

Community Development Administration Business Group

Mission Statement

It is the mission of the Community Development Administration to provide leadership, foster partnerships, and provide balanced growth to enhance life in all neighborhoods.

Primary Functions → The primary function of the Administration Division is to provide direction and administrative support to the Department of Community Development.

2004 Accomplishments →

- The selection process for designating a master developer for the Barber Colman Village project was completed in 2004 with a Memorandum of Agreement executed with the Hendricks Development Group of Beloit. The developer is actively pursuing the completion of a development plan for the project and is expected to have the final draft finalized by the end of 2004.
- Began the development of the South Main Focus Area Plan to revitalize the residential community.
- The Revitalization Plan for the North Main and Auburn area began with an expected completion date in 2004 and the selection of the preferred strategy to occur in the first quarter of 2005.
- The Rockford International Trade Park Redevelopment Planning Area and subsequent first Tax Increment Financing District have been completed and the Request for Qualification (RFQ) has been issued for the preparation of the implementation plan. Further, bond ordinances have been passed and proceeds will be made available for 2005 implementation activities.
- Development guidelines and procedures to allow for the investment of 7th Street Tax Increment Financing (TIF) bond proceeds were completed and all awards made in 2004 with construction to begin in 2005.
- The physical reconfiguration of the Community Development Department as envisioned in the reorganization plan began in 2004 and will be completed in 2005.

2005 Goals and Objectives →

- Develop the funding sources and undertake first phase activities in the redevelopment of Barber Colman Village.
- Complete the South Main Focus Area Plan and continue implementation activities.
- Seek consensus and a funding allocation for the beginning of revitalization activities in the North Main and Auburn area.
- Complete all projects associated with the 7th Street bond issue.

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- Begin and complete the development of the financial plan for implementation of activities listed in the Downtown Task Force recommendations.
- Hire the Trade Park Manager, complete the implementation plan, and complete the development of the first industrial park.

Budget Summary

CD ADMINISTRATION DIVISION BUDGET SUMMARY					
APPROPRIATION	2003 <u>ACTUAL</u>	2004 <u>BUDGET</u>	2004 <u>ACTUAL</u>	2005 <u>BUDGET</u>	INCREASE (DECREASE)
PERSONNEL	\$143,020	\$195,854	\$199,057	\$184,789	(\$11,065)
CONTRACTUAL	18,948	43,867	79,462	44,847	980
SUPPLIES	541	1,000	3,571	575	(425)
CAPITAL	0	0	0	0	0
TOTAL	<u>\$162,509</u>	<u>\$240,721</u>	<u>\$282,090</u>	<u>\$230,211</u>	<u>(\$10,510)</u>
STAFFING REVIEW					
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	INCREASE (DECREASE)
	2.15	2.15	2.25	1.85	(0.40)
FUNDING SOURCE					
		2004 <u>AMOUNT</u>	2004 <u>PERCENTAGE</u>	2005 <u>AMOUNT</u>	2005 <u>PERCENTAGE</u>
PROPERTY TAXES					
FRINGE BENEFIT REIMBURSEMENTS		\$26,077	10.8	\$25,572	11.1
GENERAL REVENUES		<u>214,644</u>	<u>89.2</u>	<u>204,639</u>	<u>88.9</u>
TOTAL		<u>\$240,721</u>	<u>100.0</u>	<u>\$230,211</u>	<u>100.0</u>

Budget Analysis

The 2005 budget is \$230,211, which is a decrease of \$10,510 (4.4%) from the previous year. Personnel costs decreased \$11,100. Salaries decreased \$8,300 and health insurance decreased \$2,800 due to the reduction of personnel in this division.

Contractual costs increased \$1,000, with the major increase in microcomputer charges of \$1,200 and miscellaneous of \$800 (to attend various public relations functions). Supplies decreased by \$425 in the office supply category.

In 2004, the Administration Division spent \$282,090, or 117.2% of its budgeted allocation. In the past several years, 69% to 117% of the budget has been spent.

Capital Equipment

There are no capital items budgeted for 2005.

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Personnel Review

COMMUNITY DEVELOPMENT ADMINISTRATION DIVISION						
	POSITION RANGE	2004 BUDGET		2005 BUDGET		EMPLOYEE CHANGE
		DOLLARS BUDGETED	NUMBER OF EMPLOYEES	DOLLARS BUDGETED	NUMBER OF EMPLOYEES	
SALARIES						
DIRECTOR	E-14	\$106,133	1.00	\$109,699	1.00	0.00
SENIOR ADMIN ASSISTANT	E-6	15,006	0.50	9,766	0.25	(0.25)
ACCOUNT CLERK	E-4	9,403	0.25	9,304	0.30	0.05
INTERMEDIATE CLERK	A-18	19,521	0.50	12,961	0.30	(0.20)
TEMPORARY		0		0		
MERIT PAY		4,733		4,770		
SALARY ADJUSTMENT		0		0		
SALARY SAVINGS		0		0		
	SUBTOTAL	<u>154,796</u>	<u>2.25</u>	<u>146,500</u>	<u>1.85</u>	<u>(0.40)</u>
BENEFITS						
ILLINOIS MUNICIPAL RETIREMENT		24,969		24,378		
UNEMPLOYMENT TAX		0		100		
WORKMEN'S COMPENSATION		248		234		
HEALTH INSURANCE		14,977		12,198		
RETIREE INSURANCE		0		700		
LIFE INSURANCE		54		13		
PARKING BENEFITS		810		666		
	SUBTOTAL	<u>41,058</u>		<u>38,289</u>		
	TOTAL	<u>\$195,854</u>	<u>2.25</u>	<u>\$184,789</u>	<u>1.85</u>	<u>(0.40)</u>

Performance Measurements

	2002 Actual	2003 Actual	2004 Actual	2005 Projected
Bids for demolitions	18	4	12	15
Lead Hazard Reduction Bids	10	0	0	3
Construction Rehab Bids	12	6	22	24
Various Bids and RFPs	10	11	10	10

Community Development Business Group

Mission Statement

It is the mission of the Community Development Business Group to formulate and implement programs designed to improve the quality of the City's neighborhoods, to create and retain jobs, and to expand and protect the tax base.

Primary Functions → The services provided in this Division are organized around ten different areas of focus:

- **CDBG Administration** → Staff perform day to day activities, including planning, formulating applications, reviewing performance, accounting, acquiring land, and conducting environmental assessments. In addition, staff provides assistance to various groups including the Citizen Participation Committee, the Historical Preservation Commission, the Homestead Board, and non-profit development corporations.
- **Economic Development** → Provide technical and financial assistance to the City's industrial and commercial businesses.
- **Neighborhood Development** → Administer all City housing rehabilitation and new construction programs, including housing acquisitions, demolitions, homeless programs, and community assistance program projects and coordinate the efforts of others to bring about economic, physical, and social improvements in selected neighborhoods.
- **Home Program** → Annual Federal housing grant program designed to fund operating and project expenses for Community Housing Development Organizations (CHDO) that rehabilitate housing, offer homesteading opportunities for low-income homebuyers either through new construction or rehabilitation of residential properties, and fund housing rehabilitation for existing low-income homeowners.
- **Supportive Housing Program** → Competitive Federal housing grant program designed to fund specific supportive housing and services for homeless persons.
- **Emergency Shelter Care Grant** → Provide rehabilitation, essential services, homeless prevention and operating funds for agencies serving the homeless.
- **Shelter Plus Care Grant** → Five-year grants with annual renewals which provide mentally ill homeless persons with disabilities with housing and supportive services.
- **Homeless Management Information System** → The system will provide data collection and reporting system of the homeless for the Boone/Winnebago Continuum of Care as mandated by The Department of Housing and Urban Development.
- **Enterprise Community Initiative** → Support activities that focus benefits primarily on residents of the "Enterprise Community" including neighborhood initiatives and programs for youth ages 13 to 19.

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- **Promised Land Grant** → Provides job search training and resources for adults who are homeless, at risk of homelessness, U.S. military veterans, and individuals with criminal records.
- **American Dream Initiative** → This program provides a loan in the form of a mortgage, forgiven over five (5) years for six percent (6 percent) of the purchase price. No payments are required as long as the property remains owner occupied and is maintained for the term of the loan.
- **Brownfields Cleanup Revolving Loan Fund** → Provide funding to clean up contaminated property and return Brownfield properties into productive uses.

2004 Accomplishments →

Economic Development

- Restructured the Small Business Loan program to focus on primary employers and targeted areas. Also, processed applications for small business assistance.
- Assisted in the retention and expansion of manufacturing employment through the application for a HUD Section 108-loan guarantee for Mega Manufacturing.
- Assisted companies and homeowners in the State Enterprise Zone on development and redevelopment projects.
- Assisted potential entrepreneurs through the Self-Employment Training program and micro-enterprise loan program.
- Created cooperative loan program with Northern Illinois Community Development Corporation to leverage loan resources to small businesses.
- Continued to work with area and regional organizations on the expansion of economic development in the region.

Neighborhood Development

- Started to assist in the development of the South Main Focus Revitalization Strategy Area.
- Completed the 2005-2009 Consolidated Plan and 2005 Annual Action Plan, which were submitted to the Department of Housing and Urban Development.
- Provided rehabilitation and homebuyer assistance to owners of property within the Mid Town North and South Main Focus areas. Also, assisted in the development of the Mid Town North neighborhood group who completed two neighborhood clean ups during the year.
- Submitted a McKinney-Vento Continuum of Care Homeless Grant to the Department of Housing and Urban Development with a total request of \$2,169,075 with the sponsors Janet Wattles, Promised Land Employment, Youth Services Network, and the City of Rockford. Notification is expected in late 2004 or early 2005.

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- Obtained bids, selected a contractor, and began the construction of 12 West Side Alive! homes. Eleven were completed by the end of the year.
- Began the distribution of funds awarded the City through the Federal Home Loan Bank by providing down payment assistance to first-time homebuyers through projects funded by the City of Rockford. The homes were sold through the West Side Alive! and Emerson Estates.

2005 Goals and Objectives →

Economic Development

- Provide support for private for-profit investments creating primary jobs and/or providing retail/service employment within the business TIFs, West State street nodes of commercial activity, current State-Certified Enterprise Zone, and/or North Main nodes of commercial activity through the CDBG funded and City funded Small Business Loan program.
- Support low/moderate income entrepreneurs by making investments through the Microenterprise Investment Match Program and by providing Self-Employment Training.
- Make two Section 108 Loans to assist in job retention and employment growth.
- Assist in the creation of a Comprehensive Economic Development strategy for the City of Rockford and Winnebago County.
- Develop Minority Business Enterprise, Women Business Enterprise, and Disadvantaged Business Enterprise opportunities in the City of Rockford.
- Assist in the removal and or reuse of blighted and underutilized manufacturing structures.

Neighborhood Development

- Assist in the completion and implementation of the South Main Focus Neighborhood Revitalization area.
- Submit a Supportive Housing and Shelter Plus care grant in order to maintain and improve services to the homeless in this community.
- Complete Phase VI of the West Side Alive! program which included the construction and sale of 24 single family homes
- Award 100% of the funds received by the City of Rockford/AmCore Bank through the Federal Home Loan Bank.
- Continue activities identified in the Mid Town North A Plan for 2003-2007.

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- Provide funding to community projects including: RAMP, RAAHC Pre and Post Purchase Counseling Program, Community Kitchen/Lifescapes, Fair Housing, Infoline, as well as other agencies through the competitive Community Assistance Program.

Economic Development

- The Economic Development Program, budgeted at \$730,405, is funded by the Community Development Block Grant, the Redevelopment Fund, and the three tax increment financing districts (TIFs), \$524,775, \$52,000, and \$153,630, respectively. In the Economic Development Program, \$285,000 is allocated for programs with \$445,405 being allocated to administrative costs.

