

STATE OF ILLINOIS)
) SS
COUNTY OF WINNEBAGO)


CERTIFICATE OF PUBLICATION IN PAMPHLET FORM

I, the undersigned, do hereby certify that I am the duly qualified and acting Legal Director and ex officio Keeper of the Records and Seal of the City of Rockford, Winnebago County, Illinois (the "City"), and as such official I am the keeper of the official journal of proceedings, books, records, minutes and files of the City and of the City Council (the "City Council") thereof.

I do further certify that on the 8th day of December, 2008, there was published in pamphlet form, by authority of the City Council, a true, correct and complete copy of Ordinance No. **2008-234-O** and said ordinance as so published was on said date readily available for public inspection and distribution, in sufficient number, at my office as Legal Director and ex officio Keeper of the Records and Seal located in the City.

IN WITNESS WHEREOF I have affixed hereto my official signature and the seal of the City, this 8th day of December, 2008.

[SEAL]



LEGAL DIRECTOR AND EX OFFICIO
KEEPER OF THE RECORDS AND SEAL

RS/gf

C.R. passed: 11/17/08 C.R. #2008-555-CR

ORDINANCE # 2008-234-0

**AN ORDINANCE APPROVING THE KISHWAUKEE HARRISON INDUSTRIAL
REDEVELOPMENT PROJECT AREA #2 REDEVELOPMENT PLAN AND PROJECT
(TAX INCREMENT FINANCING DISTRICT #2)**

WHEREAS, the City Council has heretofore in Ordinance No. 2005-235-O adopted and approved the Kishwaukee Harrison Industrial Redevelopment Plan with respect to which a public hearing was held on August 11, 2005.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ROCKFORD, ILLINOIS, that the Kishwaukee Harrison Industrial Redevelopment Project Area #2 Redevelopment Plan and Project (Tax Increment Financing District #2) attached hereto as Exhibit A, is hereby adopted pursuant to Paragraph 5/11-74.6-22 of the Industrial Jobs Recovery Law.

A full, true and complete copy of this Ordinance shall be published within ten (10) days after passage in pamphlet form by and under authority of the Corporate Authorities.

APPROVED: _____

MAYOR

ATTESTED: _____

LEGAL DIRECTOR

PASSED: 12/1/08 APPROVED: 12/8/08 PUBLISHED: 12/8/08

ATTESTED and FILED in my office this 8th day of December, 2008 and published in pamphlet form this 8th day of December, 2008.

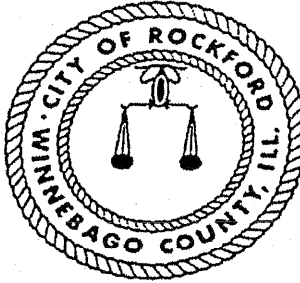
Legal Director and ex officio
Keeper of the Records and Seal

Published in pamphlet form this 8th day of December, 2008 by order of the City Council of the City of Rockford, Illinois.

APPROVED BY: _____

Patrick W. Hayes, Legal Director

RECOMMENDED BY: _____



CITY OF ROCKFORD

**Kishwaukee/Harrison
Industrial Redevelopment Planning Area**

REDEVELOPMENT PLAN AND PROJECT AREA #2

TAX INCREMENT FINANCE DISTRICT #2

City of Rockford, Illinois

September 2008

Approved _____, 2008

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LIST OF EXHIBITS

Exhibits

- Exhibit 1 - Kishwaukee/Harrison Industrial Redevelopment Planning Area-
Redevelopment Plan and Project (Approved September 19, 2005)
- Exhibit 2 - Redevelopment Project Area #2 Boundary Map
- Exhibit 3 - Redevelopment Project Area #2 Legal Description
- Exhibit 4 - Redevelopment Project Area #2 Existing Land Uses Map
- Exhibit 5 - Redevelopment Project Area #2 Proposed Land Uses Map

I. INTRODUCTION

A. The Proposed Kishwaukee/Harrison Industrial Redevelopment Project Area #2

The proposed Kishwaukee/Harrison Industrial Redevelopment Project Area #2 ("RPA #2") is the second of an anticipated series of redevelopment project areas ("RPAs") to be located entirely within the City of Rockford's (the "City") Kishwaukee/Harrison Redevelopment Planning Area (the "RPLA"). The City adopted the Plan and Project for the RPLA (the "RPLA Plan and Project"), attached as Exhibit 1, on September 19, 2005. The RPLA consists of an area that includes approximately 389 tax parcels equating to approximately 963 acres of land that is primarily made up of a mix of existing industrial-related and older, obsolete commercial-residential uses (See the RPLA boundary map included as part of Exhibit 1). In 2005 the City designated the Kishwaukee/Harrison Industrial Redevelopment Project Area #1 ("RPA #1"). The City is now set to proceed with the designation of RPA #2 as a means to continue its efforts to achieve the overall goals set forth in the RPLA.

RPA #2 (or alternatively, the "Property Site") is situated within the southern portion of the RPLA along the north side of Harrison Avenue just west of 20th Avenue. RPA #2 includes properties within a sub-area of the RPLA that, as of the date of this report, has a postal address of 2020 Harrison Avenue. This Property Site is the location of an existing industrial complex that sits upon an approximately 31 acre land parcel and constitutes less than 1% of the total land area covered by the RPLA. A boundary map for RPA #2 is attached as Exhibit 2.

The Property Site, which contains existing industrial/warehouse distribution space of approximately 364,000 square feet, is the former location of Borg Warner, Superior Toys and Tan Books and Publishing. The core structure located on the site was constructed in 1937, and over the years the site has remained a concern for potential environmental-related hazards and other conditions. Additionally, the facilities located with RPA #2 have experience structural deterioration over time, dating back to before its vacation by Borg Warner in 1986. Accordingly, the facilities are in need of substantial rehabilitation and private sector investment in order for the industrial complex to become fully useful for viable business-related purposes. Such private sector investment is not feasible without the financial assistance, from the City, to be provided through the institution of a tax increment finance ("TIF") district under the existing authority granted to the City through its adoption of the RPLA Plan and Project.

This Redevelopment Plan and Project for RPA #2 (the "Plan and Project #2") is an intended extension to the RPLA Plan and Project. The RPLA Plan and Project was created by the City as a means to target an important industrial segment for large-scale redevelopment the potential creation of individual sub-areas within the RPLA as RPAs, or a series of separate TIF Districts. The utilization of the RPLA mechanism for this purpose is legal authority permitted to the City pursuant to the Industrial Jobs Recovery Law, Section 65, ILCS 5/11-74.6-10(p) (the "Law"). Pursuant to that Section, a "Redevelopment Planning Area" means:

"...an area so designated by a municipality after the municipality has complied with all the findings and procedures required to establish a redevelopment project area, including

the existence of conditions that qualify the area as an industrial park conservation area, or an environmentally contaminated area, or a vacant industrial buildings conservation area, or a combination of these types of areas, and adopted a redevelopment plan and project for the planning area and its included redevelopment project areas. The area shall not be designated as a redevelopment planning area for more than 5 years. At any time in the 5 years following that designation of the redevelopment planning area, the municipality may designate the redevelopment planning area, or any portion of the redevelopment area, as a redevelopment project area without making additional findings or complying with additional procedures required for the creation of a redevelopment project area. An amendment of a redevelopment plan and project in accordance with the findings and procedures of this Act after the designation of a redevelopment planning area at any time within the 5 years after the designation of the redevelopment planning area shall not require new qualification of the findings for the redevelopment project area to be designated within the redevelopment planning area."

RPA #2 is the second specific TIF District that the City has determined as desirable for creation as a targeted redevelopment area under the authority granted to the City through the determinations and findings the City made pursuant to the adoption of the RPLA Plan and Project..

The City believes that the creation and adoption of the Plan and Project #2 is a crucial second step toward its overall efforts to attract private sector investment for the entire RPLA. The City further believes that such investment will only be made possible by an economic development program that includes the use of tax increment financing as a vital resource. The use of this resource will help the community to balance the capability of generating substantial public financial resources, as a means to induce private sector investment, with the flexibility for the City to formulate strategic public-private sector partnerships quickly and efficiently so that opportunities that arise to increase employment and tax base for the community are not lost.

B. City of Rockford Strategy for the RPLA and RPA #2

The City is located approximately 65 miles northwest of Chicago's O'Hare International Airport. The City, which has an approximate population of 150,000, is the center of the Rockford Metropolitan Statistical Area (MSA), encompassing a population of over 371,000 people. The Rockford area is well known for its traditionally strong manufacturing base, and by the late 1990's had become the fourth largest location for high-tech jobs in the Great Lakes region.

The Rockford MSA's central location positions it well for the movement of goods and services throughout the United States and North America. The Rockford MSA has access to interstate travel via Interstate 90, Interstate 39, and Interstate 88, as well as connecting access through US Route 20 and US Route 51/251. Additionally, nine (9) State Highways including IL 2, IL 26, IL 38, IL 64, IL 70, IL 72, IL 75, IL 76, and IL 173 serve the Rockford MSA. [Sixty (60)] truck carriers, which operate out of thirty-seven (37) terminals, serve the region, and the Rockford MSA has access to national markets via extensive rail through [five] major rail carriers. Additional access to U.S. markets has been further enhanced by the rapid growth of the Chicago Rockford International Airport (the "Airport") as a major regional and national air cargo hub. This status was achieved with the 1994 installation of the second

largest sorting hub for the UPS system at the Airport.

The RPLA incorporates a portion of the City that represents one of its oldest industrial areas. This means that the area also is served by an aged public infrastructure system that is not suited to serve significant new industrial developments, and is a meaningful threat to the City's ability to retain industrial businesses currently in the area. Additionally, the area is burdened by a substantial number of vacant and underutilized facilities that may or may not be suitable in the future for redevelopment and/or reuse into productive industrial uses. The City will need to develop a long-term strategy to either promote higher intensive use for such properties, or encourage their removal toward creation of vacant land that can be utilized for new industrial development. RPA #2 will become the second sub-area within the RPLA that the City will target for such strategies.

The City has determined that it cannot proceed with its plans to promote the RPLA for private sector development and redevelopment without the public finance participation initiated through the designations of a series of TIF Districts, starting with the designation of RPA #1 and now the designation of RPA #2. The City believes that barriers to successful development of the property within RPA #1 and RPA #2, which include relatively high site development and public infrastructure costs, will be partially addressed through the designation of Plan and Project #1 and #2. Through implementation of RPA #1 and RPA #2, the City will be able to help upgrade critical public utilities needed before the area can redevelop.

Additionally, the City will be able to put into place a successful market-level, private sector investment program for the area by addressing factors, such as relatively high property tax and land cost structures, that complicate the community's ongoing redevelopment promotion efforts. For example, the City has entered into an agreement with the owners of Bourn & Koch, Inc. in relation to that company's proposal to expand their existing Rockford facilities, which is located within RPA #1. Under that agreement, the City utilized incremental revenues generated by that expansion project to induce the company to not only grow in Rockford, but to retain all of its existing operations in the community. Through the implementation of and financial assistance from this RPA #2, the City will leverage, in a similar manner, private sector investment to be made available by Harrison Industrial, LLC as a means to revitalize the Property Site for full use; thus eliminating a blighted, under-utilized facility located along an important City transportation corridor.

It will be through ongoing efforts of this nature that the City will work to eliminate factors, including the aging infrastructure and blighted conditions present within the RPLA as a whole, that today place the Rockford MSA at a competitive disadvantage when compared to other potential industrial locations throughout the Midwest. Implementation of the RPLA Project and Plan will provide the City with an opportunity to help the private sector overcome both high development and ongoing operating costs associated with relatively higher taxes, through potential tax increment financing offsets on site development and other initial capital related costs. The designation of RPA #1 and RPA #2 are the first two steps in that implementation program.

The City encourages controlled growth of the community guided by the City's 2020 Plan (the City's strategic land use plan). The City wishes to actively promote itself as a location for industrial enterprises on an international scale and maintain a flexible partnership with entities such as the

RAEDC and the GRAA to help promote the entire Rockford MSA for that purpose. The City believes that the attraction of such enterprises and formalization of such partnerships will serve to enhance and diversify both the job and the tax base of the community. This is considered critical since an enhanced tax base enables the City to expand and improve services without straining the City's fiscal integrity.

In order to facilitate such development, the City intends to implement a comprehensive economic development strategy intended to both attract and retain industrial-related businesses for the RPLA in general, and RPA #1 and RPA #2 in particular, through the designation of the Plan and Project #1 and the Plan and Project #2. However, development of both RPA #1 and RPA #2 are only viable given certain property assembly, provision of necessary upgrades of infrastructure and upgraded road access to existing improvements.

The City intends to designate the RPA #2 under the powers granted to it by virtue of its previous adoption of the RPLA pursuant to the Illinois Jobs Recovery Law, as defined herein. Through the ordinances adopted by the City, the RPLA will be found to suffer from lack of economic growth because it has not been subject to development through investment by private enterprises and is not reasonably anticipated to be redeveloped but for the City's the adoption of the overall RPLA Plan and Project, and its proposed use of public financing for such purposes as infrastructure improvements, job training, land acquisition and interest cost write down. Although the City has formally put in place the RPLA for this propose, such designation does not grant the City direct authority to utilize tax incrementing financing to promote such redevelopment activities. The use of tax increment financing is only permitted via the designation of the RPAs that the City is authorized to establish under the RPLA authority. Thus, the City has prepared the RPA #2 Plan and Project for designation as a means to put into place the ability to derive tax increment financing benefits for actual use in meeting the goals and objectives for increased industrial growth within the RPLA.

It is anticipated that the establishment of the RPA #2 will help to both create and fill a market need for industrial, office research and distribution space in the City. Anticipated users include, but are not limited to, firms engaged in distribution, packaging and repackaging, manufacturing, and warehousing of products for both the national and international marketplace. The RPA #2 will ultimately include upgraded structures that will serve the needs of industrial-related businesses in an efficient, cost-effective manner in conformance with the economic development goals and objectives of the City of Rockford.

Through this RPA #2, the City will serve as the central force for marshaling the assets and energies of the private sector for a unified, cooperative public-private redevelopment effort. Ultimately, the implementation of the Plan and Project #2 will benefit the City and all the taxing districts that encompass the RPA #2 by significantly expanding the tax base, retaining existing businesses, and creating new employment opportunities as a result of new private development in the RPA #2.

C. The Designation of the Kishwaukee/ Harrison Industrial Redevelopment Planning Area and RPA #2

The City has qualified the entire RPLA, through its establishment under Law, as an Industrial Park Conservation Area. The City has therefore been granted the authority under the Law to proceed

with the designation of the RPA #2, and is not required to seek any additional authority under the Law to do so. This is because each sub-area with the RPLA that the City selects to designate as a RPA has been pre-qualified under this standard in the Law and that allows the City to designate any or all such areas as TIF Districts at any time within a 5-year period that started on March 15, 2004. Section 65 ILCS 5/11-74.6-10)(e) defines an Industrial Park Conservation Area (an "IPCA") as follows:

"...an area within the boundaries of a redevelopment project area located within the corporate limits of municipality or within 1 ½ miles of the corporate limits of a municipality if the area is to be annexed to the municipality, if the area is zoned as industrial no later than the date on which the municipality by ordinance designates the redevelopment project area, and if the area includes improved or vacant land suitable for use as an industrial park or a research park, or both. To be designated as an industrial park conservation area, the area shall also satisfy one of the following standards:

(1) Standard One: The municipality must be a labor surplus municipality and the area must be served by adequate public and or road transportation for access by the unemployed and for the movement of goods or materials and the redevelopment project area shall contain no more than 2% of the most recently ascertained equalized assessed value of all taxable real properties within the corporate limits of the municipality after adjustment for all annexations associated with the establishment of the redevelopment project area or be located in the vicinity of a waste disposal site or other waste facility. The project plan shall include a plan for and shall establish a marketing program to attract appropriate businesses to be the proposed industrial park conservation area and shall include an adequate plan for financing and construction of the necessary infrastructure. No redevelopment projects may be authorized by the municipality under Standard One of subsection (e) of this Section unless the project plan also provides for an employment training project that would prepare unemployed workers for work in the industrial park conservation area, and the project has been approved by official action of or is to be operated by the local community college district, public school district or state or locally designated private industry council or successor agency, or

(2) Standard Two: The municipality must be a substantial labor surplus municipality and the area must be served by adequate public and or road transportation for access by the unemployed and for the movement of goods or materials and the redevelopment project area shall contain no more than 2% of the most recently ascertained equalized assessed value of all taxable real properties within the corporate limits of the municipality after adjustment for all annexations associated with the establishment of the redevelopment project area. No redevelopment projects may be authorized by the municipality under Standard Two of subsection (e) of this Section unless the project plan also provides for an employment training project that would prepare unemployed workers for work in the industrial park conservation area, and the

project has been approved by official action of or is to be operated by the local community college district, public school district or state or locally designated private industry council or successor agency....”

The RPLA, and each subsequent RPA to be designated, have been qualified by the City pursuant to the law for designation under Standard Two above because the City was found to be a substantial labor municipality at the time of the establishment of the RPLA, and therefore meets all of the conditions set by the Law for the designation of the RPA #2 and each future RPAs that the City elects to put into place.

D. Summary

The City has made the following findings with respect to the establishment of the RPLA, as required by the Law (for purposes of these findings the RPLA Plan and Project shall also be expanded to mean the Plan and Project #2 and all future plans and projects that the City may choose to designate under the Law):

1. The RPLA (nor the RPA #2 or any of other existing and/or future potential RPAs) has (have) not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed in accordance with the City's goals and objectives without the adoption of the RPLA Plan and Project, and the adoption of the Plan and Project #2, or current and/or future plans and projects for existing and/or subsequent RPAs that either have or may from time to time be designated by the City in the future.
2. The RPLA Plan and Project conforms to the City's 2020 Plan that serves as a guide for growth and development within the City (which has a population of more than 150,000).
3. The implementation of the RPLA Plan and Project is reasonably expected to create or retain a significant number of permanent full-time jobs.
4. The City is (and/or was at the time of adoption of the RLPA) a Substantial Labor Surplus Municipality, as defined in the Law, and the implementation of the RPLA Plan and Project is reasonably expected to create a significant number of permanent full-time jobs. The facilities to be developed in the RPLA will significantly enhance the tax base of the taxing districts that extend into the RPLA. Additionally, no single RPA to be established in connection with the RPLA shall have an equalized assessed valuation in excess of 2% of the equalized assessed value of all taxable properties within the corporate limits of the City, net of adjustments for any annexed areas that may be associated with any particular RPA.

II. REDEVELOPMENT PROJECT AREA #2 LEGAL DESCRIPTION

The Redevelopment Project Area #2 legal description is attached in Exhibit 3.

III. EVIDENCE THAT THE RPLA AND RPA #2 HAVE NOT BEEN SUBJECT TO GROWTH THROUGH PRIVATE INVESTMENT

Both the RPLA and RPA #2 are composed primarily of older industrial properties that in many cases have endured years of depreciation without the infusion of private sector investment to prevent widespread blighted conditions. Additionally, the area has not been attractive for any newer development for several decades. The RPLA as a whole (inclusive of RPA #2) has not been subject to growth and investment through private enterprise. In fact, the area has seen significant industrial employment declines over the past five years, and the RPLA (inclusive of RPA #2) has become an economic burden to the City and a major hindrance upon potential healthy growth of the community. The RPLA (inclusive of RPA #2) was once the source of substantial property tax revenues to the City and other overlapping tax district authorities, but has not produced real growth in revenue benefits to the tax districts over the last two to three decades. No viable redevelopment plans for the RPLA (inclusive of RPA #2) have to-date been submitted to the City for the RPLA's (inclusive of RPA #2) redevelopment. The result has been an overall decline in employment within the RPLA (inclusive of RPA #2), which has prompted the City to encourage it for redevelopment for industrial related uses, backed by a City effort to induce private investment through implementation of a comprehensive redevelopment program.

IV. ASSESSMENT OF ANY FINANCIAL IMPACT OR INCREASED DEMAND FOR SERVICES FROM ANY TAXING DISTRICT

There are fourteen (14) taxing districts that overlap the RPA #2. They include:

Winnebago County	Rock River Water Reclamation District
Winnebago County Forest Preserve District	Rockford City Library
Rockford Township	Rockford School District No. 205
City of Rockford	Community College District No. 511
Rockford Park District	Meridian Community School District No. 223
Greater Rockford Airport Authority	Blackhawk Fire Protection District
New Milford Fire Protection District	Rock River Fire Protection District

The industrial character of the development planned for the RPA #2 is expected to have no direct fiscal impact on most of the overlapping districts, with the exceptions of the City. No new residential growth will be promoted within the RPA #2. The development leveraged through the Plan and Project #2 will not result in increased enrollment in local school districts without the benefit of indirectly increased real estate taxes. This is largely because employment opportunities are expected to be absorbed by either existing area residents, or by new residents whom will demand new housing that will add to the community's existing tax base. In this way, the RPA will help address the problem of the area's surplus labor condition.

Any appropriate improvements to public infrastructure adjacent to or within the RPA #2 will be financed as part of the projects generated by economic development. This will relieve the financial burden that may have ordinarily fallen on any other tax district resulting from such improvements.

V. REDEVELOPMENT PLANNING & PROJECT AREA GOALS AND OBJECTIVES

The following goals and objectives, which were adopted as part of the presented for the RPLA Plan and Project on September 19, 2005, are in accordance with the City's 2020 Plan that serves as a guide for growth and development of the City. Such goals and objectives may be supplemented by future planning studies, economic development studies, traffic studies, or site reports that are undertaken by the City or by development entities on behalf of the City. These goals and objectives are also adopted for the RPA #2.

A. General Goals

1. To provide for implementation of an economic development plan and strategies that benefits the City and its residents.
2. To provide public infrastructure improvements where necessary to support and spur industrial development.
3. To encourage positive and creative re-use of existing vacant and/or underutilized industrial buildings and sites to make them suitable for more modern manufacturing and distribution business operations.
4. To stabilize, diversify and strengthen the industrial property tax base of the City.
5. To reduce the high level of unemployment in the City.
6. To coordinate all development within the RPLA in a comprehensive manner, avoiding land use conflicts and negative community impacts with the surrounding area residents.
7. To provide training and retraining opportunities to potential and existing employees to more readily serve the emerging and evolving needs of new and existing employers.
8. To create a cooperative environment between the City and existing and prospective businesses as a means to promote development and redevelopment of the Rockford community.

B. Specific Objectives

1. To encourage timely development and/or redevelopment of the vacant, under-utilized, and obsolete industrial buildings and complexes located within the RPLA (inclusive of RPA #2).
2. To address the sustained high level of unemployment characteristic of City residents through the creation of jobs and job training located within the RPLA (inclusive of RPA #2).

3. To upgrade blighted (and environmentally tainted) properties within the community and place that property back as a productive contributor to the tax base.
4. To provide infrastructure improvements (including water and sewer lines, road construction, and telecommunications) necessary for the coordinated and rational redevelopment of industrial and industrial-related properties located within the RPLA (inclusive of RPA #2).
5. To provide competitive and affordable industrial and industrial related facilities for users and tenants attracted to and/or retained for area.
6. To address the need for utility services and other requirements specific to the redevelopment of the RPA (inclusive of RPA #2).
7. To counteract the industrial marketing disadvantages caused to the community due to a relatively high local tax structure and the ever-changing global marketplace.
8. To capitalize on the region's central location to national markets, and to utilize major transportation access such as ground, Airport and rail services as a means to open up global market opportunities for the Rockford business community.

