

Community and Economic Development Administration

Mission Statement

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

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

2011 Accomplishments →

- Continued process improvements to enhance department performance.
- Continued the City's pursuit of stimulus dollars.
- Continued to attract and retain jobs.
- Recommended solution to cut costs while maintaining service levels.

2012 Goals and Objectives →

- Continue process improvements to enhance department performance.
- Continue the City's pursuit of stimulus dollars or other grant dollars.
- Continue to attract and retain jobs.

Budget Summary

CD ADMINISTRATION DIVISION BUDGET SUMMARY					
APPROPRIATION	<u>2010 ACTUAL</u>	<u>2011 BUDGET</u>	<u>2011 ACTUAL</u>	<u>2012 BUDGET</u>	<u>INCREASE (DECREASE)</u>
PERSONNEL	\$153,098	\$194,714	\$193,507	\$196,352	\$1,638
CONTRACTUAL	25,433	29,465	27,466	27,200	(2,265)
SUPPLIES	1,414	2,020	1,568	2,020	0
OTHER	0	0	0	0	0
CAPITAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$179,945</u>	<u>\$226,199</u>	<u>\$222,541</u>	<u>\$225,572</u>	<u>(\$627)</u>
STAFFING REVIEW					
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>INCREASE (DECREASE)</u>
	2.00	1.50	1.50	1.50	0.00
FUNDING SOURCE					
		<u>2011 AMOUNT</u>	<u>2011 PERCENTAGE</u>	<u>2012 AMOUNT</u>	<u>2012 PERCENTAGE</u>
PROPERTY TAXES					
FRINGE BENEFIT REIMBURSEMENTS		\$31,286	12.1	\$31,705	14.1
GENERAL REVENUES		<u>227,717</u>	<u>87.9</u>	<u>193,867</u>	<u>85.9</u>
TOTAL		<u>\$259,003</u>	<u>100.0</u>	<u>\$225,572</u>	<u>100.0</u>

Community and Economic Development Administration

Budget Analysis

The 2012 budget is \$225,572 which is a decrease of \$627 from the previous year. Personnel costs increased \$1,640 due to increases in both IMRF and health insurance rates.

Contractual costs decreased \$2,270 as a result of decreases in microcomputers (\$1,630), fuel (\$1,380), and risk management (\$1,260) offset by increases in travel (\$1,250) and building rent (\$1,550). Supplies remain unchanged.

In 2011, the Administrative Division spent \$222,541 or 98.4% of its budgeted allocation. In the past several years, 67% to 159% of the budget has been spent.

Capital Equipment

There are no capital items budgeted for 2012.

Personnel Review

COMMUNITY DEVELOPMENT ADMINISTRATION DIVISION					
BENEFITS AND SALARIES					
SALARY		2011	2012	INCREASE/ (DECREASE)	
		<u>BUDGET</u>	<u>BUDGET</u>		
PERMANENT		\$145,121	\$145,121	\$0	
MERIT PAY		0	0	0	
SALARY ADJUSTMENT		0	0	0	
TOTAL SALARIES		<u>\$145,121</u>	<u>\$145,121</u>	<u>\$0</u>	
BENEFITS					
ILLINOIS MUNICIPAL RETIREMENT		\$29,692	\$30,229	\$537	
UNEMPLOYMENT TAX		270	270	0	
WORKMEN'S COMPENSATION		334	406	72	
HEALTH INSURANCE		18,460	19,435	975	
RETIREE INSURANCE		0	0	0	
LIFE INSURANCE		117	117	0	
PARKING BENEFITS		720	774	54	
TOTAL BENEFITS		<u>\$49,593</u>	<u>\$51,231</u>	<u>1,638</u>	
TOTAL COMPENSATION		<u>\$194,714</u>	<u>\$196,352</u>	<u>\$1,638</u>	
PERSONNEL					
POSITION TITLE	POSTION RANGE	2011 EMPLOYEES	2012 EMPLOYEES	INCREASE/ (DECREASE)	
DIRECTOR	E-14	1.00	1.00	0.00	
SENIOR ADMIN ASSISTANT	E-6	0.50	0.50	0.00	
TOTAL PERSONNEL		<u>1.50</u>	<u>1.50</u>	<u>0.00</u>	

Planning Division

Mission Statement

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

Primary Functions → The primary functions of the Planning Division are administering environmental assessment, cleanup and redevelopment of City-owned Brownfield sites, and developing various long-range planning programs which include comprehensive growth management/fiscal impact analysis, the River Edge initiative, focus area/neighborhood plans, annexation strategies, the implementation of the recommendations of the 20/20 Plan, Historic Preservation, Intergovernmental Annexation Boundary Agreement, and numerous other programs. The Planning Division also manages, coordinates, or assists with numerous major projects occurring within the City of Rockford, such as the Federal Courthouse project and the redevelopment of older commercial and industrial sites.

2011 Accomplishments →

- Drafted text amendments to the 2020 Plan as the first step in a major update of the 2020 Plan and preparation of a 2030 Plan.
- Provided grants administration and coordination of the Brownfields Program and project oversight on two major cleanup efforts at Barber Colman: groundwater injections were done to neutralize cleaning solvents and demolition of buildings 10 and 19. These projects brought the Barber Colman Site closer to the redevelopment goal.
- Grant applications were prepared for \$1.7 million in new Brownfield funds. Grant announcements for additional funds will be made in May of 2012.
- Prepared grant applications for numerous supplemental programs including the USEPA Supplemental Revolving Loan Fund Grant Program; Pilot USEPA Brownfield Combined Assessment and Cleanup Grant Program, and others.
- Prepared the Action Memo Community Relations Plan, loan documents, and bid specifications for the demolition of the Tapco building.
- Managed the South Main Corridor study including assistance with the workshops and coordination between the consultants, city staff and administrators.
- Administered the \$200,000 Cleanup Grant for the Ingersoll buildings and coordinated the cleanup work including preparation of bid specifications for the asbestos removal portion of the project. Cleanup is 70% complete.
- Continued assistance to the Historic Preservation Commission.
- Prepared closeout reports and successfully closed out the FY08 USEPA Cleanup Grants (\$600,000) and USEPA Assessment Grant (\$400,000).

Planning Division

- Prepared request for proposals and marketing plan for the Amerock Building; following review by the IHPA, this request was advertised and sent to over 100 potential developers.
- Provided grant administration and prepared quarterly report for the Energy Efficiency and Conservation Block Grant, a \$1.58 million grant from the 2009 Federal Stimulus Bill.
- Completed the Environmental Assessment work in the West State Corridor, Phase I of the IDOT project.
- Completed the Environmental Assessment of the South Main Raid Yard Site; applications submitted for cleanup grants.
- Completed the progress reports for the Hope VI Focus Area Action Plan and the College/Seminary Focus Area Action Plan.

2012 Goals and Objectives →

- Complete the major five year review, update and amendments to the 2020 Plan initiated in November of 2011, and obtain approval of the plan as the 2030 Plan.
- Complete the South Main Street Revitalization Strategy. Prepare amendments to the 2030 plan accordingly.
- Complete the environmental cleanup work at the Barber Colman Complex, the Ingersoll complex and the West State Corridor from Kent Creek to Central Ave and the priority downtown sites. Initiate the implementation of environmental cleanup at additional Brownfield sites using River Edge and USEPA Brownfield Revolving Loan Funding.
- Assist with the River Edge Redevelopment project initiatives and potential grant-funded projects for historic preservation such as a potential projects as the Brewhouse, TAPCO, Amerock, the Elks Club and Armory.
- Direct Brownfield redevelopment efforts, including environmental assessments, remedial action plans, cleanups and redevelopment planning.
- Prepare USEPA grant applications for assessment grants, cleanup grants, revolving loan grants, job training grants, and Pilot programs.
- Continue to create tools and strategies to assist in the growth of the commercial and industrial employment base in the City of Rockford working with our economic development partners in the region to facilitate development opportunities.
- Help support activities which retain jobs in the community, particularly in the industrial sector.
- Assist in the removal and or reuse of blighted and underutilized properties.

Planning Division

- Prepare a progress report for the Kishwaukee Corridor Study Action Plan.
- Maintain database of City-owned properties.
- Facilitate the Ward redistricting process, using the 2010 census data.

Budget Summary

CD PLANNING DIVISION BUDGET SUMMARY					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE <u>(DECREASE)</u>
PERSONNEL	\$507,793	\$439,434	\$422,847	\$429,454	(\$9,980)
CONTRACTUAL	93,179	83,550	86,575	74,050	(9,500)
SUPPLIES	2,735	1,970	972	1,970	0
OTHER	38,470	0	13,037	0	0
CAPITAL	0	0	0	0	0
ENCUMBRANCES	0	0	0	0	0
TOTAL	<u>\$642,177</u>	<u>\$524,954</u>	<u>\$523,431</u>	<u>\$505,474</u>	<u>(\$19,480)</u>
STAFFING REVIEW					
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	INCREASE <u>(DECREASE)</u>
	6.30	5.30	4.30	4.30	0.00
FUNDING SOURCE					
		<u>2011 AMOUNT</u>	<u>2011 PERCENTAGE</u>	<u>2012 AMOUNT</u>	<u>2012 PERCENTAGE</u>
PROPERTY TAXES					
REIMBURSEMENTS		\$71,776	12.9	\$64,128	11.7
CDBG FUND		136,880	0.0	136,880	24.9
TIF FUNDS		210,300	0.0	211,400	38.5
ZONING FEES		121,270	21.8	121,270	22.1
OTHER GOVERNMENTS(RATS)		15,000	2.7	15,000	2.7
GENERAL REVENUES		0	62.6	0	0.1
TOTAL		<u>\$555,226</u>	<u>100.0</u>	<u>\$548,678</u>	<u>100.0</u>

Budget Analysis

The 2012 budget is \$505,474, a decrease of \$19,480 (3.7%) from the previous year. Personnel costs decreased \$9,980 as a result of the reduction in temporary pay (\$15,000) offset by increased health insurance rates (\$3,700).