Economic Development funding includes the following:

- \$30,000 for the continuation of the Small Business Loan Program in an effort to create new and/or expanding primary employers and/or retail or service businesses that provide goods, services, and jobs to targeted neighborhoods.
- \$30,000 for a Microenterprise Investment Match Program which is designed to provide near “equity-like” funding to low/moderate income entrepreneurs who are residents of the City of Rockford. Three (3) micro-enterprises will be assisted.
- \$120,000 is for future projects for the recipient providing a wage above the threshold median hourly wage to numerous low/moderate income City residents. Also, the grant will be used for projects that have the potential to fill a long-vacant building or site, preferably in one of the City’s TIF districts, the City’s State certified Enterprise Zone, or one of the previously described strategic areas. Projected activity is two projects.
- \$30,000 for the Self-Employment Training Program that will provide basic entrepreneurial training to low to moderate-income persons in conjunction with Rock Valley College’s Small Business Development Center. Projected training is for 80 participants.
- \$50,000 for Flexible Networks to assist in the creation of a flexible network system that will allow small companies to work collaboratively in the areas of employee training, project bidding, cost reduction, industrial/manufacturing employment retention, and share technology in an area that has seen a decline of 26 percent manufacturing based job loss over the past five years.
- \$25,000 for the West State Commercial Shopstead in obtaining long term leasing of the remaining three units.

Housing programs, budgeted at \$4,687,953, is funded from two grant programs, the Community Development Block Grant, \$2,566,404, and the Home Program, \$2,000,868, and program income, \$120,681. \$3,676,444 is allocated for programs with the remaining \$1,011,509 allocated for administrative costs. Also, American Dream Initiative of \$83,319 is to be used as mortgage assistance.

Neighborhood Development

Neighborhood Development will provide assistance towards new housing construction and provide training and support to local nonprofit organizations.

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- The Home Program, after allocating \$105,317 for administrative costs, has \$1,916,655 remaining for program activities. The law requires that 15% be set aside for use by non-profit housing organizations (CHDO) to perform housing rehabilitation and/or new construction of housing.
- \$399,436 is used to assist existing owner occupants and new homebuyers. The funding will be used to make exterior improvements, interior health and safety code items and work needed to remove lead hazards. The City anticipates assisting approximately 26 low-income households.
- \$379,636 for the West Side Alive! Program for new construction is made possible because of a competitive grant received by the City through the Illinois Housing Development Authority's (IHDA) Affordable Housing Trust Fund. Projected activity is twelve homes.
- \$300,000 for Champion Park – HOPE VI, to assist with the new construction of approximately 20 homes in the first of two homeownership phases. Winnebago County Housing Authority submitted a 2002 HOPE VI grant that will result in the construction of a combination of 180 rental and single-family homes. Some proposed housing will be built on vacant lots within the existing city limits with other properties currently in the County becoming annexed into the City.
- \$14,999 is for the Emerson Subdivision, which is a 38.8-acre single-family affordable housing development proposed at Springfield and School Street. Funds will provide direct homebuyer assistance to lower income persons when purchasing homes in this subdivision. Projected activity is one household.
- \$52,646 is to be used by CHDO's for operating expenses. Funding level is for six CHDO's.
- \$585,938 for the CHDO affordable housing homebuyer and rental projects in the city's neighborhood strategy areas. The City anticipates assisting low and moderate-income individuals in affordable single-family or multi-family housing. Projected activity is 23 units.
- \$184,000 is for assistance to the Federal Youthbuild program, Comprehensive Community Solutions, Inc. (CCS). CCS has structured classes in apprenticeship programs such as bricklayer, cabinetmaker, cement mason, carpenter, plumber, electrician, insulation worker, among others. This assistance will help construct three houses.

Community Development Block Grant

The \$2,665,981 Housing program, funded by the Community Development Block Grant and program income, provides \$1,759,789 for programs after \$906,192 is allocated for administrative costs.

- \$160,600 to assist existing owner occupants and new homebuyers. The funding will be used to make exterior improvements, interior health and safety code items and work needed to remove lead hazards. The City anticipates assisting approximately 26 low-income households.
- \$100,000 is to be used to begin initiating development recommendations resulting from the Development Strategy Plan for North Main and Auburn Business District and the redevelopment of Garrison School for residential use. Projected activity is two projects.
- \$400,000 for acquisition of property under private ownership. The funds will be used to acquire properties for use in the Homestead Partnership or demolition program and vacant lots will be used for the development of single-family housing or to improve blighted conditions. Acquisitions will be focused on the Mid Town North or South Main areas or the neighborhood strategy areas.
- \$25,000 for the Lead Based Paint Hazard Reduction Program as a 10% match that will be provided to the Human Services Department to match a State of Illinois lead-based paint federal

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grant. This \$25,000 represents year 1 of a 4-year commitment. The program is only made available to low-moderate income households. The City anticipates assisting 25 low-moderate income households.

- \$100,000 for homebuyer assistance program. The City created a program to help families that face the steep challenge of owning a home, which will boost the rate of homeownership in Rockford.
- \$130,000 for Tenant-Occupied, Investor-Owned Rehab, to improve investor-owned properties in certain focus areas within strategy areas. Investor-owners will be given the opportunity to access this program and receive funds for rehabilitation costs. Properties must be located in a focus area (Mid Town North or the South Main Focus Areas) and will be subject to lead-based paint regulations.
- \$645,689 for continuation of the Demolition Program for demolishing abandoned, vacant, or boarded up properties primarily identified by the Focus Area Action Plan and deteriorated properties located near schools, on major thoroughfares, and strategically located scattered sites. Also, \$250,000 is specifically targeted for the Barber Colman Village. The City anticipates the demolition of 32 residential units and one non-residential structure.
- \$20,000 for the Rockford Area Affordable Housing Coalition for pre-purchase counseling to all participating buyers. Also included is information on employment, repairing credit, savings methods, and the overall home buying process. Projected activity is two.
- \$140,000 in funds will be awarded to neighborhood groups and/or other non-profits to do special projects that serve lower-income individuals. Projected activity is nine units.
- \$1,500 for fair housing expenses.
- \$30,000 for the Ramp Program to build ramps for low-income persons with mobility disabilities. Projected activity is 15 units to be administered by the Rockford Area Mobilization Project.
- \$7,000 for continuation of the Infoline that provides a database of services offered in the Rockford area.

\$482,562 is included for program planning and administration.

- In the Enterprise Zone area, a \$700,000 Brownfield Cleanup Revolving Loan Fund Grant was awarded. The grant will be used to provide financing for cleanup/redevelopment projects.

Four Shelter Plus Care grants are administered by the sponsor, Janet Wattles Mental Health Center, and will provide housing and supportive services to homeless individuals who are mentally disabled. Funds for these services are budgeted at \$1,584,139.

\$1,213,167 in Supportive Housing grants will be used to expand support services to the City's homeless population. Services are provided by Shelter Care Ministries, American Red Cross, Promised Land Employment, and Carpenter's Place.

\$67,528 is funding for the development of a Homeless Management Information System (HMIS).

\$93,717 will be allocated to improve the quality of existing shelters and increase the number of developing shelters.

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Budget Analysis

CD DEVELOPMENT DIVISION BUDGET SUMMARY					
APPROPRIATION	2003 ACTUAL	2004 BUDGET	2004 ACTUAL	2005 BUDGET	INCREASE (DECREASE)
PERSONNEL	\$872,056	\$1,199,938	\$1,219,389	\$1,387,579	\$187,641
CONTRACTUAL	575,340	1,572,333	778,315	1,029,818	(542,515)
SUPPLIES	23,079	50,770	37,217	33,510	(17,260)
OTHER	3,081,592	6,914,203	4,282,737	7,178,278	264,075
CAPITAL	0	23,200	13,800	0	(23,200)
TOTAL	<u>\$4,552,067</u>	<u>\$9,760,444</u>	<u>\$6,331,458</u>	<u>\$9,629,185</u>	<u>(\$131,259)</u>

STAFFING REVIEW	2002	2003	2004	2005	INCREASE (DECREASE)
	17.60	17.60	17.75	19.40	1.65

FUNDING SOURCE	2004 AMOUNT	2004 PERCENTAGE	2005 AMOUNT	2005 PERCENTAGE
CURRENT FUNDS				
COMMUNITY DEVELOPMENT GRANT	\$2,562,000	26.2	\$2,406,789	25.0
HOME PROGRAM	1,053,540	10.8	1,005,869	10.4
OTHER FEDERAL/STATE	1,529,295	15.7	1,620,085	16.8
REDEVELOPMENT FUND	50,500	0.5	52,000	0.5
7TH STREET TIF FUND	75,000	0.8	153,630	1.6
CAPITAL PROJECTS FUND	37,520		40,750	0.4
GENERAL FUND	18,760		20,380	0.2
PROGRAM INCOME	<u>371,337</u>	<u>3.8</u>	<u>140,681</u>	<u>1.5</u>
	5,697,952	57.8	5,440,184	56.4
REPROGRAMMED FUNDS-PRIOR YEARS				
COMMUNITY DEVELOPMENT GRANT	1,801,695	18.5	400,000	4.2
WEST SIDE ALIVE	0		0	0.0
HOME PROGRAM	1,007,344	10.3	994,999	10.3
OTHER FEDERAL/STATE	<u>1,253,453</u>	<u>13.4</u>	<u>2,094,572</u>	<u>29.1</u>
	<u>4,062,492</u>	<u>42.2</u>	<u>4,189,001</u>	<u>43.6</u>
TOTAL	<u>\$9,760,444</u>	<u>100.0</u>	<u>\$9,629,185</u>	<u>100.0</u>

The 2005 budget is \$9,629,185, which is a decrease of \$131,300 or 0.8%. Personnel costs increased \$187,600 due to annual wage adjustments, a new position of Industrial Development Coordinator, and the transfer of additional staff to this division. Increases also occur in salary adjustment of \$68,700 (COLA adjustment), retiree insurance of \$8,300, IMRF of \$24,900 and health insurance of \$26,300, due to increases in IMRF rates and in health insurance premiums.

Non-program contractual expenses decreased \$189,600. The largest contractual decreases are in other contractual (\$99,300), which is reimbursement of operating costs for all grants awarded, and in consultants (\$100,000), because fewer consultants are being used. Increases occurred in microcomputer (\$9,500), risk management (\$4,900), and building rental (\$5,600). Grant funding for demolitions is decreased from \$998,600, in 2004, to \$645,700 in the upcoming year. Administrative costs, required to not exceed 20% of expenditures, will continue to be 20% for 2005. The Redevelopment Fund transfer, to help finance economic development activities is \$52,000, the TIF District contribution is \$153,600 for the East, West, 7th Street, and Rockford Global Park TIFs. Program income is \$119,577 for the Block Grant and \$21,104 for the HOME program.

Under Federal guidelines, grant years remain open until funds are expended. The Division estimates that at the end of 2004, a total of \$4,189,001 will be reprogrammed for 2005. These reprogrammed funds include \$1,099,430 in prior year Community Development Block Grant Funds, \$994,999 in prior year Home Program funds, \$977,467 in the Shelter Plus grant, \$797,105 in Supportive Housing funds, \$300,000 in Brownfield funds, and \$20,000 for the American Dream Initiative.

Capital Equipment

For 2005, this department will not have any capital purchases.

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Five Year Financial Forecast

The 2006-2010 five-year forecast assumes that both Federal and local funding sources will stagnate and expenditures will not exceed revenue limits. It is further assumed that the Department will spend its annual budget. No assumptions are made for new programs.