C. Redevelopment Objectives

The purpose of the RPLA designation will allow the City to:

1. Assist in coordinating development and redevelopment activities within the RPLA (inclusive of RPA #2) in order to encourage private sector re-investment into a vital industrial part of the Rockford region;
2. Reduce the high level of unemployment within the City;
3. Accomplish redevelopment over a reasonable time period;
4. Provide for an upgrade in the quality of redevelopment within the RPLA (inclusive of RPA #2); and
5. Provide for an attractive and overall improved appearance for the area.

Note: The objectives may be supplemented by findings of prospective reports or studies undertaken, from time to time, by the City or by development entities selected by the City.

The redevelopment of the RPLA and the RPA #2 will contribute to the overall economic

development of the City. Job creation associated with the overall area will provide new employment opportunities for the overall Rockford MSA and, specifically for City residents.

VI. INDUSTRIAL PARK CONSERVATION AREA CONDITIONS EXISTING IN THE REDEVELOPMENT PLANNING AND PROJECT AREA

The RPLA has been qualified for the under the Industrial Park Conservation Area (IPCA) criteria based that outlined below. Under the Law, these findings automatically apply to any and all RPAs that the City may select to institute under its RPLA authority. Therefore, these findings by the City apply to RPA #2 and are also incorporated into this Plan and Project #2. Under the Law, the City is not required to, nor does it intend to, update these findings in connection to the establishment of this or future RPA designations.

- A. The City is a Substantial Labor Surplus Municipality, as defined in the Law, since the 5-year average unemployment rate for the City exceeded the State of Illinois annual unemployment rate for the same 5-year period by at least 2%.

<u>Year</u>	<u>State of Illinois Rate</u>	<u>City Unemployment Rate</u>
2004	6.2%	8.7%
2003	6.7	11.1
2002	6.5	10.0
2001	5.4	8.5
2000	4.4	6.1
5 Year Average	5.84%	8.88%

Source: Illinois Department of Employment Security.

- B. The RPLA is either zoned for industrial use or will be so zoned at the time of designation of each individual RPA.
- C. The RPLA is served by adequate road transportation to provide access by the unemployed, and for the movement of goods or materials.
- D. No single RPA (inclusive of RPA #2) will contain more than 2% of the most recently ascertained equalized assessed value of all taxable real properties within the corporate limits of the City at the time such an RPA is formally designated by the City.
- E. The Plan provides for an employment-training project that would prepare unemployed workers for work within RPA #2. This employment-training project is described in Section IX of this Plan and Project #2.

VII. DESCRIPTION OF THE PROJECT BACKGROUND AND PLANS

A. Developers of the Project

The City contemplates entering into a redevelopment agreement, or redevelopment agreements, in order to meet the redevelopment objectives of the RPA #2. As of the date of adoption of this Plan and Project #2, the City was in active negotiations with Harrison Industrial, LLC in relation to that company's request for City TIF assistance in its planned industrial redevelopment project. Under the proposed agreement the City would agree to allow the company to recover part of its TIF-eligible cost for its redevelopment project through a sharing of tax increment revenues that the project is expected to generate. In exchange for this consideration, the company would agree to make a total investment in excess of [\$4.5] million in order to acquire and make substantial upgrades and improvements to the Project Site, and aggressively market the upgraded facilities to a variety of industrial and warehouse distribution users. The result would be the creation and/or retention of ___ jobs for Rockford area residents, thereby contributing to efforts to eliminate the City's status as a labor surplus market. No other agreements were under consideration as of the date of adoption of this Plan and Project #2.

B. Users and Tenants of the Project and Types of Structures and Facilities to be Developed

Kishwaukee/Harrison RPLA (and the related RPAs, including RPA #2, it will contain) will be designed to promote the retention and expansion of industrial-related land uses, with particular emphasis on the available of affordable industrial structures and/or land that can be developed and/or operated at costs attractive to the business community. Types of structures and facilities to be developed and/or recycled include manufacturing, distribution, warehouse, logistics facilities, including ancillary infrastructure support such as underground utilities (telecommunications, water, sanitary, storm, electric, gas), roadways, bridges, railroad sidings, and site preparation. Types of projects that will be pursued by City in connection to the above-stated purposes will be similar in overall nature to the created in association with the Bourn and Koch project, as anticipated via the redevelopment agreement with Harrison Industrial, LLC.

Users and tenants of the project(s) to be developed include, but are not limited to, basic manufacturing and industrial related manufacturing, international freight carriers and freight forwarders, distribution and third-party logistics providers, just-in-time fulfillment centers, service parts repair centers, packaging and repackaging centers, and advanced manufacturing and technology facilities.

Types of projects that will be pursued by City in connection to the above-stated purposes will be similar in overall nature associated with such uses.

C. Plan to Finance Infrastructure to Support the Project

Development of the RPA #2 will require significant redevelopment expenditures for the

redevelopment of existing structures, infrastructure and site preparation. A primary source of revenues to support the redevelopment expenditures is expected to be through the issuance, by the City, of negotiable securities to be supported by TIF revenues to be generated by redevelopment of the Project Site. In the event the City opts to issues such securities in the form of general obligation bonds, then the pledged alternate revenue source for such securities will also be the incremental revenues generated from the tax increment finance district for the RPA #2.

D. Number and Type of Employees

It is anticipated that facilities within the RPA #2 will be renovated to a level of quality that will result in adaptive re-use of up to approximately 346,000 square feet of industrial related building space. The structures located within the RPA #2 will eventually accommodate manufacturing, distribution, and warehouse related facilities, which are projected to employ approximately [] persons upon full lease up of facilities within the entire RPA #2. It is estimated that the RPA #2 will constitute less than 1% of the entire RPLA.

It is estimated that the entire RPLA will evolve to accommodate up to 10,000,000 square feet of industrial related building space (including retention of existing users). The structures located or to be located in the RPLA will accommodate manufacturing, distribution, warehouse and logistics related facilities that are projected to employ approximately 5,000 persons upon full development if total capacity is achieved for the entire RPLA.

The types of users that will locate within the RPA #2 will employ persons in a wide range of occupations such as managerial and professional, machine operators, skilled and semi-skilled workers, distribution and handling, and laborers, as well as administrative support, and accounting and finance. Employment opportunities in this broad range of occupations are well suited to the labor force of the City and the surrounding region.

VIII. REDEVELOPMENT PROJECT

A. Redevelopment Plan and Project Objectives

The City proposes to realize its goals and objectives of encouraging the development of the RPLA, which were identified in the RPLA Plan and Project, and encouraging private investment in industrial redevelopment projects through public finance techniques including, but not limited to, tax increment financing through a series of interconnected RPAs. The RPA #2 is the second of these RPAs to be designated by the City. Utilizing RPA #2, as well preceding and succeeding RPAs within the overall RPLA, the City proposes to undertake a phased overall redevelopment project consisting of industrial and industrial-related uses within several RPAs adopted over the remaining five-year period. The City's objectives would be served through the following:

1. By improving public facilities that may include:
 - i. Street improvements
 - ii. Utility improvements (including water, storm water management, sanitary sewer improvements, and storm water detention facilities, if necessary)
 - iii. Landscaping or streetscaping
 - iv. Signalization, traffic control and lighting
 - v. Pedestrian improvements
2. By entering into redevelopment agreements with various developers, or businesses within the Project area, including provisions for acquisition for end users of the properties.
3. By assisting with site improvements including necessary site preparation, clearance and grading of the entire Project area (or RPLA).
4. By utilizing interest cost write down pursuant to provisions of the Law.
5. By exercising other powers set forth in the Law, as the City deems necessary.
6. By providing job training for community residents.
7. By providing job training assistance to employers located within the RPLA.
8. By providing international trade and marketing assistance to employers located within the RPLA.

B. Redevelopment Activities

Pursuant to the foregoing objectives, the City, under a series of public-private partnership initiatives, will implement a coordinated program of actions, including, but not limited to, land acquisition, site preparation, infrastructure improvements and upgrading, and provision of public improvements, where required.

1. Public Improvements

In accordance with estimates of tax increment and other available resources, the City may provide public improvements within or without the RPA #2 to enhance the immediate area as a whole, to support the Project and the Plan #2, and to serve the needs of community residents. Appropriate public improvements may include, but are not limited to:

- Construction of new streets, sidewalks, turning lanes, traffic signals, curb and gutters, and pedestrian-ways;
- Improvements of public utilities including construction of sanitary sewer and storm sewer, detention ponds, wetlands mitigation, signalization improvements, and streetlighting; and
- Construction of public buildings required to provide municipal services in the RPA #2.

The City may determine at a later date that certain improvements are no longer needed or appropriate, or may add new improvements to the list. The type of public improvement and cost for each item is subject to City approval and to the execution of redevelopment agreements for any proposed project in a form acceptable to the City.

2. Site Preparation

The Plan contemplates site preparation (including demolition and removal of structures and environmental remediation) or other requirements necessary to prepare sites within the RPA #2 for either redevelopment of existing, or new uses. The above will serve to enhance site preparation for the implementation of the Plan and Project #2.

3. Interest Cost Write-Down

Pursuant to the Law, the City may allocate a portion of incremental tax revenues to reduce the interest cost incurred in connection with redevelopment activities, enhancing the redevelopment potential of the RPA #2.

4. Job Training

Pursuant to the Law, the City and/or other training providers, may develop and/or participate in job training programs in conjunction with the redevelopment efforts.

5. Taxing District Capital Costs

The City may enter into written agreements with overlapping taxing districts to pay capital costs resulting from the redevelopment of the RPA #2.

6. Land Acquisition

The City may seek to acquire property within the RPA #2 in furtherance of the Plan and Project #2.

C. General Land Use Plan

Existing land uses in the RPA #2 are of primarily existing industrial related uses and some vacant parcels zoned for industrial use. These parcels constitute approximately 31 acres. Existing land uses are shown in Exhibit 4. Proposed land uses are predominantly industrial and shown in Exhibit 5.

The Project and Project #2 shall be subject to the provisions of the City's building, zoning, public works, and other regulatory ordinances as may be amended from time to time. The proposed general land uses will reasonably conform to the City's 2020 Plan and general priorities for the continued growth and development of the City.

D. Estimated Redevelopment Project Costs

Redevelopment project costs mean and include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, as provided in the TIF statute, and any such costs incidental to this Redevelopment Plan and Project #2. Private investments, which supplement "Redevelopment Project Costs", are expected to substantially exceed such redevelopment project costs. Eligible costs permitted under the Law that may be pertinent to this Redevelopment Plan and Project #2 are:

1. Costs of studies and surveys, development of plans and specifications, implementation and administration of the redevelopment plan including, but not limited to, staff and professional service costs for architectural, engineering, legal, marketing, financial, planning, other special services, provided, however, that no charges for professional services may be based on a percentage of the tax increment collected.

2. Property assembly costs within a redevelopment project area, including but not limited to acquisition of land and other real or personal property or rights or interests therein.
3. Site preparation costs, including but not limited to clearance of any area within a redevelopment project area by demolition or removal of any existing buildings, structures, fixtures, utilities and improvements and clearing and grading; and including installation, repair, construction, reconstruction, or relocation of public streets, public utilities, and other public site improvements within or without a redevelopment project area for use in accordance with a redevelopment plan.
4. Costs of the construction of public works or improvements.
5. Costs of eliminating or removing contaminants and other impediments required by federal or State environmental laws, rules, regulations, and guidelines, orders or other requirements or those imposed by private lending institutions as a condition for approval of their financial support, debt or equity, for the redevelopment projects, provided, however, that in the event (i) other federal or State funds have been certified by an administrative agency as adequate to pay these costs during the 18 months after the adoption of the redevelopment plan, or (ii) the municipality has been reimbursed for such costs by persons legally responsible for them, such federal, State, or private funds shall, insofar as possible, be fully expended prior to the use of any revenues deposited in the special tax allocation fund of the municipality and any other such federal, State or private funds received shall be deposited in the fund. The municipality shall seek reimbursement of these costs from persons legally responsible for these costs and the costs of obtaining this reimbursement.
6. Costs of job training and retraining projects.
7. Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued pursuant to the Act accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto;
8. Costs of job training, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in the Redevelopment Project Area; and (ii) when incurred by a taxing district or taxing districts other than the City, are set forth in a written agreement by or among the City and the taxing district or taxing districts,

which agreement describes the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Section 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of The School Code.

9. At the City's option, if deemed prudent by the City for the redevelopment project, interest costs incurred by a developer related to the construction, renovation or rehabilitation of the redevelopment project provided that:
 - a. such costs are to be paid directly from the special tax allocation fund establishment pursuant to the Act; and
 - b. such payments in any one year may not exceed 30% of the annual interest costs incurred by the developer with regard to the redevelopment project during that year; and
 - c. if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund; and
 - d. the total of such interest payments incurred pursuant to the Act may not exceed 30% of the total redevelopment project costs excluding any property assembly costs and any relocation costs incurred pursuant to the Act.

Estimated costs are shown in the next section. Adjustments to these cost items may be made without amendment to the Redevelopment Plan. **The costs represent estimated amounts and do not represent actual City commitments or expenditures. Rather, they are an overall ceiling on possible expenditures of TIF funds in the Redevelopment Planning Area, and will be redistributed within individual Redevelopment Project Areas as such areas are designated by the City within the five-year life and term of the RPLA.**

ESTIMATED RPA #2 TIF ELIGIBLE EXPENSES

PROGRAM ACTIONS/IMPROVEMENTS	ESTIMATED COSTS
Administration (planning, marketing, site management, legal, architects, engineers, other, etc.)	\$100,000
Interest Costs (pursuant to the Law)	\$100,000
Job Training	\$100,000
Rehabilitation of Existing Structures and Facilities	\$3,500,000
Land Acquisition & Assembly	\$1,000,000
Public Facilities(facilities related to delivery of crucial City fire, police, public works and other services)	\$150,000
Public Infrastructure (Roadways, traffic signals, lighting, landscaping, pedestrian improvements, water, sanitary sewer, storm water management, telecommunications, gas, electric, etc.)	\$250,000
Site Preparation (including demolition and environmental remediation)	\$100,000
TOTAL ESTIMATED RPA #2 TIF COSTS:	\$5,200,000.00

- (A) All project cost estimates are in 2008 dollars. In addition to the above stated costs, any issuance of bonds used to finance any phase of the Project may include an amount of proceeds sufficient to pay customary and reasonable charges associated with the issuance of such obligations as well as to provide for capitalized interest and reasonably required reserves. Adjustments to the estimated line item costs above are expected. Each individual project cost will be reevaluated in light of the specific objectives of any specific RPA, or projected private development within such RPA and resulting tax revenues as it is considered for public financing under the provisions of the Law. The totals of line items set forth above are not intended to place a total limit on the described expenditures. Adjustments may be made in line items within the total, either increasing or decreasing line item costs for redevelopment for the RPLA as a whole, or in association with any specific RPA to be designated. Further, the City intends to utilize tax increment within each RPA to promote redevelopment within the entire RPLA (or to any existing or future RPAs located outside of and contiguous to the RPLA) in the manner permitted pursuant to the Law.

E. Sources of Funds to Pay Redevelopment Project Costs Eligible Under the Industrial Jobs Recovery Law

Funds necessary to pay for public improvements or reimburse any developer or business entity for such improvements and other project costs eligible under the Law are to be derived principally from one or more of the following: property tax increment revenues, proceeds from municipal obligations to be retired with tax increment revenues and interest earned on resources available but not immediately needed for the Plan and, at the option of the City, other sources of revenue legally available to the City (including the transfer of TIF proceeds for use from one RPA to another RPA).

"Redevelopment Project Costs" specifically contemplate those eligible public costs set forth in the Law and do not include the private investment projected to take place within the RPA #2. The rehabilitation and/or construction of private structures comprising the Project and Project #2 will be privately financed, and TIF or other public sources are to be used only to leverage and encourage private redevelopment activity, and/or reimburse developers or business entities for part of its costs for public improvements necessary for the Plan and Project #2.

The tax increment revenues which will be used to pay debt service on the tax increment obligations, and to directly pay redevelopment project costs shall be the incremental increase in property taxes attributable to the increase in the equalized assessed value of each taxable lot, block, tract or parcel of real property in the RPA #2 over and above the initial equalized assessed value of each such lot, block, tract or parcel for the RPA #2 in the tax year that the RPA #2 is established.

Among the other sources of funds which may be used to pay for redevelopment project costs and debt service on municipal obligations issued to finance project costs include certain state and federal grants or loans, certain investment income, and such other sources of funds and revenues as may be available to, and as, the City may from time to time deem appropriate.

The RPA #2 would not reasonably be expected to be developed without the use of the incremental revenues provided by the Law.

F. Nature and Term of Obligations to be Issued

The City at its discretion may issue obligations secured by the tax increment special tax allocation fund established for the RPA #2 pursuant to the Law or such other funds as are available to the City by virtue of its power pursuant to the Law or other State Law.

Any and/or all obligations issued by the City pursuant to this Plan and Project #2 and the Law shall be retired not more than twenty-three (23) years (or any such retirement term as may be permitted by amendments to the Law) from the date of adoption of the ordinance approving the RPA #2 under which such obligations are issued. However, the final maturity date of any obligations issued pursuant to the Law may not be later than twenty (20) years from their respective date of issuance. One or more series of obligations may be issued from time to time in order to implement this Plan and Project #2 or any plans associated with this or other RPAs created under this RPLA Plan and Project. The principal and interest on any obligations shall be payable from tax increment revenues and all other sources of funds as may be provided by ordinance at the discretion of the City.

Such securities may be issued on either a taxable or tax-exempt basis, with or without interest, with either fixed rate or floating interest rates; with or without capitalized interest; with or without deferred principal retirement; with or without interest rate limits except as limited by law; and with or without redemption provisions.

Those revenues not required for principal and interest payments, for required reserves, for bond sinking funds, for redevelopment project costs, for early retirement of outstanding securities, and to facilitate the economical issuance of additional bonds necessary to accomplish the Plan and Project #2, may be declared surplus and shall then become available for distribution annually to taxing districts overlapping that the RPA #2 in the manner provided by the Law.

G. Most Recent Equalized Assessed Valuation (EAV) of Properties in the Redevelopment Planning Area

The most recent estimate of equalized assessed valuation (EAV) of the property within the RPLA is approximately \$462,515. The Boundary Map, Exhibit 1, shows the location of the RPLA.

H. Anticipated Equalized Assessed Valuation (EAV)

Upon completion of the anticipated private development of the RPA #2 over an estimated five year period, it is estimated that the equalized assessed valuation (EAV) of the property within the Redevelopment Planning Area will be approximately \$2 million by the completion of the 23-year life of the TIF District. .

IX. JOB TRAINING PROJECT

The City has experienced sustained levels of high unemployment such that it qualifies as a Substantial Labor Surplus Municipality, as defined in the Law. It is expected that the implementation of this Plan and the Project will improve the employment opportunities of community residents.

As one component of this Plan, the City has structured a job-training project (the "Training Project") that will prepare unemployed workers for jobs in the RPA #2. This Training Project will be operated in conjunction with the City and Rock Valley Community College Business and Professional Institute.

Rock Valley College Business and Professional Institute

CONTINUING PROFESSIONAL EDUCATION

The Business and Professional Institute (BPI) at Rock Valley College provides expert training programs tailored to the specific needs of your company. Virtually any subject can be customized to meet the particular needs of any business or work group. Training is provided on-site at or at any business, at Rock Valley College, or at the RVC mobile computer training center. Complete programs are ready to be customized for any industry and any company's employees in the following areas:

- Six Sigma Green and Black Belt programs
- Lean Manufacturing
- Management and Supervisory Skills
- Quality Systems
- Computer software

COMPANY NEEDS ASSESSMENTS

- We can help any company determine best opportunities for cost reductions by assessing their: Performance measures, Production area, and Organizational culture.
- Computer skills, using on-line assessment or Scantron sheets.
- Soft skills to determine what a company's employees think of their supervisors, performance review process, customer service skills, or other areas.

BASIC AND ADVANCED SKILLS TRAINING

After the Needs Assessment is completed, curriculum can be developed to provide training to meet the job skills requirements of the employer. Training can be structured for specific employer needs in the areas of technology and modernization in the workplace, computer skills and supervisory/management skills for supervisors and line managers.

TRAINERS

Our trainers have a wide and diversified background of knowledge, business experience, and education. Typically, our trainers have a bachelor's degree or higher with five to ten years of professional business experience. Most of our computer trainers are Certified Microsoft Master Instructor and Certified Microsoft Office Master – Expert level.

CONTINUING PROFESSIONAL EDUCATION

In addition to the customized training offered through the BPI, the Continuing Professional Education Department provides courses in vocational areas such as accounting, computer skills training, supervisory/management skills, APICS Inventory Management series, OSHA courses, EPA Certification, Refrigeration/Heating, Industrial Maintenance courses (drafting, hydraulic systems, machine maintenance and trouble shooting), Multi-skilled Technician (electricity, electronics, material fabrication, intro and core competencies for multi-skilled technicians, etc.), Electrical and Electronics Maintenance (AC circuits and measurements, AC/DC motors, electronic systems, programmable logic controllers, etc) and Automation Skills Training (Blueprints and measurement, CNC lathes, milling machines, cutting tools, etc.).

Courses offered through Continuing Professional Education can be offered to a business or company either on or off-site. Courses are taught by part-time instructors who have expertise in their particular vocation or field.

- **Class Description**

The Rock Valley College Adult Education Program will establish a customized basic skills curriculum for unemployed adults, as determined by the City of Rockford. Such classes may include instruction in the areas of G.E.D. preparation, English as a Second Language, and Literacy skills in the areas of basic reading, writing, and math. Classes will employ a number of instructional methods to ensure student learning gains and success. Included in those methods will be group, individualized and computer-aided instruction. Each class will accommodate 12-15 students on an ongoing basis, and new students will be able to enter the class on a monthly basis. Information will also be supplied to the City which describes existing grant-funded classes throughout the district.

Pre- and post-testing will be conducted for all students with the use of the Test of Adult Basic Education (TABE) to determine individual skill levels, to prepare an individualized educational plan for each student, and to measure educational gains. Teacher-made assessment tools will also be utilized to provide on-going evaluation of student gains along with anecdotal commentary that is kept in the student's file. Samples of student's work will be kept in their files to show learning gains. Students will be assisted in setting long and short-term goals and will periodically review their progress toward attainment of such goals. Computer-aided instruction will be implemented into the program to provide students with immediate feedback regarding progress, reinforcement and drill to lessons that have been presented, while, at the same time, providing a format to evaluate student progress. Computer-aided instruction also aids

in improving student self-esteem and attendance, both of which add greatly to educational gains. Assessment of educational gains may also be made in individual lessons and in teacher observations of mastery of individual concepts.

In order to assure professionalism and access to current and effective teaching methods, staff development opportunities will be made available to the instructor of this class, along with access to Adult Education Program resources.

