



**ILLINOIS CHAMBER
OF COMMERCE**

CAPITAL CITY OFFICE
215 E Adams St
Springfield IL 62701
217 522 5512

CHICAGO OFFICE
300 S Wacker Dr, Suite 1600
Chicago IL 60606
312 983 7100

www.ilchamber.org

NEWS RELEASE

April 14, 2009

Media Contact: Deb McCarver, 217-522-5512, dmccarver@ilchamber.org

**Real Estate Survey Suggests Lower Taxes Needed to Attract
More Businesses, Create Jobs in Illinois**

Chicago, Ill. -- Illinois' commercial and industrial real estate professionals know exactly why Illinois is losing business to neighboring states and beyond – too many state and local taxes, a perception that Illinois is anti-business and the lack of available incentives.

These and other results come from a survey sponsored by the Illinois Chamber of Commerce and conducted by the Survey Research Office at the University of Illinois-Springfield. Illinois commercial and industrial real estate professionals were asked about the state's strengths and weaknesses in terms of keeping, growing and attracting new development.

The results in this report provide a good roadmap for Illinois' new governor and legislators on ways to keep and attract more business, create more jobs and stimulate greater development.

"No one knows our state's economic strengths and weaknesses better than commercial and industrial real estate developers," said Tom Wolf, director of the Illinois Chamber of Commerce's Economic Development Council. "Whether it's keeping companies here in our state, convincing them to grow here or attracting new ventures to move here, industrial and commercial real estate professionals are in the trenches every day and hear why companies choose Illinois – and why they go someplace else."

Respondents assessed a range of criteria including infrastructure, workforce issues, location, site availability and supply factors, economic development opportunities, and costs of doing business, including state and local taxes and fees. They were ranked by survey participants in two ways -- based on how importance they were to client decision-making, and how Illinois is perceived by clients in providing these criteria. The gaps between the important criteria and Illinois' ability to deliver serve as guide to where attention is needed.

- more -

According to the survey, the biggest areas where Illinois can improve are:

- state and local tax burdens
- state reputation/image regarding business
- availability and amount of incentives
- flexibility of incentives to meet needs
- ease of process to qualify/receive incentives
- ease/timeliness of permit/regulatory procedures.

Among those who indicated that clients had recently inquired about sites in Illinois and then chose another location, nearly two-thirds identified cost of doing business factors as reasons those clients chose to locate elsewhere. Forty percent mentioned clients received better incentives in other places – with most of those firms going to neighboring Midwestern states.

The good news is that Illinois does offer value in several categories that developers do care about, including skilled workers and transportation infrastructure.

“We knew going in that we’d find out where our state is strong and where we would have more work to do,” said Wolf. “Using these results, our Governor and legislative leaders can focus on efforts to shore up the perception and reality of our weaknesses in order to attract more private-sector growth and more jobs throughout the state. We hope they are listening.”

* * *

About the survey: The survey was conducted in the third and fourth quarters of 2008 with 160 commercial and industrial real estate professionals (agents and brokers) in Illinois from 88 different real estate firms across the state. Two-thirds of the respondents completed the survey through a telephone interview while the remaining one-third did so through a web-based survey. The response rate was 35%. There were some differences based on geography in responses to importance of various location factors as well as in identifying strengths and weaknesses of their area; however the greatest gaps and recommended changes had few geographic differences.

Co-sponsors of the survey were the Illinois Development Council; Metro Economic Growth Alliance of Chicago; Illinois Association of Realtors; and the Illinois Chamber’s Economic Development Council. To read the full survey, visit the Illinois Chamber Economic Development Council’s web page:

http://www.ilchamber.org/Business_issue_councils/Econ_development/econ_development.htm

The Illinois Chamber of Commerce promotes the interests of Illinois business by working to improve the state’s business climate. The Illinois Chamber aggressively advocates legislation and public policies that support economic growth, and is a source of timely and reliable information on matters important to its members, Illinois employers and the general public. The Illinois Chamber also provides effective programs and services to its 3,500+ members to meet their business needs, including immediate answers to tax and human resources concerns and access to training and consulting services.

###