COMMUNITY DEVELOPMENT BLOCK GRANT FUND 2006-2010 FINANCIAL FORECAST (IN 000'S)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Revenues	\$5,915	\$6,092	\$6,275	\$6,463	\$6,657
Expenditures	<u>5,915</u>	<u>6,092</u>	<u>6,275</u>	<u>6,463</u>	<u>6,657</u>
Excess(Deficit)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Beginning Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Ending Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Personnel Review

COMMUNITY DEVELOPMENT DIVISION							
	POSITION	2004 BUDGET		2005 BUDGET		EMPLOYEE CHANGE	
		RANGE	DOLLARS BUDGETED	NUMBER OF EMPLOYEES	DOLLARS BUDGETED		NUMBER OF EMPLOYEES
SALARIES							
DEVELOPMENT PROGRAMS MANAGER	E-10		\$79,471	1.00	\$82,556	1.00	0.00
ECONOMIC DEVELOP ADMINISTRATOR	E-10		76,974	1.00	79,955	1.00	0.00
INDUSTRIAL DEVELOPMENT COORD	E-10		0	0.00	53,227	1.00	1.00
EOC OFFICER	E-8		54,005	1.00	55,557	1.00	0.00
DEVELOPMENT SPECIALIST	E-8		0	0.00	40,612	1.00	1.00
GRANTS COMPLIANCE SPECIALIST II	E-7		59,000	1.00	61,048	1.00	0.00
SENIOR ACCOUNTANT	E-7		62,287	1.00	44,512	1.00	0.00
DOWNTOWN DEVELOPMENT MANGER	E-7		55,414	1.00	37,398	1.00	0.00
REHAB CONST SPECIALIST II	E-7		19,211	0.50	20,259	0.50	0.00
GRANTS COMPLIANCE SPECIALIST I	E-6		74,413	2.00	77,022	2.00	0.00
HOUSING REHAB SPECIALIST II	E-6		39,960	1.00	41,475	1.00	0.00
DEVELOPMENT SPECIALIST	E-6		58,808	1.00	0	0.00	(1.00)
HOUSING REHAB SPECIALIST I	E-5		70,165	2.00	72,842	2.00	0.00
NEIGHBORHOOD ENFORCEMENT SPEC	CD-22		71,242	2.00	78,830	2.00	0.00
REHAB CONST SPECIALIST I	CD-15		35,487	1.00	38,400	1.00	0.00
SENIOR ADMINISTRATIVE ASSISTANT	E-6		18,806	0.50	19,532	0.50	0.00
ACCOUNT CLERK	E-4		38,242	1.25	53,590	1.70	0.45
INTERMEDIATE CLERK	A-18		19,022	0.50	30,244	0.70	0.20
TEMPORARY			10,466		10,466		
MERIT PAY			14,135		14,792		
SALARY ADJUSTMENTS			0		68,692		
SALARY SAVINGS			0		0		
SUBTOTAL			<u>857,108</u>	<u>17.75</u>	<u>981,009</u>	<u>19.40</u>	<u>1.65</u>
BENEFITS							
ILLINOIS MUNICIPAL RETIREMENT			137,364		162,300		
UNEMPLOYMENT TAX			0		1,048		
WORKMEN'S COMPENSATION			3,362		6,599		
HEALTH INSURANCE			194,981		221,250		
RETIREE HEALTH INSURANCE			0		8,300		
LIFE INSURANCE			152		89		
PARKING BENEFITS			<u>6,390</u>		<u>6,984</u>		
SUBTOTAL			<u>342,249</u>		<u>406,570</u>		
TOTAL			<u>\$1,199,357</u>	<u>17.75</u>	<u>1,387,579</u>	<u>19.40</u>	<u>1.65</u>

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Performance Measurements

Plans for 2005 forecast similar levels of activity. Selected activity levels for 2002-2005 is illustrated below.

	2002 <u>Actual</u>	2003 <u>Actual</u>	2004 <u>Actual</u>	2005 <u>Projected</u>
Economic Development				
Small business loans	10	3	10	10
Commercial/Industrial expansion projects	2/13	11/5	13/4	10/5
New Commercial/Industrial projects	7/3	16/3	11/1	10/5
New/retained jobs	263/205	218/157	205/220	200/200
Targeted areas	16	16	14	16
Technical assistance, clients/referrals	100/50	80/175	100/120	100/100
Business/Community organization assisted	12/11	25/20	15/10	15/11
Neighborhood Development				
Homesteads	2	1	2	0
Rehabilitated Units	8	11	18	42
Neighborhood Projects (Non-Profits)	13	5	8	32
Homeless programs	8	6	6	6
New homes constructed	5	11	2	31
Demolitions	23	17	34	33
Special Community Projects	3	6	1	1
Community Assistance Program Projects	15	12	12	14
Acquisitions	21	28	28	10
Homebuyer Assistance Programs	27	22	11	21
RAMP (Construction of RAMPS)	16	11	12	30
Get the Lead Out Match	0	11	36	25
IDA Human Services	0	5	0	0

Community Development Redevelopment Fund

Mission Statement

It is the mission of the Community Development Redevelopment Fund to finance Metro Centre Authority operating deficits, provide funds for redevelopment of the central city, and generate economic development.

Primary Functions → The fund is financed by a one-percent tax adopted in 1978 for a period of 20 years on motel and room charges, restaurant, lounge charges for food and liquor, and package liquor sales. This was renewed for additional ten-year periods in 1990 and 1999 with the tax to end in 2018. In addition to financing a portion of the Metro Centre Authority's deficits, the Fund provides the necessary capital for development opportunities, public improvements, and economic development efforts.

2004 Accomplishments →

- Renegotiated Metro Centre agreement for five years.
- The City continued to provide funding to the Rockford Convention and Visitors Bureau. The funding is a one-percent tax on lodging, restaurant food and drink, and package liquor goods (for four hotels).
- The Redevelopment Fund reimbursed departments within the City for police, fire, and public work's expenses for festivals held throughout the year.
- The City funded organizations such as SWIFTT, RLDC, Council of 100, and others whose focus meets City priorities.

2005 Goals and Objectives →

- The City anticipates that tourism will increase in the near future, which will generate additional revenue to offset future deficits.
- The Redevelopment Fund will reimburse City departments for expenses related to festivals held throughout the year.

Community Development Redevelopment Fund

Budget Summary

	2003 <u>ACTUAL</u>	2004 <u>BUDGET</u>	2004 <u>ACTUAL</u>	2005 <u>BUDGET</u>	INCREASE <u>(DECREASE)</u>
APPROPRIATION					
CONTRACTUAL	\$16,376	\$11,300	\$12,313	\$11,400	\$100
SUPPLIES	0	0	0	0	0
OTHER	<u>3,277,830</u>	<u>3,821,566</u>	<u>3,880,388</u>	<u>4,055,838</u>	<u>234,272</u>
TOTAL	<u>\$3,294,206</u>	<u>\$3,832,866</u>	<u>\$3,892,701</u>	<u>\$4,067,238</u>	<u>\$234,372</u>
FUNDING SOURCE		2004 <u>AMOUNT</u>	2004 <u>PERCENTAGE</u>	2005 <u>AMOUNT</u>	2005 <u>PERCENTAGE</u>
REDEVELOPMENT SALES TAX					
MOTEL		\$297,200	9.8	\$276,800	9.0
PACKAGE		369,300	12.2	393,000	12.7
RESTAURANT		<u>2,316,800</u>	<u>76.7</u>	<u>2,400,200</u>	<u>77.8</u>
SUBTOTAL		<u>\$2,983,300</u>	<u>98.7</u>	<u>3,070,000</u>	<u>99.5</u>
INTEREST INCOME		33,000	1.1	5,000	0.5
OTHER INCOME		<u>\$3,360</u>	<u>0.2</u>	<u>0</u>	<u>0.0</u>
TOTAL		<u>\$3,019,660</u>	<u>100.0</u>	<u>\$3,075,000</u>	<u>100.0</u>

Redevelopment Fund Expenses

Expenses can be broken down into three groups as follows:

- Fixed costs – \$2,399,100
- Variable costs – \$59,000
- Variable project costs – \$1,609,138

Fixed Costs

- \$200,000 to the Council of 100 to continue economic development efforts and industrial park marketing.
- \$50,000 to the Rockford Local Development Corporation (RLDC).
- \$52,000 is transferred to the Community Development Division to pay for a portion of the costs associated with the economic development staff.
- \$45,200 is transferred to the Public Works Property and Equipment Division for staff services for building maintenance at Festival Park.
- \$912,000 to the Metro Centre Authority to help subsidize deficits (\$76,000 per month). The City signed a new agreement in June of 2004 with the Metro Centre.
- \$105,000 is provided to the Rockford Convention and Visitors Bureau. The County and City levy a tax on motel accommodations, three percent by the County and six percent by the City. The County passes the entire amount to the Bureau while the City keeps one percent for redevelopment efforts. The remaining five-percent is sent to the Bureau. With the annexation of four motels into the City in 1988, the City agreed to transfer the other one percent (for these four motels only) from the Redevelopment Fund to the Bureau.

Community Development Redevelopment Fund

- \$133,300 for the maintenance of both the Ingersoll building (\$107,100) and Barber Colman Village buildings (\$26,200). The maintenance expense of the above indicated buildings is partially offset by revenue generated from leasing out building space.
- \$252,000 is allocated to the Coronado Theatre to pay for insurance (\$52,000) and utility expenses (\$200,000).
- \$25,400 will be reimbursed to the Public Works Water Division for the Millennium Fountain maintenance.

Direct Fund Expenses

- \$11,400 is budgeted for contractual expenses.
- \$515,300 is for reimbursement of police, fire, and public work's costs incurred during festivals.
- \$72,500 is for tax collection cost reimbursement.
- \$25,000 for Tourism Marketing to market the City of Rockford and attract new activities throughout the year.

Variable Costs

- \$5,000 for the City's share of assistance to Anderson Gardens.
- \$4,000 for the City's share of the College of Medicine's Health Communities Project.
- \$50,000 payment to SWIFTT (Southwest Ideas for Today and Tomorrow) for operating assistance.

Variable Project Costs

- \$940,000 for debt service on the two City Hall issues to renovate and expand City Hall. There were two debt issues, in 1991 \$4.0 million and in 1992 for \$5.05 million. This debt will be paid off in 2007.
- \$340,063 for debt service on fund improvements associated with the construction of a 33,000 square foot supermarket in the South Rockford Tax Increment Finance District. Bonds were issued in 2000 for \$4.0 million. The initial phase included property acquisition, demolition of existing structures, site work on ten acres, construction, equipment, and tenant improvements. The \$7.0 million cost is funded by this bond issue, a conventional loan, State and Federal grants, and an RLDC investment. Debt service from 2000 to 2019 will range from \$325,363 to \$772,640.
- \$329,075 for debt service on the Coronado. In 1999, the City issued \$7,000,000 in bonds for the Coronado Theatre restoration. City financing sources included the Tourism (1999-2003) and Redevelopment Funds as well as amusement and parking taxes at the Coronado Theatre. The Redevelopment Fund will pay the balance of the debt service due after the application of the two taxes. Debt service from 2004 to 2017 will range from \$329,075 to \$1,001,125.

Budget Analysis

Estimated 2004 tax revenue, budgeted at \$2,983,300, was \$3,017,900 at year's end, an increase of \$66,600 (2.3%) from the 2003 actual. Estimated collections decreased for motel (8.4%) and increased for package liquor (5.8%) and restaurants (1.6%). Anticipated tax revenue for 2005 is

Community Development Redevelopment Fund

\$3,070,000, an increase of \$86,700 (2.9%) from the 2004 budget of \$2,983,300 and an increase of \$52,100 (1.7%) from 2004's actual.

Assumptions for revenue growth are 1% for motels (9.0%), 0.5% for package liquor (12.8%), and 2% for restaurants (78.2%). Growth in the last five years has ranged as follows: motels, -28.0% to 27%, package liquor, -1.2% to 12%, restaurants, -2.3% to 6.4%, and the three combined, 1.1% to 5.5%.

While Redevelopment Fund expenses have fluctuated from year to year, this has changed in the last several years. With the 1990 commitment to service part of the City Hall renovation project debt from 1998-2007, the 1999 Coronado commitment from 1999-2017, and the 2000 South Main grocery store commitment from 2000-2019, the portion available for discretionary economic development spending has decreased.

Five Year Financial Forecast

The 2006-2010 five-year forecast assumes growth in taxes – one percent for motels, one-half of one percent for packaged liquor, and two percent for restaurants – reflecting the past history and the slowing economy. This plan calls for continuing support for the Block Grant, Metro Centre, Visitors Bureau, the Council of 100, and the Local Development Corporation. The impact of the variable project group was discussed above.

