

# How investments can lead to government incentives

BY JENNY MASSEY  
Sikich

In a successful investment, everyone wins — a business, the community and its citizens.

For business leaders, investing in local communities can earn a company respect and recognition, help attract and retain talent, and provide financial incentives. If a company is planning to invest in talent, facilities, equipment or other capital investments, it is likely eligible for incentives from local and state governments, such as tax credits, training grants, expedited permitting for construction and more.

In Illinois, governments are particularly focused on encouraging investments within technology, manufacturing and green energy practices. Companies investing in these categories could qualify for common incentive programs offered by the Illinois Department of Commerce and Economic Opportunity. For example, the Reimagining Energy and Vehicles program incentivizes companies that create jobs and invest in training in the electric vehicle and renewable energy industries.

Additionally, the Illinois Enterprise Zones and the Illinois Opportunity Zones programs provide different tax benefits to companies investing in areas of economic need.

For business leaders looking to make a capital investment, preparation is needed to maximize the incentive.

First, it's important that the company properly tell the story of its investment and how it benefits the community. This helps the

decision-makers easily understand why an incentive should be granted. Second, the company must maintain compliance with any regulations tied to the incentive. Failing to do so may cause the company to lose out on the full benefits.

## Tell the investment story

When an organization is applying for incentives to offset potential investments, it's important that the company properly describes the value the investment adds to the community. Business leaders should weigh the potential for incentives prior to making an investment, and then weave the desired incentives into the investment story and advocate accordingly during negotiations.

For example, Bloomington, Indiana-based Oliver Winery was faced with the choice of outsourcing its manufacturing out of state — a decision that provided cost savings but would assure jobs would not be created for its hometown.

The winery showed its local government that a seven-year 100% tax abatement would not only offset the extra costs to remain in Indiana but would also allow it to manufacture the wine more sustainably, benefiting both the business and community. By creating a persuasive story describing the community benefits, Oliver Winery was granted the necessary government support to keep manufacturing solely in Indiana.

Working with an expert, companies can create stories that describe the investment value in an engaging way to improve the chance of securing support. With Illinois' focus on technology, manufacturing and green energy practices, companies can weave those topics into investment stories to maximize the incentives offered.

For example, if a company is

investing in a new facility utilizing solar power, weaving in the topic of green energy when applying for an incentive will help the company maximize the incentive offered, benefiting the company both financially and reputationally.

## Comply consistently

Once a company receives an incentive, it must continue to meet agreed-upon requirements, or it will forfeit the benefit. Potential compliance requirements may include tax filings, form filings, policy implementation and more.

For example, if a company qualified for benefits by agreeing to add 15 new jobs over a three-year period, it must complete 15 hires within that time frame.

In addition to meeting the qualifications of the incentive, companies must also file compliance reports for up to 20 years. This requires thoughtful financial controls to make sure forms are filled out properly and on time for the duration. Further, companies must stay on top of any new or updated forms that are part of the compliance requirements, or it may lose the benefit entirely.

Negotiating business incentives should be a part of a company's big picture. A thoughtful approach to both the investment story as well as any compliance requirements will allow a company to maximize its benefit.

Any business leader that plans to make an investment should proactively consider the value of that investment to the community and take advantage of government support to both grow the company and boost the local economy.

• *Jenny Massey is the director of site selection and business incentives team at Sikich. Contact her at [jenny.massey@sikich.com](mailto:jenny.massey@sikich.com).*



Jenny Massey

# Chicagoland's economic development strategy? Creativity and collaboration

BY GREG BEDALOV  
Choose DuPage



Greg Bedalov

For Chicagoland, the change just keeps coming. As the region adapts to shifting supply chains and new ways of working, fresh disruptions — from technologies to economic trends — are pouring in from every direction.

So, in an era of relentless change, what's the right economic development strategy? At Choose DuPage, we believe that it's all about creativity and collaboration.

For a good example of this approach in action, let's head to the golf course.