Contractual costs decrease \$9,500 mostly due to a reduction in risk management and microcomputer allocations. Supply costs remain unchanged.

In 2011, the Planning Division spent \$523,431 or 99.7% of the budgeted allocation. In the past several years, 89% to 106% of the budgeted amount has been spent.

Planning Division

Capital Equipment

No capital equipment is planned for 2012.

Personnel Review

COMMUNITY DEVELOPMENT PLANNING DIVISION				
BENEFITS AND SALARIES		2011	2012	INCREASE/
SALARY		<u>BUDGET</u>	<u>BUDGET</u>	<u>(DECREASE)</u>
PERMANENT		\$288,504	\$288,504	\$0
TEMPORARY		15,000	0	(15,000)
MERIT PAY		0	0	0
SALARY ADJUSTMENT		<u>0</u>	<u>0</u>	<u>0</u>
TOTAL SALARIES		<u>\$303,504</u>	<u>\$288,504</u>	<u>(\$15,000)</u>
BENEFITS				
ILLINOIS MUNICIPAL RETIREMENT		\$59,028	\$60,096	\$1,068
UNEMPLOYMENT TAX		774	774	0
WORKMEN'S COMPENSATION		664	808	144
HEALTH INSURANCE		65,031	68,294	3,263
RETIREE INSURANCE		8,034	8,424	390
LIFE INSURANCE		335	335	0
PARKING BENEFITS		2,064	2,219	155
TOTAL BENEFITS		<u>\$135,930</u>	<u>\$140,950</u>	<u>\$5,020</u>
TOTAL COMPENSATION		<u>\$439,434</u>	<u>\$429,454</u>	<u>(\$9,980)</u>
	POSTION	2011	2012	INCREASE/
POSITION TITLE	<u>RANGE</u>	<u>EMPLOYEES</u>	<u>EMPLOYEES</u>	<u>(DECREASE)</u>
PLAN & ZONING PROGRAMS MANAGER	E-11	1.00	1.00	0.00
INDUSTRIAL DEVELOPMENT MANAGER	E-10	1.00	1.00	0.00
PLANNER II	E-8	1.00	1.00	0.00
DEVELOPMENT SPECIALIST	E-8	1.00	1.00	0.00
SR ADMINISTRATIVE ASSISTANT	E-6	<u>0.30</u>	<u>0.30</u>	<u>0.00</u>
TOTAL PERSONNEL		<u>4.30</u>	<u>4.30</u>	<u>0.00</u>

Code Enforcement Division

Mission Statement

It is the mission of the Code Enforcement unit is to enforce codes and ordinances to attain a higher quality of life by promoting a safer, cleaner, and more beautiful city for all to enjoy.

Primary Functions → The primary functions of the Code Enforcement unit are to address violation of ordinances, zoning regulations and public safety concerns.

2011 Accomplishments →

- Rewrote city-wide clean-up contractor request for qualifications for greater control of bidding and work processes.
- Sought out neighborhood groups and seminars as means to educate and inform the public concerning ordinances and zoning regulations.
- Acted as liaison between Weed and Seed Restoration Committee, Rockford Urban Ministries, and non-profit "Know Sweat" from Joplin, Missouri.
- Integrated full responsibility of administering solid-waste contract into organizational framework of Code Enforcement.
- Assisted Police Department in enforcement sweep efforts as part of their Summer Crime Initiative in various targeted neighborhoods.
- Provided coded information to recover maintenance services costs through the Neighborhood Stabilization Program land banking provision.
- Successfully maintained 138 City owned lots under the Division's control.
- Maintained a high level of customer service despite staff reductions.
- Successfully completed Project Facelift with several external and internal partnerships.
- Performed a citywide informational sweep named "4-11" with the help of many groups.
- Conducted a CPTED modeled enforcement sweep of the ORCHID neighborhood for the Kishwaukee Weed and Seed group.

2012 Goals and Objectives →

- Develop a permit process for Property Standard complaints to help recover costs associated with inspection protocol.

Code Enforcement Division

- Create a survey administered by staff that can assist in determining public awareness of ordinances and zoning regulations and serve as an educational tool.
- Continue to improve Code Enforcement templates used in Rockstat presentations.
- Continued involvement in the Summer Work Camp program in cooperation with Rockford Urban Ministries, Weed and Seed East and West and Human Services.
- Continued cooperation with Human Services in facilitating project SWEEP.
- Develop method to better market project SWEEP to better utilize talents available.
- Continue effort with Faith Center Church to clean alleys and determine alternative projects in case of inclement weather.
- Continue to assemble ideas for improving the solid waste contract at renewal.
- Assemble and proceed with Project Facelift II with established and new partners.
- Re-designate inspection zones to reflect further staff reductions.
- Research available means to fund 2012 Summer Weeds Program.

Budget Summary

CD CODE ENFORCEMENT DIVISION BUDGET SUMMARY					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE <u>(DECREASE)</u>
PERSONNEL	\$875,776	\$757,966	\$784,381	\$775,091	\$17,125
CONTRACTUAL	454,200	434,065	373,598	515,480	81,415
SUPPLIES	6,249	4,025	2,694	4,025	0
CAPITAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$1,336,225</u>	<u>\$1,196,056</u>	<u>\$1,160,673</u>	<u>\$1,294,596</u>	<u>\$98,540</u>
STAFFING REVIEW					INCREASE <u>(DECREASE)</u>
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	
	14.20	12.20	10.20	10.20	0.00
FUNDING SOURCE		2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES					
REIMBURSEMENTS		\$123,718	10.3	\$135,191	10.4
CDBG FUND		570,260	47.7	570,260	44.0
SANITATION FUND		254,398	21.3	274,518	21.2
FEEES		10,000	0.8	20,000	1.5
GENERAL REVENUES		<u>237,680</u>	<u>20.7</u>	<u>294,627</u>	<u>22.9</u>
TOTAL		<u>\$1,196,056</u>	<u>100.8</u>	<u>\$1,294,596</u>	<u>100.0</u>

Code Enforcement Division

Budget Analysis

The 2012 budget is \$1,294,596, an increase of \$98,540 (8.2%) from the previous year. Personnel expenditures increased by \$17,125 due to increases in IMRF (\$2,050), Workman's Compensation (\$4,510), and health insurance (\$8,270) rates.

Contractual costs are budgeted at \$515,480, an increase of \$81,400. Increases include microcomputer charges (\$72,810), equipment rental (\$7,100), risk management (\$4,900) and building rental (\$7,100) offset by decreases in printing (\$9,810), and telephone charges (\$1,500).

The supply budget totals \$4,025, which includes moderate expenditures for office supplies.

In 2011, the Code Enforcement Division spent \$1,160,673, or 97.1% of its budgeted allocation. In the past several years, spending has been 91% to 105% of the budget.

Capital Equipment

No capital equipment is planned for 2012.

Personnel Review

COMMUNITY DEVELOPMENT CODE ENFORCEMENT DIVISION				
BENEFITS AND SALARIES				
SALARY		2011	2012	INCREASE/ (DECREASE)
		BUDGET	BUDGET	
PERMANENT		\$468,101	\$469,638	\$1,537
TEMPORARY		0	0	0
OVERTIME		0	0	0
MERIT PAY		0	0	0
SALARY ADJUSTMENT		0	0	0
TOTAL SALARIES		<u>\$468,101</u>	<u>\$469,638</u>	<u>\$1,537</u>
BENEFITS				
ILLINOIS MUNICIPAL RETIREMENT		\$95,774	\$97,825	\$2,051
UNEMPLOYMENT TAX		1,836	1,836	0
WORKMEN'S COMPENSATION		21,988	26,500	4,512
HEALTH INSURANCE		156,541	164,809	8,268
LIFE INSURANCE		796	796	0
RETIREE HEALTH INSURANCE		8,034	8,424	390
PARKING BENEFITS		4,896	5,263	367
TOTAL BENEFITS		<u>\$289,865</u>	<u>\$305,453</u>	<u>\$15,588</u>
TOTAL COMPENSATION		<u>\$757,966</u>	<u>\$775,091</u>	<u>\$17,125</u>
PERSONNEL				
POSITION TITLE	POSTION RANGE	2011 EMPLOYEES	2012 EMPLOYEES	INCREASE/ (DECREASE)
BUILDING OFFICIAL		0.00	0.00	0.00
PROPERTY IMPROVEMENT PROG MANAGE	E-9	1.00	1.00	0.00
NEIGHBORHOOD ZONE COORDINATOR	E-7	1.00	1.00	0.00
SR ADMINISTRATIVE ASSISTANT	E-6	0.20	0.20	0.00
SENIOR BUILDING INSPECTOR	CD-24	1.00	1.00	0.00
NEIGHBORHOOD ENFORCEMENT SPECIALI	CD-15	5.00	5.00	0.00
SENIOR CLERK	A-19	2.00	2.00	0.00
TOTAL PERSONNEL		<u>10.20</u>	<u>10.20</u>	<u>0.00</u>

Code Enforcement Division

Performance Measurements

	2009 Actual	2010 Actual	2011 Actual	2012 Projected
Weed Complaints	3,417	3,530	3,200	3,300
Vehicle Tows	17	18	23	25

Construction & Development Services Division

Mission Statement

It is the mission of the Construction and Development Services Division to provide consolidated services to our customers while promoting economic development and protecting the public health, safety, and welfare of the citizens of Rockford through balanced growth initiatives, the review of land use, subdivisions, issuance of permits, performance of inspections, and the enforcement of various codes and ordinances.