REDEVELOPMENT FUND 2006-2010 FINANCIAL FORECAST (IN 000'S)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Revenues	\$3,099	\$3,121	\$3,136	\$3,179	\$3,223
Expenses	<u>4,049</u>	<u>4,260</u>	<u>3,330</u>	<u>3,471</u>	<u>3,586</u>
Excess (Deficit)	<u>(950)</u>	<u>(1,140)</u>	<u>(194)</u>	<u>(292)</u>	<u>(363)</u>
Beginning Balance	<u>(119)</u>	<u>(1,069)</u>	<u>(2,209)</u>	<u>(2,403)</u>	<u>(2,694)</u>
Ending Balance	<u>(\$1,069)</u>	<u>(\$2,209)</u>	<u>(\$2,403)</u>	<u>(\$2,694)</u>	<u>(\$3,057)</u>

Community Development Tourism Promotion Fund

Mission Statement

It is the mission of the Community Development Tourism Promotion Fund to finance tourism promotion for the City.

Primary Functions → The primary function of the Tourism Promotion Fund is to provide funding to the Rockford Area Convention & Visitor's Bureau. The City currently has a five-percent tax on motel and hotel room receipts. This tax, along with a similar one enacted by Winnebago County, is used to fund the Rockford Area Convention & Visitor's Bureau with which the City has a contract for tourism promotion efforts.

2004 Accomplishments →

- The Bureau continues to collaborate with important Rockford attractions, events, hotels and restaurants to attract visitors.
- The RACVB partnered with promotional activities that realized increased attendance. For example, attendance at Head of Rock Regatta was up 18% over 2003 and Anderson Japanese Garden saw a 45% increase in attendance.
- RACVB's public relations efforts resulted in positive articles on Rockford in publications such as the Milwaukee Journal Sentinel, the Reader's Digest website, Des Moines Register, Northwest Herald in Crystal Lake, and the Chicago Daily Herald. Significant coverage of On the Waterfront, Classics and Chrome Car show, and the Rockford Speedway appeared in several German publications because of RACVB efforts.
- The Bureau co-sponsored workshops that demonstrated how public and private sector partners can lower crime, increase property values and tax collections, and grow their business by adopting policies and practices that encourage greening and beautification.
- The sales team secured 426 bookings for meetings, tournaments and events that took place at Rockford hotels and facilities. These bookings filled an estimated 53,362 hotel rooms resulting in an estimated \$6.9 million in spending in the region.
- Rockin' Summer and Winter Rocks leisure marketing campaigns, which RACVB is a partner, have continued to drive awareness of Rockford's tourism and quality of life assets among local residents and potential visitors.

2005 Goals and Objectives →

- Increase non-local visitation to top sites and attractions by 20%.
- Increase RACVB influenced group sales bookings (number of meetings, conventions, and tournaments) by 18%.

Community Development Tourism Promotion Fund

- Increase RACVB influenced off-season (October-April) business room night (actual rooms sold at hotels) by 15%.
- Support efforts of Burpee Museum of Natural History opening of the “Jane” exhibit and the efforts of Burpee and Discovery Center Museum to expand their facilities.

Budget Summary

COMMUNITY DEVELOPMENT TOURISM PROMOTION FUND					
APPROPRIATION	2003 <u>ACTUAL</u>	2004 <u>BUDGET</u>	2004 <u>ACTUAL</u>	2005 <u>BUDGET</u>	INCREASE (DECREASE)
TRANSFER TO RACVB	\$1,124,824	\$1,473,700	\$1,333,118	\$1,382,200	(\$91,500)
TRANSFER DEBT SERV	281,656	0	26,004	0	0
TRANSFER OTHER FUNDS	2,854	0	3,397	0	0
PURCHASE OF SERVICES	<u>1,800</u>	<u>1,800</u>	<u>1,800</u>	<u>1,800</u>	<u>0</u>
TOTAL	<u>\$1,411,135</u>	<u>\$1,475,500</u>	<u>\$1,364,319</u>	<u>\$1,384,000</u>	<u>(\$91,500)</u>
FUNDING SOURCE	2004 <u>AMOUNT</u>		2005 <u>AMOUNT</u>		2005 <u>PERCENTAGE</u>
TOURISM PROMOTION SALES TAX	<u>\$1,475,500</u>		<u>\$1,384,000</u>		<u>100.0</u>
TOTAL	<u>\$1,475,500</u>		<u>\$1,384,000</u>		<u>100.0</u>

Budget Analysis

The 2005 budget is \$1,384,000, which is a decrease of \$91,500 from the previous year. All tax collected, except an \$1,800 annual charge for collection costs, is passed through to the Bureau. The projection for 2005 reflects a 0.7% increase using 2004’s actual revenue and includes the 1% that was allocated to the Coronado debt service in 2003 as indicated below.

Five Year Financial Forecast

The 2006-2010 five year forecast assumes motel revenue growth at two percent annually and appropriation of all income to the Visitors Bureau. Beginning in 2004, the 1% for the Coronado Project debt service was sent to the Visitor’s Bureau.

TOURISM PROMOTION FUND 2006-2010 FINANCIAL FORECAST (IN 000'S)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Revenues	\$1,429	\$1,458	\$1,487	\$1,517	\$1,547
Expenses	<u>1,429</u>	<u>1,458</u>	<u>1,487</u>	<u>1,517</u>	<u>1,547</u>
Excess (Deficit)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Beginning Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Ending Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

East Side Tax Increment Financing District

Mission Statement

It is the mission of the Community Development Tax Increment Financing District to conserve or improve areas, especially sections of the City that are neglected, through economic investment from both private and public sectors.

Primary Functions → The primary function of the tax increment financing (TIF) district is to develop/redevelop the area in the East Side TIF District in the City and to make the area more viable again. Such improvements (upon meeting qualifications) can be financed through TIF district revenues. Revenue for the districts is generated by the collection of property taxes each year at an increment based on the increase in assessed valuation of properties within the area since the districts are created. The excess tax revenue collected can only be used to fund projects located within the East Side District.

2004 Accomplishments →

- Assisted in an 18,000 sq. ft. expansion of the Rockford Register Star that will house the printer operation.
- Developed and issued the Request for Proposal (RFP) for redevelopment of the Ingersoll building.
- Provided financial assistance to the River District Association for the update of the River District Framework Plan and operations.
- Negotiated redevelopment of the Brew House into a mixed-use residential/commercial complex.

2005 Goals and Objectives →

- With the continuation of the façade program, maintain and improve the frontages of buildings in the East TIF District.
- Assist in the redevelopment of the Brew House project on Madison Street.
- Work with the River District Association to move to a fee for service basis.
- Choose a Master Developer to assist in the redevelopment of the Ingersoll building.
- Revenue will remain relatively flat in 2005 resulting in a limited number of new developments in this TIF District.

East Side Tax Increment Financing District

Budget Summary

COMMUNITY DEVELOPMENT EASTSIDE TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2003 <u>ACTUAL</u>	2004 <u>BUDGET</u>	2004 <u>ACTUAL</u>	2005 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$3,880	\$6,000	\$3,703	\$31,600	\$25,600
SUPPLIES	0	0	0	0	0
OTHER	362,088	252,850	201,665	256,393	3,543
CAPITAL	0	0	0	0	0
TOTAL	<u>\$365,968</u>	<u>\$258,850</u>	<u>\$205,368</u>	<u>\$287,993</u>	<u>\$29,143</u>
FUNDING SOURCE		2004 <u>AMOUNT</u>	2004 <u>PERCENTAGE</u>	2005 <u>AMOUNT</u>	2005 <u>PERCENTAGE</u>
PROPERTY TAXES					
TAX INCREMENT		\$356,895	99.4	\$352,500	98.7
INTEREST INCOME		<u>2,000</u>	<u>0.6</u>	<u>4,800</u>	<u>1.3</u>
TOTAL		<u>\$358,895</u>	<u>100.0</u>	<u>\$357,300</u>	<u>100.0</u>

Budget Analysis

The 2005 budget is \$287,993, which is an increase of \$29,100 from the prior year. The majority of this increase is for consultants.

The Facade Improvement Program, which began in 1984, is \$50,000. Additional allocations in 2005 include \$25,000 to be transferred to the Community Development Department's Development Division for purchase of services, \$24,000 increment payment for the Social Security building, \$9,600 for the Old City Hall project, \$10,000 to the River District for planning and marketing purposes, \$5,000 for the River District Framework Study, \$5,000 tax rebate for the Icon apartment building, and \$2,500 for outdoor Christmas lighting. In addition, \$62,500 is budgeted for the Trinity Learning Center project that has several non-profit organizations such as the Cornucopia Food Pantry, LaVoz Latina, day care, and community room. In addition, \$1,600 is budgeted for contractual items and \$30,000 for consultants.

The Ingersoll building was purchased in 2002 with a bond issue for \$2,500,000, resulting in a debt service payment in 2005 of \$62,793. Debt service payments, lasting until 2011, range from \$62,793 to \$249,713.

Five Year Financial Forecast

The 2006-2010 five-year forecast assumes no growth for property taxes and that state and local sales tax will not be received. These funds are project, rather than service, oriented and are susceptible to considerable variance in direction and dollars.

East Side Tax Increment Financing District

EAST SIDE TIF FUND 2006-2010 FINANCIAL FORECAST (IN 000'S)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Revenues	\$362	\$360	\$358	\$357	\$357
Expenditures	<u>432</u>	<u>429</u>	<u>367</u>	<u>366</u>	<u>356</u>
Excess (Deficit)	<u>(71)</u>	<u>(69)</u>	<u>(9)</u>	<u>(9)</u>	<u>1</u>
Beginning Balance	<u>315</u>	<u>245</u>	<u>176</u>	<u>167</u>	<u>158</u>
Ending Balance	<u>\$245</u>	<u>\$176</u>	<u>\$167</u>	<u>\$158</u>	<u>\$158</u>

West Side Tax Increment Financing District

Mission Statement

It is the mission of the Community Development Tax Increment Financing District to conserve or improve areas, especially sections of the City that are neglected, through economic investment from both private and public sectors.

Primary Functions → The primary function of the tax increment financing (TIF) district is to develop/redevelop the area in the West TIF District and to make the area more viable. Such improvements (upon meeting qualifications) can be financed through TIF district revenues. The collection of property taxes is on an increment basis and increases are based on increases in the assessed valuation of properties within the TIF District. The excess tax revenue collected can only be used to fund projects located within the West Side District.

2004 Accomplishments →

- Provided \$140,000 to assist in the redevelopment of the Richardson building located at 201 West State Street into market rate housing and retail.
- Financial assistance provided to the River District Association for the update of the River District Framework Plan and operations.
- The City purchased several properties where the new Federal Courthouse will be located. The City has been working with the Federal government on building design.
- Several projects received development tax rebates, which included the Brown Building, Morrissey Group Realty, First Rockford Group's Kinko's, Quizno's, and Waterworks LLC.

2005 Goals and Objectives →

- The City will continue to work with the River District to refine their Framework Plan and pursue development possibilities as they occur.
- Assist in the stabilization and growth of market rate housing. Also, provide assistance in the reduction of vacant commercial space.
- Continue to work with the Federal government in developing the area around the proposed new Federal Courthouse site by purchasing property, clearing buildings, and then providing the property to the Federal government for the Courthouse project.

