

City of Rockford TIF Commercial & Industrial Rehabilitation Program 2025

The City of Rockford's TIF Commercial & Industrial Rehabilitation Program offers forgivable loans to business and property owners who make investment in commercial and industrial spaces in select TIF Districts in Rockford. The Program offers 50% in matching funds up to \$25,000 in assistance to property owners and/or tenants for permanent building improvements. Ideal projects add value, extend the longevity of the qualifying properties, and make substantial or aesthetic improvements to the property. Deferred maintenance and improvements to become code compliant are allowed. Each of the identified TIF Districts has a designated \$150,000 in funds available on a first-come first-serve basis (for approved projects) through the duration of the Program.

Eligible TIF Districts are:

- Auburn Street TIF
- Broadway TIF
- East River TIF
- E. State / Alpine Rd TIF
- Midtown TIF
- Mulford & E State St TIF
- N. Main & Auburn St TIF
- River District North TIF
- W State & Central Ave TIF

Program Description

- 50/50 match with the City of Rockford covering costs up to \$25,000. The matching funds will be provided as a five-year forgivable loan.
- Available for for-profit commercial and industrial businesses or properties zoned commercial or industrial.
- Properties under a current TIF agreement are not eligible.
- Available on a first-come, first-serve basis (for projects that meet the qualifications) until the allocated funds are exhausted or the Program application period has ended (whichever comes first).
- Formal application is required for funding which includes details of the project, cost estimates, proof of matching funds, lease agreements, and more.
- Improvements made by the projects must be maintained during the duration of the five-year forgivable loan (matching funds) from the City of Rockford.
- Business must remain open and located within the City of Rockford during the five-year forgivable loan period (additional requirements will be specified in the agreement with the City). Property owners must retain ownership of the property during the five-year forgivable loan period (additional requirements will be specified in the agreement with the City).

Funding

- A total of \$150,000 is allocated toward the Program in each of the identified TIF Districts.

Application

- The online application is open February 3, 2025 – July 3, 2025.
- Applications are pre-approved on a first-come-first-serve basis for eligible projects. Once pre-approved, applicants have a 90-day due diligence period to submit required documentation for full approval.

Applicants

- Eligible Applicants Include:
 - For-profit businesses (established by December 1, 2024 documented through registration by the State or County) legally established and operating within the City of Rockford's municipal boundaries in one of the eligible TIF Districts (location zoned commercial or industrial).
 - Property owners with a property located within one of the designated TIF Districts (location zoned commercial or industrial).

Ineligible Applicants Include:

- Home-based businesses.
- Business established after December 2, 2024.
- Businesses that primarily engage in speculative activities that develop profits from fluctuations in price rather than through normal course of trade.
- Non-profits.
- Not available for residential property owners.

- The project and available funds are limited to the project site (address provided). A business or property owner that has multiple locations may apply for each location independently and those applications will be evaluated separately.
- Submission of an application does not guarantee funding.

Property Requirements

- Sit in the boundary of Auburn Street TIF, Broadway TIF, East River TIF E. State / Alpine TIF, Midtown TIF, Mulford & E. State TIF, N. Main & Auburn St. TIF, River District North TIF, or W State St & Central Ave TIF.
- Be a commercial or industrial property and properly zoned.
- Current on taxes and have no liens with the City of Rockford.
- If applicants have received loans from the City under other programs, payment of loans must be current.

- No outstanding code violations. However, this program can be used on projects that would improve and correct code violations.
- If the building has been designated by the City of Rockford as a local landmark or historic district, additional certification will be needed from the Historic Preservation Commission.
- Project must meet all State and local building and zoning codes.
- The project must align with a cost the applicant would be responsible for.
- Tenants are encouraged to partner with the property owners to create projects.
- Property owners must provide consent to the project and comply with the guidelines and full requirements of the program.
- Businesses moving into the identified TIFs are eligible to apply.
- Businesses located in shopping centers can apply (for example, signage).
- The location cannot be used for:
 - Adult uses, including but not limited to an adult type bookstore or other establishment selling, renting, displaying or exhibiting pornographic or obscene materials (including without limitation: magazines, books, movies, videos, photographs or so called “sexual toys”) or providing adult type entertainment or activities (including, without limitation, any displays of a variety involving, exhibiting or depicting sexual themes, nudity or lewd acts);
 - Tattoo shops;
 - A massage parlor or any establishment purveying similar services;
 - Gaming machine establishments, except bars and restaurants with video gaming terminals associated with WB50 or L50 license and are in good standing;
 - Tobacco stores;
 - Second Hand store, excluding national or regional brands (such as ReTool, Play It Again Sports, Plato’s Closet, Gamestop, etc.);
 - Cash for Gold store;
 - Payday Loan store;
 - Title Loan store; or
 - Short term rental

Project Requirements

- Projects should focus on exterior improvements (i.e. façade, windows).
- Improvements for interior will be allowed for accessibility (including restrooms) only.
- Not available for interior work, interior painting, acquisition, or job training.
- There will be no reimbursement for work already performed. However, work performed in 12 months before the application (with proper receipts and other documentation) may be counted toward the match for work to be performed if tied to the project included in the application.
- No funds will be awarded for work that is not first approved for total cost and conformity to the scope of the rehabilitation.
- The work should provide a reasonable sense of improvement and should not leave the property in an unfished or unsafe condition.

- The City of Rockford is not responsible for any incidental costs incurred by the Applicant that may have been necessary for compliance with the Program.
- Project work must be completed within twelve months from approval.

Funds

- The matching funds are provided by the City of Rockford as a five-year forgivable loan (a percentage of the loan will be forgiven each year documented on a promissory note).
 - The agreement and promissory note with the City will outline the terms of the loan.
 - The improvements must be maintained during this period except for minor changes.
 - If during this timeframe the improvements are removed or changed without the City's approval, the balance of the forgivable loan funds provided by the City must be returned.
- Once the entire Project is completed, the Applicant will provide to the City documentation of the paid invoices and the City will reimburse the appropriate pro rata portion based off of the agreement.

Process

- Online pre-application is completed. Funds are available on a first come first serve basis. The pre-application is not considered completed until submitted.
- If an eligible project, the funds will be temporarily reserved and conditional approval provided.
- Applicant completes full application. Application is not considered completed until submitted.
- Submission of a pre-application or application does not guarantee funding.
- City of Rockford reviews application. Additional information may be requested during this time.
- Applicant enters into a legal agreement with the City of Rockford that stipulates the requirements necessary to complete.
- Applicant contract services and submits plans to the city.
- City of Rockford requires complete review and approval of all aspects of the project prior to commencing construction. Starting construction ahead of formal approval (full execution of a Development Agreement) may result in full or partial denial of matching funds.
- Building permits or other permits are required and must be obtained prior to the commencement of the project.
- Prevailing Wage - contractors and subcontractors involved within the project shall pay laborers, workers, and mechanics performing services on the project no less than the "prevailing rate of wages" (hourly cash wages plus fringe benefits) for Winnebago County.

- Certified Payroll – contractors and subcontractors who participate in the project will need to file with the State of Illinois certified payroll for those calendar months during which the work occurred. These payrolls will be available to the City to monitor for compliance
- During construction process, applicant and contractors maintain regular communication with the City of Rockford.
- Upon completion of the project, the City of Rockford will inspect for compliance to the submission and approval.
- Once the project is complete, the Applicant will provide to the City of Rockford paid invoices for the project and the City will disburse to the Applicant the appropriate pro rata portion of the project costs.

Application & Submission Information

Application Assistance

- Applicants who need technical assistance with the application can contact Francisca French (contact information below).

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