TRAINING FOR DISLOCATED WORKERS

These programs and courses are also approved as Intensive Service courses through the Workforce Investment Act for the Dislocated Workers' program and are offered to provide workforce development for unemployed workers.

- **RVC Dislocated Worker Program/Proposed Kishwaukee/Harrison Industrial Redevelopment Planning Area**

The mission of the RVC Dislocated Workers Program is to accept unemployed workers who have lost their jobs through no fault of their own, and assist them in finding new employment. This program year DWP anticipates serving 1000 people. DWP normally will average approximately an 80% entered employment rate and retained employment rate. Our credential attainment rate is typically around 50%. The program is a federal grant through the Workforce Investment Act. The program is eligibility-based, meaning not all people that are unemployed are eligible to participate. Once determined eligible and enrolled in DWP, participants become eligible for approved training based on their skills, desires, and capabilities. The areas of training that we can fund are approved by the local Workforce Investment Board (WIB) and are considered by the WIB to be employable in this region. Examples of the training range from short term continuing education computer classes, to accounting, manufacturing technology, computer-related certificates and AAS degrees, mechanical design, and much more. The areas of approved training change from time to time. Sometimes a particular area of training is deleted because no hiring is occurring in that area, and other times training is added because of a demand for it and/ or a request by a provider is approved. There are also limited On-the-Job Training funds available to assist our participants in finding work. Basically, a participant finds a potential job, applies for it, and, if the company is interested in hiring that person, our OJT funds can sometimes be used to tip the balance in favor of our participant. Our OJT funds can be used to reimburse the employer half the participant's starting salary for up to six months. The timeframe is negotiable based on the amount or level of training that is determined to be needed. If a new employer were to come to the area and need employees with specific types of training, current participants in DWP may be able to take the desired training if it is already on our approved list. If the training desired is currently not on our approved list, it could possibly be added if a provider applied to the local WIB. Or the training might simply be added, with WIB approval, if an already approved provider were willing to add it to the approved list. The DWP does not provide training to those already employed full time.

SUMMARY

Whatever your training needs, we will make every effort to provide qualified trainers and curriculum to meet the needs of the employer's job requirements.

X. COMMITMENT TO FAIR EMPLOYMENT PRACTICES AND AFFIRMATIVE ACTION

As part of any Redevelopment Agreement entered into by the City and any private developers, both will agree to establish and implement an honorable and progressive affirmative action program that serves appropriate sectors of the City. The program will conform to the most recent City policies and plans.

With respect to the public/private development's internal operations, both entities will pursue employment practices that provide equal opportunity to all people regardless of sex, color, race, or creed. Neither party will countenance discrimination against any employee or applicant because of sex, marital status, national origin, age, or the presence of physical handicaps. These nondiscriminatory practices will apply to all areas of employment, including: hiring, upgrading and promotions, terminations, compensation, benefit programs and education opportunities.

All those involved with employment activities will be responsible for conformance to this policy and the compliance requirements of applicable state and federal regulations.

The City and private developers will adopt a policy of equal employment opportunity and will include or require the inclusion of this statement in all contracts and subcontracts at any level. Additionally, any public/private entities will seek to ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which all employees are assigned to work. It shall be specifically ensured that all on-site supervisory personnel are aware of and carry out the obligation to maintain such a working environment, with specific attention to minority and/or female individuals.

Finally, the entities will utilize affirmative action to ensure that business opportunities are provided and that job applicants are employed and treated in a nondiscriminatory manner. Underlying this policy is the recognition by the entities that successful affirmative action programs are important to the continued growth and vitality of the community.

XI. COMPLETION OF REDEVELOPMENT PROJECT AND RETIREMENT OF OBLIGATIONS TO FINANCE REDEVELOPMENT COSTS

This Redevelopment Project #2 and retirement of all obligations to finance redevelopment costs will be completed within twenty-three (23) years after the adoption of an ordinance designating this Redevelopment Project Area #2, although certain obligations may extend into tax collection year for that twenty-third year assessment cycle after such adoption. The actual date for such completion and retirement of obligations for this Redevelopment Project Area #2 shall not be later than December 31 of the year in which the payment to the municipal treasurer pursuant to the Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year in which the respective ordinance approving this RPA #2 is adopted. Actual construction activities are anticipated to be completed within approximately twenty years from the date of adoption of this Redevelopment Project #2.

**XII. PROVISIONS FOR AMENDING THE TAX INCREMENT
REDEVELOPMENT PLAN AND PROJECT**

This Redevelopment Plan and Project #2 shall expire no later than twenty-three (23) years from the date of adoption of the ordinance approving this Plan and Project #2 and may be amended pursuant to the provisions of the Law.

Exhibit 1

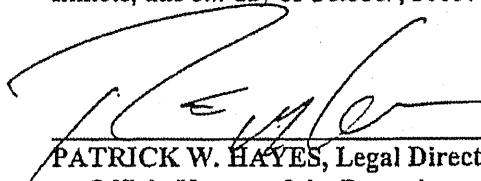
**CITY OF ROCKFORD
KISHWAUKEE/ HARRISON
INDUSTRIAL REDEVELOPMENT PLANNING AREA
REDEVELOPMENT PLAN AND PROJECT
(ADOPTED SEPTEMBER 19, 2005)**

FILE COPY

STATE OF ILLINOIS)
COUNTY OF WINNEBAGO) SS
CITY OF ROCKFORD)

I, PATRICK W. HAYES, Legal Director and ex officio Keeper of the Records and Seal of the City of Rockford, County of Winnebago, State of Illinois, do hereby certify that the foregoing is a true and correct copy of *Ordinance No. 2005-176-0* passed by the City Council of the City of Rockford at its meeting held on *September 19, 2005*.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Corporate Seal of the City of Rockford, Illinois, this *6th* day of *October, 2005*.



PATRICK W. HAYES, Legal Director and
ex-Officio Keeper of the Records and Seal

(SEAL)

FILED - CO. CLERK
OCT 12 2005
DAVID F. JOHNSON

STATE OF ILLINOIS)
) SS
COUNTY OF WINNEBAGO)

CERTIFICATE OF PUBLICATION IN PAMPHLET FORM

I, the undersigned, do hereby certify that I am the duly qualified and acting Legal Director and ex officio Keeper of the Records and Seal of the City of Rockford, Winnebago County, Illinois (the "City"), and as such official I am the keeper of the official journal of proceedings, books, records, minutes and files of the City and of the City Council (the "City Council") thereof.

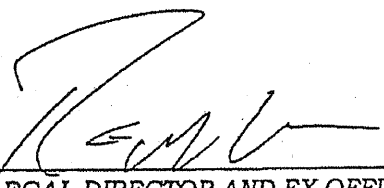
I do further certify that on the 26th day of September, 2005, there was published in pamphlet form, by authority of the City Council, a true, correct and complete copy of Ordinance No. 2005-176-0 entitled:

**AN ORDINANCE DESIGNATING THE KISHWAUKEE/HARRISON
REDEVELOPMENT PLAN AND PROJECT IN THE CITY OF ROCKFORD,
COUNTY OF WINNEBAGO, STATE OF ILLINOIS**

and said ordinance as so published was on said date readily available for public inspection and distribution, in sufficient number, at my office as Legal Director and ex officio Keeper of the Records and Seal located in the City.

IN WITNESS WHEREOF I have affixed hereto my official signature and the seal of the City, this 26th day of September, 2005.

[SEAL]



LEGAL DIRECTOR AND EX OFFICIO
KEEPER OF THE RECORDS AND SEAL

AN ORDINANCE APPROVING THE
KISHWAUKEE/HARRISON
REDEVELOPMENT PROJECT AREA AND
REDEVELOPMENT PLAN AND PROJECT
IN THE CITY OF ROCKFORD, COUNTY OF WINNEBAGO, STATE OF ILLINOIS

WHEREAS, the Mayor and City Council of the City of Rockford, Winnebago County, Illinois has heretofore adopted and approved the KISHWAUKEE/HARRISON REDEVELOPMENT PROJECT AREA AND REDEVELOPMENT PLAN AND PROJECT (the "Plan" and the "Project") with respect to which a public hearing was held on August 11, 2005, and it is now necessary and desirable to designate the area referred to in said Plan as a Redevelopment Planning Area:

NOW, THEREFORE BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF ROCKFORD, ILLINOIS, as follows:

SECTION 1: The following area described in Exhibit "A" attached hereto is hereby designated as a Redevelopment Planning Area pursuant to Section 11-74.6-15 of the Industrial Job Recovery Law, 65 ILCS Section 5/11-74.6-1 et. seq., as amended.

SECTION 2: The Plan and the Project which were the subject matter of the JRB hearing held August 11, 2005 is hereby adopted and approved. A copy of the Plan is attached hereto as Exhibit "B" and made a part of this Ordinance.

SECTION 3: All Ordinances or parts of ordinances in conflict herewith are to the extent of such conflict, hereby repealed.

SECTION 4: If any provision, clause, sentence, paragraph, section, or part of this Ordinance or application thereof to any person, firm, corporation, public agency or circumstance, shall, for any reason, be adjudged by a court of competent jurisdiction to be unconstitutional or invalid, said judgment shall not affect, impair or invalidate the remainder of this Ordinance and

the application of such provision to other persons, firms, corporation, or circumstances involved.

It is hereby declared to be the legislative intent of the Corporate Authorities that this Ordinance would have been adopted had such unconstitutional or invalid provision, clause, sentence, paragraph, section, or part thereof not been included.

SECTION 4: This Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law.

APPROVED:

MAYOR

ATTESTED:

LEGAL DIRECTOR

PASSED: 9/19/05

APPROVED: 9/26/05

PUBLISHED: 9/26/05

ATTESTED and FILED in my office this 26th day of September, 2005, and published in pamphlet form this 26th day of September, 2005.

Legal Director and ex officio
Keeper of the Records and Seal

Published in pamphlet form this 26th day of September, 2005, by order of the City Council of the City of Rockford, Illinois.

EXHIBIT

A

KISHWAUKEE/Harrison AREA INDUSTRIAL DEVELOPMENT PLANNING AREA

All of that part of the City of Rockford, County of Winnebago and State of Illinois bounded and described as follows, to-wit: Beginning at the intersection of the West right-of-way line of 9th Street and the North right-of-way line of Harrison Avenue; thence South to the intersection of the said West right-of-way line of 9th Street and the South right-of-way line of said Harrison Avenue; thence continuing South along the West right-of-way line of said 9th Street to its intersection with the North right-of-way line of Alton Avenue; thence West to the Southwest corner of Lot 133 of Harrison 2nd Addition Subdivision; thence continuing South along the West line of said Harrison 2nd Addition Subdivision to its intersection with the North right-of-way line of Wills Avenue; thence West along said North right-of-way of Wills Avenue to the Northwest corner of Eighth Street and Wills Avenue; thence Northwesterly to the Northwest corner of said Eighth Street and said Wills Avenue; thence Southwesterly to the Southwest corner of said 8th Street and said Wills Avenue; thence South along the said 8th Street to its intersection with the North line of Block 40 of the Subdivision of Blocks 21 & 22 Kinsey's Little Farms; thence West along the North line of Blocks 40 and 39 of said Subdivision of Blocks 21 & 22 Kinsey's Little Farms to the Northwest corner of said Block 39 of said Subdivision of Blocks 21 & 22 Kinsey's Little Farms; thence South along the West line of said Block 39 to its intersection with the North right-of-way line of Brooke Road; thence West along said North right-of-way line to its intersection with the Northeasterly right-of-way line of the B & N Railroad right-of-way; thence Northwesterly along said Northeasterly right-of-way line to its intersection with the West right-of-way line of Kishwaukee Street; thence South along the West right-of-way line of Kishwaukee Street to its intersection with the North right-of-way line of South Avenue; then West along the said North right-of-way of South Avenue to the Northeast corner of South Avenue and Kling Street; thence North along the East right-of-way line of said Kling Street to the Northeast corner of the intersection of said Kling Street and Rock River Avenue; thence West along the North right-of-way line of said Rock River Avenue to the Southeast corner of Lot 23 of Block 11 of Gottfried's Subdivision; thence North along the East line of said Lot 23 of Gottfried's Subdivision to the Northeast corner of said Lot 23; thence West along the North line of Lots 23, 22, 21, 20 and 19 and its projection West to the West right-of-way line of Olsen Street; thence South along said West line of Olsen Street and its projection South to the South right-of-way line of Score Street; thence East along said South right-of-way line of Score Street to its intersection with the West line of Lot 4 of Nocomo Heights Subdivision; thence South along said West line of Lot 4 of Nocomo Heights Subdivision to the North line of Lot 5 of said Nocomo Heights Subdivision; thence West along said North line of Lot 5 of Nocomo Heights Subdivision to the Northwest corner of said Lot 5 of Nocomo Heights Subdivision; thence South along said West line of Lot 5 of Nocomo Heights Subdivision to the Southwest corner of said Lot 5 of Nocomo Heights Subdivision; thence West parallel with the South line of the Northwest Fractional Quarter of Section 2 and the Northeast Fractional Quarter of Section 3, all in Township 43 North, Range 1 East of the Third Principal Meridian, 1,747.85 feet; thence North perpendicular to the last described course a distance of 272.11 feet; thence West parallel with said South line of the Northwest Fractional Quarter of Section 2 to the East bank of the Rock River; thence Northwesterly along the East bank of the Rock River to its intersection with the North right-of-way line of Harrison Avenue; thence Northwesterly to the Southeast corner of the real property conveyed by the Quaker Oats Company to the City of Rockford

by warranty deed recorded as Document No. 74-06-0447 in the office of the Winnebago County Recorder; thence North and Northwesterly along the Easterly line of the real property conveyed by the Quaker Oats Company to the City of Rockford by warranty deed recorded as Document No. 74-06-0447 in the office of the Winnebago County Recorder to the North line of the Rockford Sand and Gravel Company's Subdivision; thence East along the North line of said Rockford Sand and Gravel Company's Subdivision to the Southwest corner of Lot 80 of Park Village Subdivision; thence continuing East along the South line of said Park Village Subdivision to the Southeast corner of Lot 93 of said Park Village Subdivision; thence North along the East line of said Lot 93 of Park Village Subdivision and its projection North to its intersection with the South line of Forbes Subdivision; thence East along the South line of said Forbes Subdivision to the Southeast corner of Lot 15 of said Forbes Subdivision; thence Southeasterly across Magnolia Street and along the Southwesterly line of Lot 14 of said Forbes Subdivision and its projection Southeasterly to the East right-of-way line of Seminary Street; thence Northeasterly and North along said East right-of-way line of Seminary Street to the Northeast corner of the intersection of said Seminary Street and Blackhawk Park Avenue; thence West along the North right-of-way line of said Blackhawk Park Avenue to the Northeast corner of the intersection of said Blackhawk Park Avenue and Christina Street; thence North along the East right-of-way line of said Christina Street to the Southwest corner of Lot 18 of Blackhawk Park Subdivision; thence East along the South line of said Blackhawk Park Subdivision to the Southeast corner of Lot 19 of said Blackhawk Park Subdivision, said point being on the West right-of-way line of Magnolia Street; thence East across Magnolia Street and along the South line of Lots 34 and 42 of said Blackhawk Park Subdivision and its projection East to the Southwest corner of Lot 15 in Block 2 of Meadow Stream Subdivision; thence continuing East along the South line of said Subdivision and continuing East across the B & N Railroad right-of-way to the Southeast corner of Lot 3 in Block 1 of said Meadow Stream Subdivision, said point being on the West right-of-way line of Kishwaukee Street; thence South along the West right-of-way line of said Kishwaukee Street 150 feet; thence West parallel with the South line of Block 1 of said Meadow Street Subdivision a distance of 100 feet; thence South parallel with the West right-of-way line of said Kishwaukee Street to its intersection with the North right-of-way line of Eighteenth Avenue; thence East along the said North right-of-way line of Eighteenth Avenue to the West right-of-way line of Kishwaukee Street; thence South across Eighteenth Avenue and along said West right-of-way line of Kishwaukee Street to its intersection with the South line of Twentieth Avenue projected West; thence East along the South line of said Twentieth Avenue to the Northwest corner of Lot 1 in Block 6 of Haines Subdivision, said point being the Northeast corner of the alley running North and South in said Block 6 of Haines Subdivision; thence South along the East line of said alley and Lots 1, 2 and 3 of said Block 6 of Haines Subdivision and continuing along the West line of Lots 34, 33, 32, 31, 30, 29, 28, 27, 26, 25, 24, 23, 22 and 21 to the Southwest corner of Lot 21 of Eastwood & Stockburger's Subdivision; thence Southeasterly to a point on the South line of an East and West alley, said point being 12 feet East of the Northwest corner of Lot 18 of said Eastwood & Stockburger's Subdivision; thence South parallel with the West right-of-way line of 4th Street to the North right-of-way line of Twenty-second Avenue; thence Southwesterly to a point on the South right-of-way line of said Twenty-second Avenue, said point being 165 feet, plus or minus, West of the West right-of-way line of 4th Street and also being a point on the centerline of a vacated North and South alley; thence South along said centerline of said vacated alley and its projection to a point on the South right-of-way line of Twenty-third Avenue; thence East along said South right-of-way line to the Southwest corner of the intersection of Twenty-third Avenue and 9th Street; thence Southeasterly to the Southeast corner of the intersection of said Twenty-third Avenue and 9th Street;

thence East along the South right-of-way line of said Twenty-third Avenue to its intersection with the West right-of-way line of 11th Street; thence North along said West right-of-way line to its intersection with the North right-of-way line of Twenty-third Avenue projected West; thence East along the said North right-of-way line of Twenty-third Avenue to the Southeast corner of Lot 21 of Kennedy's Addition; thence North along the East line of Lots 21 and 27 of said Kennedy's Addition to the Northeast corner of said Lot 27, said point being on the South right-of-way line of Twenty-second Avenue; thence East along said South right-of-way line to the East right-of-way line of 12th Street; thence North along the East right-of-way line of 12th Street to its intersection with the North right-of-way line of Twentieth Avenue; thence West along the said North right-of-way line of Twentieth Avenue to the Northwest corner of the intersection of Twentieth Avenue and 7th Street; thence North along the West right-of-way line of said 7th Street a distance of 219 feet; thence West on a line parallel with the North line of Twentieth Avenue to its intersection with the West line of a North and South alley now vacated; thence North along the West line of said vacated alley to its intersection with the South line of Lot 1 of Block 2 of Haines Subdivision projected East; thence West and along the South line of said Lot 1 to the East right-of-way line of 6th Street; thence North along said East right-of-way line of 6th Street to the Southeast corner of the intersection of 6th Street and Eighteenth Avenue; thence East along the South right-of-way line of Eighteenth Avenue to the Southwest corner of the intersection of said Eighteenth Avenue and 12th Street; thence South along the West right-of-way line of said 12th Street to the North right-of-way line of the I.C.G. Railroad right-of-way now vacated; thence East along the North line of said vacated railroad right-of-way to the East right-of-way line of said 12th Street; thence South along the projection of said East right-of-way line of 12th Street to the South line of said vacated railroad right-of-way; thence East along the South line of said vacated railroad right-of-way line to a point on the centerline of 13th Street now vacated; thence North along the centerline of said vacated 13th Street to its intersection with the South line of said vacated railroad right-of-way; thence Northeasterly along the South right-of-way line of said vacated railroad right-of-way to its intersection with the East right-of-way line of 13th Street now vacated; thence South along said East right-of-way line to the Northwest corner of Lot 2 of Block 13 of Budlong's Subdivision; thence Northeasterly along the South line of said Lot 2 and along the South right-of-way line of said vacated I.C.G. railroad right-of-way to the South right-of-way line of Eighteenth Avenue; thence East along the said South right-of-way line of Eighteenth Avenue to its intersection with the West right-of-way line of 14th Street; thence South along the said West right-of-way line of 14th Street to the Southeast corner of Lot 6 of Block 16 of Syndicate Subdivision; thence East along the projection of the South line of said Lot 6 a distance of 33 feet to the centerline of said 14th Street; thence South along the centerline of said 14th Street to the South right-of-way line of Twentieth Avenue projected West; thence East to the Southeast corner of the intersection of said Twentieth Avenue and said 14th Street, said corner being the Northwest corner of Lot 1 of Block 25 of said Syndicate Subdivision; thence South along the West line of said Lot 1 to the Southwest corner of said Lot 1; thence East along the South line of Blocks 25, 26 and 27 of said Syndicate Subdivision and continuing East across 17th Street now vacated and along the South line of the Plat of Subdivision for the Sunnyside Resubdivision of Blocks 1, 2, 4 & 5 and the South line of Sunnyside Subdivision to a point 20 feet West of the Southeast corner of Lot 5 of Block 5 of the said Sunnyside Resubdivision of Blocks 1, 2, 4 & 5; thence South perpendicular to the last described course a distance of 18 feet, more or less, to the centerline of the tracks in the I.C.G. Railroad right-of-way now vacated; thence East along said centerline a distance of 70 feet to a point 18 feet, plus or minus, perpendicularly distant from and South of the Southeast corner of Lot 4 of said Sunnyside Resubdivision of Blocks 1, 2, 4 & 5; thence North a distance of 18 feet, plus or

minus, to the Southeast corner of Lot 4 of said Sunnyside Resubdivision of Blocks 1, 2, 4 & 5; thence East along the South line of said Sunnyside Resubdivision of Blocks 1, 2, 4 & 5 to its intersection with the Westerly right-of-way line of the I.C.G. Railroad right-of-way; thence Southeasterly along said Westerly right-of-way line to its intersection with the East line of the Northwest Quarter of Section 6, Township 43 North, Range 2 East of the Third Principal Meridian; thence South along said East line to a point North $00^{\circ} 16' 12''$ West and 1,325.83 feet distant from the Southeast corner of said Northwest Quarter; thence South $89^{\circ} 43' 48''$ West a distance of 570 feet; thence South $20^{\circ} 07' 51''$ West a distance of 12.72 feet; thence South $52^{\circ} 27' 07''$ East a distance of 727.16 feet to the East line of said Northwest Quarter; thence South $00^{\circ} 16' 12''$ West along said East line a distance of 802.05 feet to a point 66 feet North of the Southeast corner of said Northwest Quarter; thence West parallel with the South line of said Northwest Quarter to a point 33 feet East of the centerline of 24th Street; thence North parallel with said centerline of 24th Street a distance of 602.36 feet; thence West 33 feet along the centerline of Reed Avenue projected East to the centerline of 24th Street; thence North along the centerline of said 24th Street to its intersection with the South line of Johnson Bros. Industrial Park Subdivision projected East; thence West and along the South line of said Johnson Bros. Industrial Park Subdivision to the Southwest corner of Lot 3 of said Johnson Bros. Industrial Park Subdivision; thence West along the projection of said South line a distance of 121 feet; thence North parallel with the East right-of-way line of 20th Street a distance of 60 feet; thence West to the East right-of-way line of 20th Street, said being a 125 feet South of the South right of way line of Laud Drive; thence North along said East right-of-way line of 20th Street to the Northeast corner of the intersection of said 20th Street and Harrison Avenue; thence West along the North right-of-way line of said Harrison Avenue to the point of beginning.