West Side Tax Increment Financing District

Budget Summary

COMMUNITY DEVELOPMENT WESTSIDE TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2003 <u>ACTUAL</u>	2004 <u>BUDGET</u>	2004 <u>ACTUAL</u>	2005 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$5,013	\$11,900	\$890	\$22,000	\$10,100
SUPPLIES	0	0	0	0	0
OTHER	1,145,565	860,748	1,875,343	365,548	(495,200)
CAPITAL	0	0	0	0	0
TOTAL	<u>\$1,150,578</u>	<u>\$872,648</u>	<u>\$1,876,232</u>	<u>\$387,548</u>	<u>(\$485,100)</u>
FUNDING SOURCE		2004 <u>AMOUNT</u>	2004 <u>PERCENTAGE</u>	2005 <u>AMOUNT</u>	2005 <u>PERCENTAGE</u>
PROPERTY TAXES					
TAX INCREMENT		\$979,110	100.0	538,000	100.0
INTEREST INCOME		0	0.0	0	0.0
TOTAL		<u>\$979,110</u>	<u>100.0</u>	<u>\$538,000</u>	<u>100.0</u>

Budget Analysis

The 2005 budget is \$339,648, which is a reduction of \$533,000 from the previous year. The majority of this decrease is the final payment on the Brown Building and payment for the Richardson Building.

The West Side budget consists of five development tax rebates totaling \$136,455 in 2005. The Community Development Department's Development Division receives \$25,000 for purchase of services, \$15,900 for interest expense, and \$22,000 for planning and marketing activities. In addition, \$10,000 for the River District for planning and marketing purposes, \$5,000 for the River District Framework Study, and \$2,500 for outdoor Christmas lighting.

The Ingersoll building was purchased in 2002 with a bond issue of \$2,500,000, resulting in a debt payment in 2005 of \$62,793. Debt service payments, lasting until 2011, range from \$62,793 to \$249,713. The \$60,000 interest expense is allocated for possible financing of Federal Courthouse property acquisitions.

The 2004 actual amount is \$1.0 million higher than the budgeted amount because of the purchase of the Gupta parking deck and Chick Hotel for \$758,300 and for the acquisition of property for the Federal Courthouse of \$437,200.

Five Year Financial Forecast

The 2006-2010 five-year forecast assumes no growth for property taxes and that state and local sales tax will not be received. These funds are project, rather than service, oriented and are susceptible to considerable variance in direction and dollars. Property tax revenue has been reduced as a result of the Metro Center no longer paying property taxes in this TIF.

West Side Tax Increment Financing District

WEST SIDE TIF FUND 2006-2010 FINANCIAL FORECAST (IN 000'S)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Revenues	\$534	\$530	\$526	\$522	\$518
Expenditures	<u>538</u>	<u>539</u>	<u>478</u>	<u>476</u>	<u>473</u>
Excess (Deficit)	<u>(4)</u>	<u>(9)</u>	<u>48</u>	<u>46</u>	<u>45</u>
Beginning Balance	<u>(1,286)</u>	<u>(1,290)</u>	<u>(1,299)</u>	<u>(1,251)</u>	<u>(1,205)</u>
Ending Balance	<u>(\$1,290)</u>	<u>(\$1,299)</u>	<u>(\$1,251)</u>	<u>(\$1,205)</u>	<u>(\$1,160)</u>

7TH Street Tax Increment Financing District

Mission Statement

It is the mission of the Community Development Tax Increment Financing District to conserve or improve areas, especially sections of the City that are neglected, through economic investment from both private and public sectors.

Primary Functions → The primary function of the tax increment financing (TIF) district is to develop/redevelop the area in the 7th Street TIF District and to make the area more viable. Improvements (upon meeting qualifications) can be financed through TIF district revenues. The collection of property taxes is on an increment basis and increases are based on increases in the assessed valuation of properties within the TIF District. The excess tax revenue collected can only be used to fund projects located within the 7th Street District.

2004 Accomplishments →

- Issued \$2,000,000 bond for funding nine projects in the sum of \$1,969,905. Funding was awarded to Suburban Patrol \$65,000, Moore Properties \$22,000, Patriot's Gateway Center \$240,000, 6th Street Properties \$160,000, Colorlab Custom Cosmetic \$432,905, Midtown Association \$650,000, and Zion Development for three different projects for a total of \$400,000.
- Continued to encourage development and improvement of properties within the 7th Street TIF District through the various programs offered through the Mid Town North-A Plan for the 2003-2007 focus area plan.
- Worked with local non-profits to help facilitate their concept plans for the 7th Street TIF area.

2005 Goals and Objectives →

- Monitor progress of the nine projects in the 7th Street TIF area.
- Create a façade program for commercial businesses in the 7th Street TIF District.
- Move to a fee for service based relationship with Mid-Town Associates.
- Acquire and demolish three substandard buildings using Tax Increment Financing.
- Assist with future redevelopment projects in the 7th Street TIF District.

7TH Street Tax Increment Financing District

Budget Summary

COMMUNITY DEVELOPMENT SEVENTH STREET TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2003 <u>ACTUAL</u>	2004 <u>BUDGET</u>	2004 <u>ACTUAL</u>	2005 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$1,249	\$7,000	\$16,170	\$13,300	\$6,300
SUPPLIES	0	0	44	0	0
OTHER	814,942	3,073,899	1,233,366	1,420,698	(1,653,201)
CAPITAL	0	0	160,000	0	0
TOTAL	<u>\$816,191</u>	<u>\$3,080,899</u>	<u>\$1,409,580</u>	<u>\$1,433,998</u>	<u>(\$1,646,901)</u>

FUNDING SOURCE	2004 <u>AMOUNT</u>	2004 <u>PERCENTAGE</u>	2005 <u>AMOUNT</u>	2005 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$866,060	29.9	835,000	92.5
BOND PROCEEDS	2,000,000	69.1	0	0.0
INTEREST INCOME	<u>26,500</u>	0.9	<u>68,100</u>	<u>7.5</u>
TOTAL	<u>\$2,892,560</u>	<u>100.0</u>	<u>\$903,100</u>	<u>100.0</u>

Budget Analysis

Of the \$1,433,998 7th Street TIF's 2005 budget, \$804,198 is allocated for debt service. The Charles Street relocation bond issues, which total \$6.0 million, result in debt service payments of \$275,236 to \$627,068 from 2000 to 2014, a payment of \$603,898 for 2005. The Seventh Street Revitalization Project bond issue for \$2.0 million requires a debt service payment of \$200,300 in 2005. The debt service payments will be \$200,300 to \$240,062 from 2004 to 2015. The tax rebates in 2005 are \$9,500. Expenditures include holiday banners of \$2,000, purchase of service for Community Development Department's Development Division of \$25,000, contractual/supplies for \$13,300, façade improvements of \$50,000, and operating activity cost for the 7th Street Area Development Council at \$30,000. In addition, \$300,000 is allocated to the community rehab rebate program and \$200,000 for other projects.

Five Year Financial Forecast

The 2006-2010 five-year forecast assumes no growth for property taxes. Since this is not a sales tax TIF, state and local sales tax will not be received. These funds are project, rather than service, oriented and are susceptible to considerable variance in direction and dollars. The commitment is to continue public improvements and housing rehabilitation during this period.

7TH STREET TIF FUND 2006-2010 FINANCIAL FORECAST (IN 000'S)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Revenues	\$887	\$888	\$889	\$889	\$889
Expenditures	<u>857</u>	<u>864</u>	<u>880</u>	<u>894</u>	<u>895</u>
Excess (Deficit)	<u>30</u>	<u>24</u>	<u>9</u>	<u>(4)</u>	<u>(6)</u>
Beginning Balance	<u>1,745</u>	<u>1,776</u>	<u>1,799</u>	<u>1,808</u>	<u>1,804</u>
Ending Balance	<u>\$1,776</u>	<u>\$1,799</u>	<u>\$1,808</u>	<u>\$1,804</u>	<u>\$1,798</u>

South Rockford Tax Increment Financing District

Mission Statement

It is the mission of the Community Development Tax Increment Financing District to conserve or improve areas, especially sections of the City that are neglected, through economic investment from both private and public sectors.

Primary Functions → The primary function of the tax increment financing (TIF) district is to develop/redevelop the area in the South Main TIF District and to make the area more viable. Improvements (upon meeting qualifications) can be financed through TIF district revenues. The collection of property taxes is on an increment basis and increases are based on increases in the assessed valuation of properties within the TIF District. The excess tax revenue collected can only be used to fund projects located within the South Rockford TIF District.

2004 Accomplishments →

- Began development of the South Main Focus Neighborhood Revitalization Strategy Area Plan.
- The selection process for designating a master developer for Barber Colman Village project was completed in 2004 with a Memorandum of Agreement executed with the Hendricks Development Group of Beloit.

2005 Goals and Objectives →

- Develop the funding sources and undertake the first phase activities in the redevelopment of Barber Colman Village.
- Assist Mega Manufacturing through the extension of a HUD Section 108 loan.
- Assist in the creation of new retail and manufacturing growth in the district.
- Support private for-profit investments creating primary jobs and/or providing retail/service employment within the South Rockford TIF.
- Establish ethnic focused business clusters to serve the neighborhood needs.
- Assist in the removal of blighted and substandard structures in the district.
- Youthbuild will begin the new construction of three single-family homes on South Church Street.

South Rockford Tax Increment Financing District

Budget Summary

COMMUNITY DEVELOPMENT SOUTH ROCKFORD TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2003 <u>ACTUAL</u>	2004 <u>BUDGET</u>	2004 <u>ACTUAL</u>	2005 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$1,000	\$1,018	\$1,000	\$0
SUPPLIES	0	0	0	0	0
OTHER	0	70,000	2,064	40,000	(30,000)
CAPITAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$0</u>	<u>\$71,000</u>	<u>\$3,082</u>	<u>\$41,000</u>	<u>(\$30,000)</u>
FUNDING SOURCE		2004 <u>AMOUNT</u>	2004 <u>PERCENTAGE</u>	2005 <u>AMOUNT</u>	2005 <u>PERCENTAGE</u>
PROPERTY TAXES					
TAX INCREMENT		\$112,860	98.3	\$85,000	95.2
INTEREST INCOME		<u>1,900</u>	1.7	<u>4,300</u>	4.8
TOTAL		<u>\$114,760</u>	<u>100.0</u>	<u>\$89,300</u>	<u>100.0</u>

Budget Analysis

The 2005 budget is \$41,000, which includes \$40,000 for miscellaneous projects in the South Main TIF District and \$1,000 for the contractual group. This is a decrease from the 2004 budget where \$70,000 was allocated to debt service.

The \$4.0 million bond debt service for the IGA Grocery Store will be paid from the Redevelopment Fund.

Five Year Financial Forecast

The 2006-2010 five-year forecast assumes no growth for property taxes. Since this is not a sales tax TIF, state and local sales tax will not be received. These funds are project, rather than service, oriented and are susceptible to considerable variance in direction and dollars.

SOUTH ROCKFORD TIF FUND 2006-2010 FINANCIAL FORECAST (IN 000'S)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Revenues	\$91	\$92	\$93	\$94	\$93
Expenditures	<u>59</u>	<u>60</u>	<u>61</u>	<u>102</u>	<u>103</u>
Excess (Deficit)	32	32	32	(8)	(10)
Beginning Balance	<u>192</u>	<u>224</u>	<u>255</u>	<u>287</u>	<u>279</u>
Ending Balance	<u>\$224</u>	<u>\$255</u>	<u>\$287</u>	<u>\$279</u>	<u>\$269</u>

Southeast Affordable Housing Tax Increment Financing District

Mission Statement

It is the mission of the Community Development Tax Increment Financing District to conserve or improve areas, especially sections of the City that are neglected, through economic investment from both private and public sectors.

Primary Functions → The primary function of the tax increment financing (TIF) district is to develop/redevelop the area in the Southeast Area TIF District and to make the area more viable. Improvements (upon meeting qualifications) can be financed through TIF district revenues. The collection of property taxes is on an increment basis and increases are based on increases in the assessed valuation of properties within the TIF District. The excess tax revenue collected can only be used to fund projects located within the Southeast TIF District.

2004 Accomplishments →

- Received increased tax revenue from all homes completed.
- The developer received the tax increment rebate from houses completed.

2005 Goals and Objectives →

- Complete a Request for Proposal (RFP) for the development of the 6.37-acre site at 21XX Reed Avenue.
- The developer will continue to receive the tax increment rebate from the houses completed.
- Pursue other development within this TIF district.
- Continue to receive increased tax revenue from the construction of the homes completed in the district, i.e. Grant Park Estates.