Primary Functions → The primary function of the Construction and Development Services Division is to provide building, mechanical, and electrical inspections for all existing and new construction, as well as administering land use planning and zoning policies and ordinances.

2011 Accomplishments →

- Fully implemented Advanced Energy Conservation Code Program grant for 2011, including the adopted and facilitation of the 2009 International Energy Code inclusive of plan review, inspection and documentation.
- Implemented full score sheet and benchmarks for RockStat.
- Integrated cross training of inspectors to allow for greater efficiency and satisfy benchmarks of 2011 Rockstat Score sheet.
- Facilitated training seminar with ICC for Mechanical contractor, design professionals and general contractors related to the 2009 International Mechanical Code with local amendments and 2009 Energy Code.
- Implemented customer survey for Division.
- Completed City-wide Zoning Map update.

2012 Goals and Objectives →

- Continue to streamline development process by facilitating one stop permitting.
- Facilitate development activities through positive customer service.
- Conduct process improvement meetings with a focus on the mechanical, electrical, and plumbing trades.
- Ongoing implementation and reporting of the Energy Grant/ Job Retention program from Energy Efficient Community Block Grant.

Construction & Development Services Division

Budget Summary

CONSTRUCTION & DEVELOPMENT SERVICES DIVISION BUDGET SUMMARY					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
PERSONNEL	\$1,472,954	\$1,327,578	\$1,189,726	\$1,361,472	\$33,894
CONTRACTUAL	274,628	254,390	252,332	318,105	63,715
SUPPLIES	6,531	5,730	7,722	5,730	0
CAPITAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$1,754,113</u>	<u>\$1,587,698</u>	<u>\$1,449,780</u>	<u>\$1,685,307</u>	<u>\$97,609</u>
STAFFING REVIEW					
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	INCREASE (DECREASE)
	25.00	18.00	15.00	15.00	0.00
FUNDING SOURCE					
		2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES-FRINGE					
BENEFIT REIMBURSEMENTS		<u>\$207,996</u>	<u>13.1</u>	<u>\$219,004</u>	<u>13.0</u>
FEEES					
BUILDING		653,800	41.2	654,400	38.8
ELECTRICAL		50,000	3.1	50,000	3.0
PLUMBING/HEATING		150,000	9.4	150,000	8.9
ALL OTHER		<u>168,400</u>	<u>10.6</u>	<u>240,800</u>	<u>14.3</u>
TOTAL FEES		<u>1,022,200</u>	<u>64.3</u>	<u>1,095,200</u>	<u>65.0</u>
GENERAL REVENUES		<u>357,502</u>	<u>22.6</u>	<u>371,103</u>	<u>22.0</u>
TOTAL		<u>\$1,587,698</u>	<u>100.0</u>	<u>\$1,685,307</u>	<u>100.0</u>

Budget Analysis

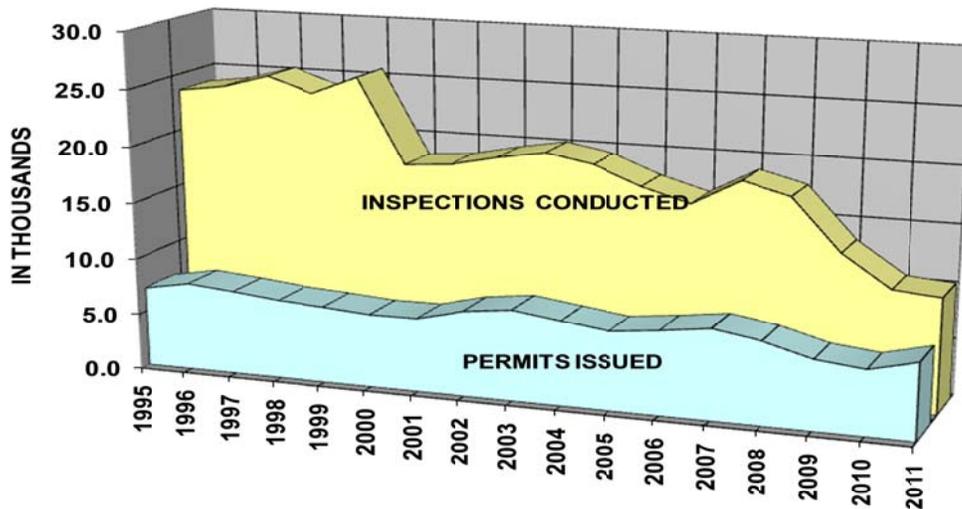
The 2012 budget of \$1,685,307 reflects an increase of \$97,609. Personnel expenses increased \$33,900 due to staff changes (\$10,230) and increases in IMRF (\$5,765), worker's compensation (\$5,240), and health insurance (\$10,300) rates.

Contractual costs increased \$63,715 due to adjustments in internal service charges to the division. The supply budget remains unchanged.

2011 fee revenue, budgeted at \$1,022,200, was \$1,602,876 for 2011. 2012 fee income is based on 2011 actual less unusual permits. Revenue is estimated to be \$1,095,200, an increase of \$73,000 (budget/budget basis).

Construction & Development Services Division

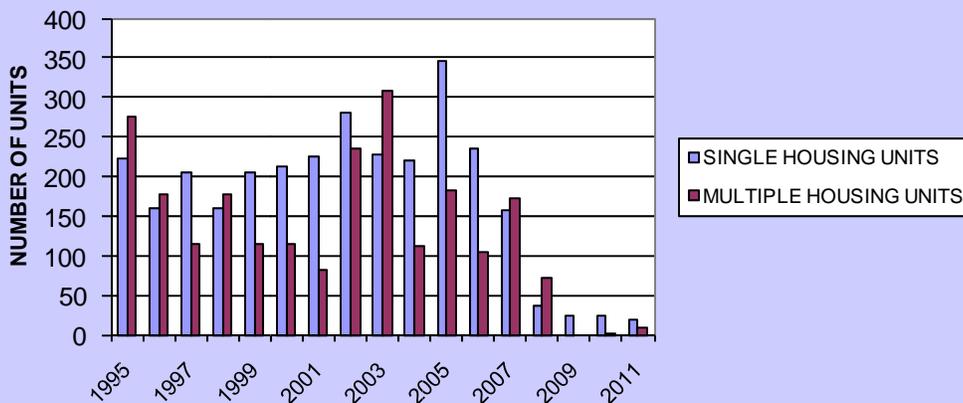
CITY OF ROCKFORD, ILLINOIS BUILDING PERMITS AND INSPECTIONS YEARS FROM 1995-2011



SOURCE: CONSTRUCTION & DEVELOPMENT SERVICES DIVISION

During the past seventeen years, total permits issued by the Construction & Development Services Division have been relatively flat. Permits issued in 1994 were 7,090 while 2011 was 7,058.

CITY OF ROCKFORD HISTORY OF HOUSING CONSTRUCTION ACTIVITY-UNITS YEARS FROM 1995-2011



Housing construction for single and multifamily units in 2010 was 24 and 2 for a total of 26. 2011 had similar levels of activity, with 20 single family units and 8 multifamily.

Construction & Development Services Division

In 2011, the Construction and Development Services Division spent \$1,449,780 or 91.3% of its budgeted allocation. In the past several years, 89% to 125% of the budget has been spent.

Capital Equipment

There are no capital items budgeted for 2012.