Excepting therefrom all of that part of Harrison Avenue Subdivision, the Plat of which is recorded on Book 12 of Plats on Page 16 in the office of the Winnebago County Recorder, bounded and described as follows, to-wit: Beginning at the intersection of the South right-of-way line of Harrison Avenue with the West line of said Harrison Avenue Subdivision; thence South along the West line of said Subdivision to the Southwest corner of said Subdivision; thence East along the South line of the said Subdivision to its intersection with the East right-of-way line of 6th Street; thence North along said East right-of-way line to the Northwest corner of Lot 43 of said Harrison Avenue Subdivision; thence East along the North line of said Lot 43 to a point 100 feet West of the Northeast corner of said Lot 43; thence North parallel with the East line of said Subdivision a distance 100 feet to the South line of Lot 46 of said Harrison Avenue Subdivision; thence West along the South line of said Lot 46 a distance of 50 feet; thence North parallel with the East line of said Subdivision a distance of 200 feet to the North line of Lot 49 of said Harrison Avenue Subdivision; thence West along the said North line a distance of 60 feet to the Southeast corner of Lot 46 of said Harrison Avenue Subdivision; thence North along the East line of said Lot 46 and continuing along the East line of Lot 1 of said Harrison Avenue Subdivision to its intersection with the South right-of-way line of Harrison Avenue; thence West along the said South right-of-way line to the point of beginning.

All situated in the City of Rockford, County of Winnebago and State of Illinois.

EXHIBIT

B



CITY OF ROCKFORD

**Kishwaukee/Harrison
Industrial Redevelopment Planning Area**

REDEVELOPMENT PLAN AND PROJECT

TAX INCREMENT FINANCE DISTRICT

City of Rockford, Illinois

DRAFT

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LIST OF EXHIBITS

Exhibits

- Exhibit 1 - Redevelopment Planning Area Boundary Map
- Exhibit 2 - Rockford Area Quick Reference Guide (published by Rockford Area Economic Development Council)
- Exhibit 3 - Redevelopment Planning Area: Potential Sub-Areas Map
- Exhibit 4 - Redevelopment Planning Area Legal Description
- Exhibit 5 - Redevelopment Planning Area Existing Land Uses
- Exhibit 6 - Redevelopment Planning Area Proposed Land Uses

I. INTRODUCTION

A. The Proposed Kishwaukee/Harrison Industrial Redevelopment Planning Area

The proposed Kishwaukee Area Industrial Development Planning Area (RPLA) is located immediately east of the Rock River within that portion of the south-central part of the City of Rockford (the "City") that is primarily characterized by aging industrial infrastructure. This industrial infrastructure includes a multitude of older industrial buildings and complexes that are generally situated in areas adjacent to both the Harrison Street corridor (between the Rock River on the west and 20th Street on the east) and the Kishwaukee Avenue corridor (between Sylvia Street on the north and Brooke Street on the south). More specifically, The RPLA is generally bounded (as follows):

On the north by Sylvia Street between the Rock River and Christina Street, 17th Avenue between Christina Street and Kishwaukee Avenue, 23rd Avenue between Kishwaukee Avenue and 12th Street, 19th Avenue between 5th Street and 14th Street and 20th Avenue between 14th Street and 20th Street; on the east by 14th Street between 18th Avenue and 20th Avenue, 20th Street between 20th Avenue and Harrison Avenue and 9th Street between Harrison Avenue and Brooke Street; on the south by Brooke Street between the Rock River and 9th Street and Harrison Avenue between 9th Street and 20th Street; and, on the west by the Rock River between Brooke Street and Sylvia Street and Christina Street between Sylvia Street and 17th Avenue.

The RPLA consists of approximately 389 parcels equating to 963 acres of land.

(See Exhibit 1 for a map of the RPLA).

This Redevelopment Plan and Project (the "Plan") is intended to serve as a mechanism for the City to redevelop the entire RPLA through the creation of individual sub-areas that will each be designated as specific redevelopment project areas (the "RPA" or the "RPAs") or TIF Districts. The utilization of this redevelopment mechanism is a device permitted pursuant to the Industrial Jobs Recovery Law, Section 65, ILCS 5/11-74.6-10(p) (the "Law"). Pursuant to that Section, a "Redevelopment Planning Area" means:

"...an area so designated by a municipality after the municipality has complied with all the findings and procedures required to establish a redevelopment project area, including the existence of conditions that qualify the area as an industrial park conservation area, or an environmentally contaminated area, or a vacant industrial buildings conservation area, or a combination of these types of areas, and adopted a redevelopment plan and project for the planning area and its included redevelopment project areas. The area shall not be designated as a redevelopment planning area for more than 5 years. At any time in the 5 years following that designation of the redevelopment planning area, the municipality may designate the redevelopment planning area, or any portion of the redevelopment area, as a redevelopment project area without making additional findings or complying with additional procedures required for the creation of a redevelopment project area. An amendment of a redevelopment plan and project in accordance with

the findings and procedures of this Act after the designation of a redevelopment planning area at any time within the 5 years after the designation of the redevelopment planning area shall not require new qualification of the findings for the redevelopment project area to be designated within the redevelopment planning area."

The City views the use of this application of the Law for the designation of the RPLA as an important counter measure to the long-term decline in manufacturing, employment and income the community has suffered over approximately the last thirty (30) years. The RPLA as a whole has been burdened by aging industrial infrastructure that has contributed to substantial instances of vacant and underutilized industrial buildings that once housed a significant portion of the City's manufacturing employers and property tax payers. Additionally, many of the businesses that remain are operating in facilities that are burdened by growing functional and economic obsolescence, given present day standards for efficient industrial plant operations, and such conditions constitute a gathering threat for additional plant closures within the RPLA. Existing adverse conditions in the area also undermine the marketability of the remaining industrial properties within the area, which serves to make it less attractive for new or expanded business ventures. Together these circumstances have led to a lack of the private sector investment and development on the scale that is needed to reverse the economic decline that today characterizes the RPLA as a whole.

The City believes that the RPLA includes sub-areas that are strategically important to its efforts to attract private sector investment into the central industrial core of the community. The attraction of such investment can only be made possible by an economic development strategy that will result in both a dramatic improvement in the physical appearance of the area, and substantial upgrades to its supporting public infrastructure systems (i.e. sewer, water, roads, etc). Additionally, such a strategy must balance the capability of generating substantial financial resources, to induce private sector investment, with the flexibility for the City to formulate strategic public-private sector partnerships quickly and efficiently so that opportunities that arise to increase (and just importantly to retain) employment and tax base for the community are not lost. The City proposes to employ the resources made possible by the creation of the RPLA, as well as the subsequent establishments of the individual RPAs, to accomplish these important goals.

B. City of Rockford and the Rockford MSA

The City is located approximately 65 miles northwest of Chicago's O'Hare International Airport. The City, which has an approximate population of 150,000, is the center of the Rockford Statistical Metropolitan Area (MSA), encompassing a population of over 371,000 people. The Rockford area is well known for its traditionally strong manufacturing base, and by the late 1990's had become the fourth largest location for high-tech jobs in the Great Lakes region. A detailed reference guide, prepared by the Rockford Area Economic Development Council (the "Rockford Area Economic Development Council"), the area's lead economic development agency, provides an economic profile of the City and the Rockford MSA. This is provided herein as Exhibit 2.

The Rockford MSA's central location positions it well for the movement of goods and services throughout the United States and North America. The Rockford MSA has access to interstate travel via

Interstate 90, Interstate 39 and Interstate 88, as well as connecting access through US Route 20 and US Route 51/251. Additionally, nine (9) State Highways including IL 2, IL 26, IL 38, IL 64, IL 70, IL 72, IL 75, IL 76, and IL 173 serve the Rockford MSA. Sixty- (60) truck carriers, which operate out of thirty-seven (37) terminals, serve the region, and the Rockford MSA has access to national markets via extensive rail through five major rail carriers. Additional access to U.S. markets has been further enhanced by the rapid growth of the Northwest Chicagoland International Airport at Rockford (RFD) (the "Airport") as a major regional and national air cargo hub. This status was achieved with the 1994 installation of the second largest sorting hub for the UPS system at the Airport. The airport now provides domestic and international passenger service.

The Airport is also the Rockford MSA's key strategic asset in providing business access to the international marketplace. An important component to the City's, and the Rockford Area Economic Development Council's, economic development strategy for the region is to fully utilize this asset to further promote Rockford as an important midwestern international trade area. For this purpose, the City has entered into a strategic partnership with the Rockford Area Economic Development Council and others to establish the RPLA as an additional resource to help foster stabilization and growth of manufacturing focused on international trade for the northern Illinois region.

The RPLA incorporates a portion of the City that represents one of its largest and oldest industrial areas. Remaining industrial buildings and complexes within the area generally range in age anywhere between [40 to over 80?] years old. This means that the area also is served by an aged public infrastructure system that is not suited to serve significant new industrial developments, and is a meaningful threat to the City's ability to retain, let alone attract, industrial businesses for the area. Additionally, while the RPLA includes a significant land area, there is very little of it that is vacant and usable to attract new industrial development. Thus, any private sector initiatives to promote new industrial development into the area are frustrated by the lack of land that would be suitable for newer facilities. This problem is further aggravated by the presence of adverse environmental factors associated with many of the existing industrial facilities, which make them poor candidates for demolition and re-use for new industrial development. Evidence of this problem is provided by the fact that at least 50% of the RPLA is included in the Southeast Rockford (Federal) Superfund Area.

In summary, the RPLA is dominated by obsolete, aging and substandard manufacturing facilities that do not meet the needs of current manufacturers and distributors. Additionally, there exist many abandoned or vacant manufacturing facilities that require extraordinary levels of financial investment to bring the structures into compliance with current standards for modern day industrial operations. The level of investment required to accomplish this is such that the private sector has been unable or unwilling to take the lead in the redevelopment of the area.

The City has determined that it cannot proceed with its plans to promote the targeted area for private sector development and redevelopment without the public finance participation made possible with the designation of the entire area as an RPLA. The City believes that barriers to successful development of the property, that include relatively high site development and public infrastructure costs, will be partially addressed through the RPLA's designation. Successful market-level, private sector investment for the region is complicated by a relatively high local property tax structure. Concerns over higher real estate taxes within the region compared to other possible locations throughout

the Midwest places the Rockford MSA at a competitive disadvantage. RPLA designation will provide the City with an opportunity to help the private sector overcome both high development and ongoing operating costs associated with higher taxes, through potential tax increment financing offsets on site development/redevelopment and other initial capital related costs.

The City encourages controlled growth of the community guided by the City's 2020 Plan (the City's strategic land use plan). The City wishes to actively promote itself as a location for industrial enterprises on an international scale and maintain a flexible partnership with entities such as the Rockford Area Economic Development Council and other regional interests to help promote the entire Rockford MSA for that purpose. The City believes that the attraction of such enterprises and formalization of such partnerships will serve to enhance and diversify both the job and the tax base of the community. This is considered critical since an enhanced tax base enables the City to expand and improve services without straining the City's fiscal integrity.

In order to facilitate such development, the City intends to implement a comprehensive economic development strategy intended to both attract and retain industrial-related businesses for the RPLA. However, development of the RPLA is only viable given certain property assembly, property demolition for redevelopment, property rehabilitation, provision of necessary upgrades of infrastructure, and upgraded road access to existing improvements. To promote the development of the RPLA, the City has planned for the use of a series of interconnecting tax increment financing districts, all to be located within the RPLA.

The City proposes to designate the target area as a Redevelopment Project Planning Area (the "RPLA") pursuant to the Illinois Jobs Recovery Law, as defined herein. The RPLA has not been subject to growth and development through private enterprise and is not reasonably anticipated to be redeveloped without the adoption of a redevelopment plan and the use of public financing for such purposes as infrastructure improvements, job training, land acquisition and interest cost write down. The City has prepared this redevelopment plan and project (the "Plan") to promote the use of tax increment financing in order to reach its goal of increased industrial development within the City.

It is anticipated that the establishment of the RPLA will help to both create and fill a market need for industrial, office research and distribution space in the City. Anticipated users include, but are not limited to, firms engaged in distribution, packaging and repackaging, manufacturing, and warehousing of products for both the national and international marketplace. The RPLA will ultimately include modern structures that will serve the needs of industrial-related businesses in an efficient, cost-effective manner in conformance with the economic development goals and objectives of the City of Rockford.

Through this RPLA, the City will serve as the central force for marshaling the assets and energies of the private sector for a unified, cooperative public-private redevelopment effort. Ultimately, the implementation of the Plan will benefit the City and all the taxing districts, which encompass the RPLA by significantly expanding the tax base, retaining existing businesses, and creating new employment opportunities as a result of new private development in the RPLA. The City has identified a proposed development team for the RPLA and wishes to proceed expediently with the redevelopment effort.

B. The Designation of the Kishwaukee/Harrison Industrial Redevelopment Planning Area

The City will qualify the entire RPLA, through its establishment under Law, as an Industrial Park Conservation Area. The City will then seek to qualify each of the planned RPAs separately as TIF Districts in the manner pursuant to the Law. This will mean that each sub-area will in effect be pre-qualified under this standard in the Law and that will allow the City to designate any or all such areas as TIF Districts at any time within a 5-year period. Section 65 ILCS 5/11-74.6-10)(e) defines an Industrial Park Conservation Area (an "IPCA") as follows:

"...an area within the boundaries of a redevelopment project area located within the corporate limits of municipality or within 1 ½ miles of the corporate limits of a municipality if the area is to be annexed to the municipality, if the area is zoned as industrial no later than the date on which the municipality by ordinance designates the redevelopment project area, and if the area includes improved or vacant land suitable for use as an industrial park or a research park, or both. To be designated as an industrial park conservation area, the area shall also satisfy one of the following standards:

(1) Standard One: The municipality must be a labor surplus municipality and the area must be served by adequate public and or road transportation for access by the unemployed and for the movement of goods or materials and the redevelopment project area shall contain no more than 2% of the most recently ascertained equalized assessed value of all taxable real properties within the corporate limits of the municipality after adjustment for all annexations associated with the establishment of the redevelopment project area or be located in the vicinity of a waste disposal site or other waste facility. The project plan shall include a plan for and shall establish a marketing program to attract appropriate businesses to be the proposed industrial park conservation area and shall include an adequate plan for financing and construction of the necessary infrastructure. No redevelopment projects may be authorized by the municipality under Standard One of subsection (e) of this Section unless the project plan also provides for an employment training project that would prepare unemployed workers for work in the industrial park conservation area, and the project has been approved by official action of or is to be operated by the local community college district, public school district or state or locally designated private industry council or successor agency, or

(2) Standard Two: The municipality must be a substantial labor surplus municipality and the area must be served by adequate public and or road transportation for access by the unemployed and for the movement of goods or materials and the redevelopment project area shall contain no more than 2% of the most recently ascertained equalized assessed value of all taxable real properties within the corporate limits of the municipality after adjustment for all annexations associated with the establishment of the redevelopment

project area. No redevelopment projects may be authorized by the municipality under Standard Two of subsection (e) of this Section unless the project plan also provides for an employment training project that would prepare unemployed workers for work in the industrial park conservation area, and the project has been approved by official action of or is to be operated by the local community college district, public school district or state or locally designated private industry council or successor agency....”

The RPLA, and each subsequent RPA, will be qualified herein for designation under Standard Two above because the City is a substantial labor municipality, and will meet all of the conditions set by the Law for the designation of each of the proposed RPAs. Exhibit 3 provides a preliminary map, subject to modifications and amendments during the five-year life and term of the RPLA, showing the potential sub-areas or individual RPAs to be located within the RPLA.

C. Summary

The City makes the following findings as required by the Law:

1. The RPLA (nor any of the potential RPAs) has (have) not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed in accordance with the City's goals and objectives without the adoption of this Plan.
2. The Plan conforms to the City's 2020 Plan that serves as a guide for growth and development within the City (which has a population of more than 100,000).
3. The implementation of the Plan is reasonably expected to create or retain a significant number of permanent full-time jobs.
4. The City is a Substantial Labor Surplus Municipality, as defined in the Law, and the implementation of the Plan is reasonably expected to create a significant number of permanent full-time jobs. The facilities to be developed in the RPLA will significantly enhance the tax base of the taxing districts that extend into the RPLA. Additionally, no single RPA to be established in connection with the RPLA shall have an equalized assessed valuation in excess of 2% of the equalized assessed value of all taxable properties within the corporate limits of the City, net of adjustments for any annexed areas that may be associated with any particular RPA.

II. REDEVELOPMENT PLANNING AREA LEGAL DESCRIPTION

The Redevelopment Planning Area legal description is attached in Exhibit 4.

III. EVIDENCE THAT THE RPA HAS NOT BEEN SUBJECT TO GROWTH THROUGH PRIVATE INVESTMENT

The RPLA is composed primarily of older industrial properties, that include a significant number of vacant and underutilized structures and/or parcels that have collectively failed to attract new development, or promoted the retention of a number of meaningful manufacturing employers. The RPLA also contains certain parcels associated with the Southeast Rockford Superfund Area that will require special activity to address. The RPLA as a whole has not been subject to growth and investment through private enterprise. In fact, this area has seen significant industrial employment declines over the past five years, and the RPLA has become an economic burden to the City and a major hindrance upon potential healthy growth of the community. The RPLA was once the source of substantial property tax revenues to the City and other overlapping tax district authorities, but has not produced real growth in revenue benefits to the tax districts over the last two to three decades. No viable redevelopment plans for the RPLA have to-date been submitted to the City for the RPLA's redevelopment. The result has been an overall decline in employment within the RPLA, which has prompted the City to encourage it for redevelopment for industrial related uses, backed by a City effort to induce private investment through implementation of a comprehensive redevelopment program.

IV. ASSESSMENT OF ANY FINANCIAL IMPACT OR INCREASED DEMAND FOR SERVICES FROM ANY TAXING DISTRICT

There are fourteen (14) taxing districts that overlap the RPLA. They include:

Winnebago County	Rock River Water Reclamation District
Winnebago County Forest Preserve District	Rockford City Library
Rockford Township	Rockford School District No. 205
City of Rockford	Community College District No. 511
Rockford Park District	Meridian Community School District No. 223
Greater Rockford Airport Authority	Blackhawk Fire Protection District
New Milford Fire Protection District	Rock River Fire Protection District

The industrial character of the development planned for the RPLA is expected to have no direct fiscal impact on most of the overlapping districts, with the exceptions of the City. No residential development will be promoted for the RPLA, and that residential presence that has been grandfathered within the area will be de-emphasized if and when ownership patterns change with redevelopment of the area. The development leveraged through the projects promoted for the area will not result in increased enrollment in local school districts without the benefit of indirectly increased real estate taxes.

This is largely because employment opportunities are expected to be absorbed by either existing area residents, or by new residents whom will demand new housing that will add to the community's existing tax base. In this way, the RPA will help address the problem of the City's substantial labor surplus condition.

Any appropriate improvements to public infrastructure adjacent to or within the RPLA will be financed as part of the projects generated by economic development. This will relieve the financial burden that may have ordinarily fallen on any other tax district resulting from such improvements.

V. REDEVELOPMENT PLANNING & PROJECT AREA GOALS AND OBJECTIVES

The following goals and objectives are presented for the RPLA in accordance with the City's 2020 Plan that serves as a guide for growth and development of the City. Such goals and objectives may be supplemented by future planning studies, economic development studies, traffic studies or site reports that are undertaken by the City or by development entities on behalf of the City.

A. General Goals

1. To provide for implementation of an economic development plan and strategies that benefits the City and its residents.
2. To provide public infrastructure improvements where necessary to support and spur industrial development.
3. To encourage positive and creative re-use of existing vacant and/or underutilized industrial buildings and sites to make them suitable for more modern manufacturing and distribution business operations.
4. To stabilize, diversify and strengthen the industrial property tax base of the City.
5. To reduce the high level of unemployment in the City.
6. To coordinate all development within the RPLA in a comprehensive manner, avoiding land use conflicts and negative community impacts with the surrounding area residents.
7. To provide training and retraining opportunities to potential and existing employees to more readily serve the emerging and evolving needs of new and existing employers.
8. To create a cooperative environment between the City and existing and prospective businesses as a means to promote development and redevelopment of the Rockford community.

B. Specific Objectives

1. To encourage timely development and/or redevelopment of the vacant, under-utilized and obsolete industrial buildings and complexes located within the RPLA.
2. To address the sustained high level of unemployment characteristic of City residents through the creation of jobs and job training located within the RPLA.
3. To upgrade blighted (and environmentally tainted) properties within the community and place that property back as a productive contributor to the tax base.
4. To provide infrastructure improvements (including water and sewer lines, road

construction, and telecommunications) necessary for the coordinated and rational redevelopment of industrial and industrial-related properties located within the RPLA.

5. To provide competitive and affordable industrial and industrial related facilities for users and tenants attracted to and/or retained for area.
6. To address the need for utility services and other requirements specific to the redevelopment of the RPA.
7. To counteract the industrial marketing disadvantages caused to the community due to a relatively high local tax structure and the ever-changing global marketplace.
8. To capitalize on the region's central location to national markets, and to utilize major transportation access such as ground, Airport and rail services as a means to open up global market opportunities for the Rockford business community.

C. Redevelopment Objectives

The purpose of the RPLA designation will allow the City to:

1. Assist in coordinating development and redevelopment activities within the RPLA in order to encourage private sector re-investment into a vital industrial part of the Rockford region;
2. Reduce the high level of unemployment within the City;
3. Accomplish redevelopment over a reasonable time period;
4. Provide for an upgrade in the quality of redevelopment within the RPLA; and
5. Provide for an attractive and overall improved appearance for the area.

Note: The objectives may be supplemented by findings of prospective reports or studies undertaken, from time to time, by the City or by development entities selected by the City.

The redevelopment of the RPLA will contribute to the overall economic development of the City. Job creation associated with the RPLA will provide new employment opportunities for the overall Rockford MSA and, specifically for City residents.

VI. INDUSTRIAL PARK CONSERVATION AREA CONDITIONS EXISTING IN THE REDEVELOPMENT PLANNING AREA

The RPLA qualifies for the designation of future RPAs under the Industrial Park Conservation Area (IPCA) criteria based upon the following:

- A. The City is a Substantial Labor Surplus Municipality, as defined in the Law, since the 5-year average unemployment rate for the City exceeds the State of Illinois annual unemployment rate for the same 5-year period by at least 2%.

<u>Year</u>	<u>State of Illinois Rate</u>	<u>City Unemployment Rate</u>
2004	6.2%	8.7%
2003	6.7	11.1
2002	6.5	10.0
2001	5.4	8.5
2000	4.4	6.1
5 Year Average	5.84%	8.88%

Source: *Illinois Department of Employment Security.*

- B. The RPLA is either zoned for industrial use or will be so zoned at the time of designation of each individual RPA.
- C. The RPLA is served by adequate road transportation to provide access by the unemployed, and for the movement of goods or materials.
- D. No single RPA will contain more than 2% of the most recently ascertained equalized assessed value of all taxable real properties within the corporate limits of the City at the time such an RPA is formally designated by the City.
- E. The Plan provides for an employment-training project that would prepare unemployed workers for work within the RPA. This employment-training project is described in Section IX of the Plan.

