On April 3, 2007, the Carbondale City Council established an automotive incentive program to further expand the economic tax base of the City of Carbondale. In 2014, the City Council expanded the program to include motorcycle and all-terrain vehicle franchises. The program was created to encourage the acquisition or establishment of a new franchise that will bring one of the aforementioned vehicle classes to Carbondale.

The City of Carbondale offers a grant in an amount equal to the projected one percent (1%) sales tax revenue generated during the first twelve months of operation, with a maximum grant amount of $50,000, to an automotive retail dealer located within the city limits of Carbondale. The grant helps fund the acquisition or establishment of a new vehicle, motorcycle, or all-terrain vehicle franchise not currently located within the city limits of Carbondale. An agreement between the automotive retailer and the City of Carbondale is approved by the Carbondale City Council further stipulating the requirements of the incentive program. If the one percent (1%) sales tax for the new franchise, including both new and previously owned vehicles, does not generate $50,000 in new sales tax revenue within twelve (12) months following the date of the agreement, the dealer must repay the City of Carbondale the amount equal to the difference between the grant amount and the one percent (1%) sales actually received. The dealer must repay this amount within thirty (30) days following notice from the City of Carbondale.

The automotive dealer must provide the financial records for all vehicles sold under the new franchise brand, to the City of Carbondale at the end of the twelve month period. The automotive dealer also agrees to operate the new franchise within the city limits of Carbondale for a minimum of 36 months from the date of the agreement. Should the franchisee cease operation within the 36 month period, the full sum of the grant amount must be repaid to the City of Carbondale within 30 days following notice from the City of Carbondale.

Dealers interested in pursuing this grant proposal should contact the Economic Development Office at 618-457-3286, for further information.