

Case Study: ERS Incorporated Receives State Tax Credit Through Choose DuPage



Founded in 1988 ERS Incorporated specializes in the recovery and resolution of educational loans and institutional accounts for colleges, universities and state guarantee programs. According to Scott Nicholson, President of ERS, in early 2009 the company began to take a closer look at its revenues and expenses and concluded that the rent they were paying for their 20,000 square foot facility in Westchester, Cook County, Illinois was an area of potential savings. ERS approached the landlord to renegotiate the lease but met with little success as the tax structure in Cook County made it prohibitive for the landlord to make any adjustments. The company instead began to look at other locations such as DuPage County where the tax structure on commercial buildings is lower than in Cook County. The company also considered moving out of state to Wisconsin or Indiana.

ERS enlisted the assistance of Choose DuPage to assist them in finding a location in one of several county municipalities and to explore local, county and state incentives programs. Choose DuPage provided the company a list of potential office space for lease from their CoStar database and introduced the company to a representative from the Illinois Department of Commerce and Economic Opportunity (DCEO). DCEO maintains an office in Choose DuPage's suite thereby allowing Choose DuPage to quickly and easily facilitate meetings between the State of Illinois and companies that are expanding and or considering leaving the state. Under Choose DuPage's tutelage ERS successfully applied for and obtained a corporate tax credit under the state's EDGE program. The EDGE program provides qualifying businesses with a tax credit against their Illinois corporate income tax based on their aggregate payroll taxes.

With the EDGE tax credit secured ERS chose Oak Brook, DuPage County as their new location. Oak Brook was chosen ahead of other county locations due to several factors including a very cost competitive real estate market, a wide variety of space in terms of size and contiguous square footage and proximity to other company locations. In the fall of 2009 ERS will complete its move to Oak Brook occupying 85,000 square feet of class B office space. The company will bring over 220 jobs to the county and will hire an additional 140 when the move is complete. The jobs include customer service representatives, administration, and information technology positions.

For Mr. Nicholson the decision came down to economics, "It is simply more cost effective to conduct our business in DuPage County than Cook County, other collar counties or other states".