

Neighborhood Stabilization Program

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On March 20, 2009 the City of Rockford received \$2,287,004 from the U. S. Department of Housing and Urban Development (HUD) under the Housing and Economic Recovery Act for the Federal Neighborhood Stabilization Program (NSP). Rockford's Community & Economic Development Department (CEDD) will use these funds to address local housing issues such as blighted, vacant, and abandoned homes that encourage crime.

CEDD will use a portion of the funds to purchase and redevelop vacant, abandoned and foreclosed property which will then be sold to low income families who have completed homebuyer training. CEDD also plans to demolish blighted property and offer down payment and closing cost assistance to those that purchase foreclosed property with the intent on living in the home.

There are several restrictions to this program, including an income limit to potential buyers. Funds spent may only benefit households at or below 120% of the area median income (\$76,300 for a family of 4). \$596,751 of NSP funds must benefit households at or below 50% of the area median income (\$31,800 for a family of 4). CEDD can only purchase abandoned or foreclosed properties

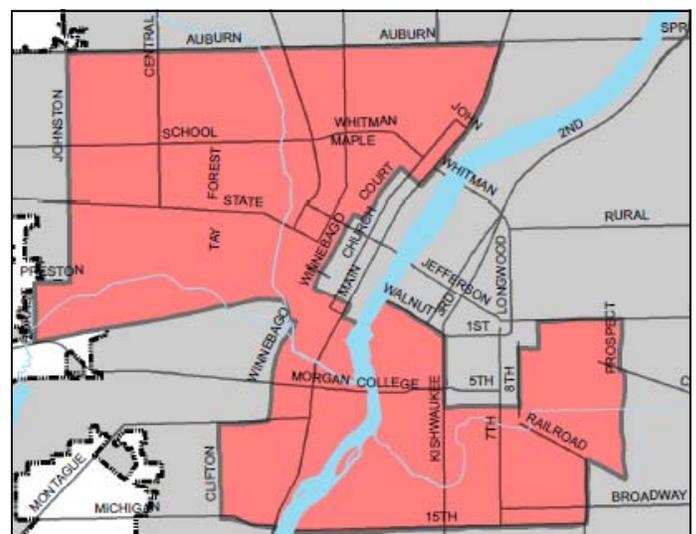
with a 15% discount based on a current appraised value. Finally, program money must be spent in the area of greatest need. The map on this page shows the targeted area, which Rockford's Community & Economic Development Department chose using HUD data and with the assistance of the University of Illinois College of Medicine health Systems Research.

CEDD will be reaching out to area realtors, local lenders, housing agencies and other non-profits and developers to identify



From left to right: Rockford Mayor Morrissey, Ray E. Willis, Director of the Office of Community Planning and Development, 4th Ward Alderman Carl Wasco

partners. CEDD is quickly locating blighted properties and establishing homebuyer programs.



Neighborhood Stabilization Target Area

New Shopstead Business Opens



Cricket Wireless opened on W. State & Central

NOW OPEN! Cricket wireless, a national retail cellular phone company, is the latest business to join the City of Rockford's Shopstead Program. The addition of Cricket completes the seven-unit commercial strip building along the West State Street Corridor.

The City of Rockford's Shopstead Program was designed to improve West State Street by assisting in business development and meeting neighborhood needs. Other Shopsteads are found on 7th Street and S. Main Street. Shopstead funding is administered by the Community & Economic Development Department.

The West State Shopstead building was constructed in 2001 and has spurred public and private investments in key areas of our city.

For more information on the Shopstead program, contact Jovita.donahue@rockfordil.gov.

Welcome Wanxiang!



From left to right, Gary Wetzels, CFO, Wanxiang, Gov. Quinn, Ping Huang, Consulate General, Wanxiang, Jannyce Fadden, RAEDC, Mayor Morrissey

When one of the largest companies in China began searching for an American

location for its solar panel assembly plant, competition between cities became fierce. Who wouldn't want to host a \$1.4 billion company that makes clean, renewable energy and may employ up to 240 people?

The Community & Economic Development Department (CEDD) of the City of Rockford coordinated a team composed of Winnebago County and Greater Rockford Airport Authority to woo the industrial giant. Over the past year, CEDD's team assembled a financial assistance package comprised of land incentives, Tax Increment Financing incentives and River Edge Redevelopment Zone incentives. This team also supported a Rockford

Global Green Cooperative Initiative, Airport Solar Farm Initiative and Government Joint Purchasing Partnership Initiatives to round out the package.

Rockford guided Wanxiang through the multiple layers of local and state legislative procedures to get the project approved and ready for construction in a few months time. With many thanks to area partners, Rockford now welcome's its newest industry.

Online Permitting

Beginning in April, the Construction & Development Services Division of the Community & Economic Development Department will launch a new online permit system through the City's website, www.rockfordil.gov. After creating a user name and password, users may apply for permits, request inspections, pay permit fees and review the status of permits. The system also allows for uploading and downloading documents. E-mail

notifications can also be set up through the system.

Several departments have cooperated in the creation of this new module as part of the City-wide customer service program called Hansen. The online system will streamline the permitting process for both users and Construction & Development. For more information contact Construction & Development Services at (815) 987-5624.



A peek at the online permit page, above.

Fun 'n Games

Fill in the blanks with the correct word (s) from the list at the right. The red letters from the correct words will answer the bonus question at the bottom. Answers on the last page.