Personnel Review

CONSTRUCTION & DEVELOPMENT SERVICES DIVISION				
BENEFITS AND SALARIES		2011	2012	INCREASE/
SALARY		<u>BUDGET</u>	<u>BUDGET</u>	<u>(DECREASE)</u>
PERMANENT		\$865,594	\$875,824	\$10,230
TEMPORARY		0	0	0
OVERTIME		4,500	4,500	0
MERIT PAY		0	0	0
TRANSLATOR PAY		0	0	0
SALARY CERTIFICATION		7,410	9,230	1,820
SALARY ADJUSTMENT		0	0	0
ZONING BOARD OF APPEALS		<u>2,100</u>	<u>2,100</u>	<u>0</u>
TOTAL SALARIES		<u>\$879,604</u>	<u>\$891,654</u>	<u>\$12,050</u>
BENEFITS				
ILLINOIS MUNICIPAL RETIREMENT		\$179,967	\$185,732	\$5,765
UNEMPLOYMENT TAX		2,700	2,700	0
WORKMEN'S COMPENSATION		25,329	30,572	5,243
HEALTH INSURANCE		231,608	241,904	10,296
LIFE INSURANCE		1,170	1,170	0
PARKING BENEFITS		<u>7,200</u>	<u>7,740</u>	<u>540</u>
TOTAL BENEFITS		<u>\$447,974</u>	<u>\$469,818</u>	<u>\$21,844</u>
TOTAL COMPENSATION		<u>\$1,327,578</u>	<u>\$1,361,472</u>	<u>\$33,894</u>
	POSTION	2011	2012	INCREASE/
POSITION TITLE	<u>RANGE</u>	<u>EMPLOYEES</u>	<u>EMPLOYEES</u>	<u>(DECREASE)</u>
DEPUTY DIRECTOR - CONST SERVICES	E-13	1.00	1.00	0.00
MANAGER BUILDING CODE SECTION	E-10	1.00	1.00	0.00
BUILDING PLANS EXAMINER	E-9	0.00	0.00	0.00
PLANNER II	E-8	1.00	1.00	0.00
SENIOR ADMINISTRATIVE ASSISTANT	E-6	1.00	1.00	0.00
ADMINISTRATIVE ASSISTANT	E-5	1.00	1.00	0.00
SENIOR INSPECTION OFFICER	CD-28	3.00	3.00	0.00
INSPECTION OFFICER	CD-26	4.00	4.00	0.00
LAND USE PLANNER	CD-16	2.00	2.00	0.00
SENIOR CLERK	A-19	<u>1.00</u>	<u>1.00</u>	<u>0.00</u>
TOTAL PERSONNEL		<u>15.00</u>	<u>15.00</u>	<u>0.00</u>

Construction & Development Services Division

Performance Measurements

	2009 Actual	2010 Actual	2011 Actual	2012 Projected
Total Acres Annexed	37	3	1,460	40
Assessed Valuation in Annexed Areas	\$125,000	\$97,879	\$482,942	\$130,000
Dwelling Units in Annexed Areas	6	3	7	20
Zoning Applications/Liquor Apps	76	48	54/38	50/40
Zoning Clearances	1,730	1,729	2,294	2,000
Residential Permits	1,581	2,160	4,011	3,100
Commercial Permits	339	315	392	380
Demolitions	125	127	142	100
Plan reviews	472	448	400	420
Total inspections	10,485	10,157	11,446	11,500
Average inspections per day	42	40	45	45
Projects over \$1 million/total value	16/\$50M	15/\$34M	14/\$32M	15/\$35M

Community Development Business Group

Mission Statement

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

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

- **CDBG Administration** → Staff perform day to day activities, including planning, formulating applications, reviewing performance, accounting, acquiring land, and conducting environmental assessments. In addition, staff provides assistance to various groups including the Citizen Participation Committee, the Historical Preservation Commission, the Homestead Board, and non-profit development corporations.
- **Economic Development** → Provide technical and financial assistance to the City's industrial and commercial businesses.
- **Neighborhood Development** → Administer all City housing rehabilitation and new construction programs, including housing acquisitions, demolitions, homeless programs, and community assistance program projects and coordinate the efforts of others to bring about economic, physical, and social improvements in selected neighborhoods.
- **Home Program** → Annual Federal housing grant program designed to fund operating and project expenses for Community Housing Development Organizations (CHDO) that rehabilitate housing, offer homesteading opportunities for low-income homebuyers either through new construction or rehabilitation of residential properties, and fund housing rehabilitation for existing low-income homeowners.

2011 Accomplishments →

- Administered the Healthy Neighborhoods program and other renewed or new public service projects.
- Continued existing rehabilitation programs for focus area residents, the physically disabled and elderly. Applied for a grant through the Bank's Affordable Housing Program which, if awarded, will help serve 30 households in 2012.
- Code Enforcement provided needed services to the CDBG area. A number of sweeps were completed: Broadway business district, Underwood full enforcement, 9th Ward, and Kishwaukee Weed and Seed.

Community Development Business Group

- Homebuyer assistance was provided to income eligible purchasers through a grant with the Rockford Area Affordable Housing Coalition and Neighborhood Housing Services of Freeport. The City will continue to provide technical assistance for this two (2) year grant.
- Continued to work towards the build out of the subdivision at Springfield Corners, Thatcher Blake Riverwalk, 21xx Reed Avenue, Lincolnwood II, Garrison Lofts/Townhomes sites and the sale of scattered site new construction projects.
- Planned, developed and administered programs according to CDBG and HOME Federal requirements.
- Sought proposals for Community Housing Development Organizations (CHDO) operating funds and awarded funds to two CHDOs. Monitored and completed awards from previous year.
- Monitored for-profit and non-profit new construction and rehabilitation activities.
- Continued partnerships with the Winnebago County Health Department and the Human Services Department in order to address lead based paint hazards and weatherize homes leveraging our federal funds.
- Demolished blighted properties.
- Continued to work with a developer to secure project financing for Church School.
- Continued partnerships with Northwestern IL Area Agency on Aging and Regional Access Mobilization Program and began the administration of the IHDA's Home Modification Program.
- Continued to lend our support to outside activities such as the Money Smart Week Campaign and committees associated with the Rockford Area Affordable Housing Coalition and Rockford Area Association of Realtors.
- Continued to administer and report on the accomplishments of the CDBG-R grant and the Neighborhood Stabilization Program1 grant which were granted under the American Recovery and Reinvestment Act of 2009 and HERA of 2008. Began the demolition of Barber Colman Buildings 10 & 19 with CDBG-R funds.
- Completed the 2012 Annual Plan and the Community Annual Performance and Evaluation Report (CAPER) for 2010.

2012 Goals and Objectives →

- Administer the Healthy Neighborhoods program and other renewed or new public service and public facilities and improvements projects representing three projects. Additionally, Discovery Center will continue its 21st Century After School Program and the Rockford Area Affordable Housing Coalition will provide pre- and post-purchase counseling services.

Community Development Business Group

- Continue existing housing rehab and new construction programs with a focus on main thoroughfares and expanded area programs assisting 124 units.
- Code Enforcement will continue to provide needed services to CDBG areas.
- Homebuyer assistance will be provided to purchasers within the Tax Incentive Program, IHDA Homebuyer Assistance Program as well as Community Housing Development Organizations and other City supported projects.
- Continue to facilitate the continued build out of the subdivision at Springfield Corners, Thatcher Blake Riverwalk, 21xx Reed Avenue, Garrison Lofts/Townhomes sites and the redevelopment of the Jackson School TIF.
- Plan, develop, and administer programs according to CDBG and HOME Federal requirements and monitor sub-recipient activity.
- Seek proposals for CHDO operating funds and monitor project completion. It is anticipated that three organizations will be assisted.
- Provide technical assistance to Freeport NHS and RAAHC in their successful administration of IHDA's Homebuyer Assistance Program.
- Continue partnerships with the Winnebago County Health Department and the Human Services Department in order to address lead based paint hazards and weatherize homes leveraging our federal funds when feasible and funding available.
- Administer the Federal Home Loan Banks Affordable Housing Program grant once awarded.
- Demolish 23 blighted properties.
- Begin the redevelopment of Church School, working with a developer.
- Continue to assist elderly and physically disabled persons through a home modification program; reapply for funds through IHDA if the IHDA Home Modification grant is funded again.
- Continue to lend our support to outside activities such as the Money Smart Week Campaign, Bootcamp, Rockford Area Affordable Housing Coalition, Rockford Area Association of Realtors, and other various committees throughout the community.
- Continue to administer and report on the accomplishments of the CDBG-R grant and Neighborhood Stabilization Program¹ grant under the American Recovery and Reinvestment Act of 2009 and HERA of 2008.

Community Development Business Group

Economic Development

The Economic Development Program, budgeted at \$535,897, is funded by the Community Development Block Grant. The whole amount is allocated for program costs, with a transfer for economic development staff, housed in the Planning Division, budgeted at \$117,300.

Economic Development funding includes the following:

- \$206,597 for the Rehab and Development Assistance program designed to help create development opportunity in the City of Rockford and future projects providing a wage above the threshold median hourly wage to numerous low/moderate income City residents. Also, the loan/grant will be used for projects that have the potential to fill a long-vacant building or site, preferably in one of the City's TIF districts, the City's State certified Enterprise Zone, or one of the previously described strategic areas.
- \$30,000 for the Self-Employment Training Program that will provide basic entrepreneurial training to low to moderate-income persons in conjunction with Rock Valley College's Small Business Development Center. Projected training is for 80 participants.

Neighborhood Development

Housing programs, budgeted at \$2,989,243, are funded from three grant programs: the Community Development Block Grant, \$1,538,332; the Home Program, \$1,257,753; Emergency Shelter Grants, \$92,558; and program income, \$100,600.