Until recently, Pheasant Run didn't seem like a place with much potential. After closing in 2019, the St. Charles golf course sat empty for several years.

Meanwhile, Chicagoland's industrial real estate developers were facing a profound problem: There just wasn't enough space. Vacancy rates were at an all-time low, rents were rising, and developers couldn't find enough large parcels to meet demand.

Then, people started getting creative. While a golf course might not seem like the obvious choice for an industrial space, developer Greco/DeRosa saw potential. Now, the group is developing the unused land into a 1.5-million-square-foot industrial development, a big win for businesses and the St. Charles community.

Real estate expert Jim Adler of NAI Hiffman says that this is exactly the kind of creativity we need.

"There is an opportunity for developers and communities to figure out how all the puzzle pieces fit together," he says.

Choose DuPage is helping supercharge this creative approach to economic development. Our organization works with municipalities, site selectors and real estate brokers to identify "Areas of Opportunity," land that is ripe for redevelopment. We market these hidden gems to decision-makers, then help them navigate any issues that emerge along the way.

Limited space isn't the only challenge that Chicagoland communities face. Today's DuPage County businesses must contend with an ultralow unemployment rate of about 3.1%. Low unemployment may sound like a good thing — and it can be, for workers — but for businesses, it creates labor challenges.

Meanwhile, many employees continue working remote, which means that some offices are left empty and the future of commercial real estate remains uncertain.

There's no catchall solution to these challenges. But Choose DuPage and other organizations are finding innovative ways to address them.

One of the most obvious but critical solutions is to foster an environment that is both business-friendly and people-friendly. That means actively working to create a climate that encourages businesses to come here and stay here. It also means that health, education, arts and culture — the things that really matter to people when choosing a place to live — are top priorities.

Choose DuPage brings together local leaders to focus on a well-rounded economic development strategy, one that accounts for the needs of businesses, communities and people alike. At the same time, we promote our business-friendly, people-friendly region — along with other key differentiators, like DuPage County's robust transportation infrastructure and strategic location — to attract businesses and talent.

Promoting Chicagoland takes a village. Scratch that — it takes an entire region. In a historic move, Choose DuPage and DuPage County recently joined six other counties and the city of Chicago to form the Greater Chicagoland Economic Partnership. Together, we promote the region's collective assets, driving investment and empowering Chicagoland to compete on a global scale.

It's long been a passion of mine to work collaboratively with like-minded leaders and communities across the region.

This is about telling a new story: The story of Chicago and Chicagoland. A story that is optimistic, forward-looking and focused on the best of our community. Those of us who live, work and do business here know that this is a place with unlimited potential, and GCEP gives us a platform to share our story at a global scale.

It's time for the rest of the world to see Chicagoland the way we do.

Learn more at [ChooseDuPage.com/ready](http://ChooseDuPage.com/ready).

• *Greg Bedalov is president and CEO at Choose DuPage.*

## BUSINESS INSIGHTS | Sponsored by MRA-The Management Association

### HR Business Partners Help Your Organization Thrive



Samantha Siebenaller

We all know that having a talented and engaged workforce is important, but how can business leaders foster a thriving workforce while maintaining focus on the needs of the business?

An HR Business Partner (HRBP) brings both the business acumen and deep, functional human resources expertise organizations need to align human capital strategies with business needs. Traditional human resource functions focus on moving workers through the employment life cycle, and HR Business Partners look for ways to make the necessary transactional work of HR more efficient. An HRBP can focus on the strategies and tactics that empower leaders and employees to be their best.

While HR Business Partners are most often seen in larger organizations, a business of any size can benefit from their valuable skill set. They can tailor solutions that fit your organization's culture, budget, and appetite for change. These highly skilled individuals can create and refine strategies while employing the tactics to see those strategies turn into results.

Your HRBP should be an integrated member of your team. They do their best work when they are operating side by side with the teams they support. They will join your staff and leadership meetings to learn the inner workings of individual departments and divisions. They will spend time with you to understand your objectives and challenges. The insights they gain through this partnership allow your HRBP to make recommendations that align with your needs.