VII. DESCRIPTION OF THE PROJECT BACKGROUND AND PLANS

A. Developers of the Project

The City contemplates entering into a redevelopment agreement, or redevelopment agreements, in order to meet the redevelopment objectives of the RPLA.

B. Users and Tenants of the Project and Types of Structures and Facilities to be developed.

Kishwaukee/Harrison RPLA will be designed to promote the retention and expansion of industrial-related land uses, with particular emphasis on the available of affordable industrial structures and/or land that can be developed and/or operated at costs attractive to the business community. Types of structures and facilities to be developed and/or recycled include manufacturing, distribution, warehouse, logistics facilities, including ancillary infrastructure support such as underground utilities (telecommunications, water, sanitary, storm, electric, gas), roadways, bridges, railroad sidings, and site preparation.

Users and tenants of the project(s) to be developed include, but are not limited to, basic manufacturing and industrial related manufacturing, international freight carriers and freight forwarders, distribution and third-party logistics providers, just-in-time fulfillment centers, service parts repair centers, packaging and repackaging centers, and advanced manufacturing and technology facilities.

C. Plan to Finance Infrastructure to Support the Project

Development of the RPLA requires extensive redevelopment expenditures for infrastructure and site preparation. The primary source of revenues to support the redevelopment expenditures shall be through the sale and issuance of general obligation bonds, alternate revenue source. The alternate revenue source for these general obligation bonds will be the incremental revenues generated from the tax increment finance district for the RPLA.

D. Number and Type of Employees

The RPLA will evolve to accommodate up to 10,000,000 square feet of industrial related building space (including retention of existing users). The structures located or to be located in the RPLA will accommodate manufacturing, distribution, warehouse and logistics related facilities that are projected to employ approximately 5,000 persons upon full development if total capacity is achieved for the entire RPLA.

The types of users that will locate within the RPLA will employ persons in a wide range of occupations such as managerial and professional, machine operators, skilled and semi-skilled workers, distribution and handling, and laborers, as well as administrative support, and accounting and finance. Employment opportunities in this broad range of occupations are well suited to the labor force of the City and the surrounding region.

VIII. REDEVELOPMENT PROJECT

A. Redevelopment Plan and Project Objectives

The City proposes to realize its goals and objectives of encouraging the development of the RPLA, and encouraging private investment in industrial redevelopment projects through public finance techniques including, but not limited to, tax increment financing through a series of interconnected RPAs. The City proposes to undertake a phased overall redevelopment project consisting of industrial and industrial-related uses within several RPAs adopted over the next five-year period. The City's objectives would be served through the following:

1. By improving public facilities that may include:
 - i. Street improvements
 - ii. Utility improvements (including water, storm water management, sanitary sewer improvements, and storm water detention facilities, if necessary)
 - iii. Landscaping or streetscaping
 - iv. Signalization, traffic control and lighting
 - v. Pedestrian improvements
2. By entering into redevelopment agreements with various developers, or businesses within the Project area, including provisions for acquisition for end users of the properties.
3. By assisting with site improvements including necessary site preparation, clearance and grading of the entire Project area (or RPLA).
4. By utilizing interest cost write down pursuant to provisions of the Law.
5. By exercising other powers set forth in the Law, as the City deems necessary.
6. By providing job training for community residents.
7. By providing job training assistance to employers located within the RPLA.
8. By providing international trade and marketing assistance to employers located within the RPLA.

B. Redevelopment Activities

Pursuant to the foregoing objectives, the City, under a series of public-private partnership initiatives, will implement a coordinated program of actions, including, but not limited to, land acquisition, site preparation, infrastructure improvements and upgrading, and provision of public improvements, where required.

1. Public Improvements

In accordance with estimates of tax increment and other available resources, the City may provide public improvements within or without the RPLA to enhance the immediate area as a whole, to support the Project and the Plan, and to serve the needs of community residents. Appropriate public improvements may include, but are not limited to:

- Construction of new streets, sidewalks, turning lanes, traffic signals, curb and gutters, and pedestrian-ways;
- Improvements of public utilities including construction of sanitary sewer and storm sewer, detention ponds, wetlands mitigation, signalization improvements, and streetlighting; and
- Construction of public buildings required to provide municipal services in the RPLA.

The City may determine at a later date that certain improvements are no longer needed or appropriate, or may add new improvements to the list. The type of public improvement and cost for each item is subject to City approval and to the execution of redevelopment agreements for any proposed project in a form acceptable to the City.

2. Site Preparation

The Plan contemplates site preparation (including demolition and removal of structures and environmental remediation) or other requirements necessary to prepare sites within the RPLA for either redevelopment of existing, or new uses. The above will serve to enhance site preparation for the implementation of the Project.

3. Interest Cost Write-Down

Pursuant to the Law, the City may allocate a portion of incremental tax revenues to reduce the interest cost incurred in connection with redevelopment activities, enhancing the redevelopment potential of the RPLA.

4. Job Training

Pursuant to the Law, the City and/or other training providers, may develop and/or participate in job training programs in conjunction with the redevelopment efforts.

5. Taxing District Capital Costs

The City may enter into written agreements with overlapping taxing districts to pay capital costs resulting from the redevelopment of the RPLA.

6. Land Acquisition

The City may seek to acquire property within each designated RPA in furtherance of the Plan and Project for the entire RPLA.

C. General Land Use Plan

Existing land uses in the RPLA are of primarily existing industrial related uses, vacant parcels zoned for industrial use, and existing agricultural uses. These parcels constitute approximately 963 acres. Existing land uses are shown in Exhibit 5. Proposed land uses are predominantly industrial and shown in Exhibit 6.

The Project shall be subject to the provisions of the City's building, zoning, public works, and other regulatory ordinances as may be amended from time to time. The proposed general land uses will reasonably conform to the City's 2020 Plan and general priorities for the continued growth and development of the City.

D. Estimated Redevelopment Project Costs

Redevelopment project costs mean and include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, as provided in the TIF statute, and any such costs incidental to this Redevelopment Plan and Project. Private investments, which supplement "Redevelopment Project Costs", are expected to substantially exceed such redevelopment project costs. Eligible costs permitted under the Law that may be pertinent to this Redevelopment Plan and Project are:

1. Costs of studies and surveys, development of plans and specifications, implementation and administration of the redevelopment plan including, but not limited to, staff and professional service costs for architectural, engineering, legal, marketing, financial, planning, other special services, provided, however, that no charges for professional services may be based on a percentage of the tax increment collected.

2. Property assembly costs within a redevelopment project area, including but not limited to acquisition of land and other real or personal property or rights or interests therein.
3. Site preparation costs, including but not limited to clearance of any area within a redevelopment project area by demolition or removal of any existing buildings, structures, fixtures, utilities and improvements and clearing and grading; and including installation, repair, construction, reconstruction, or relocation of public streets, public utilities, and other public site improvements within or without a redevelopment project area for use in accordance with a redevelopment plan.
4. Costs of the construction of public works or improvements.
5. Costs of eliminating or removing contaminants and other impediments required by federal or State environmental laws, rules, regulations, and guidelines, orders or other requirements or those imposed by private lending institutions as a condition for approval of their financial support, debt or equity, for the redevelopment projects, provided, however, that in the event (i) other federal or State funds have been certified by an administrative agency as adequate to pay these costs during the 18 months after the adoption of the redevelopment plan, or (ii) the municipality has been reimbursed for such costs by persons legally responsible for them, such federal, State, or private funds shall, insofar as possible, be fully expended prior to the use of any revenues deposited in the special tax allocation fund of the municipality and any other such federal, State or private funds received shall be deposited in the fund. The municipality shall seek reimbursement of these costs from persons legally responsible for these costs and the costs of obtaining this reimbursement.
6. Costs of job training and retraining projects.
7. Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued pursuant to the Act accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto;
8. Costs of job training, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in the Redevelopment Project Area; and (ii) when incurred by a taxing district or taxing districts other than the City, are set forth in a written agreement by or among the City and the taxing district or taxing districts, which agreement describes the program to be undertaken, including but not limited

to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Section 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of The School Code.

9. At the City's option, if deemed prudent by the City for the redevelopment project, interest costs incurred by a developer related to the construction, renovation or rehabilitation of the redevelopment project provided that:
 - a. such costs are to be paid directly from the special tax allocation fund establishment pursuant to the Act; and
 - b. such payments in any one year may not exceed 30% of the annual interest costs incurred by the developer with regard to the redevelopment project during that year; and
 - c. if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund; and
 - d. the total of such interest payments incurred pursuant to the Act may not exceed 30% of the total redevelopment project costs excluding any property assembly costs and any relocation costs incurred pursuant to the Act.

Estimated costs are shown in the next section. Adjustments to these cost items may be made without amendment to the Redevelopment Plan. **The costs represent estimated amounts and do not represent actual City commitments or expenditures. Rather, they are an overall ceiling on possible expenditures of TIF funds in the Redevelopment Planning Area, and will be redistributed within individual Redevelopment Project Areas as such areas are designated by the City within the five-year life and term of the RPLA.**

ESTIMATED RPLA TIF ELIGIBLE EXPENSES

PROGRAM ACTIONS/IMPROVEMENTS	ESTIMATED COSTS
Administration (planning, marketing, site management, legal, architects, engineers, other, etc.)	\$4,000,000
Interest Costs (pursuant to the Law)	\$4,000,000
Job Training	\$3,000,000
Land Acquisition & Assembly	\$12,000,000
Public Facilities (i.e. fire station, training center, international trade conference center, etc.)	\$4,000,000
Public Infrastructure (Roadways, traffic signals, lighting, landscaping, pedestrian improvements, water, sanitary sewer, stormwater management, telecommunications, gas, electric, etc.)	\$20,000,000
Site Preparation (including demolition and environmental remediation)	\$10,000,000
TOTAL ESTIMATED RPLA TIF COSTS:	\$57,000,000.00

- (A) All project cost estimates are in 2005 dollars. In addition to the above stated costs, any issuance of bonds used to finance any phase of the Project may include an amount of proceeds sufficient to pay customary and reasonable charges associated with the issuance of such obligations as well as to provide for capitalized interest and reasonably required reserves. Adjustments to the estimated line item costs above are expected. Each individual project cost will be reevaluated in light of the specific objectives of any specific RPA, or projected private development within such RPA and resulting tax revenues as it is considered for public financing under the provisions of the Law. The totals of line items set forth above are not intended to place a total limit on the described expenditures. Adjustments may be made in line items within the total, either increasing or decreasing line item costs for redevelopment for the RPLA as a whole, or in association with any specific RPA to be designated. Further, the City intends to utilize tax increment within each RPA to promote redevelopment within the entire RPLA (or to any existing or future RPAs located outside of and contiguous to the RPLA) in the manner permitted pursuant to the Law.

E. Sources of Funds to Pay Redevelopment Project Costs Eligible Under the Industrial Jobs Recovery Law

Funds necessary to pay for public improvements or reimburse any developer or business entity for such improvements and other project costs eligible under the Law are to be derived principally from one or more of the following: property tax increment revenues, proceeds from municipal obligations to be retired with tax increment revenues and interest earned on resources available but not immediately needed for the Plan and, at the option of the City, other sources of revenue legally available to the City (including the transfer of TIF proceeds for use from one RPA to another RPA).

"Redevelopment Project Costs" specifically contemplate those eligible public costs set forth in the Law and do not include the private investment projected to take place within the RPLA. The construction of private structures comprising the Project will be privately financed, and TIF or other public sources are to be used only to leverage and encourage private redevelopment activity, and/or reimburse developers or business entities for part of its costs for public improvements necessary for the Project.

The tax increment revenues which will be used to pay debt service on the tax increment obligations, and to directly pay redevelopment project costs shall be the incremental increase in property taxes attributable to the increase in the equalized assessed value of each taxable lot, block, tract or parcel of real property in each RPA over and above the initial equalized assessed value of each such lot, block, tract or parcel for the respective RPA in the tax year that the RPA is established.

Among the other sources of funds which may be used to pay for redevelopment project costs and debt service on municipal obligations issued to finance project costs include certain state and federal grants or loans, certain investment income, and such other sources of funds and revenues as may be available to, and as, the City may from time to time deem appropriate.

The RPLA would not reasonably be expected to be developed without the use of the incremental revenues provided by the Law.

F. Nature and Term of Obligations to be Issued

The City at its discretion may issue obligations secured by any of the tax increment special tax allocation funds established under the RPLA pursuant to the Law or such other funds as are available to the City by virtue of its power pursuant to the Law or other State Law.

Any and/or all obligations issued by the City pursuant to any RPA created under this Plan and the Law shall be retired not more than twenty-three (23) years (or such later time permitted pursuant to further amendments to the Law) except to the extent such obligations are reliant upon the collections of incremental tax revenues from the tax year to be completed for the twenty-third year (with taxes collected in the twenty-fourth year) from the date of adoption of the ordinance approving the specific RPA under which such obligations are issued. However, the final maturity date of any obligations issued pursuant to the Law may not be later than twenty (20) years from their respective date of issuance. One or more series of obligations may be issued from time to time in order to implement this Plan or any plans associated with RPAs created under this Plan. The principal and interest on any obligations shall be payable from tax increment revenues and all other sources of funds as may be provided by ordinance at the discretion of the City.

Such securities may be issued on either a taxable or tax-exempt basis, with or without interest, with either fixed rate or floating interest rates; with or without capitalized interest; with or without deferred principal retirement; with or without interest rate limits except as limited by law; and with or without redemption provisions.

Those revenues not required for principal and interest payments, for required reserves, for bond sinking funds, for redevelopment project costs, for early retirement of outstanding securities, and to facilitate the economical issuance of additional bonds necessary to accomplish the Plan for any RPA associated with the RPLA, may be declared surplus and shall then become available for distribution annually to taxing districts overlapping that RPA in the manner provided by the Law.

G. Most Recent Equalized Assessed Valuation (EAV) of Properties in the Redevelopment Planning Area

The most recent estimate of equalized assessed valuation (EAV) of the property within the RPLA is approximately \$ 35 million. The Boundary Map, Exhibit 1, shows the location of the RPLA.

H. Anticipated Equalized Assessed Valuation (EAV)

Upon completion of the anticipated private development of the Redevelopment Planning Area over an estimated ten year period, it is estimated that the equalized assessed valuation (EAV) of the property within the Redevelopment Planning Area will be approximately \$ 50 million. The estimate assumes 2005 dollars.

IX. JOB TRAINING PROJECT

The City has experienced sustained levels of high unemployment such that it qualifies as a Substantial Labor Surplus Municipality, as defined in the Law. It is expected that the implementation of this Plan and the Project will improve the employment opportunities of community residents.

As one component of this Plan, the City has structured a job-training project (the "Training Project") that will prepare unemployed workers for jobs in the RPA. This Training Project will be operated in conjunction with the City and Rock Valley Community College Business and Professional Institute.

Rock Valley College Business and Professional Institute

CONTINUING PROFESSIONAL EDUCATION

The Business and Professional Institute (BPI) at Rock Valley College provides expert training programs tailored to the specific needs of your company. Virtually any subject can be customized to meet the particular needs of your business or work group. Training is provided on-site at your business, at Rock Valley College, or at your location in our mobile computer training center. Complete programs are ready to be customized for your industry and your employees in the following areas:

- Six Sigma Green and Black Belt programs
- Lean Manufacturing
- Management and Supervisory Skills
- Quality Systems
- Computer software

COMPANY NEEDS ASSESSMENTS

- We can help you determine best opportunities for cost reductions by assessing your: Performance measures, Production area, and Organizational culture.
- Computer skills, using on-line assessment or Scantron sheets.
- Soft skills to determine what your employees think of their supervisors, performance review process, customer service skills or other areas.

BASIC AND ADVANCED SKILLS TRAINING

After the Needs Assessment is completed, curriculum can be developed to provide training to meet the job skills requirements of the employer. Training can be structured for specific employer needs in the areas of technology and modernization in the workplace, computer skills and supervisory/management skills for supervisors and line managers.

TRAINERS

Our trainers have a wide and diversified background of knowledge, business experience and

education. Typically, our trainers have a bachelor's degree or higher with five to ten years of professional business experience. Most of our computer trainers are Certified Microsoft Master Instructor and Certified Microsoft Office Master – Expert level.

CONTINUING PROFESSIONAL EDUCATION

In addition to the customized training offered through the BPI, the Continuing Professional Education Department provides courses in vocational areas such as accounting, computer skills training, supervisory/management skills, APICS Inventory Management series, OSHA courses, EPA Certification, Refrigeration/Heating, Industrial Maintenance courses (drafting, hydraulic systems, machine maintenance and trouble shooting), Multi-skilled Technician (electricity, electronics, material fabrication, intro and core competencies for multi-skilled technicians, etc.), Electrical and Electronics Maintenance (AC circuits and measurements, AC/DC motors, electronic systems, programmable logic controllers, etc) and Automation Skills Training (Blueprints and measurement, CNC lathes, milling machines, cutting tools, etc.).

Courses offered through Continuing Professional Education can be offered to a business or company either on or off-site. Courses are taught by part-time instructors who have expertise in their particular vocation or field.

- **Class Description**

The Rock Valley College Adult Education Program will establish a customized basic skills curriculum for unemployed adults, as determined by the City of Rockford. Such classes may include instruction in the areas of G.E.D. preparation, English as a Second Language, and Literacy skills in the areas of basic reading, writing, and math. Classes will employ a number of instructional methods to ensure student learning gains and success. Included in those methods will be group, individualized and computer-aided instruction. Each class will accommodate 12-15 students on an ongoing basis, and new students will be able to enter the class on a monthly basis. Information will also be supplied to the City which describes existing grant-funded classes throughout the district.

Pre- and post-testing will be conducted for all students with the use of the Test of Adult Basic Education (TABE) to determine individual skill levels, to prepare an individualized educational plan for each student, and to measure educational gains. Teacher-made assessment tools will also be utilized to provide on-going evaluation of student gains along with anecdotal commentary that is kept in the student's file. Samples of student's work will be kept in their files to show learning gains. Students will be assisted in setting long and short-term goals and will periodically review their progress toward attainment of such goals. Computer-aided instruction will be implemented into the program to provide students with immediate feedback regarding progress, reinforcement and drill to lessons that have been presented, while, at the same time, providing a format to evaluate student progress. Computer-aided instruction also aids in improving student self-esteem and attendance, both of which add greatly to educational gains. Assessment of educational gains may also be made in individual lessons and in teacher observations of mastery of individual concepts.

In order to assure professionalism and access to current and effective teaching methods, staff development opportunities will be made available to the instructor of this class, along with access to Adult Education Program resources.

TRAINING FOR DISLOCATED WORKERS

These programs and courses are also approved as Intensive Service courses through the Workforce Investment Act for the Dislocated Workers' program and are offered to provide workforce development for unemployed workers.

- **RVC Dislocated Worker Program/Proposed Kishwaukee/Harrison Industrial Redevelopment Planning Area**

The mission of the RVC Dislocated Workers Program is to accept unemployed workers who have lost their jobs through no fault of their own, and assist them in finding new employment. This program year DWP anticipates serving 1000 people. DWP normally will average approximately an 80% entered employment rate and retained employment rate. Our credential attainment rate is typically around 50%. The program is a federal grant through the Workforce Investment Act. The program is eligibility-based, meaning not all people that are unemployed are eligible to participate. Once determined eligible and enrolled in DWP, participants become eligible for approved training based on their skills, desires and capabilities. The areas of training that we can fund are approved by the local Workforce Investment Board (WIB) and are considered by the WIB to be employable in this region. Examples of the training range from short term continuing education computer classes, to accounting, manufacturing technology, computer-related certificates and AAS degrees, mechanical design, and much more. The areas of approved training change from time to time. Sometimes a particular area of training is deleted because no hiring is occurring in that area, and other times training is added because of a demand for it and/ or a request by a provider is approved. There are also limited On-the-Job Training funds available to assist our participants in finding work. Basically, a participant finds a potential job, applies for it, and, if the company is interested in hiring that person, our OJT funds can sometimes be used to tip the balance in favor of our participant. Our OJT funds can be used to reimburse the employer half the participant's starting salary for up to six months. The timeframe is negotiable based on the amount or level of training that is determined to be needed. If a new employer were to come to the area and need employees with specific types of training, current participants in DWP may be able to take the desired training if it is already on our approved list. If the training desired is currently not on our approved list, it could possibly be added if a provider applied to the local WIB. Or the training might simply be added, with WIB approval, if an already approved provider were willing to add it to the approved list. The DWP does not provide training to those already employed full time.

SUMMARY

Whatever your training needs, we will make every effort to provide qualified trainers and curriculum to meet the needs of the employer's job requirements.

X. COMMITMENT TO FAIR EMPLOYMENT PRACTICES AND AFFIRMATIVE ACTION

As part of any Redevelopment Agreement entered into by the City and any private developers, both will agree to establish and implement an honorable and progressive affirmative action program that serves appropriate sectors of the City. The program will conform to the most recent City policies and plans.

With respect to the public/private development's internal operations, both entities will pursue employment practices that provide equal opportunity to all people regardless of sex, color, race or creed. Neither party will countenance discrimination against any employee or applicant because of sex, marital status, national origin, age, or the presence of physical handicaps. These nondiscriminatory practices will apply to all areas of employment, including: hiring, upgrading and promotions, terminations, compensation, benefit programs and education opportunities.

All those involved with employment activities will be responsible for conformance to this policy and the compliance requirements of applicable state and federal regulations.

The City and private developers will adopt a policy of equal employment opportunity and will include or require the inclusion of this statement in all contracts and subcontracts at any level. Additionally, any public/private entities will seek to ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which all employees are assigned to work. It shall be specifically ensured that all on-site supervisory personnel are aware of and carry out the obligation to maintain such a working environment, with specific attention to minority and/or female individuals.

