

## City of Spring Valley Village Economic Development Incentive Policy

The Economic Development Incentive Policy is limited to businesses registered with the City of Spring Valley Village (CSVV) that meet the following criteria:

1. The business does not have a situs in the CSVV that produces taxable sales which CSVV would directly benefit as of December 1, 2009;
2. The business does not occupy first floor retail space in the CSVV;
3. The business' annualized gross sales must be equal to or greater than \$600,000 (taxable by CSVV)
  - a. This minimum threshold is reduced by 50% for businesses engaged in electronic commerce resulting in sales taxable by CSVV.
4. The business agrees to execute an "Economic Development Agreement" and agrees to the following incentive structure:
  - a. Taxable Retail Sales between \$0 and \$2,000,000 will earn a 25% sales tax incentive.
  - b. Taxable Retail Sales between \$2,000,000 and \$5,000,000 will earn a 35% sales tax incentive.
  - c. Taxable Retail Sales over \$5,000,000 will earn a 50% sales tax incentive.
    - i. Additional incentives may apply for businesses with aggregate taxable sales in excess of \$5,000,000 within a single building,
5. and, all Economic Development Agreements will have a term not to exceed 10 years.

All applications and incentive computations are subject to review and verification by the City Administrator, and must be submitted within 3 months following the end of the CSVV fiscal year (September 30<sup>th</sup>).