Southeast Affordable Housing Tax Increment Financing District

Budget Summary

CD SOUTHEAST AREA TIF FUND BUDGET SUMMARY						
APPROPRIATION	<u>2003 ACTUAL</u>	<u>2004 BUDGET</u>	<u>2004 ACTUAL</u>	<u>2005 BUDGET</u>	<u>INCREASE (DECREASE)</u>	
CONTRACTUAL	\$0	\$0	\$95,133	\$0	0	
DEVELOPER ASSISTANCE	<u>85,588</u>	<u>96,200</u>	<u>0</u>	<u>104,700</u>	<u>8,500</u>	
TOTAL	<u>\$85,588</u>	<u>\$96,200</u>	<u>\$95,133</u>	<u>\$104,700</u>	<u>\$8,500</u>	
<hr/>						
FUNDING SOURCE			<u>2004 AMOUNT</u>	<u>2004 PERCENTAGE</u>	<u>2005 AMOUNT</u>	<u>2005 PERCENTAGE</u>
PROPERTY TAXES			<u>\$96,200</u>	<u>100.0</u>	<u>\$103,653</u>	<u>100.0</u>
TAX INCREMENT			<u>\$96,200</u>	<u>100.0</u>	<u>\$103,653</u>	<u>100.0</u>
TOTAL			<u>\$96,200</u>	<u>100.0</u>	<u>\$103,653</u>	<u>100.0</u>

Budget Analysis

For 2005, \$104,700 is appropriated per the enabling ordinance to be paid out to the developer. Of the increment generated each year, fifteen percent is set aside and the remainder will be paid to the developer.

Five Year Financial Forecast

Future increment receipts are dependent upon project development. The TIF, designed for ten years, was extended for another seven years to the year 2009.

SOUTHEAST AREA TIF FUND 2006-2010 FINANCIAL FORECAST (IN 000'S)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Revenues	\$113	\$120	\$126	\$126	\$0
Expenses	<u>113</u>	<u>120</u>	<u>126</u>	<u>126</u>	<u>123</u>
Excess(Deficit)	0	0	0	0	<u>(123)</u>
Beginning Balance	<u>123</u>	<u>123</u>	<u>123</u>	<u>123</u>	<u>123</u>
Ending Balance	<u>\$123</u>	<u>\$123</u>	<u>\$123</u>	<u>\$123</u>	<u>(\$0)</u>

Springfield Corners Tax Increment Financing District

Mission Statement

It is the mission of the Community Development Tax Increment Financing District to conserve or improve areas, especially sections of the City that are neglected, through economic investment from both private and public sectors.

Primary Functions → The primary function of the tax increment financing (TIF) district is to develop/redevelop the area in the Springfield Corners TIF District and to make the area more viable. Improvements (upon meeting qualifications) can be financed through TIF district revenues. The collection of property taxes is on an increment basis and increases are based on increases in the assessed valuation of properties within the TIF District. The excess tax revenue collected can only be used to fund projects located within the Springfield Corners TIF District.

2004 Accomplishments →

- The developer completed construction of approximately 20 homes.
- Continued the infrastructure and construction of the single-family homes with approximately seven homes to be completed and sold.
- HOME funds assisted eight households. Additionally, Federal Home Loan Bank funds were used to leverage the HOME funds at five sites.

2005 Goals and Objectives →

- All 27 homes will be completed and sold. Up to 15 homeowners will be provided HOME assistance through the City of Rockford.
- The developer will develop the 6-acre commercial parcel at School and North Springfield that will provide the neighborhood with convenience goods and services to this subdivision.
- Approximately six homes will be assisted with Federal Home Loan Bank funds.

Springfield Corners Tax Increment Financing District

Budget Summary

COMMUNITY DEVELOPMENT SPRINGFIELD CORNERS TAX INCEMENT FINANCING DISTRICT					
APPROPRIATION	2003 <u>ACTUAL</u>	2004 <u>BUDGET</u>	2004 <u>ACTUAL</u>	2005 <u>BUDGET</u>	INCREASE (DECREASE)
OTHER	\$57,975	\$57,975	\$77,260	\$57,975	\$0
INTEREST	1,117	0	0	10,000	10,000
TOTAL	<u>\$59,092</u>	<u>\$57,975</u>	<u>\$77,260</u>	<u>\$67,975</u>	<u>\$10,000</u>
FUNDING SOURCE	2004		2005		2005
PROPERTY TAXES	<u>AMOUNT</u>	<u>PERCENTAGE</u>	<u>AMOUNT</u>	<u>PERCENTAGE</u>	
TAX INCREMENT	\$38,813	100.0	\$58,061	100.0	
INTEREST INCOME	0	0.0	0	0.0	
TOTAL	<u>\$38,813</u>	<u>100.0</u>	<u>\$58,061</u>	<u>100.0</u>	

Budget Analysis

The 2005 budget is \$66,975 that pays the debt service on the bonds issued in 2002 of \$57,975 and interest expense of \$9,000.

Five Year Financial Forecast

The entire increment of this TIF district will be used to pay debt service and interest expense.

SPRINGFIELD CORNERS TIF FUND 2006-2010 FINANCIAL FORECAST (IN 000'S)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Revenues	\$59	\$60	\$61	\$62	\$62
Expenditures	<u>122</u>	<u>128</u>	<u>134</u>	<u>141</u>	<u>147</u>
Excess (Deficit)	<u>(63)</u>	<u>(68)</u>	<u>(73)</u>	<u>(79)</u>	<u>(85)</u>
Beginning Balance	<u>(274)</u>	<u>(336)</u>	<u>(404)</u>	<u>(478)</u>	<u>(557)</u>
Ending Balance	<u>(\$336)</u>	<u>(\$404)</u>	<u>(\$478)</u>	<u>(\$557)</u>	<u>(\$641)</u>

Lincolnwood Tax Increment Financing District

Mission Statement

It is the mission of the Community Development Tax Increment Financing District to conserve or improve areas, especially sections of the City that are neglected, through economic investment from both private and public sectors.

Primary Functions → The primary function of the tax increment financing (TIF) district is to develop/redevelop the area in the Lincolnwood TIF District and to make the area more viable. Improvements (upon meeting qualifications) can be financed through TIF district revenues. The collection of property taxes is on an increment basis and increases are based on increases in the assessed valuation of properties within the TIF District. The excess tax revenue collected can only be used to fund projects located within the Lincolnwood TIF District.

2004 Accomplishments →

- All 26 single-family homes generated tax revenue for this TIF.
- The City requested inspections of the homes and Comprehensive Community Solutions, Inc. addressed complaints.

2005 Goals and Objectives →

- Continue to encourage residential and commercial development in this area.
- Continue to receive increased tax revenue from all homes completed in this TIF District.

Budget Summary

COMMUNITY DEVELOPMENT LINCOLNWOOD TAX INCREMENT FINANCING DISTRICT						
APPROPRIATION	2003 <u>ACTUAL</u>	2004 <u>BUDGET</u>	2004 <u>ACTUAL</u>	2005 <u>BUDGET</u>	INCREASE (DECREASE)	
OTHER	\$98,396	\$47,348	\$47,348	\$46,316	(\$1,032)	
INTEREST	<u>787</u>	<u>0</u>	<u>0</u>	<u>6,000</u>	<u>6,000</u>	
TOTAL	<u>\$99,183</u>	<u>\$47,348</u>	<u>\$47,348</u>	<u>\$52,316</u>	<u>\$4,968</u>	
FUNDING SOURCE			2004 <u>AMOUNT</u>	2004 <u>PERCENTAGE</u>	2005 <u>AMOUNT</u>	2005 <u>PERCENTAGE</u>
PROPERTY TAXES			\$40,387	0.0	\$54,776	0.0
TAX INCREMENT			<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
INTEREST INCOME			<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
TOTAL			<u>\$40,387</u>	<u>0.0</u>	<u>\$54,776</u>	<u>0.0</u>

Lincolnwood Tax Increment Financing District

Budget Analysis

The 2005 budget is \$52,316, which pays the debt service on the bonds issued in 2001 of \$46,316 and interest expense of \$6,000.

Five Year Financial Forecast

The entire increment of this TIF district will be used to pay debt service during its life.

LINCOLNWOOD TIF FUND 2006-2010 FINANCIAL FORECAST (IN 000'S)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Revenues	55	55	55	56	56
Expenditures	<u>56</u>	<u>55</u>	<u>53</u>	<u>57</u>	<u>52</u>
Excess (Deficit)	(1)	0	2	(1)	4
Beginning Balance	<u>(110)</u>	<u>(111)</u>	<u>(111)</u>	<u>(109)</u>	<u>(110)</u>
Ending Balance	<u>(111)</u>	<u>(111)</u>	<u>(109)</u>	<u>(110)</u>	<u>(106)</u>

North Main Tax Increment Financing District

Mission Statement

It is the mission of the Community Development Tax Increment Financing District to conserve or improve areas, especially sections of the City that are neglected, through economic investment from both private and public sectors.

Primary Functions → The primary function of the tax increment financing (TIF) district is to develop/redevelop the area in the North Main TIF District and to make the area more viable. Improvements (upon meeting qualifications) can be financed through TIF district revenues. The collection of property taxes is on an increment basis and increases are based on increases in the assessed valuation of properties within the TIF District. The excess tax revenue collected can only be used to fund projects located within the North Main TIF District.

2004 Accomplishments →

- Created the 20.45-acre redevelopment North Main Tax Increment Financing District.
- City Council passed an ordinance authorizing issuance of bonds in the amount of \$1.65 million, for the purpose of defraying the costs of redevelopment in the North Main Street/Eddy Avenue redevelopment project area.
- Executed a Development Agreement between the City and the Rockford Local Development Corporation for redevelopment of the former K-Mart land parcel into 24 condominium units in 12 two-family buildings, a 7,700 sq. ft. medical clinic for four internal medicine doctors, and another commercial retail building.

2005 Goals and Objectives →

- Monitor progress of RLDC's agreement with the City of the former K-Mart property for a mixed-use development, including RLDC's acquisition and demolition of the former K-mart building and construction of 12 two-family condominiums to begin in 2005.
- Assist with future redevelopment projects in the North Main TIF District.

North Main Tax Increment Financing District

Budget Summary

	A	B	C	D	E	F	G
77							
78	COMMUNITY DEVELOPMENT NORTH MAIN STREET TAX INCREMENT FINANCING DISTRICT						
79							
80			2003	2004	2004	2005	INCREASE
81	APPROPRIATION		<u>ACTUAL</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>(DECREASE)</u>
82	CONTRACTUAL		\$0	\$4,444	\$4,444	\$0	(\$4,444)
83	SUPPLIES		0	0	0	0	0
84	OTHER		0	68,963	68,963	68,962	(1)
85	CAPITAL		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
86	TOTAL		<u>\$0</u>	<u>\$73,407</u>	<u>\$73,407</u>	<u>\$68,962</u>	<u>(\$4,445)</u>
87							
88							
89	FUNDING SOURCE			2004	2004	2005	2005
90	PROPERTY TAXES			<u>AMOUNT</u>	<u>PERCENTAGE</u>	<u>AMOUNT</u>	<u>PERCENTAGE</u>
91	TAX INCREMENT			\$0	0.0	\$0	0.0
92	BOND PROCEEDS			0	0.0	0	0.0
93	INTEREST INCOME			<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
94	TOTAL			<u>\$0</u>	<u>0.0</u>	<u>\$0</u>	<u>0.0</u>
95							

Budget Analysis

The 2005 budget is \$68,962, which pays for debt service for the 2004 \$1.65 million bond issue.

Five Year Financial Forecast

A large portion of the increment of this TIF district will be used to pay debt service during its life.