The city is divided into 3 _____

The average _____ costs \$10,000

Over 10,020 service requests completed by _____

1,100 new _____ created by Economic Development

- Public **W**orks
- **r**ehabilitation
- layoffs
- **z**ones
- Code **E**nforcement
- construction**n**
- **m**inorities
- **j**obs
- **P**olice Department
- **d**emolition

Bonus: Amount your property taxes will be raised because of TIF: _____

Lantow Greets Katie's Cup

A hidden gem in the heart of the Midtown District, the newly renovated Lantow building, located at 502 Seventh Street, has something for everyone. Even with seven condominiums throughout the 2nd and 3rd floor, an indoor parking garage, an area for group meetings and a garden rooftop, the developers (Zion Development) didn't stop there.



Possibly the most unique aspect of the modernized building is the most invisible. Renovation took advantage of

energy conservation principles in the design of the mechanical systems. A geothermal heating and cooling system is used in the first floor. The condo units enjoy low-cost, energy-efficient tap water using a combination of sunlight and on-demand water heaters.

The City of Rockford Construction and Development Services Division worked with Zion Development in the building plan review process and inspection process. City

inspectors and plan review staff played

a vital role in the success of this redevelopment project.

The icing on the cake was the creation of Katie's Cup, a joint venture between Zion Development and Rockford Area Lutheran Ministries. Named for Martin Luther King's wife Katie, this beautiful coffee bar and bookstore offers a comfortable atmosphere, fair-trade coffee products and tasty pastries. Visit them online at www.katiescup.com.



April Showers Bring May Flowers..., Grasses..., and WEEDS!

As spring approaches and the weather heats up, vegetation is sprouting. Each year the Code Enforcement Team for Community & Economic Development Department is responsible for implementing the Weed Abatement Program. With two office staff and four inspectors, the "Weed Team" works an estimated 3,151 hours processing 3,375 weed complaints.

The City of Rockford Code of Ordinances prohibits the growth of weeds and plant growth in excess of 10 inches, excluding cultivated flowers and gardens. Property owners found to be in violation of the 10 inch rule will be sent one notice every 3 years. For each violation that occurs within the three years the City will contract a mowing service. All costs incurred from the

mowing service will be charged to the property owner's water and rubbish account where applicable or filed as a lien on the property. Complaints can be filed by calling our Weed Hotline at (815) 967-6768.



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Excellence in Services



Trivia Answers from page (3)

Bonus: Amount your property taxes will be raised because of TIF: ZERO

Over 10,020 service requests completed by Code Enforcement
 1,100 new jobs created by Economic Development

The average demolition costs \$10,000

The city is divided into 3 zones

Did You Know?

The International City County Management Association (ICMA) average statistic for assisted households is 9.3 households per \$100,000.

Community & Economic Development assists an average of 13 households per \$80,146!

Why Create a TIF using Consultants?

The Register Star recently published a letter from a local resident questioning Rockford's use of consultants to prepare the required documentation for creation of a new Tax Increment Finance (TIF) District on East State Street between Alpine Road and Mulford Road. While we appreciate the faith the letter writer evidently has in our staff's ability to do this in-house, we feel it is important they understand the complexities of the task involved. Equally important is understanding why the City creates TIFs.

Preparing TIF plans – one of the documents needed to create a TIF – is a highly specialized technical field. State law does not mandate that we use an “outsider” to prepare these plans; it does, however, include stringent requirements as to what be in the plan and how we verify that an area meets the criteria to be a TIF. Yes, we have staff that could do this – if they had the time. Our limited Economic Development staff works full time and then some to bring projects to fruition. Diverting them to the preparation of TIF plans would mean lessening the amount of time they spend on projects, most of which are in TIF districts. Over the last 5 years, there have been 50

projects which generated almost \$150 million dollars in investment in the City of Rockford. We feel that our staff's local expertise and connections are more critical in this arena so that is where their time is concentrated.

As for hiring “outsiders” to do the TIF plans, we have legal requirements to follow in selecting consultants. Local firms may apply to do this work and have done so. However, there are only a very small number of firms who do this sort of work locally or even regionally. In making a selection for each TIF plan, we determine who among the applicants meets the qualification criteria. Then, absent any compelling reason to do otherwise, we select the firm that can do the work in the timeframe required for the lowest cost. We feel this is the most efficient and cost effective way to get the work done with a strong end product.

As for the more general question of why we create TIF districts, they form a key part of our strategy to attract investment. To put it bluntly, you can't cut your way to prosperity. In tight budget times, strategies and potential funding mechanisms are more important than

ever. The blows brought about by the economic downturn would hit the region harder without economic development programs. Investing in economic development strategies such as TIF will help Rockford stand apart from many other communities and help us to recover faster and come out stronger. In this particular case – the proposal to create a TIF along East State Street – the area could benefit from infrastructure improvements that could be financed through the TIF. While some parcels may not fit the classic example of a blighted area, it does face serious challenges through loss of major businesses in the area, the latest being Tumbleweeds and Circuit City. Businesses which have closed earlier and have left vacant storefronts for some time are K's Merchandise and Value City Furniture. Our hope is to provide enough incentives to lead to improvements here before it becomes a classic example of blight.

-Reid Montgomery, Director, Community & Economic Development