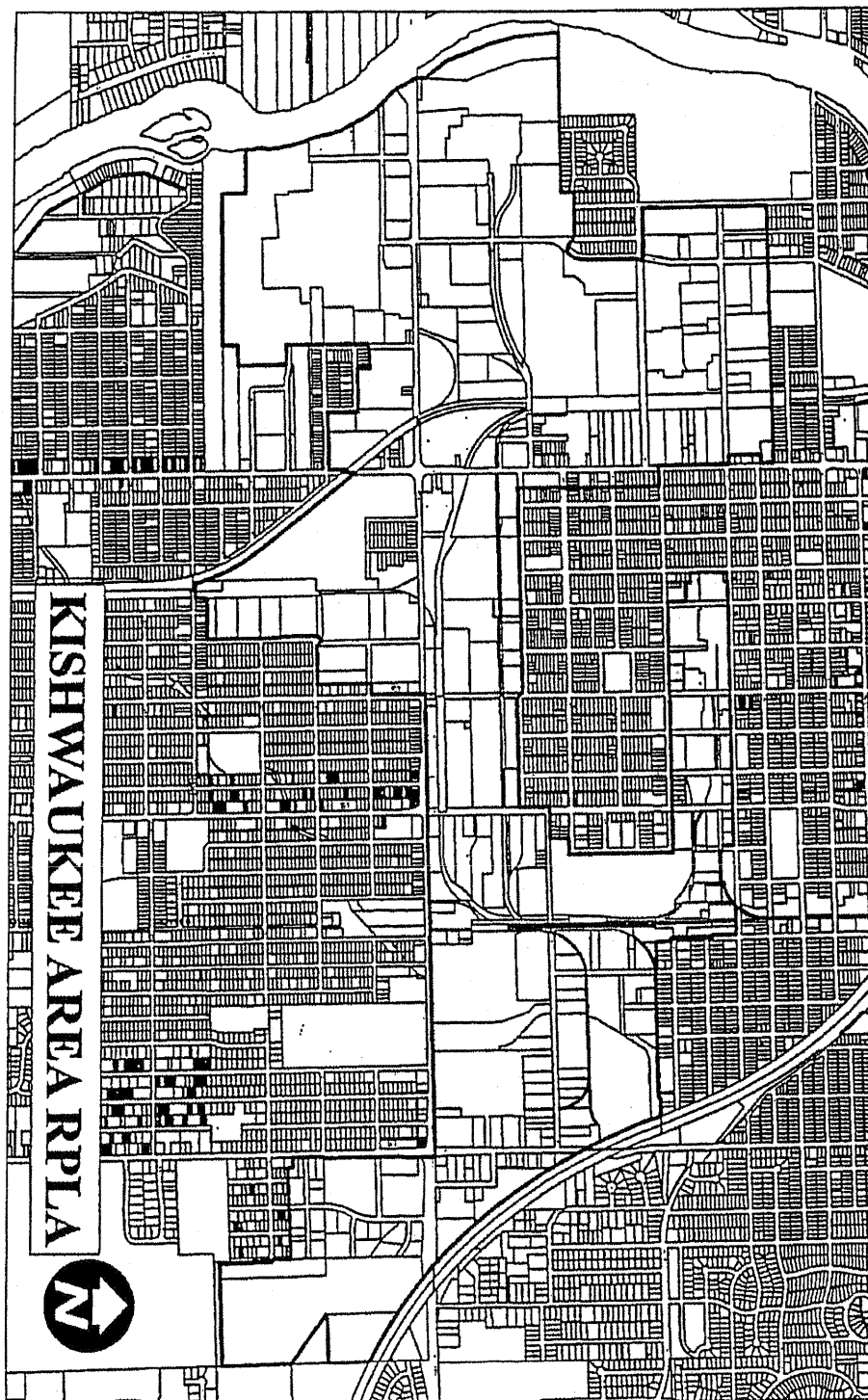
Finally, the entities will utilize affirmative action to ensure that business opportunities are provided and that job applicants are employed and treated in a nondiscriminatory manner. Underlying this policy is the recognition by the entities that successful affirmative action programs are important to the continued growth and vitality of the community.

XI. COMPLETION OF REDEVELOPMENT PROJECT AND RETIREMENT OF OBLIGATIONS TO FINANCE REDEVELOPMENT COSTS

This Redevelopment Project and retirement of all obligations to finance redevelopment costs will be completed within twenty-three (23) years after the adoption of an ordinance designating any Redevelopment Project Area adopted under this RPLA, although certain obligations may extend into tax collection year for that twenty-third year assessment cycle after such adoption. The actual date for such completion and retirement of obligations for any such Redevelopment Project Area shall not be later than December 31 of the year in which the payment to the municipal treasurer pursuant to the Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year in which the respective ordinance approving that RPA is adopted. The final RPA must be adopted no later than 5-years from the adoption of the ordinance designating this RPLA. Actual construction activities are anticipated to be completed within approximately twenty years for each of the RPAs created under this RPLA.

XII. PROVISIONS FOR AMENDING THE TAX INCREMENT REDEVELOPMENT PLAN AND PROJECT

This Redevelopment Planning Area Plan and Project shall expire no later than five (5) years from the date of adoption of the ordinance approving this Plan and Project and may be amended pursuant to the provisions of the Law. However, each individual RPA adopted in connection with the RPLA during the life and term shall individually expire no later than twenty-three (23) years from the respective adoption of the ordinance approving a Plan and Project for each (although the completion of some obligations associated with any RPA may extend through December 31 in the collection year following such 23rd year, in the manner described herein and pursuant to the Law), and each Plan and Project may also be amended pursuant to the provisions of the Law.

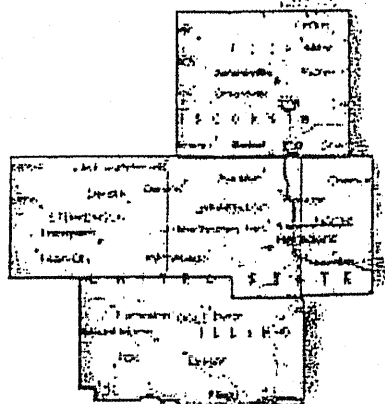


ROCKFORD AREA

Quick Reference Guide

Rockford, Illinois MSA

The Rockford MSA (Metropolitan Statistical Area) includes Boone, Ogle, and Winnebago counties of northern Illinois. Rockford is 65 miles northwest of Chicago's O'Hare International Airport and 90 miles east of the Mississippi River. Its location allows for easy access to regional, national and international markets.



The Rockford Area Council of 100 is a nonprofit economic development organization whose mission is to develop and serve a globally competitive region by enhancing the business climate and supporting primary employment investment decisions in the Rock River Valley region of Boone, Ogle, Stephenson, and Winnebago counties in northern Illinois, and Rock County in southern Wisconsin.

Last updated 8/4/04

Rockford is home to the second largest air hub in the UPS system.

Population Characteristics

Population Trends (1990-2003)

	2003 est.	2002 est.	2000	1990
Rockford MSA	383,648	379,376	371,236	329,676
City of Rockford	151,725	151,068	150,115	141,787
Winnebago Co	284,313	282,627	278,418	252,913

By County (2003 est.)

Winnebago County	284,313
Ogle County	52,858
Boone County	46,477

Source: U.S. Census Bureau

Race/Ethnicity (2002 est.)	Number	Percent
White	324,198	86.8
Black	28,344	7.6
Amer. Indian, Eskimo, Aleut	1,389	0.4
Asian	5,670	1.5
Native Hawaiian/Pacific Islander	206	—
Some other race	7,119	1.9
2 or more races	6,443	1.7
Hispanic Origin*	32,042	8.6
Total Population	373,369	100.0

* Persons of Hispanic Origin may be of any race.
Source: U.S. Census Bureau ACS Profile



Gender (2002)	Number	Percent
Male	186,647	50.0
Female	186,722	50.0
Total Population	373,369	100.0

Age Structure (2002)	Number	Percent
0-14 years	83,723	22.4
15-19 years	24,131	6.5
20-24 years	20,796	5.6
25-34 years	55,455	14.8
35-54 years	111,715	29.9
55-64 years	38,003	10.2
65 years and over	42,546	11.4

Source: U.S. Census Bureau

Income Characteristics

(2002)

Median Family Income	\$54,407
Mean Household Income	\$53,429
Per capita Personal Income	\$27,138

Source: US Census Bureau 2002 ACS Profile

Household Income by Income Group (2002)

	Number	Percent
Total Households	141,175	100.0
Less than \$10,000	11,535	8.2
\$10,000 - \$14,999	5,807	4.1
\$15,000 - \$24,999	12,465	8.8
\$25,000 - \$34,999	18,072	12.8
\$35,000 - \$49,999	27,425	19.4
\$50,000 - \$74,999	33,495	23.7
\$75,000 and over	32,376	22.9

Source: U.S. Census Bureau

Selected Calculations 1990-2000

Population Change (thousands)	+41.5
Employment Change (thousands)	+24.5
Population Growth Rate (annual)	+1.26%
Employment Growth Rate (annual)	+1.45%

Land Area	1,560.0 square miles
Density	243.2 persons per square mile
Persons per Household	2.64

Source: U. S. Census Bureau 2002



Rockford ranks 4th among cities in the Great Lakes region for high-tech jobs.

CorpTech, 2000

Education

Attainment - 2002 est.	Number	Percent
Persons 25 years and older	244,719	100.0
- Less than 9th grade	14,024	5.7
- 9th to 12th grade, no diploma	19,765	8.1
- High school graduate/GED	91,429	37.4
- Some college, no degree	55,064	22.5
- Associate degree	15,080	6.2
- Bachelor's degree	33,810	13.8
- Graduate/professional degree	15,545	6.4

Source: U.S. Census Bureau, 2003

K - 12 School Enrollment (2002-2003)

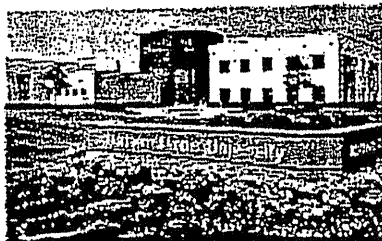
	City of Rockford		Rockford MSA	
	No.	%	No.	%
Total Enrollment ..	36,584	100.0	74,950 ..	100.0
Total Public	27,330	74.7	63,968	85.4
Total Private	9,254	25.3	10,982	14.6

Source: National Public School Locator, Illinois State Board of Education

Source: National Public School Locator, Illinois State Board of Education

Institutions of Higher Learning within Commuting Distance 4-year:

Institution	Enrollment
Beloit College (Beloit, WI)	1,281
Northern Illinois University - DeKalb	25,260
Northern Illinois University - Rockford campus	379
Rockford College	1,557
St. Anthony College of Nursing	71
Community:	
Highland Community College - Freeport	2,462
Kishwaukee College - Malta	4,076
Rock Valley College	9,298
Other:	
Rockford Business College	318
U of I - College of Medicine at Rockford	156



Major Private Employers

Firm Name	Employment
Rockford Health System	4,400
Product/Service	Health care
Textron, Inc.	3,560
Product/Service	Screws, specialty fasteners
SwedishAmerican Health System	2,913
Product/Service	Health care
Hamilton Sundstrand Corporation	2,900
Product/Service	Aerospace components
DaimlerChrysler Corporation	1,970
Product/Service	Automobiles
OSF St. Anthony Medical Center	1,950
Product/Service	Health care
United Parcel Service	1,700
Product/Service	Parcel sorting hub
Invensys Building Systems	1,200
Product/Service	Environmental controls
Woodward	1,029
Product/Service	Governors & auxiliary equipment
MCI	1,000
Product/Service	Telemarketing
Newell/Amerock	995
Product/Service	Cabinet, window, & furniture hardware
War-Mart Stores	970
Product/Service	Retail merchandise
Rochelle Foods, Incorporated	900
Product/Service	Pork processing
Cadbury Adams	890
Product/Service	Chewing gum
Quebecor Printing	750
Product/Service	Commercial Printing
ComEd	750
Product/Service	Electric power
R&D Theil, Inc. - CCA	640
Product/Service	Structural Components
Kable News	560
Product/Service	Magazine publishing & distribution

Rockford ranks 76th out of 315 U.S. metropolitan areas for manufacturing.

Industry Week, 2001

Labor Market Characteristics

Rockford MSA Labor Force Summary (2003)

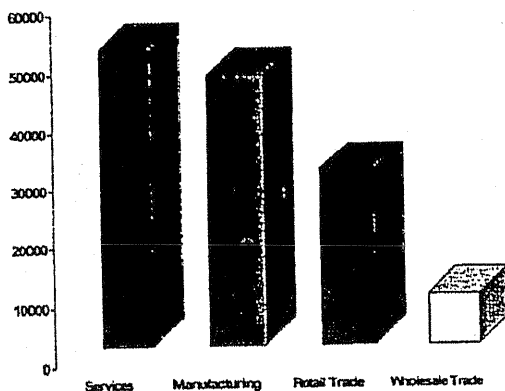
Labor Force	195,501
Total Employment	179,015
Number Unemployed	16,486
Percent Unemployed	8.4%

Percent Unemployed (2003)

City of Rockford	8.4%
Illinois	6.7%
U.S.	6.0%

Employment by Industry (Nov. 2003)

Non-Agricultural Wage & Salary Workers	173,100
Services	61,600
Manufacturing	39,800
Retail Trade	18,900
Government	19,100
Transportation, Communications, Utilities	9,700
Wholesale Trade	7,100
Construction & Mining	8,900
Finance, Insurance, Real Estate	8,000



Average Weekly Wages by Industry (1st Qtr., 2003)

Manufacturing	\$714
Finance, Insurance	\$1,096
Real Estate, & Rental and Leasing	\$481
Transportation & Warehousing	\$671
Construction	\$756
Wholesale Trade	\$769
Mining, Quarrying	\$480
Educational Services	\$372
Health Care & Social Assistance	\$658
Retail Trade	\$469
Agriculture	\$258

Source: Illinois Department of Employment Security

Commercial/Industrial Services

Machinestops	187
Tool & die shops	89
Automobile manufacturers, parts/assembly	26
General waste disposal services?	yes
Hazardous waste disposal services?y	yes

State-designated Enterprise Zones located in:

Rockford, Belvidere/Boone County, and Rockton/South Beloit.

Tax Increment Financing districts located in:

Rockford (7), Belvidere, Machesney Park, and South Beloit.

Industrial Development Revenue Bond and Revolving Loan Fund programs available in most areas.

Commuting Characteristics

Highways serving area:

- Interstate: I-90, I-88, I-39
- Federal: US Route 20, US Route 51/251
- State: 9 state highways—IL 2, 26, 38, 64, 70, 72, 75, 76, 173

Means of Transportation	Number	Percent
Workers 16 years and older	170,415	100.0
- Private vehicle	161,008	94.5
- Public transportation (Bus)	1,148	0.7
- Walked	973	0.6
- Other means	2,531	1.5
- Work at home	4,755	2.8
Mean travel time to work		22.4 min.

Source: U.S. Census Bureau 2003

Public Transportation

Rockford Mass Transit District (RMTD)

- 15 routes
- 37 vehicles
- Hourly stops from 5:00 a.m. to 11:45 p.m.



Shuttle Services

- Van Galder Bus Company
- Daily service to and from O'Hare includes 31 trips from 4 a.m. to midnight.
- Daily service to Downtown Chicago and Union Station

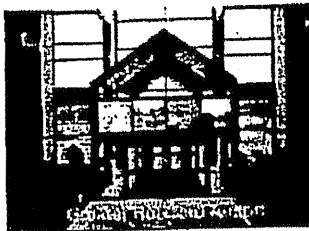
Between 1994 and 1998, the Greater Rockford Airport was
the fastest growing cargo airport in the U.S. *FAA Statistics*

Access to Markets

Air Service

Greater Rockford Airport (RFD)

- Among the nation's fastest growing cargo airports
- UPS regional air hub
- 10,000 and 8,200 feet of Hard Surface Runway
- Narrow and Wide Body Capable
- Category I/III Instrument Landing System
- VOR
- Non-Directional Beacon
- Centerline and Touchdown Zone Lighting



Air Freight/Air Cargo firms

Airborne Express, United Parcel Service, BAX Global, Emery
Worldwide Air Charter

Total Landed Cargo Wt., 2002 (lbs.)1,260,688,390

Other services:U.S. Customs Port of Entry,
Foreign Trade Zone #176, public warehousing

Motor Freight Services

Number of carriers.....60
Number of Terminals.....37

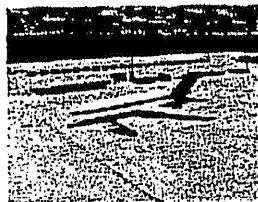
Rail Service

Rail Carriers serving area:

- Burlington Northern-Santa Fe (BNSF)
- Union Pacific
- Canadian National
- Iowa, Chicago and Eastern Railroad
- Illinois RailNet

Parcel Distribution Services

- UPS Air Hub
- Emery Worldwide Air Charter
- Landstar Inway
- Airborne Express
- BAX Global
- FedEx



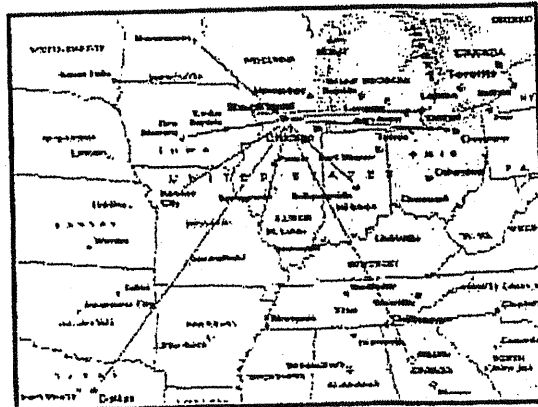
Rockford's UPS Air Hub was constructed at the Greater Rockford Airport in 1994 as a key component in the global UPS network. As the largest regional air hub in the country, Rockford is the only facility of its type that handles cargo going coast to coast. Around the clock operations are permitted.

With earlier delivery and later drop-off times, the hub provides local businesses greater flexibility and a strategic advantage for serving their customers. For an advanced logistics analysis on how a Rockford location can improve your operations, call the Council of 100 at 815-987-8118.

Transit Time

Distance and travel time from the Rockford Area to:

City	Highway Miles	Highway Kilometers	Days by Rail	Days by Truck
Atlanta	761	1,218	5	2
Chicago	90	141	1	1
Cleveland	422	675	4	1
Dallas	830	1,328	3	3
Denver	909	1,454	4	3
Detroit	373	597	4	1
Kansas City	412	659	2	1
Los Angeles	1,967	3,147	6	4
Milwaukee	90	141	1	1
Minneapolis	353	565	3	1
New Orleans	999	1,598	5	3
New York	889	1,422	5	3
St. Louis	297	479	2	1



Rockford serves as the telecommunications hub for the Top of Illinois.

Retail Trade

Sales by Store Group (2003)

Total Retail Sales	~\$2,841,826,335
- General Merchandise Stores	12.8%
- Food Stores	7.0%
- Eating & Drinking Places	9.8%
- Apparel & Accessories	2.4%
- Furniture & Household Goods	6.3%
- Building Materials & Hardware	8.9%
- Auto Dealers & Gasoline Service Stations	26.8%
- Drug Stores & Miscellaneous Retail	9.2%

Estimated Retail Sales per Household \$20,130

Number of Retail Establishments 10,975

Retail Sales Tax:

- State	5.00%
- County	0.25%
- Municipal	2.00%

Source: Illinois Department of Revenue.



Utilities

Electric

Alliant Energy (Investor-owned)

- Service Territory within MSA: northern portion of Winnebago and Boone counties

ComEd (Investor-owned)

- Service Territory within MSA: Boone, Ogle, and Winnebago (except northern) counties
- Tax: State=5%, Franchise Fee=0-5%, Municipal=0-5%

Rochelle Electric Utilities (City-owned)

- Service Territory within MSA: City of Rochelle

Natural Gas

NICor Gas Co. (Investor-owned)

- Service Territory within MSA: Boone, Ogle and Winnebago counties (except City of South Beloit, Village of Rockton)
- Tax: State=5%

South Beloit Water, Gas & Electric (Investor-owned; subsidiary of Wisconsin Power & Light Co.)

- Service Territory within MSA: City of South Beloit

Telecommunications

Telecommunications: Intra-LATA (Local) carriers

SBC

- Service Territory within MSA: Rockford, Loves Park, Machesney Park, South Beloit

Choice One Communications

- Service territory within MSA: Rockford, Loves Park, Machesney Park

McLeod USA

- Service Territory within MSA: Rockford, Loves Park, Machesney Park, Belvidere and surrounding areas

TDS METROCOM

- Service Territory within MSA: Rockford, Loves Park, Machesney Park, Belvidere and surrounding areas

Verizon

- Service Territory within MSA: Boone, Ogle and Winnebago counties (except Rockford, Loves Park, Machesney Park, South Beloit, Leaf River)

Note: Independent telephone exchanges exist in Leaf River and the Bergen and Sharon areas of northern Boone county.

Telecommunications: Inter-LATA (Long Distance) carriers

AT&T Communications

McLeod USA

Choice One Communications

Sprint

MCI

Qwest

Telecommunications: Broadband Suppliers and Services

SBC

McLeod USA

Choice One Communications

TDS METROCOM

- Redundant Networks of Fiber Optic Rings
- Asynchronous Transfer Mode (ATM)
- Digital Subscriber Line Service (DSL)
- OC3 - OC48 Fiber Cables
- Virtual Private Networks (VPN)
- Virtual Internet Service (VIS)
- T1 Lines

Insight Communications

- Digital/Cable Modems



Rockford ranks first among medium-sized cities for golf.

Golf Digest, 2000

Cost of Living

ACCRA Cost-of-Living Index (1st Qtr., 2002)

Boston, MA	140.0
Washington, DC-MD-VA-WV	132.3
San Diego, CA	129.8
Philadelphia, PA-NJ	117.6
Minneapolis, MN	108.2
Denver, CO	106.5
Grand Rapids, MI	105.2
Cleveland, OH	104.8
Portland-Vancouver, OR-WA	102.8
Dallas, TX	100.6
Phoenix, AZ	98.8
Green Bay, WI	98.7
Rockford, IL	98.4
Norfolk-Virginia Beach-Newport News (VA-NC) ..	98.0
Tampa, FL	97.0
Appleton-Oshkosh-Neenah, WI	93.8
San Antonio, TX	88.9

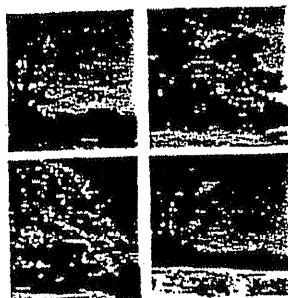
Source: ACCRA

Climate

Average Winter Temp	22.12° F	-5.46° C
Average Summer Temp	71.02° F	21.68° C
Average Annual Rainfall	36.28 in	92.15 cm
Average Annual Snowfall	35.20 in	89.41 cm
Ave. Annual Days Below Freezing	144	
Heating Degree Days	3,186	
Cooling Degree Days	714	

Location

Mean Elevation (above sea level)	715 feet
Latitude	N 42° 16' 07"
Longitude	W 89° 05' 48"

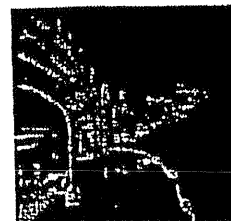
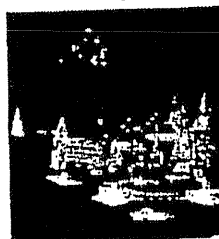


Quality of Life

Public Parks	185
Parkland acres	>7,000
Public Swimming Pools	6
Health Clubs	9
Public Golf Courses	21
Country Clubs	6
Public Libraries	9
Museums	10
Art Galleries	12
Symphony Orchestra	1
Community Theatres	4
Indoor Ice Arenas	2
Indoor Sports Centers	1
Water Parks	1
Sports:	Rockford Icehogs UHL hockey team, Rockford Lightning CBA basketball team, Rockford Raptors Premier NISL soccer team, Rockford Riverhawks minor league baseball team, Rockford Speedway, Byron Dragway
Protestant Churches*	402
Catholic Churches	19
Jewish Synagogues	2
Islamic Mosque	1

*56 denominations represented.