Neighborhood Development funding includes the following:

- \$1,376,333 to assist existing owner occupants and new homebuyers. The funding will be used to make exterior improvements, interior health and safety code items and work needed to remove lead hazards. The City anticipates assisting approximately 74 low-income households once funds are leveraged with HOME funds.
- \$570,260 is to fund the code enforcement program, which will address approximately 3,400 self-initiated and neighborhood standards complaints.
- \$26,000 for the Lead Based Paint Hazard Reduction Program as a 10% match that will be provided to the Human Services Department to match a State of Illinois lead-based paint federal grant. The program is only made available to low-moderate income households. The City anticipates assisting 15 low-moderate income households.
- \$257,919 for continuation of the Demolition Program for demolishing abandoned, vacant, or boarded up properties primarily identified by the Focus Area Action Plan and deteriorated properties located near schools, on major thoroughfares, and strategically located scattered sites. The City anticipates the demolition of 23 units/structures.
- \$25,000 for the Rockford Area Affordable Housing Coalition for pre-purchase counseling to all participating buyers. Also included is information on employment, repairing credit, savings methods, and the overall home buying process.
- \$50,000 to the Discovery Center for an after school program.
- \$55,000 in funds will be awarded to neighborhood groups and/or other non-profits to do special projects that serve lower-income individuals/neighborhoods. Projected activity is three units.

Community Development Business Group

- \$15,000 for the Ramp Program to build ramps for low-income persons with mobility disabilities. Projected activity is 12 units to be administered by the Rockford Area Mobilization Project.
- \$36,500 is to be used by CHDO's for operating expenses. Funding level is for two CHDO's.
- \$92,558 is for the Emergency Shelter Grant program, administered by the Human Services Department.

In addition, \$477,192 is budgeted for Block Grant general administrative costs, which includes \$74,313 for Section 108 debt payment if necessary. Funding is from Block Grant, \$363,990, the Home Program \$90,302, NSP funds, \$74,313, and program income, \$22,900.

Budget Analysis

CD DEVELOPMENT DIVISION BUDGET SUMMARY					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
PERSONNEL	\$523,840	\$685,617	\$603,556	\$691,707	\$6,090
CONTRACTUAL	448,358	311,992	702,751	333,896	21,904
SUPPLIES	5,973	9,150	2,707	5,050	(4,100)
OTHER	3,609,705	3,536,792	2,989,112	3,001,227	(535,565)
CAPITAL	0	0	0	0	0
TOTAL	<u>\$4,587,876</u>	<u>\$4,543,551</u>	<u>\$4,298,126</u>	<u>\$4,031,880</u>	<u>(\$511,671)</u>
STAFFING REVIEW					
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	INCREASE (DECREASE)
	7.50	7.00	8.00	8.00	0.00
FUNDING SOURCE					
		2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
CURRENT FUNDS					
COMMUNITY DEVELOPMENT GRANT		\$2,355,780	52.6	\$1,997,830	50.3
HOME PROGRAM		1,015,047	22.7	903,029	22.7
OTHER FEDERAL/STATE		92,065	2.1	92,558	2.3
PROGRAM INCOME		<u>122,000</u>	<u>2.7</u>	<u>123,500</u>	<u>3.1</u>
		3,584,892	80.1	3,116,917	78.4
REPROGRAMMED FUNDS-PRIOR YEARS					
COMMUNITY DEVELOPMENT GRANT		422,000	9.4	410,418	10.3
HOME PROGRAM		472,825	10.5	445,026	11.2
OTHER FEDERAL/STATE		0	0.0	0	0.1
		<u>894,825</u>	<u>19.9</u>	<u>855,444</u>	<u>21.6</u>
TOTAL		<u>\$4,479,717</u>	<u>100.0</u>	<u>\$3,972,361</u>	<u>100.0</u>

The 2012 budget is \$4,031,880, which is a decrease of \$511,671 a small increase in Administration (\$62,846), offset by decreases in Economic Development (\$136,395), Neighborhood Development (\$310,801), and Home (\$128,122).

Personnel costs increased \$6,090 (0.9%), due to increases in health insurance (\$8,034), and workman's compensation (\$1,197) offset by a decrease in salaries (\$4,160).

Non-program contractual expenses increased \$21,900 with adjustments in a number of accounts. Microcomputer charges increase \$13,450, risk management \$8,780, building rent \$4,280, and

Community Development Business Group

vehicle repairs \$2,600 to reflect changes in activity levels. Travel decreases \$4,608 and audit \$3,650. Supply costs decrease \$4,100 to reflect actual expenses for office supplies.

Program income is \$107,000 for the Block Grant and \$16,500 for the HOME program.

Under Federal guidelines, grant years remain open until funds are expended. The Division estimates that at the end of 2011, a total of \$855,444 will be reprogrammed for 2012. These reprogrammed funds include \$410,418 in prior year Community Development Block Grant Funds, and \$445,026 in prior year Home Program funds.

In 2011, the Community Development Business Group spent \$4,298,126 or 94.6% of its budgeted allocation. In the past several years, spending has been between 81% and 134% of the budgeted amount.

Capital Equipment

For 2012, the Division will not have any capital purchases.

Five Year Financial Forecast

The 2013-2017 five-year forecast assumes that both Federal and local funding sources will stagnate and expenditures will not exceed revenue limits. It is further assumed that the Division will spend its annual budget. No assumptions are made for new programs.

COMMUNITY DEVELOPMENT BLOCK GRANT FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$3,897	\$4,014	\$4,134	\$4,258	\$4,386
Expenditures	<u>3,897</u>	<u>4,014</u>	<u>4,134</u>	<u>4,258</u>	<u>4,386</u>
Excess(Deficit)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Beginning Balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Ending Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Community Development Business Group

Personnel Review

COMMUNITY DEVELOPMENT BLOCK GRANT DIVISION				
BENEFITS AND SALARIES		2011	2012	INCREASE/
SALARY		BUDGET	BUDGET	(DECREASE)
PERMANENT		\$431,880	\$427,720	(\$4,160)
TOTAL SALARIES		\$431,880	\$427,720	(\$4,160)
BENEFITS				
ILLINOIS MUNICIPAL RETIREMENT		\$88,363	\$89,094	\$731
UNEMPLOYMENT TAX		1,440	1,440	0
WORKMEN'S COMPENSATION		5,966	7,163	1,197
HEALTH INSURANCE		153,504	161,538	8,034
RETIREE HEALTH INSURANCE		0	0	0
LIFE INSURANCE		624	624	0
PARKING BENEFITS		3,840	4,128	288
TOTAL BENEFITS		\$253,737	\$263,987	\$10,250
TOTAL COMPENSATION		\$685,617	\$691,707	\$6,090
	POSITION	2011	2012	INCREASE/
POSITION TITLE	RANGE	EMPLOYEES	EMPLOYEES	(DECREASE)
DEVELOPMENT PROGRAMS MANAGER	E-10	1.00	1.00	0.00
GRANTS COMPLIANCE SPECIALIST II	E-7	1.00	1.00	0.00
GRANTS COMPLIANCE SPECIALIST I	E-6	1.00	1.00	0.00
HOUSING REHAB SPECIALIST II	E-6	1.00	1.00	0.00
HOUSING REHAB SPECIALIST I	E-5	1.00	1.00	0.00
REHAB CONST SPECIALIST I	CD-15	2.00	2.00	0.00
SENIOR ADMINISTRATIVE ASSISTANT	E-6	1.00	1.00	0.00
TOTAL PERSONNEL		8.00	8.00	0.00

Performance Measurements

Plans for 2012 forecast similar levels of activity. Selected activity levels for 2009-2012 are illustrated below.

	2009	2010	2011	2012
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Projected</u>
Housing rehabilitation	90	96	124	124
Homeless programs	4	4	5	5
New construction units	10	2	27	24
Demolitions	13	44	25	10
Public services/facilities, organizations	9	7	8	8
Acquisitions	4	5	2	2
Homebuyer Assistance	24	13	8	8
Tax incentive program	0	0	3	3

Redevelopment Fund

Mission Statement

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

Primary Functions → The fund is financed by a one-percent tax adopted in 1978 for a period of 20 years on motel and room charges, restaurant, lounge charges for food and liquor, and package liquor sales. This was renewed for additional ten-year periods in 1990, 1999, and 2007 with the tax to end in 2028. In addition to financing a portion of the Metro Center Authority's deficits, the Fund provides the necessary capital for development opportunities, public improvements, and economic development efforts.

2011 Accomplishments

- The Redevelopment Fund financed the Metro Center Authority operating deficits, provided funds for redevelopment activities, and assisted in financing economic development efforts.

2012 Goals and Objectives

- The Redevelopment Fund will finance the Metro Center Authority operating deficits, provide funds for redevelopment activities, and assist in financing economic development efforts.