NORTH MAIN STREET TIF FUND 2006-2010 FINANCIAL FORECAST (IN 000'S)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Revenues	\$0	\$80	\$132	\$138	\$143
Expenditures	<u>69</u>	<u>69</u>	<u>69</u>	<u>69</u>	<u>69</u>
Excess (Deficit)	<u>(69)</u>	<u>11</u>	<u>63</u>	<u>69</u>	<u>74</u>
Beginning Balance	<u>100</u>	<u>32</u>	<u>43</u>	<u>106</u>	<u>175</u>
Ending Balance	<u>\$32</u>	<u>\$43</u>	<u>\$106</u>	<u>\$175</u>	<u>\$249</u>

Rockford Global Trade Park Tax Increment Financing District

Mission Statement

It is the mission of the Community Development Tax Increment Financing District to conserve or improve areas, especially sections of the City that are neglected, through economic investment from both private and public sectors.

Primary Functions → The primary function of the tax increment financing (TIF) district is to develop/redevelop the area in the Rockford Global Trade Park TIF District and to make the area more viable. Improvements (upon meeting qualifications) can be financed through TIF district revenues. The collection of property taxes is on an increment basis and increases are based on increases in the assessed valuation of properties within the TIF District. The excess tax revenue collected can only be used to fund projects located within the Rockford Global Trade Park TIF District.

2004 Accomplishments →

- Created the Rockford Global Trade Park Tax Increment Financing District.
- Bonded \$3.0 million for the development of infrastructure for a forty-seven acre industrial park.
- Developed a Request for Proposal for marketing and planning services for the Rockford Global Trade Park planning area.

2005 Goals and Objectives →

- Complete the development of the Blackhawk Industrial Park in the Rockford Global Trade Park Tax Increment Financing District.
- Acquire services or firm to prepare, plan, and market the Global Trade Park.
- Assist with company expansions in and around the Airport.

Rockford Global Trade Park Tax Increment Financing District

Budget Summary

	A	B	C	D	E	F	G
69							
70	COMMUNITY DEVELOPMENT GLOBAL TRADE PARK TAX INCREMENT FINANCING DISTRICT						
71							
72			2003	2004	2004	2005	INCREASE
73	APPROPRIATION		<u>ACTUAL</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>(DECREASE)</u>
74	CONTRACTUAL		0	5,000	4,897	0	(5,000)
75	SUPPLIES		0	0	143	0	0
76	OTHER		0	118,438	118,438	197,068	78,631
77	CAPITAL		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
78	TOTAL		<u>\$0</u>	<u>\$123,438</u>	<u>\$123,478</u>	<u>\$197,068</u>	<u>\$73,631</u>
79							
80							
81	FUNDING SOURCE			2004	2004	2005	2005
82	PROPERTY TAXES			<u>AMOUNT</u>	<u>PERCENTAGE</u>	<u>AMOUNT</u>	<u>PERCENTAGE</u>
83	TAX INCREMENT			\$0	0.0	\$31,590	100.0
84	INTEREST INCOME			<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
85	TOTAL			<u>\$0</u>	<u>0.0</u>	<u>\$31,590</u>	<u>100.0</u>
86							

Budget Analysis

The 2005 budget is \$206,846 which pays \$78,630 for the transfer to Community Development for the staff assigned to develop the park and \$118,438 for debt service for the 2004 \$3.0 million bond issue.

Five Year Financial Forecast

A small portion of the increment of this TIF district will be used to pay debt service.

ROKFORD GLOBAL TRADE PARK TIF FUND 2006-2010 FINANCIAL FORECAST (IN 000'S)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Revenues	\$171	\$204	\$238	\$272	\$306
Expenditures	<u>213</u>	<u>218</u>	<u>421</u>	<u>424</u>	<u>329</u>
Excess (Deficit)	<u>(42)</u>	<u>(13)</u>	<u>(183)</u>	<u>(152)</u>	<u>(22)</u>
Beginning Balance	<u>(111)</u>	<u>(153)</u>	<u>(166)</u>	<u>(349)</u>	<u>(501)</u>
Ending Balance	<u>(\$153)</u>	<u>(\$166)</u>	<u>(\$349)</u>	<u>(\$501)</u>	<u>(\$524)</u>

Planning Division

Mission Statement

It is the mission of the Planning Divisions to encourage and guide balanced growth and development and enhance the quality of life in all neighborhoods by providing quality planning, development, zoning and neighborhood services.

Primary Functions → The primary function of the Planning Division is administering current land use planning, zoning and annexation programs, and developing various long-range planning programs which include the Comprehensive Plan, Historic Preservation and Intergovernmental Annexation Boundary Agreement Programs, and numerous others. The Planning Division also manages, coordinates, or assists with numerous major projects occurring within the City of Rockford.

2004 Accomplishments →

- The 2020 Plan received City Council approval in September, after a nine-month review by the Planning and Development Committee and the Public Hearing process. Staff rewrote this plan to conform to the 2002 Planning Legislation. Implementation of the recommendations has started.
- Staff participated in seven major planning efforts during 2004, most of which will continue into 2005. These efforts included: 1) monitored land acquisition, site layout, demolition, and pre-construction for the new Federal Courthouse; 2) project management of a \$400,000 Brownfield Assessment Grant being used in three targeted areas which included the Barber Colman Village, the Winnebago County Criminal Justice Center site, and the Illinois 251 corridor; 3) prepared a grant application for an additional \$400,000 from USEPA for city wide petroleum site assessments and hazardous materials assessment in the Rock River Corridor; 4) assisted with the Barber Colman Village Master Plan Development and prepared the RFQ for the Ingersoll site; 5) worked on land use planning surrounding the Greater Rockford Airport to create the Rockford Global Trade Park Planning Area and subsequent TIFs; 6) secured the Brownfield Cleanup Revolving Loan Fund for the Invensys Metal Plating area of the Barber Colman manufacturing complex including completion of the Remedial Action Plan and the Community Relations Plan; and 7) assisted the Winnebago County Housing Authority in the Hope VI housing development plan for the Champion Park area, including annexation and TIF related issues.
- The South Main Street Neighborhood Plan was initiated and will continue into 2005. A detailed Downtown Plan was initiated with the development of a property inventory/database to be used in the planning process.
- Staff continued its assistance to the Historic Preservation Commission and assisted the Economic Development Division in its efforts to develop new TIF Districts including North Main.

Planning Division

- Annexation efforts continued in 2004 with 152 acres, including 14 dwelling units and an equalized assessed value of \$665,878. Annexation strategies in high priority areas were developed or refined.

2005 Goals and Objectives →

- In 2005, strategic annexations in priority areas will occur as well as annexations to accompany new development in all four quadrants. Revised annexation policies will be developed.
- A major review and rewrite of the Zoning Ordinance will be initiated and completed.
- Initiate and complete the South Main Street Neighborhood Plan.
- Staff to complete work in the preparation of the two-block site for the new Federal Courthouse. Transfer of property to the U. S. General Services Administration will occur in early 2005. Staff will monitor the site preparation and supervise the consultants in the completion of the environmental assessments. Staff will also monitor the demolition of the remaining structures, utility relocation, and preparation of the final subdivision plat.
- Implement several recommendations of the 2020 Plan, including the development of incentive policies, the establishment of a problem property resolution team, and perform an annual review of the 2020 Plan.
- Staff will manage and direct the consultants in the performance of the environmental work at the Barber Colman Village, the Illinois 251 corridor, and other City owned sites.
- Staff will continue to provide input and assistance for current and future major projects

Planning Division

Budget Summary

CD PLANNING DIVISION BUDGET SUMMARY					
APPROPRIATION	2003 <u>ACTUAL</u>	2004 <u>BUDGET</u>	2004 <u>ACTUAL</u>	2005 <u>BUDGET</u>	INCREASE (DECREASE)
PERSONNEL	\$809,718	\$748,563	\$737,813	\$791,857	\$43,294
CONTRACTUAL	300,194	349,718	355,168	351,684	1,966
SUPPLIES	<u>9,382</u>	<u>20,310</u>	<u>15,080</u>	<u>18,945</u>	<u>(1,365)</u>
TOTAL	<u>\$1,119,294</u>	<u>\$1,118,591</u>	<u>\$1,108,061</u>	<u>\$1,162,486</u>	<u>\$43,895</u>
STAFFING REVIEW					
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	INCREASE (DECREASE)
	16.25	14.25	12.00	11.75	(0.25)
FUNDING SOURCE					
		<u>2004 AMOUNT</u>	<u>2004 PERCENTAGE</u>	<u>2005 AMOUNT</u>	<u>2005 PERCENTAGE</u>
PROPERTY TAXES					
REIMBURSEMENTS		\$88,698	7.9	\$96,505	8.3
ZONING FEES		90,000	8.0	120,000	10.3
OTHER GOVERNMENTS(RATS)		17,250	1.5	5,000	0.4
GENERAL REVENUES		<u>922,643</u>	<u>82.6</u>	<u>940,981</u>	<u>81.0</u>
TOTAL		<u>\$1,118,591</u>	<u>100.0</u>	<u>\$1,162,486</u>	<u>100.0</u>

Budget Analysis

The 2005 budget is \$1,162,486, which is an increase of \$43,900 (3.9%) over the previous year. In the personnel group, the budget increased \$43,300 due to the general increase in salaries of \$22,500, temporary help of \$8,000, IMRF (increased rate) of \$7,000, health insurance of \$3,100, and retiree health insurance of \$2,000.

Contractual costs increased \$2,000. Information service charges increase \$31,300 to recover software and hardware costs related to WINGIS (Graphic Information System). Advertising increases \$1,800 because of an increase in the number of items advertised in the paper and an increase of \$4,500 in building rental. Clean ups decrease \$20,200 because of a reduction in clean up requests. Other decreases occur in service contracts of \$3,800, vehicle fuel of \$3,500, and equipment rental of \$4,400.

Supply costs decreased \$1,400 with a decrease in drafting of \$2,000, which is partially offset by an increase in office supplies of \$3,100. In addition, there was a decrease of \$2,400 in equipment and furniture non-capital because of a purchase of a printer in 2004.

In 2004, the Planning Division spent \$1,108,061, or 99.1% of its budgeted allocation. Historically, the division spends 92% to 108% of its budget.

Capital Equipment

There are no capital items budgeted for 2005.

Planning Division

Personnel Review

COMMUNITY DEVELOPMENT PLANNING DIVISION						
	POSITION RANGE	2004 BUDGET		2005 BUDGET		EMPLOYEE CHANGE
		DOLLARS BUDGETED	NUMBER OF EMPLOYEES	DOLLARS BUDGETED	NUMBER OF EMPLOYEES	
SALARIES						
PLAN & ZONING PROGRAMS MANAGER	E-11	\$78,703	1.00	81,744	1.00	0.00
ZONING SUPERVISOR	E-9	48,925	1.00	51,064	1.00	0.00
LAND USE PLANNER	E-8	40,792	1.00	41,142	1.00	0.00
PLANNER	E-7	101,607	2.00	105,726	2.00	0.00
HOUSING REHAB SPECIALIST II	E-6	19,211	0.50	20,259	0.50	0.00
SENIOR ADMINISTRATIVE ASSISTANT	E-6	9,403	0.25	9,766	0.25	0.00
ACCOUNT CLERK	E-4	7,503	0.25	0	0.00	(0.25)
LAND USE PLANNER	CD-22	75,863	2.00	82,130	2.00	0.00
NEIGHBORHOOD ENFORCEMENT SPECIALIST	CD-22	73,902	2.00	81,297	2.00	0.00
ENGINEERING TECHNICIAN	CD-15	38,103	1.00	40,466	1.00	0.00
INTERMEDIATE CLERK	A-18	26,234	1.00	29,125	1.00	0.00
ZONING BOARD OF APPEALS		2,100		2,100		
TEMPORARY		13,762		21,762		
MERIT PAY		6,123		6,194		
SALARY ADJUSTMENT		0		0		
SALARY SAVINGS		0		0		
	SUBTOTAL	<u>542,231</u>	<u>12.00</u>	<u>572,775</u>	<u>11.75</u>	<u>(0.25)</u>
BENEFITS						
ILLINOIS MUNICIPAL RETIREMENT		85,956		93,004		
UNEMPLOYMENT TAX		0		635		
WORKMEN'S COMPENSATION		1,562		1,636		
HEALTH INSURANCE		114,422		117,475		
RETIREE INSURANCE		0		2,000		
LIFE INSURANCE		72		102		
PARKING BENEFITS		<u>4,320</u>		<u>4,230</u>		
	SUBTOTAL	<u>206,332</u>		<u>219,082</u>		
	TOTAL	<u>\$748,563</u>	<u>12.00</u>	<u>\$791,857</u>	<u>11.75</u>	<u>(0.25)</u>

Performance Measurements

Planning Division

	2002 Actual	2003 Actual	2004 Actual	2005 Projected
Total acres annexed	186.6	483.6	151.8	200.0
Assessed valuation in annexed areas	1,374,448	6,719,260	666,063	2,000,000
Dwelling Units in Annexed Areas	111	135	14	14
Zoning Applications	143	112	93	110
Zoning Clearances	2,254	1,895	1,920	2,000
Sanitation Complaints	1,855	2,062	1,549	1,800
Clean-Ups	901	866	500	650
Vehicle Complaints	2,882	3,189	2,395	2,700
Weed Complaints	2,692	2,048	2,729	2,400
Vehicle Tows	117	132	80	100

Building Department

Mission Statement

It is the mission of the Building Department to protect the public health, safety, and welfare of the citizens of Rockford through the issuance of permits, performance of inspections, and the enforcement of various codes and ordinances .

