

Case Study: Peerless Industries Inc.

The DuPage County Economic Development Committee agreed on Tuesday, March 16, 2010 to move forward with a proposal that would bring over 800 new jobs to DuPage County, many of which are currently located in China. The jobs would be created as the result of Peerless Industries, Inc. relocating to DuPage County from Melrose Park in Cook County. The full County Board followed suit and on Tuesday, March 23, 2010 and passed an inducement resolution paving the way for the issuance of the County's first Private Recovery Zone Facility Bond.

As part of their relocation, Peerless will discontinue outsourcing of manufacturing to China combining it with existing production, distribution and their corporate headquarters to the DuPage County portion of Aurora.

In order to make their move possible, Peerless, through the guidance of Choose DuPage, sought to secure assistance from the use of private activity Recovery Zone Facility Bonds (RZFB). The County adopted a resolution on August 11, 2009 designating the County as a Recovery Zone in accordance American Recovery and Reinvestment Act of 2009 (ARRA). As a Recovery Zone, ARRA allows DuPage County to allocate volume cap of \$69 million in RZFB to private industry for development projects. Recovery Zone Facility Bonds must be issued prior to January 1, 2011.

"I am very excited that Peerless Industries has decided to consolidate their operations and make DuPage County their home," said Grant Eckhoff (District 4), Chairman of the County's Economic Development Committee. "This will bring new jobs to our area, as well as boost our local economy. I also want to thank Choose DuPage for their leadership and hard work in marketing the Recovery Zone Bond Program to businesses like Peerless." "The great thing about the program is that it is not a grant, loan or subsidy it is simply a way for the County to help companies buy down the cost of doing business at no risk to the County."

John Zediker (District 5), who serves on the Economic and Development Committee and is a Board Member of Choose DuPage, hailed the proposal as a win-win for both DuPage County and the region. "We are very pleased to see jobs coming into our region, rather than leaving it," noted Zediker. "This is a win-win for everyone committed to growing our economy and creating jobs in our county, state and nation."

Peerless officials expect that its current workforce of 393 will make the trip with them to DuPage and they plan to hire regionally to fill the newly created 348 positions. The nine month build out process of the new space will create eighty three construction jobs as well. These are all new jobs to the County since Peerless does not have a presence in DuPage prior to this project. Generally, one new manufacturing job results in one job created in another sector which means this project could result in the creation of almost 1,500 jobs. Peerless will be occupying 2300 White Oak Circle which is a 307,000 square foot building that has been vacant since 2007.

“We feel it is our obligation, as an Illinois-based business, to do our part in creating and maintaining jobs in the state,” said Michael A. Campagna, President/COO of Peerless Industries, Inc. “Moving our operation to Du Page County will enable us to bring a significant number of jobs to the area benefiting the local economy, while enabling Peerless to reduce operating expenses, further our commitment to being environmentally responsible, and continue moving forward as a leader in the A/V industry.”

Choose DuPage is the designated agency for implementation of the program guidelines and the application process, marketing the program to prospective applicants, taking receipt of applications, reviewing applications for completeness, and making a recommendation to the DuPage County Board on the eligibility of applications. Choose DuPage staff is available to meet with or discuss over the phone any specific questions and to assist interested parties in completing the application. For more information, please call 630-955-2092, or visit www.choosedupage.com.