Budget Summary

COMMUNITY DEVELOPMENT REDEVELOPMENT FUND					
APPROPRIATION	2010 ACTUAL	2011 BUDGET	2011 ACTUAL	2012 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	\$3,230	\$6,000	\$3,936	\$850	(\$5,150)
OTHER	3,031,884	3,153,956	3,208,333	3,139,943	(14,013)
TOTAL	<u>\$3,035,114</u>	<u>\$3,159,956</u>	<u>\$3,212,269</u>	<u>\$3,140,793</u>	<u>(\$19,163)</u>
FUNDING SOURCE	2011		2012		
REDEVELOPMENT SALES TAX	AMOUNT	PERCENTAGE	AMOUNT	PERCENTAGE	
MOTEL	\$311,300	8.6	\$311,300	8.5	
PACKAGE	512,800	14.2	525,200	14.4	
RESTAURANT	2,777,900	77.2	2,815,000	77.1	
SUBTOTAL	<u>3,602,000</u>	<u>100.0</u>	<u>3,651,500</u>	<u>100.0</u>	
INTEREST INCOME	0	0.0	0	0.0	
TOTAL	<u>\$3,602,000</u>	<u>100.0</u>	<u>\$3,651,500</u>	<u>100.0</u>	

Redevelopment Fund

Redevelopment Fund Expenses

Expenses can be broken down into three groups as follows:

- Metro Center subsidy - \$450,000
- Debt service – \$1,462,773
- All other expenses – \$1,228,020

Metro Center Subsidy

- Total 2012 City commitment is \$1,077,040 with \$450,000 from the Redevelopment Fund and \$627,040 from the Tourism Promotion Fund. In 2011 the agreement with the Rockford Area Convention and Visitors Bureau (RACVB) was amended to reflect a guaranteed 3% and 1% challenge grant which for 2012 is \$943,260 and \$314,420 respectively. Metro Center subsidy contribution gets 1% plus unused portion of challenge grant.

Debt Service

- \$214,318 for debt service (2000 \$4.0 million and 2004 \$3.07 million refunding bond issue) for funding improvements associated with the construction of a 33,000 square foot supermarket in the South Rockford Tax Increment Finance District. The initial phase included property acquisition, demolition of existing structures, site work on ten acres, construction, equipment, and tenant improvements. Debt service from 2007 to 2019 will range from \$336,018 to \$380,513 (Redevelopment share \$147,068 to \$225,518, with the balance paid from South Rockford TIF).
- \$800,812 for debt service on the Coronado. In 1999, the City issued \$7,000,000 in bonds for the Coronado Theatre restoration. City financing sources included the Tourism (1999-2003) and Redevelopment Funds as well as amusement and parking taxes at the Coronado Theatre. The Redevelopment Fund will pay the balance of the debt service due after the application of the two taxes. Debt service from 2007 to 2017 will range from \$545,075 to \$988,880.
- \$5,775 net (2012 debt service \$1,840,768) for debt service on the Metro Center. In 2007, the City issued \$23 million in bonds for remodeling the Metro Center and acquiring an AHL franchise. Financing for debt repayment includes assistance from Winnebago County (\$460,000), the Redevelopment Fund (\$5,775), and the 2009 \$8.065 Metro Center taxable refunding issue (\$1,374,993).
- \$441,868 for debt service on the 2009 \$8.065 Metro Center taxable refunding issue. Designed to abate 2009 – 2014 debt service for the 2007 issue, debt service from 2009 through 2026, funded from the Redevelopment Fund, will range from \$441,868 to \$1,229,868.

All Other Expenses

- \$100,000 is provided to RACVB. The County and the City levy a tax on motel accommodations, three percent by the County and six percent by the City. The County passes the entire amount to the Bureau while the City keeps one percent for redevelopment efforts. The remaining five percent is sent to the Bureau. With the annexation of four motels into the City in 1988, the City agreed to transfer the other one percent (for these four motels only) from the Redevelopment Fund to the Bureau.

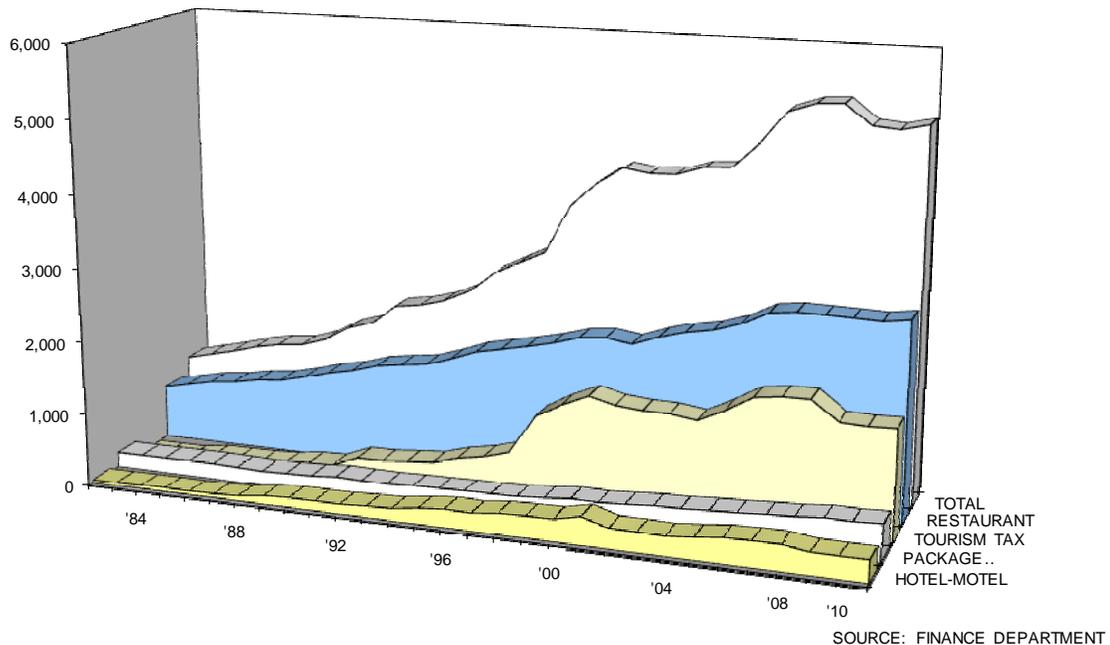
Redevelopment Fund

- \$200,000 to the Rockford Area Economic Development Council (RAEDC) to continue economic development efforts and industrial park marketing.
- \$150,000 for Coronado Performing Arts Center's annual assistance (2008-2013).
- \$23,500 will be reimbursed to the Public Works Water Division for the Millennium Fountain maintenance.
- \$601,150 is transferred to the Public Works Property Division for staff services and other building related expenses for the Coronado Theater (\$373,700), Festival Park (\$58,450), the Armory (\$30,350), Barber Colman (\$63,450), and Ingersoll (\$130,130).
- \$850 is budgeted for contractual expenses.
- \$107,200 is for tax collection cost reimbursement.
- \$45,320 is for interest expense.

Budget Analysis

2010 tax revenue, budgeted at \$3,495,200, was \$3,529,086 at year's end, a gain of \$33,886 (1.1%) from the budget. Tax revenue for 2011, budgeted at \$3,602,000, was \$3,611,194, a gain of \$9,194 (0.3%), an increase of \$115,994 (3.3%) from the 2010 budget of \$3,495,200 and an increase of \$82,108 (2.3%) from 2010's actual.

CITY OF ROCKFORD, ILLINOIS REDEVELOPMENT/TOURISM SOURCES OF REVENUE 1982-2011



Assumptions for revenue growth are 1% for motels (8.7%), 3% for package liquor (14.4%), and 2% for restaurants (76.9%) for a total of 2.1%. Growth in the last five years has ranged as follows: motels, -14.1% to 2.8%, package liquor, -0.4% to 7.1%, restaurants, -0.3% to 2.0%, and the three combined, -0.6% to 2.2%. 2012 income is estimated to be \$3,651,500, an increase of \$156,300 (4.5%) from the 2011 budget and an increase of \$40,306 (1.1%) from the 2011 actual.

Redevelopment Fund

The restructuring of the 2007 taxable debt as well as the elimination of \$50,000 in expense, the deferral of \$150,000 in expense, and the payment of \$1,079,764 of debt service from other funds was a significant restructuring for this fund for 2009. 2010 included the elimination of \$695,900 in previous expense.

In 2011, the Redevelopment Fund spent \$3,212,269 or 101.7% of the budgeted allocation. In the past several years, 89% to 131% of the budget has been spent.

Five Year Financial Forecast

The 2013-2017 five-year forecast assumes growth in taxes – one percent for motels, three percent for packaged liquor, and two percent for restaurants – reflecting the past history and the slowing economy. The refinancing and the structural changes made in 2009 should insure the long term viability of this fund.

REDEVELOPMENT FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$3,727	\$3,829	\$3,915	\$4,003	\$4,110
Expenses	<u>2,222</u>	<u>3,552</u>	<u>3,579</u>	<u>2,989</u>	<u>4,581</u>
Excess (Deficit)	<u>1,505</u>	<u>277</u>	<u>336</u>	<u>1,014</u>	<u>(471)</u>
Beginning Balance	<u>(474)</u>	<u>1,031</u>	<u>1,308</u>	<u>1,644</u>	<u>2,658</u>
Ending Balance	<u>\$1,031</u>	<u>\$1,308</u>	<u>\$1,644</u>	<u>\$2,658</u>	<u>\$2,187</u>

Community Development Tourism Promotion Fund

Mission Statement

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

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

2011 Accomplishments →

- The Bureau continues to collaborate with important Rockford attractions, events, hotels and restaurants to attract visitors.
- The sales team secured bookings for meetings, tournaments and events that took place at Rockford hotels and facilities. These bookings filled hotel rooms resulting in additional spending in the region.
- Rockin' Summer and Winter Rocks leisure marketing campaigns, which RACVB is a partner, have continued to drive awareness of Rockford's tourism and quality of life assets among local residents and potential visitors.