Primary Functions → The primary function of the Building Department is to provide building, mechanical, electrical, and property standards inspections for all existing and new construction.

2004 Accomplishments →

- Plan review fees increased \$16,500 from the previous year for a 26.7% increase (new fees went into effect in March 2003). Plan review fees through December of 2004 was \$78,500. Permit by appointment revenue through December was \$6,000.
- Comparing year to date for December 2003 to December 2004, permits decreased 7.2% while revenue increased 7%. Total residential permits decreased 11.6% and valuations decreased 9%. Commercial permits decreased 15.1% and valuations increased by 18.3%. Inspections have decreased by 8.4%.
- Adopted nine new 2003 International Codes, which were reviewed by building industry representatives on seven committees.
- Energy Grant from the Illinois Clean Energy Community Foundation provided a consultant to work with staff, design professionals, and contractors to implement the International Energy Conservation Code. New Westside Alive homes were designed to incorporate new Energy Code provisions.
- Concentrated efforts made with other City departments for the revitalization efforts on 7th Street and Midway North areas.

2005 Goals and Objectives →

- Extensive involvement in review and inspection of several major new building projects: Winnebago County Criminal Justice Center, Register Star Press addition, Swedish American Cardiac Center, and two 9-1-1 Centers.
- Coordination and review of the State's development and adoption of new State Codes, update of the Illinois Accessibility Code, and the new Illinois Commercial Energy Code.
- Coordination with State on new State licensing provisions for elevator contractors and fire sprinkler contractors.
- Implementation of Residential Energy Code with the Home Builders Association.
- Implement MUNIS Permit and Inspection software programs and upgrade City web site.

Building Department

Budget Summary

BUILDING DEPARTMENT BUDGET SUMMARY					
APPROPRIATION	2003 ACTUAL	2004 BUDGET	2004 ACTUAL	2005 BUDGET	INCREASE (DECREASE)
PERSONNEL	\$1,294,032	\$1,409,994	\$1,384,536	\$1,417,549	\$7,555
CONTRACTUAL	346,858	331,320	326,388	292,395	(38,925)
SUPPLIES	6,844	7,500	6,577	7,500	0
CAPITAL	0	0	0	0	0
TOTAL	<u>\$1,647,734</u>	<u>\$1,748,814</u>	<u>\$1,717,501</u>	<u>\$1,717,444</u>	<u>(\$31,370)</u>

STAFFING REVIEW	2002	2003	2004	2005	INCREASE (DECREASE)
	21.00	20.00	20.00	20.00	0.00

FUNDING SOURCE	2004 AMOUNT	2004 PERCENTAGE	2005 AMOUNT	2005 PERCENTAGE
PROPERTY TAXES-FRINGE				
BENEFIT REIMBURSEMENTS	<u>\$179,295</u>	<u>10.3</u>	<u>\$191,727</u>	<u>11.2</u>
FEES				
BUILDING	462,900	26.5	559,710	32.6
ELECTRICAL	204,000	11.7	228,390	13.3
PLUMBING/HEATING	324,200	18.5	329,780	19.2
ALL OTHER	<u>131,500</u>	<u>7.5</u>	<u>157,983</u>	<u>9.2</u>
TOTAL FEES	1,122,600	<u>64.2</u>	<u>1,275,863</u>	<u>74.3</u>
GRANT	<u>50,000</u>	<u>2.0</u>	<u>0</u>	<u>0.0</u>
GENERAL REVENUES	<u>411,919</u>	<u>23.5</u>	<u>249,854</u>	<u>14.5</u>
TOTAL	<u>\$1,763,814</u>	<u>100.0</u>	<u>\$1,717,444</u>	<u>100.0</u>

Budget Analysis

The 2005 budget is \$1,717,444, which is a decrease of \$31,400 (1.8%) from the previous year. However, discounting the \$48,000 demolition decrease and the one time \$35,000 energy program, the budget increases \$51,600 (3.0%). Personnel costs increased \$7,600, (\$42,600 with the one time energy program adjustment). Salaries increased \$40,000 due to annual wage adjustments. Temporary help decreased because the \$35,000 of the remaining grant was expended (international energy conservation code grant). IMRF increased by \$10,500, due to a rate increase, which was offset by decreases in salary adjustment of \$7,300 for certifications and health insurance of \$2,900.

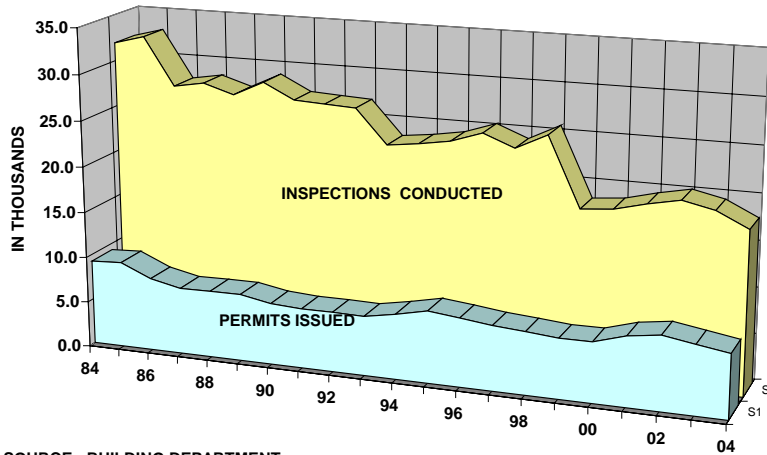
Contractual costs decreased by \$38,900, with the major decrease in demolitions of \$48,000 and vehicle repairs of \$3,700. These decreases were offset by an increase in building rent of \$7,600. Supplies remained the same as the prior year.

In 2004, the Building Department spent \$1,717,501, or 98.2% of its budgeted allocation. Historically, the division spends 92% to 105% of its budget.

Building Department

Information and Statistics

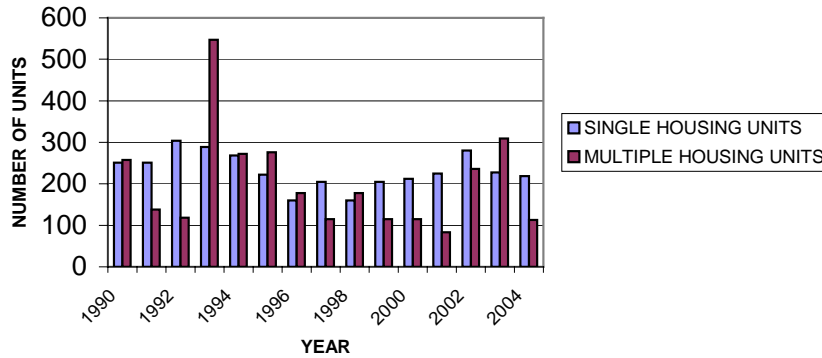
**CITY OF ROCKFORD, ILLINOIS
BUILDING PERMITS AND INSPECTIONS
YEARS FROM 1984**



SOURCE: BUILDING DEPARTMENT

During the past twenty years, total permits issued by the Building Department have been relatively flat. Permits issued in 1984 were 9,265 while in 2004 there were 6,949. Unless there is an increase in construction activity, the permits issued will remain stable.

**CITY OF ROCKFORD
HISTORY OF HOUSING CONSTRUCTION ACTIVITY-UNITS
YEARS FROM 1990-2004**



Housing construction for single and multi-units in 2003 was 227 and 309 for a total of 536. Single family housing decreased in 2004 to 219 while multi-units decreased to 113 units. It is anticipated that single family housing construction will continue to increase in the future.

Capital Equipment

There are no capital items budgeted for 2005.

Building Department

Personnel Review

BUILDING DEPARTMENT							
SALARIES	POSITION RANGE	2004 BUDGET			2005 BUDGET		
		DOLLARS BUDGETED	NUMBER OF EMPLOYEES	EMPLOYEE CHANGE	DOLLARS BUDGETED	NUMBER OF EMPLOYEES	EMPLOYEE CHANGE
DIRECTOR	E-14	\$89,632	1.00	0.00	\$92,664	1.00	0.00
DEPUTY BUILDING DIRECTOR	E-10	54,347	1.00	0.00	56,992	1.00	0.00
BUILDINGS PLAN EXAMINER	E-9	47,281	1.00	0.00	49,358	1.00	0.00
SENIOR INSPECTION OFFICER	CD-28	210,676	4.00	0.00	222,072	4.00	0.00
INSPECTION OFFICER	CD-26	317,353	7.00	0.00	335,761	7.00	0.00
SENIOR ADMINISTRATIVE ASSISTANT	E-6	46,471	1.00	0.00	48,734	1.00	0.00
ADMINISTRATIVE ASSISTANT	E-5	48,157	1.00	0.00	49,712	1.00	0.00
SECRETARY	A-19	36,610	1.00	0.00	28,921	1.00	0.00
SENIOR CLERK	A-19	66,971	2.00	0.00	70,711	2.00	0.00
INTERMEDIATE CLERK	A-18	28,937	1.00	0.00	31,497	1.00	0.00
TEMPORARY		35,000			0		
OVERTIME		500			500		
MERIT PAY		7,510			7,802		
SEVERANCE PAY		0			0		
SALARY CERTIFICATION		22,230			14,950		
SALARY SAVINGS		0			0		
	SUBTOTAL	<u>1,011,675</u>	<u>20.00</u>	<u>0.00</u>	<u>1,009,674</u>	<u>20.00</u>	<u>0.00</u>
BENEFITS							
	ILLINOIS MUNICIPAL RETIREMENT	157,538			168,010		
	UNEMPLOYMENT TAX	0			1,080		
	WORKMEN'S COMPENSATION	21,757			22,637		
	HEALTH INSURANCE	211,656			208,780		
	RETIREE HEALTH INSURANCE	0			0		
	LIFE INSURANCE	168			168		
	PARKING BENEFITS	<u>7,200</u>			<u>7,200</u>		
	SUBTOTAL	<u>398,319</u>			<u>407,875</u>		
	TOTAL	<u>\$1,409,994</u>	<u>20.00</u>	<u>0.00</u>	<u>\$1,417,549</u>	<u>20.00</u>	<u>0.00</u>

Performance Measurements

	2002 Actual	2003 Actual	2004 Actual	2005 Projected
Residential Permits	1,410	1,372	1,229	1,200
Commercial Permits	373	397	345	300
Demolitions	131	85	139	70
Plan reviews	990	993	995	850
Total inspections	20,058	19,319	17,688	16,500
Projects over \$1 million/total value	12/\$32.3M	4/\$6.2M	8/\$24.5M	5/\$77.0M