from other available local, state and federal programs

The Q5 Partnership

The Greater Springfield Chamber of Commerce – 3 S. Old State Capitol Plaza – Springfield, IL 62701
www.gscc.org - Phone: (217) 525-1173 - Fax: (217) 525-8768