2012 Goals and Objectives →

- Increase non-local visitation to top sites and attractions.
- Increase RACVB influenced group sales bookings (number of meetings, conventions, and tournaments).
- Increase RACVB influenced off-season (October-April) business room night (actual rooms sold at hotels).

Community Development Tourism Promotion Fund

Budget Summary

COMMUNITY DEVELOPMENT TOURISM PROMOTION FUND					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
TRANSFER TO RACVB	\$1,054,449	\$837,300	\$1,185,747	\$943,260	\$105,960
RAVE SUBSIDY	\$350,000	600,000	450,000	627,040	27,040
PURCHASE OF SERVICES	<u>119,200</u>	<u>119,200</u>	<u>1,800</u>	<u>1,800</u>	<u>(117,400)</u>
TOTAL	<u>\$1,523,649</u>	<u>\$1,556,500</u>	<u>\$1,637,547</u>	<u>\$1,572,100</u>	<u>\$15,600</u>
<hr/>					
FUNDING SOURCE					
	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>	
TOURISM PROMOTION SALES TAX	<u>\$1,556,500</u>	<u>100.0</u>	<u>\$1,572,100</u>	<u>100.0</u>	
TOTAL	<u>\$1,556,500</u>	<u>100.0</u>	<u>\$1,572,100</u>	<u>100.0</u>	

Budget Analysis

Tax revenue for 2011, budgeted at \$1,556,500, was \$1,637,547, an increase of \$81,047 (5.2%), an increase of \$115,047 (7.6%) from the 2010 budget of \$1,522,500 and an increase of \$463,898 from 2010's actual. 2012 income is estimated to be \$1,572,100, an increase of \$15,600 (1.1%) from the 2011 budget of \$1,522,500 and an increase of \$30,522 (2.0%) from the 2010 actual of \$1,523,649. Expenses in 2012 include \$1,800 for collection costs, \$627,040 to RAVE for the operating subsidy with a portion (\$314,420) dependent on a 1% challenge and the balance (\$943,260) to the Rockford Area Convention and Visitor's Bureau for operating expenses.

In 2011, the Tourism Promotion Fund spent \$1,637,547 or 105.2% of its budgeted allocation. In the past several years, 81% to 125% of the budget has been spent.

Five Year Financial Forecast

The 2013-2017 five year forecast assumes motel revenue growth at two percent annually and appropriation of all income to the Visitors Bureau except for City reimbursements.

TOURISM PROMOTION FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$1,588	\$1,604	\$1,620	\$1,636	\$1,636
Expenses	<u>1,588</u>	<u>1,604</u>	<u>1,620</u>	<u>1,636</u>	<u>1,636</u>
Excess (Deficit)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Beginning Balance	<u>76</u>	<u>76</u>	<u>76</u>	<u>76</u>	<u>76</u>
Ending Balance	<u>\$76</u>	<u>\$76</u>	<u>\$76</u>	<u>\$76</u>	<u>\$76</u>

Retail Tax Increment Financing Districts

Mission Statement

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

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

There are 17 Retail TIF Districts, East Side, East River, West Side #1 and #2, River North, South Rockford, Assisted Living, State and Kilburn, State and Central, Springfield Corners, North Main, Main and Auburn, Main and Whitman, Seventh Street, Midtown, Broadway, and State and Alpine.

2011 Accomplishments →

- Initiated S Main Corridor Study.
- Continued implementation of Kishwaukee Corridor Study recommendations.
- Initiate expansion of River Edge Redevelopment Zone.
- Continued to coordinate Kishwaukee Corridor Empowerment Group.
- Continued coordination with Midtown Organization for 7th Street improvement plans.
- Continued coordination with Miracle Mile Organization for East State improvement plans.
- Continued coordination with River District Organization for downtown improvement plan.
- Continued coordination and monitoring of Self Employment Training Program.
- Continued coordination and monitoring of Construction Management Training Program.
- Continued administration of Enterprise Zone program incentives and quarterly reporting.
- Continued administration of River Edge Zone program incentives and quarterly reporting.
- Completed Annual Tax Increment Financing reporting.
- Completed monthly IL Department of Revenue Sales Tax Reporting.

Retail Tax Increment Financing Districts

- Completed Economic Development portion of HUD Annual Report.
- Continued reporting of HUD Section 3 requirements.
- Requested bids for demolition of Tapco building.
- Submitted request for proposal for Amerock building.
- Completed and submitted Embry-Riddle Aeronautical University proposal for new resident campus.
- Completed negotiations and development agreement with Marketplace Rockford for new lease of 98,000 square feet to attract Valli Produce, creating 110 new jobs, and \$6 million investment.
- Worked with VA Outpatient Clinic to expand to new 32,100 square foot facility, creating 15 new jobs and retaining 63 jobs, and \$2 million investment.
- Worked with Springfield Electric to rehabilitate 40,900 square feet, retained 15 jobs and \$665,000 investment.
- Worked with Marketplace Rockford to complete negotiations and development agreement for re-lease of vacant 50,000 square foot to Old Time Pottery, retaining 40 jobs, and \$2 million investment.
- Worked with KISS, Downtown Shoe & Boutique, and Palace Shoe Repair to install new awnings, creating six new and retaining four existing jobs, and \$2,200 investment.

2012 Goals and Objectives →

- Complete S Main Corridor Study.
- Complete expansion of River Edge Redevelopment Zone.
- Begin Construction of RockAero Park/Faith Center Church intersection/access road.
- Continue implementation of Kishwaukee Corridor Study recommendations.
- Continue to coordinate Kishwaukee Corridor Empowerment Group.
- Continued coordination with Midtown Organization for 7th Street improvement plans.
- Continued coordination with Miracle Mile Organization for East State improvement plans.
- Continued coordination with River District Organization for downtown improvement plan. +
- Continue coordination and monitoring of Self Employment Training Program.

Retail Tax Increment Financing Districts

- Coordinate the creation of a CDBG Façade Rehabilitation Program.
- Continue administration of Enterprise Zone program incentives and quarterly reporting.
- Continue administration of River Edge Zone program incentives and quarterly reporting.
- Complete Annual Tax Increment Financing reporting.
- Complete monthly IL Department of Revenue Sales Tax Reporting.
- Complete Economic Development portion of HUD Annual Report.
- Continue reporting of HUD Section 3 requirements.
- Eliminate three sources of blight in commercial TIFs.
- Attract four new companies to commercial TIFs.
- Assist four existing companies to expand in commercial TIFs.
- Provide assistance to six existing companies in commercial TIFs.

Budget Summary

COMMUNITY DEVELOPMENT EAST SIDE TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$20,000	\$10,000	\$0	\$10,000	\$0
OTHER	<u>320,178</u>	<u>332,150</u>	<u>308,055</u>	<u>395,000</u>	<u>62,850</u>
TOTAL	<u>\$340,178</u>	<u>\$342,150</u>	<u>\$308,055</u>	<u>\$405,000</u>	<u>\$62,850</u>
FUNDING SOURCE		2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES					
TAX INCREMENT		\$348,042	100.0	\$354,379	99.5
INTEREST INCOME		<u>0</u>	<u>0.0</u>	<u>1,800</u>	<u>0.5</u>
TOTAL		<u>\$348,042</u>	<u>100.0</u>	<u>\$356,179</u>	<u>100.0</u>

Retail Tax Increment Financing Districts

COMMUNITY DEVELOPMENT ASSISTED LIVING TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE <u>(DECREASE)</u>
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FUNDING SOURCE	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$40	0.0	\$59	0.0
INTEREST INCOME	<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
TOTAL	<u>\$40</u>	<u>0.0</u>	<u>\$59</u>	<u>0.0</u>

COMMUNITY DEVELOPMENT EAST RIVER TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE <u>(DECREASE)</u>
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	<u>267,605</u>	<u>493,863</u>	<u>491,941</u>	<u>177,689</u>	<u>(316,174)</u>
TOTAL	<u>\$267,605</u>	<u>\$493,863</u>	<u>\$491,941</u>	<u>\$177,689</u>	<u>(\$316,174)</u>

FUNDING SOURCE	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$66,613	0.0	\$272,674	0.0
INTEREST INCOME	<u>1,687</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
TOTAL	<u>\$68,300</u>	<u>0.0</u>	<u>\$272,674</u>	<u>0.0</u>

COMMUNITY DEVELOPMENT WEST SIDE TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE <u>(DECREASE)</u>
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	<u>643,614</u>	<u>666,723</u>	<u>666,723</u>	<u>735,999</u>	<u>69,276</u>
TOTAL	<u>\$643,614</u>	<u>\$666,723</u>	<u>\$666,723</u>	<u>\$735,999</u>	<u>\$69,276</u>

FUNDING SOURCE	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$651,515	100.0	723,970	100.0
INTEREST INCOME	<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
TOTAL	<u>\$651,515</u>	<u>100.0</u>	<u>\$723,970</u>	<u>100.0</u>