Let's take a look at two examples of how this partnership can benefit an organization:

#### Identifying and Closing Skill Gaps

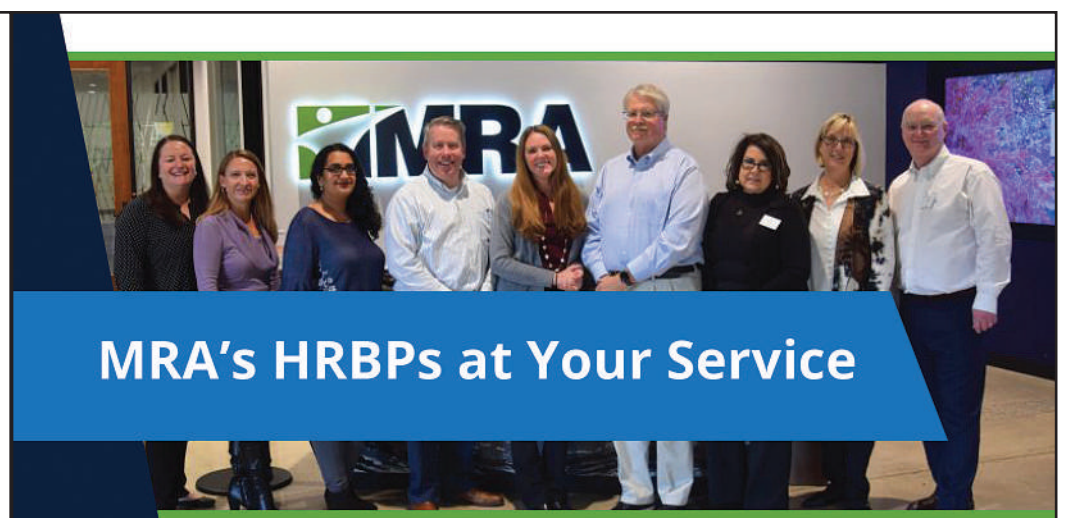
In a traditional environment, HR may not know that you are implementing a new technology until you have identified a go-live date. With an embedded HRBP, they will be there when you first discuss the need for new technology to help you identify skill gaps and then create a plan to develop internal talent and, if needed, adjust recruiting strategies to bring new talent into your organization.

#### Addressing Leadership Problems Early

Your HRBP will work with leaders at all levels of your organization to become a trusted partner both to leadership and employees. When employees and leaders alike feel comfortable sharing concerns about workload, processes, and leadership with the HRBP, it gives your partner a chance to suggest ways to address these concerns early. Perhaps a supervisor is not meeting the needs of employees, and you are not sure how best to address the issue. Your HR Business Partner may suggest a 360-degree feedback survey or one-on-one interviews with staff to gather feedback that can be shared with the supervisor and used to create a plan for their development.

HR Business Partners play a critical role in helping companies achieve organizational effectiveness. Whether you have 50 employees or 5,000, having an HRBP can help take your organization from good to great. To find the right HR Business Partner for you, contact Samantha Siebenaller at MRA – The Management Association (800.488.4845).

SOURCE: Samantha Siebenaller, HR Services Manager for MRA – The Management Association



## MRA's HRBPs at Your Service

If you find yourself with more HR projects than time this year, consider working with one of MRA's HR Business Partners to serve as an extension of your team.

#### Bring in an HR Business Partner to:

- Navigate your HRIS transitions
- Develop job descriptions
- Improve performance management
- Document and streamline processes
- Create an employee handbook
- And much more!

#### Special Offer!

Get 8 hours off an HR Business Partner project, including:

- Handbook review
- Compliance audit
- Job description updates

#### Call or email Juan Quintero

at 847.241.5184 or [Juan.Quintero@mranet.org](mailto:Juan.Quintero@mranet.org) to request this limited-time offer!



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