Festival of Lights



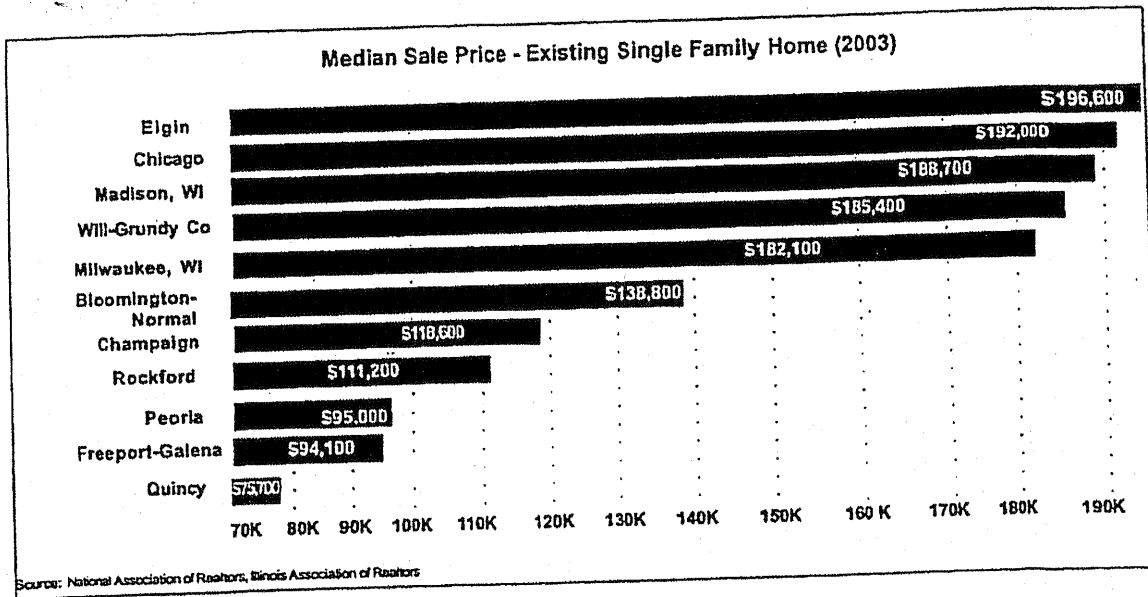
Coronado Theatre

Health Care

Hospitals	No. of Beds
Rockford Health Systems (Rockford)	339
SwedishAmerican Hospital (Rockford)	296
OSF St. Anthony Medical Center (Rockford)	201
Freeport Memorial Hospital (Freeport)	179
Rochelle Community Hospital (Rochelle)	34
Northwest Suburban Community Hosp.(Belvidere)	307
Number of Physicians (M.D.)	849
Number of Dentists (D.D.S.)	202

Rockford MSA ranks 1st in housing affordability in the U.S.
National Association of Home Builders, Fourth Quarter, 2001

Housing Affordability



Community Services

Motels/Hotels:	60
- Number of rooms:	3,527
Restaurants:	575
-Capacity of largest banquet room:	1,200
Civic Center/auditorium:	Rockford Metro Centre
- Seating capacity:	10,000
Number of Banks:	35
Number of Savings and Loans:	6
Number of Credit Unions:	36
Local newspapers	
- Daily:	3
- Weekly:	8
Local radio stations:	13
TV channels received:	6
Cable TV system:	yes
Public Bus Transportation:	yes
Fire Insurance Rating:	
City of Rockford:	2
Winnebago County:	5



For More Information

Rockford Area Council of 100

515 North Court Street
Rockford, Illinois 61103
Phone: (815) 987-8118
Fax: (815) 987-8129

website: www.rockfordil.com
e-mail: info@rockfordil.com

Economic Development Partners:

- Growth Dimensions of Belvidere and Boone County
- Greater Rochelle Economic Development Corporation
- Freeport Area Economic Development Corporation
- Rockford Local Development Corporation

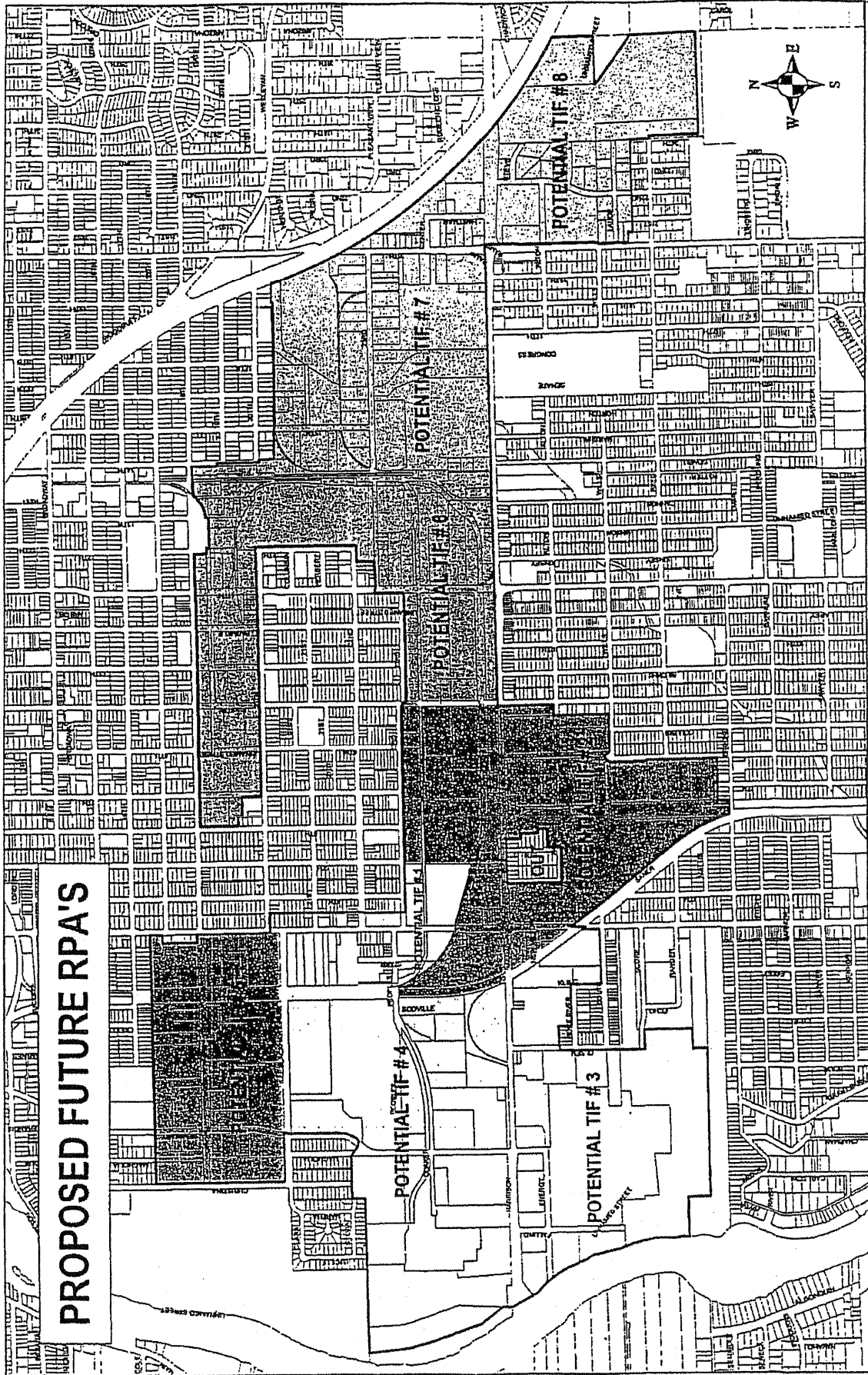


EXHIBIT 4

KISHWAUKEE/Harrison AREA INDUSTRIAL DEVELOPMENT PLANNING AREA

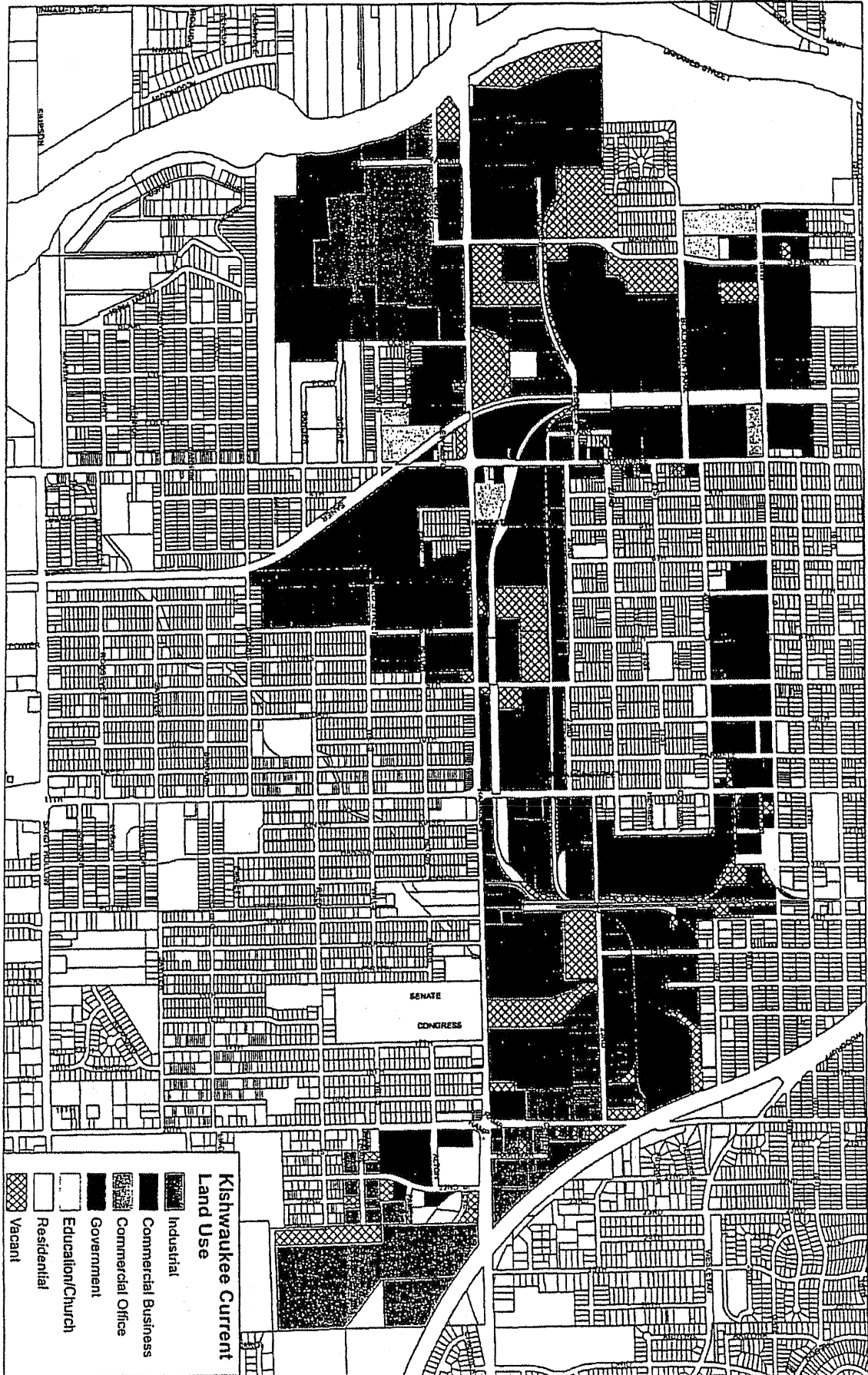
All of that part of the City of Rockford, County of Winnebago and State of Illinois bounded and described as follows, to-wit: Beginning at the intersection of the West right-of-way line of 9th Street and the North right-of-way line of Harrison Avenue; thence South to the intersection of the said West right-of-way line of 9th Street and the South right-of-way line of said Harrison Avenue; thence continuing South along the West right-of-way line of said 9th Street to its intersection with the North right-of-way line of Alton Avenue; thence West to the Southwest corner of Lot 133 of Harrison 2nd Addition Subdivision; thence continuing South along the West line of said Harrison 2nd Addition Subdivision to its intersection with the North right-of-way line of Wills Avenue; thence West along said North right-of-way of Wills Avenue to the Northwest corner of Eighth Street and Wills Avenue; thence Northwesterly to the Northwest corner of said Eighth Street and said Wills Avenue; thence Southwesterly to the Southwest corner of said 8th Street and said Wills Avenue; thence South along the said 8th Street to its intersection with the North line of Block 40 of the Subdivision of Blocks 21 & 22 Kinsey's Little Farms; thence West along the North line of Blocks 40 and 39 of said Subdivision of Blocks 21 & 22 Kinsey's Little Farms to the Northwest corner of said Block 39 of said Subdivision of Blocks 21 & 22 Kinsey's Little Farms; thence South along the West line of said Block 39 to its intersection with the North right-of-way line of Brooke Road; thence West along said North right-of-way line to its intersection with the Northeasterly right-of-way line of the B & N Railroad right-of-way; thence Northwesterly along said Northeasterly right-of-way line to its intersection with the West right-of-way line of Kishwaukee Street; thence South along the West right-of-way line of Kishwaukee Street to its intersection with the North right-of-way line of South Avenue; then West along the said North right-of-way of South Avenue to the Northeast corner of South Avenue and Kling Street; thence North along the East right-of-way line of said Kling Street to the Northeast corner of the intersection of said Kling Street and Rock River Avenue; thence West along the North right-of-way line of said Rock River Avenue to the Southeast corner of Lot 23 of Block 11 of Gottfried's Subdivision; thence North along the East line of said Lot 23 of Gottfried's Subdivision to the Northeast corner of said Lot 23; thence West along the North line of Lots 23, 22, 21, 20 and 19 and its projection West to the West right-of-way line of Olsen Street; thence South along said West line of Olsen Street and its projection South to the South right-of-way line of Score Street; thence East along said South right-of-way line of Score Street to its intersection with the West line of Lot 4 of Nocomo Heights Subdivision; thence South along said West line of Lot 4 of Nocomo Heights Subdivision to the North line of Lot 5 of said Nocomo Heights Subdivision; thence West along said North line of Lot 5 of Nocomo Heights Subdivision to the Northwest corner of said Lot 5 of Nocomo Heights Subdivision; thence South along said West line of Lot 5 of Nocomo Heights Subdivision to the Southwest corner of said Lot 5 of Nocomo Heights Subdivision; thence West parallel with the South line of the Northwest Fractional Quarter of Section 2 and the Northeast Fractional Quarter of Section 3, all in Township 43 North, Range 1 East of the Third Principal Meridian, 1,747.85 feet; thence North perpendicular to the last described course a distance of 272.11 feet; thence West parallel with said South line of the Northwest Fractional Quarter of Section 2 to the East bank of the Rock River; thence Northwesterly along the East bank of the Rock River to its intersection with the North right-of-way line of Harrison Avenue; thence Northwesterly to the Southeast corner of the real property conveyed by the Quaker Oats Company to the City of Rockford

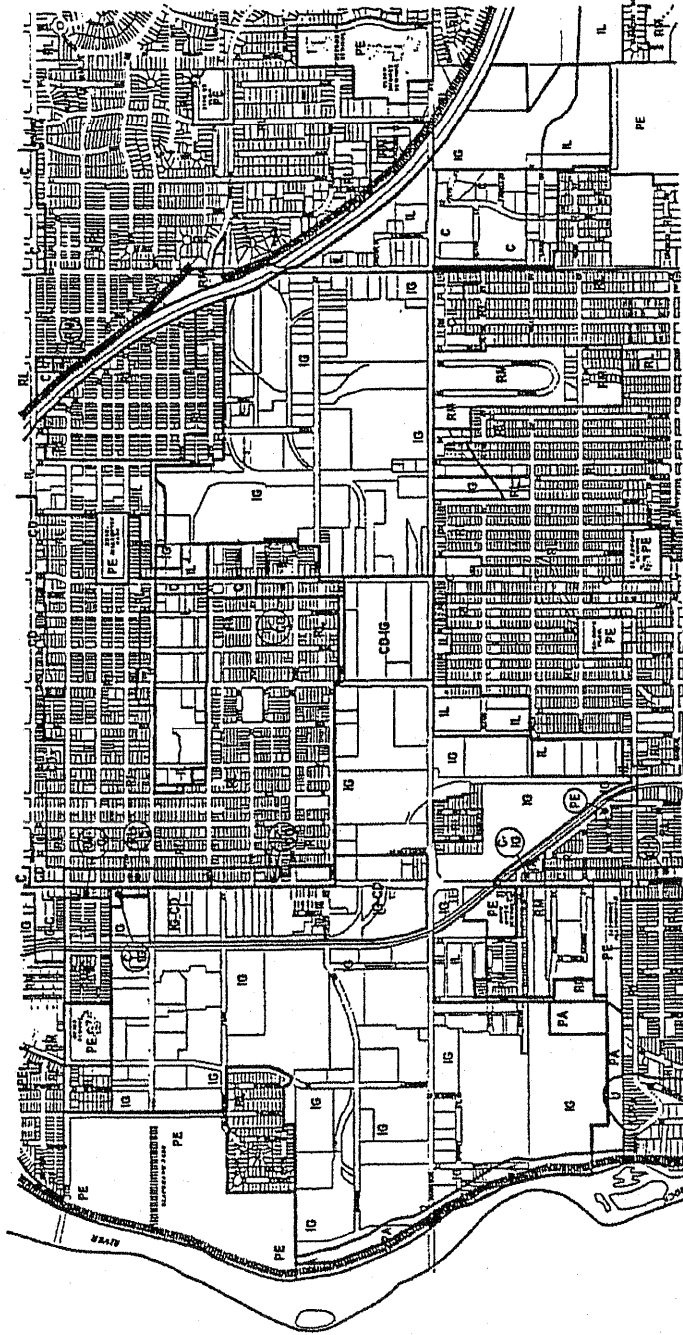
by warranty deed recorded as Document No. 74-06-0447 in the office of the Winnebago County Recorder; thence North and Northwesterly along the Easterly line of the real property conveyed by the Quaker Oats Company to the City of Rockford by warranty deed recorded as Document No. 74-06-0447 in the office of the Winnebago County Recorder to the North line of the Rockford Sand and Gravel Company's Subdivision; thence East along the North line of said Rockford Sand and Gravel Company's Subdivision to the Southwest corner of Lot 80 of Park Village Subdivision; thence continuing East along the South line of said Park Village Subdivision to the Southeast corner of Lot 93 of said Park Village Subdivision; thence North along the East line of said Lot 93 of Park Village Subdivision and its projection North to its intersection with the South line of Forbes Subdivision; thence East along the South line of said Forbes Subdivision to the Southeast corner of Lot 15 of said Forbes Subdivision; thence Southeasterly across Magnolia Street and along the Southwesterly line of Lot 14 of said Forbes Subdivision and its projection Southeasterly to the East right-of-way line of Seminary Street; thence Northeasterly and North along said East right-of-way line of Seminary Street to the Northeast corner of the intersection of said Seminary Street and Blackhawk Park Avenue; thence West along the North right-of-way line of said Blackhawk Park Avenue to the Northeast corner of the intersection of said Blackhawk Park Avenue and Christina Street; thence North along the East right-of-way line of said Christina Street to the Southwest corner of Lot 18 of Blackhawk Park Subdivision; thence East along the South line of said Blackhawk Park Subdivision to the Southeast corner of Lot 19 of said Blackhawk Park Subdivision, said point being on the West right-of-way line of Magnolia Street; thence East across Magnolia Street and along the South line of Lots 34 and 42 of said Blackhawk Park Subdivision and its projection East to the Southwest corner of Lot 15 in Block 2 of Meadow Stream Subdivision; thence continuing East along the South line of said Subdivision and continuing East across the B & N Railroad right-of-way to the Southeast corner of Lot 3 in Block 1 of said Meadow Stream Subdivision, said point being on the West right-of-way line of Kishwaukee Street; thence South along the West right-of-way line of said Kishwaukee Street 150 feet; thence West parallel with the South line of Block 1 of said Meadow Stream Subdivision a distance of 100 feet; thence South parallel with the West right-of-way line of said Kishwaukee Street to its intersection with the North right-of-way line of Eighteenth Avenue; thence East along the said North right-of-way line of Eighteenth Avenue to the West right-of-way line of Kishwaukee Street; thence South across Eighteenth Avenue and along said West right-of-way line of Kishwaukee Street to its intersection with the South line of Twentieth Avenue projected West; thence East along the South line of said Twentieth Avenue to the Northwest corner of Lot 1 in Block 6 of Haines Subdivision, said point being the Northeast corner of the alley running North and South in said Block 6 of Haines Subdivision; thence South along the East line of said alley and Lots 1, 2 and 3 of said Block 6 of Haines Subdivision and continuing along the West line of Lots 34, 33, 32, 31, 30, 29, 28, 27, 26, 25, 24, 23, 22 and 21 to the Southwest corner of Lot 21 of Eastwood & Stockburger's Subdivision; thence Southeasterly to a point on the South line of an East and West alley, said point being 12 feet East of the Northwest corner of Lot 18 of said Eastwood & Stockburger's Subdivision; thence South parallel with the West right-of-way line of 4th Street to the North right-of-way line of Twenty-second Avenue; thence Southwesterly to a point on the South right-of-way line of said Twenty-second Avenue, said point being 165 feet, plus or minus, West of the West right-of-way line of 4th Street and also being a point on the centerline of a vacated North and South alley; thence South along said centerline of said vacated alley and its projection to a point on the South right-of-way line of Twenty-third Avenue; thence East along said South right-of-way line to the Southwest corner of the intersection of Twenty-third Avenue and 9th Street; thence Southeasterly to the Southeast corner of the intersection of said Twenty-third Avenue and 9th Street;

