



Downers Grove
Economic Development Corporation



November 27, 2007

The Honorable Mayor Ron Sandack and
Village of Downers Grove Commissioners
Village of Downers Grove
801 Burlington Street
Downers Grove, IL 60515

Dear Mayor and Commissioners:

Over the last several months, members of the Downers Grove Economic Development Corporation, Downers Grove Area Chamber of Commerce and Industry and Downers Grove Downtown Management Corporation and their respective Executive Committee Members have attended several meetings with representatives from taxing bodies including the Village of Downers, DuPage County, Downers Grove Township and the State of Illinois. At those meetings budget plans and options were reviewed regarding home rule sales tax, storm water management, infrastructure improvements and property tax increases, including equalized assessed value assessments.

We begin by stating clearly that an increase in home rule sales tax will most likely be viewed as detrimental to the business community in Downers Grove and we are inherently reluctant to support any tax increase. The State of Illinois has become increasingly less business friendly and an elevation in local taxes magnifies the burden placed on businesses making the decision to do business in the State of Illinois or the Village of Downers Grove.

However, it is the belief of the aforementioned Boards, based on the information provided by Village officials, that the Village of Downers Grove has an immediate need to address its infrastructure with a long term solution. It is with this vision, that the Boards have voted, in this instance, with current circumstances, to support a segregated infrastructure fund, supported by a maximum $\frac{1}{4}\%$ home rules sales tax increase. The Boards believe the funds generated by the increase in home rule sales tax and/or other taxes or fees should be segregated for projects related only to rebuilding the Village's infrastructure as identified in its current Watershed Improvement Plan. Should those plans change over time, we request that those changes and any additional revenue sources be evaluated separately from the matters currently under consideration. Additionally, any funds generated should include "sunset" provisions so that upon completion of the projects the increases are returned to appropriate levels.

We commend Village leadership for maintaining a competitive tax rate with our neighbors. The increased home rule sales tax rate is aligned with the Village's vision of an enhanced quality of life for all stakeholders while maintaining a competitive environment for business attraction and retention. We do believe that any increase greater than $\frac{1}{4}\%$ would place the Village at a competitive disadvantage with our neighbors primarily to the south and west.

We also commend Village leadership for considering the option of a Storm Water Impact Fee and encourage the Village to pursue this option as soon as possible. This option offers equitable financial relief for those businesses within the Village that have already taken steps to alleviate storm water management concerns through mechanical or other means.

On behalf of all of our organizations, our Boards of Directors, our members, our constituents, our businesses and the thousands of employees they represent, thank you for your consideration.

Sincerely,

Greg Bedalov
President
Downers Grove
Economic Development Corporation

Laura Crawford
President and C.E.O.
Downers Grove Area
Chamber of Commerce and Industry

Linda Kunze
Executive Director
Downers Grove
Downtown Management Corporation