thence East along the South right-of-way line of said Twenty-third Avenue to its intersection with the West right-of-way line of 11th Street; thence North along said West right-of-way line to its intersection with the North right-of-way line of Twenty-third Avenue projected West; thence East along the said North right-of-way line of Twenty-third Avenue to the Southeast corner of Lot 21 of Kennedy's Addition; thence North along the East line of Lots 21 and 27 of said Kennedy's Addition to the Northeast corner of said Lot 27, said point being on the South right-of-way line of Twenty-second Avenue; thence East along said South right-of-way line to the East right-of-way line of 12th Street; thence North along the East right-of-way line of 12th Street to its intersection with the North right-of-way line of Twentieth Avenue; thence West along the said North right-of-way line of Twentieth Avenue to the Northwest corner of the intersection of Twentieth Avenue and 7th Street; thence North along the West right-of-way line of said 7th Street a distance of 219 feet; thence West on a line parallel with the North line of Twentieth Avenue to its intersection with the West line of a North and South alley now vacated; thence North along the West line of said vacated alley to its intersection with the South line of Lot 1 of Block 2 of Haines Subdivision projected East; thence West and along the South line of said Lot 1 to the East right-of-way line of 6th Street; thence North along said East right-of-way line of 6th Street to the Southeast corner of the intersection of 6th Street and Eighteenth Avenue; thence East along the South right-of-way line of Eighteenth Avenue to the Southwest corner of the intersection of said Eighteenth Avenue and 12th Street; thence South along the West right-of-way line of said 12th Street to the North right-of-way line of the I.C.G. Railroad right-of-way now vacated; thence East along the North line of said vacated railroad right-of-way to the East right-of-way line of said 12th Street; thence South along the projection of said East right-of-way line of 12th Street to the South line of said vacated railroad right-of-way; thence East along the South line of said vacated railroad right-of-way line to a point on the centerline of 13th Street now vacated; thence North along the centerline of said vacated 13th Street to its intersection with the South line of said vacated railroad right-of-way; thence Northeasterly along the South right-of-way line of said vacated railroad right-of-way to its intersection with the East right-of-way line of 13th Street now vacated; thence South along said East right-of-way line to the Northwest corner of Lot 2 of Block 13 of Budlong's Subdivision; thence Northeasterly along the South line of said Lot 2 and along the South right-of-way line of said vacated I.C.G. railroad right-of-way to the South right-of-way line of Eighteenth Avenue; thence East along the said South right-of-way line of Eighteenth Avenue to its intersection with the West right-of-way line of 14th Street; thence South along the said West right-of-way line of 14th Street to the Southeast corner of Lot 6 of Block 16 of Syndicate Subdivision; thence East along the projection of the South line of said Lot 6 a distance of 33 feet to the centerline of said 14th Street; thence South along the centerline of said 14th Street to the South right-of-way line of Twentieth Avenue projected West; thence East to the Southeast corner of the intersection of said Twentieth Avenue and said 14th Street, said corner being the Northwest corner of Lot 1 of Block 25 of said Syndicate Subdivision; thence South along the West line of said Lot 1 to the Southwest corner of said Lot 1; thence East along the South line of Blocks 25, 26 and 27 of said Syndicate Subdivision and continuing East across 17th Street now vacated and along the South line of the Plat of Subdivision for the Sunnyside Resubdivision of Blocks 1, 2, 4 & 5 and the South line of Sunnyside Subdivision to a point 20 feet West of the Southeast corner of Lot 5 of Block 5 of the said Sunnyside Resubdivision of Blocks 1, 2, 4 & 5; thence South perpendicular to the last described course a distance of 18 feet, more or less, to the centerline of the tracks in the I.C.G. Railroad right-of-way now vacated; thence East along said centerline a distance of 70 feet to a point 18 feet, plus or minus, perpendicularly distant from and South of the Southeast corner of Lot 4 of said Sunnyside Resubdivision of Blocks 1, 2, 4 & 5; thence North a distance of 18 feet, plus or

minus, to the Southeast corner of Lot 4 of said Sunnyside Resubdivision of Blocks 1, 2, 4 & 5; thence East along the South line of said Sunnyside Resubdivision of Blocks 1, 2, 4 & 5 to its intersection with the Westerly right-of-way line of the I.C.G. Railroad right-of-way; thence Southeasterly along said Westerly right-of-way line to its intersection with the East line of the Northwest Quarter of Section 6, Township 43 North, Range 2 East of the Third Principal Meridian; thence South along said East line to a point North $00^{\circ} 16' 12''$ West and 1,325.83 feet distant from the Southeast corner of said Northwest Quarter; thence South $89^{\circ} 43' 48''$ West a distance of 570 feet; thence South $20^{\circ} 07' 51''$ West a distance of 12.72 feet; thence South $52^{\circ} 27' 07''$ East a distance of 727.16 feet to the East line of said Northwest Quarter; thence South $00^{\circ} 16' 12''$ West along said East line a distance of 802.05 feet to a point 66 feet North of the Southeast corner of said Northwest Quarter; thence West parallel with the South line of said Northwest Quarter to a point 33 feet East of the centerline of 24th Street; thence North parallel with said centerline of 24th Street a distance of 602.36 feet; thence West 33 feet along the centerline of Reed Avenue projected East to the centerline of 24th Street; thence North along the centerline of said 24th Street to its intersection with the South line of Johnson Bros. Industrial Park Subdivision projected East; thence West and along the South line of said Johnson Bros. Industrial Park Subdivision to the Southwest corner of Lot 3 of said Johnson Bros. Industrial Park Subdivision; thence West along the projection of said South line a distance of 121 feet; thence North parallel with the East right-of-way line of 20th Street a distance of 60 feet; thence West to the East right-of-way line of 20th Street, said being a 125 feet South of the South right of way line of Laud Drive; thence North along said East right-of-way line of 20th Street to the Northeast corner of the intersection of said 20th Street and Harrison Avenue; thence West along the North right-of-way line of said Harrison Avenue to the point of beginning.

Excepting therefrom all of that part of Harrison Avenue Subdivision, the Plat of which is recorded on Book 12 of Plats on Page 16 in the office of the Winnebago County Recorder, bounded and described as follows, to-wit: Beginning at the intersection of the South right-of-way line of Harrison Avenue with the West line of said Harrison Avenue Subdivision; thence South along the West line of said Subdivision to the Southwest corner of said Subdivision; thence East along the South line of the said Subdivision to its intersection with the East right-of-way line of 6th Street; thence North along said East right-of-way line to the Northwest corner of Lot 43 of said Harrison Avenue Subdivision; thence East along the North line of said Lot 43 to a point 100 feet West of the Northeast corner of said Lot 43; thence North parallel with the East line of said Subdivision a distance 100 feet to the South line of Lot 46 of said Harrison Avenue Subdivision; thence West along the South line of said Lot 46 a distance of 50 feet; thence North parallel with the East line of said Subdivision a distance of 200 feet to the North line of Lot 49 of said Harrison Avenue Subdivision; thence West along the said North line a distance of 60 feet to the Southeast corner of Lot 46 of said Harrison Avenue Subdivision; thence North along the East line of said Lot 46 and continuing along the East line of Lot 1 of said Harrison Avenue Subdivision to its intersection with the South right-of-way line of Harrison Avenue; thence West along the said South right-of-way line to the point of beginning. All situated in the City of Rockford, County of Winnebago and State of Illinois.





2020 PLAN MAP OF ROCKFORD, ILLINOIS - KISHWAUKEE AREA RPLA

RESIDENTIAL

LOW DENSITY

MEDIUM DENSITY

HIGH DENSITY

ADOPTED
SEPT. 11, 2004

PUBLIC/QUASI-PUBLIC

EXISTING FACILITY

PRIORITY PARK ACQUISITION

AREA NOT SUITABLE FOR DEVELOPMENT

INDUSTRIAL

TECH INDUSTRY

LIGHT INDUSTRY

GENERAL INDUSTRY

HEAVY INDUSTRY

TRANSPORTATION

FREIGHT

ARTERIAL

COLLECTOR

CONNECTION (LOCAL STREET)

PATWAY

PROPOSED ROAD VACATION

LAND USE

MULTIPLE DESIGNATION

SUBDIVISION REVIEW AREA

FUTURE URBAN DEVELOPMENT

COMMERCIAL

RETAIL

RECREATION/ENTERTAINMENT/TOURIST

OFFICE OVERLAY

OFFICE

HEAVY

MIXED USE

CBD

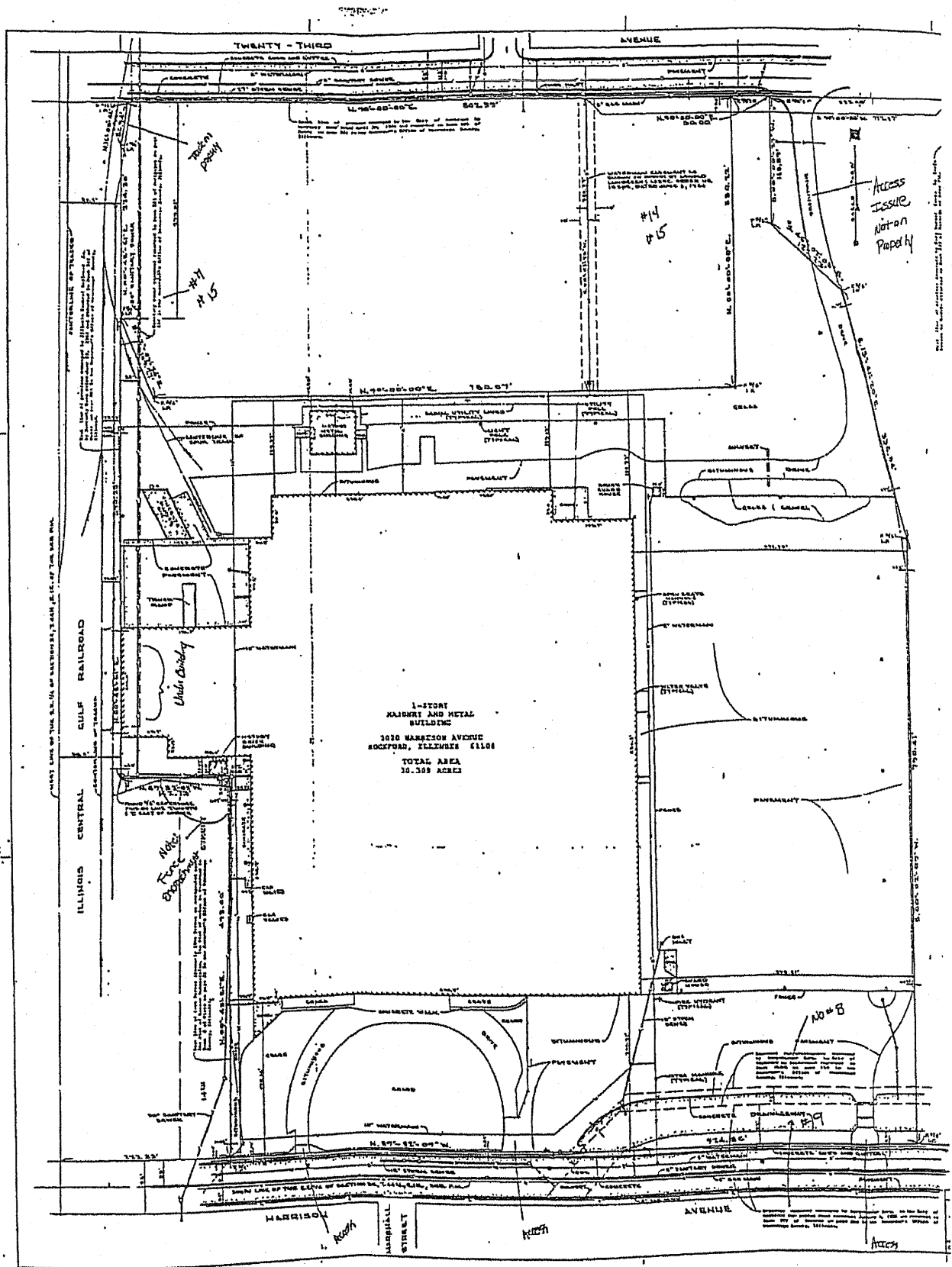
PLAN BOUNDARY

INFILL AREA

BOUNDARY AGREEMENT

Exhibit 2

Redevelopment Project Area #2 Boundary Map



KISWAUCKEE/ HARRISON
REDEVELOPMENT PROJECT AREA #2

BOUNDARY MAP

Exhibit 3

Redevelopment Project Area #2 Legal Description

LAND TITLE SURVEY

OF PROPERTY DESCRIBED AS:

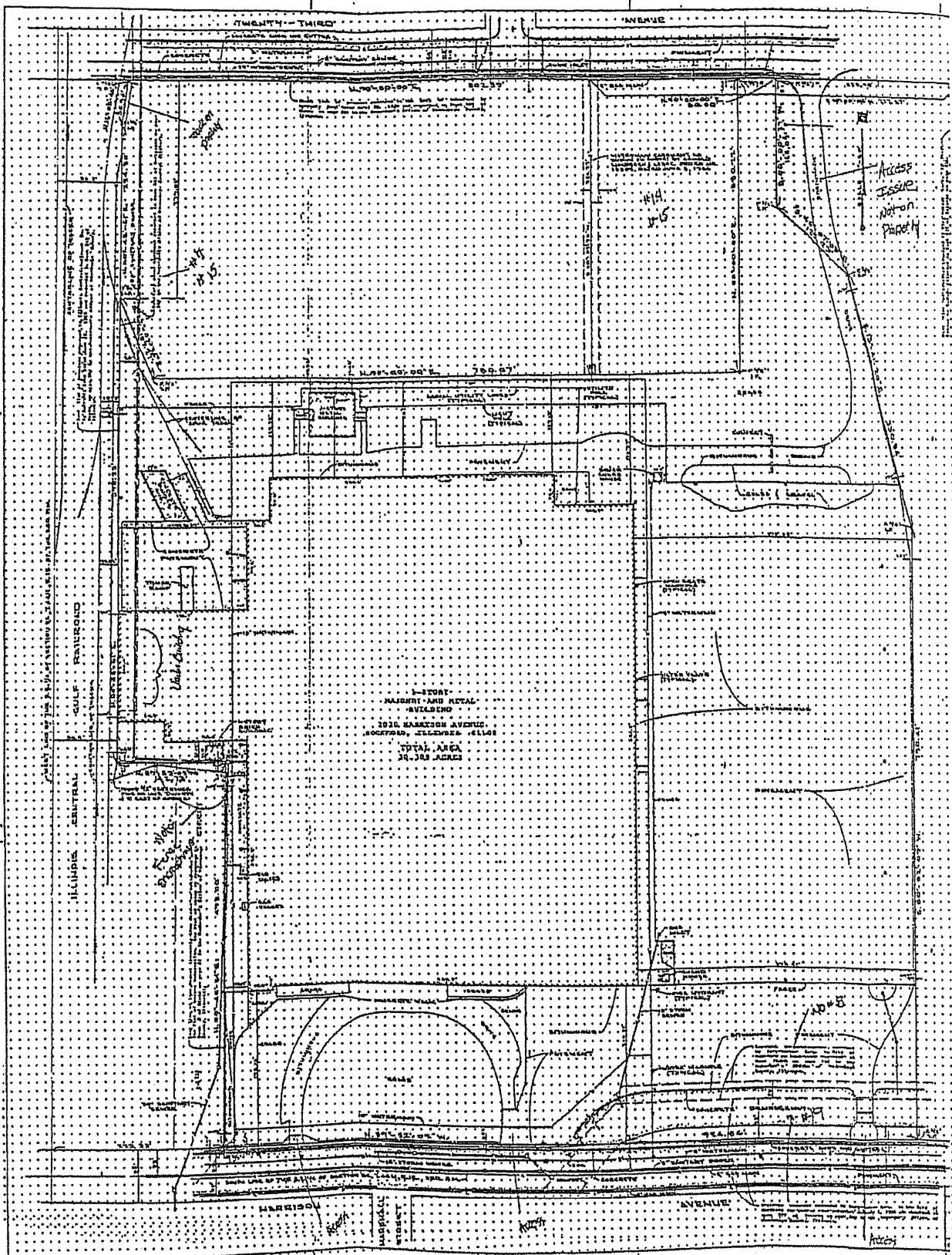
Part of the Southeast Quarter (1/4) of Section Thirty-six (36), Township Forty-four (44) North, Range One (1) East of the Third (3rd) Principal Meridian, bounded and described as follows, to-wit: Beginning at a point on the North line of Harrison Avenue which is 33.0 feet North of and parallel with the South line of said Section 36 and 223.33 feet East of the West line of the Southeast Quarter of said Section 36, said point of beginning being the point of intersection of said North line of Harrison Avenue with the East line of 14th Street (formerly 15th Street as shown upon the Plat of Mason's Subdivision as the same is recorded in Book 5 of Plats on page 51 in the Recorder's Office of Winnebago County, Illinois); thence North 00°-48'-51" East, along said East line of 14th Street, 493.00 feet; thence North 89°-52'-09" West, 142.73 feet to the East line of premises conveyed to the Illinois Central Railroad Company by Warranty Deed dated June 12, 1928 and recorded in Book 342 of Deeds on page 324 in said Recorder's Office; thence North 00°-48'-51" East, along the East line of premises conveyed to Illinois Central Railroad Company, 595.25 feet to a point being 279.01 feet perpendicularly distant South of the South line of premises conveyed to the City of Rockford by Warranty Deed dated April 30, 1938 and recorded in Book 409 of Deeds on page 561 in said Recorder's Office; thence South 22°-09'-34" East, 109.27 feet; thence North 90°-00'-00" East, parallel with the South line of said premises conveyed to the City of Rockford, 780.07 feet; thence North 00°-00'-00" East, 380.22 feet to a point in the South line of said premises conveyed to the City of Rockford; thence North 90°-00'-00" East, along the South line of said premises conveyed to the City of Rockford, 50.00 feet to a point being 525.4 feet from the Northwest corner of premises conveyed by Borg-Warner Corporation to Sonja Sandeen by Special Warranty Deed dated February 16, 1954 and recorded in Book 877 of Records on page 458 in said Recorder's Office; thence South 00°-00'-27" West, 168.09 feet; thence South 46°-07'-03" East, 125.23 feet; thence South 15°-41'-20" East, 336.84 feet; thence South 00°-02'-09" West, 790.41 feet to a point in the North line of the right-of-way for Harrison Avenue; thence North 89°-52'-09" West, parallel with the South line of the Southeast Quarter of said Section and along the North line of said right-of-way for Harrison Avenue, a distance of 924.86 feet to the point of beginning. Situated in the City of Rockford, the County of Winnebago and the State of Illinois.

ALSO:

Part of the Southeast Quarter (1/4) of Section Thirty-six (36), Township Forty-four (44) North, Range One (1) East of the Third (3rd) Principal Meridian, bounded and described as follows, to-wit: Commencing at a point in the North line of Harrison Avenue which is 33.0 feet North of and parallel with the South line of said Section 36 and 223.33 feet East of the West line of the Southeast Quarter of said Section 36, said point of commencement being the point of intersection of said North line of Harrison Avenue with the East line of 14th Street (formerly 15th Street as shown upon the Plat of Mason's Subdivision as the same is recorded in Book 5 of Plats on page 51 in the Recorder's Office of Winnebago County, Illinois); thence North 00°-48'-51" East, along the East line of 14th Street, 493.0 feet; thence North 89°-52'-09" West, 142.73 feet to the East line of premises conveyed to the Illinois Central Railroad Company by Warranty Deed dated June 12, 1928 and recorded in Book 342 of Deeds on page 324 in the Recorder's Office of Winnebago County, Illinois; thence North 00°-48'-51" East, along the East line of said premises conveyed to the Illinois Central Railroad Company, 595.25 feet to the point of beginning for the following described parcel; thence North 00°-48'-51" East, along the East line of said premises conveyed to the Illinois Central Railroad Company, 224.30 feet; thence Northeasterly, along a circular curve to the right to its intersection with the South line of premises conveyed to the City of Rockford by Warranty Deed dated April 30, 1938 and recorded in Book 409 of Deeds on page 561 in said Recorder's Office (the chord across the last described circular curve bears North 16°-00'-45" East, 56.94 feet); thence North 90°-00'-00" East, along the South line of said premises conveyed to the City of Rockford, 802.39 feet to a point being 575.40 feet from the Northwest corner of premises conveyed by Borg-Warner Corporation to Sonja Sandeen by Special Warranty Deed dated February 16, 1954 and recorded in Book 877 of Records on page 458 in said Recorder's Office; thence South 00°-00'-00" West, 380.22 feet; thence South 90°-00'-00" West, parallel with the South line of said premises conveyed to the City of Rockford, 780.07 feet; thence North 22°-09'-34" West, 109.27 feet to the

Exhibit 4

Redevelopment Project Area #2 Existing Land Use Map

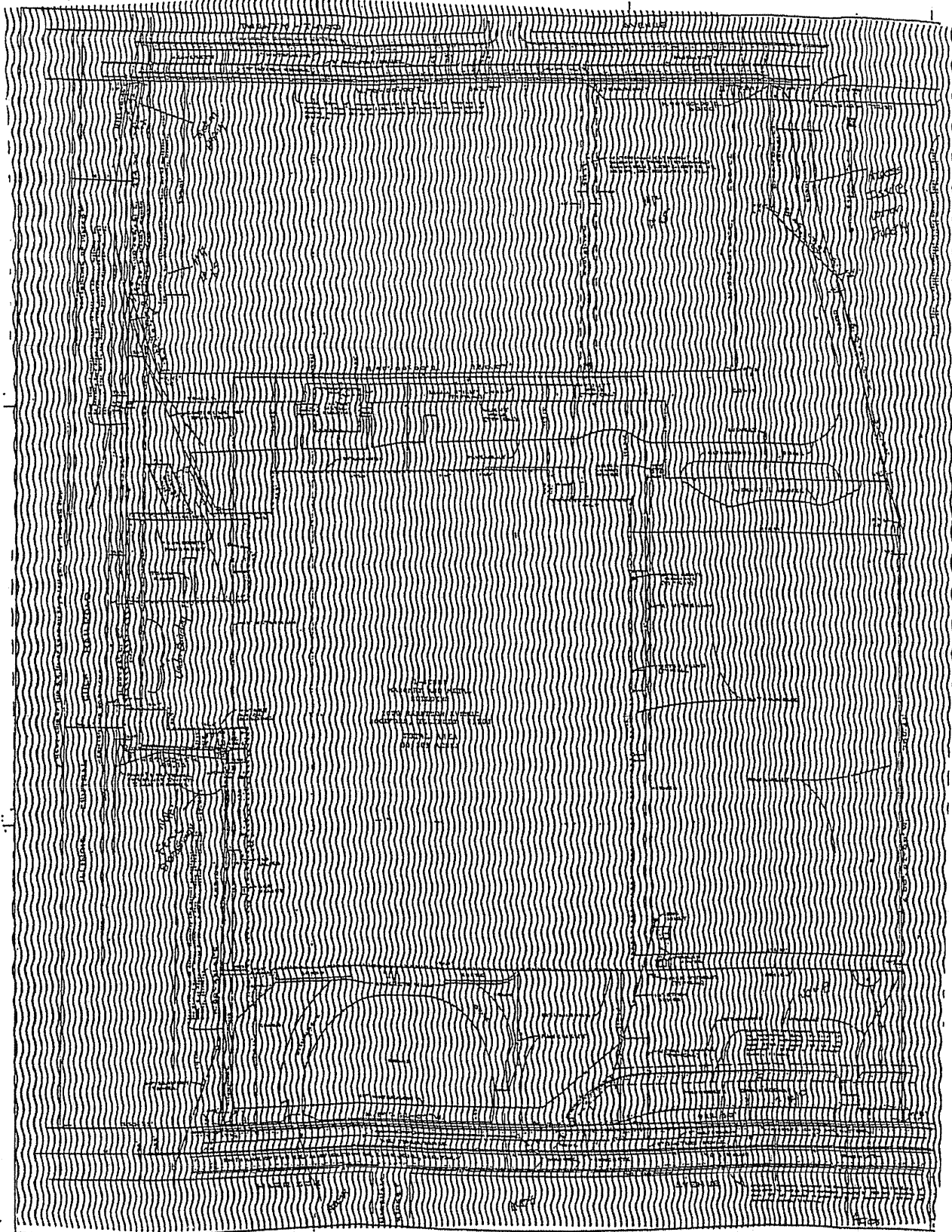


KISWAUCKEE/ HARRISON REDEVELOPMENT PROJECT AREA #2

EXISTING LAND USE MAP

Exhibit 5

Redevelopment Project Area #2 Proposed Land Use Map



KISWAUCKEE/ HARRISON
REDEVELOPMENT PROJECT AREA #2



PROPOSED LAND USE MAP