Retail Tax Increment Financing Districts

COMMUNITY DEVELOPMENT WEST SIDE 2 TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$0	\$19	\$0	\$0
OTHER	<u>0</u>	<u>355</u>	<u>0</u>	<u>0</u>	<u>(355)</u>
TOTAL	<u>\$0</u>	<u>\$355</u>	<u>\$19</u>	<u>\$0</u>	<u>(\$355)</u>
FUNDING SOURCE					
		2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES					
TAX INCREMENT		\$10,000	0.0	\$8,930	100.0
INTEREST INCOME		<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
TOTAL		<u>\$10,000</u>	<u>0.0</u>	<u>\$8,930</u>	<u>100.0</u>

COMMUNITY DEVELOPMENT RIVER NORTH TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	<u>270,989</u>	<u>133,324</u>	<u>26,786</u>	<u>26,296</u>	<u>(107,028)</u>
TOTAL	<u>\$270,989</u>	<u>\$133,324</u>	<u>\$26,786</u>	<u>\$26,296</u>	<u>(\$107,028)</u>
FUNDING SOURCE					
		2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES					
TAX INCREMENT		\$100,976	100.0	\$85,289	100.0
INTEREST INCOME		<u>0</u>	<u>0.0</u>	<u>3</u>	<u>0.0</u>
TOTAL		<u>\$100,976</u>	<u>100.0</u>	<u>\$85,292</u>	<u>100.0</u>

COMMUNITY DEVELOPMENT SOUTH ROCKFORD TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$0	\$965	\$0	\$0
OTHER	<u>173,037</u>	<u>175,494</u>	<u>173,900</u>	<u>400,167</u>	<u>224,673</u>
TOTAL	<u>\$173,037</u>	<u>\$175,494</u>	<u>\$174,865</u>	<u>\$400,167</u>	<u>\$224,673</u>
FUNDING SOURCE					
		2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES					
TAX INCREMENT		\$126,948	99.9	\$134,633	100.0
INTEREST INCOME		<u>100</u>	<u>0.1</u>	<u>0</u>	<u>0.0</u>
TOTAL		<u>\$127,048</u>	<u>100.0</u>	<u>\$134,633</u>	<u>100.0</u>

Retail Tax Increment Financing Districts

COMMUNITY DEVELOPMENT STATE KILBURN TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>\$0</u>
TOTAL	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FUNDING SOURCE	2011		2012	
	<u>AMOUNT</u>	<u>PERCENTAGE</u>	<u>AMOUNT</u>	<u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$23,300	100.0	\$17,200	97.8
INTEREST INCOME	<u>0</u>	<u>0.0</u>	<u>380</u>	<u>2.2</u>
TOTAL	<u>\$23,300</u>	<u>100.0</u>	<u>\$17,580</u>	<u>100.0</u>

COMMUNITY DEVELOPMENT STATE CENTRAL TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	<u>250,000</u>	<u>250,746</u>	<u>251,262</u>	<u>202,072</u>	<u>(48,674)</u>
TOTAL	<u>\$250,000</u>	<u>\$250,746</u>	<u>\$251,262</u>	<u>\$202,072</u>	<u>(\$48,674)</u>

FUNDING SOURCE	2011		2012	
	<u>AMOUNT</u>	<u>PERCENTAGE</u>	<u>AMOUNT</u>	<u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$250,700	100.0	\$221,200	100.0
INTEREST INCOME	<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
TOTAL	<u>\$250,700</u>	<u>100.0</u>	<u>\$221,200</u>	<u>100.0</u>

COMMUNITY DEVELOPMENT SPRINGFIELD CORNERS TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
OTHER	\$1,532,705	\$310,632	\$310,631	\$438,158	\$127,526
TOTAL	<u>\$1,532,705</u>	<u>\$310,632</u>	<u>\$310,631</u>	<u>\$438,158</u>	<u>\$127,526</u>

FUNDING SOURCE	2011		2012	
	<u>AMOUNT</u>	<u>PERCENTAGE</u>	<u>AMOUNT</u>	<u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$390,341	100.0	\$374,386	100.0
INTEREST INCOME	<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
TOTAL	<u>\$390,341</u>	<u>100.0</u>	<u>\$374,386</u>	<u>100.0</u>

Retail Tax Increment Financing Districts

COMMUNITY DEVELOPMENT NORTH MAIN STREET TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE <u>(DECREASE)</u>
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	<u>68,963</u>	<u>176,920</u>	<u>176,920</u>	<u>174,715</u>	<u>(2,205)</u>
TOTAL	<u>\$68,963</u>	<u>\$176,920</u>	<u>\$176,920</u>	<u>\$174,715</u>	<u>(\$2,205)</u>

FUNDING SOURCE	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$86,232	100.0	\$96,032	100.0
INTEREST INCOME	<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
TOTAL	<u>\$86,232</u>	<u>100.0</u>	<u>\$96,032</u>	<u>100.0</u>

COMMUNITY DEVELOPMENT MAIN AUBURN TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE <u>(DECREASE)</u>
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	<u>0</u>	<u>10,000</u>	<u>0</u>	<u>10,000</u>	<u>0</u>
TOTAL	<u>\$0</u>	<u>\$10,000</u>	<u>\$0</u>	<u>\$10,000</u>	<u>\$0</u>

FUNDING SOURCE	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$20,000	0.0	\$19,670	94.7
INTEREST INCOME	<u>1,000</u>	<u>0.0</u>	<u>1,108</u>	<u>5.3</u>
TOTAL	<u>\$21,000</u>	<u>0.0</u>	<u>\$20,778</u>	<u>100.0</u>

COMMUNITY DEVELOPMENT MAIN WHITMAN TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE <u>(DECREASE)</u>
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	<u>101,386</u>	<u>105,151</u>	<u>105,151</u>	<u>104,799</u>	<u>(352)</u>
TOTAL	<u>\$101,386</u>	<u>\$105,151</u>	<u>\$105,151</u>	<u>\$104,799</u>	<u>(\$352)</u>

FUNDING SOURCE	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$77,900	100.0	\$42,279	100.0
INTEREST INCOME	<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
TOTAL	<u>\$77,900</u>	<u>100.0</u>	<u>\$42,279</u>	<u>100.0</u>

Retail Tax Increment Financing Districts

COMMUNITY DEVELOPMENT SEVENTH STREET TAX INCREMENT FINANCING DISTRICT						
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)	
CONTRACTUAL	\$425	\$10,300	\$0	\$10,300	\$0	
OTHER	<u>1,598,921</u>	<u>1,144,120</u>	<u>1,158,776</u>	<u>1,038,128</u>	(105,992)	
TOTAL	<u>\$1,599,346</u>	<u>\$1,154,420</u>	<u>\$1,158,776</u>	<u>\$1,048,428</u>	(\$105,992)	
FUNDING SOURCE			2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES						
TAX INCREMENT			\$1,056,661	99.3	\$995,955	100.0
INTEREST INCOME			<u>7,000</u>	<u>0.7</u>	<u>100</u>	<u>0.0</u>
TOTAL			<u>\$1,063,661</u>	<u>100.0</u>	<u>\$996,055</u>	<u>100.0</u>

COMMUNITY DEVELOPMENT MIDTOWN TAX INCREMENT FINANCING DISTRICT						
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)	
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0	
OTHER	<u>165,000</u>	<u>31,127</u>	<u>1,127</u>	<u>22</u>	(31,105)	
TOTAL	<u>\$165,000</u>	<u>\$31,127</u>	<u>\$1,127</u>	<u>\$22</u>	(\$31,105)	
FUNDING SOURCE			2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES						
TAX INCREMENT			\$65,860	100.0	\$46,620	100.0
INTEREST INCOME			<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
TOTAL			<u>\$65,860</u>	<u>100.0</u>	<u>\$46,620</u>	<u>100.0</u>

COMMUNITY DEVELOPMENT BROADWAY TAX INCREMENT FINANCING DISTRICT						
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)	
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0	
OTHER	<u>0</u>	<u>2,100</u>	<u>990</u>	<u>0</u>	(2,100)	
TOTAL	<u>\$0</u>	<u>\$2,100</u>	<u>\$990</u>	<u>\$0</u>	(\$2,100)	
FUNDING SOURCE			2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES						
TAX INCREMENT			\$52,884	100.0	\$43,463	100.0
INTEREST INCOME			<u>0</u>	<u>0.0</u>	<u>21</u>	<u>0.0</u>
TOTAL			<u>\$52,884</u>	<u>100.0</u>	<u>\$43,484</u>	<u>100.0</u>

Retail Tax Increment Financing Districts

COMMUNITY DEVELOPMENT STATE ALPINE TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE <u>(DECREASE)</u>
CONTRACTUAL	\$0	\$12,000	\$0	\$0	(\$12,000)
OTHER	300,000	310,429	170,000	285,429	(25,000)
TOTAL	<u>\$300,000</u>	<u>\$322,429</u>	<u>\$170,000</u>	<u>\$285,429</u>	<u>(\$37,000)</u>

FUNDING SOURCE	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$265,200	0.0	\$245,600	97.6
INTEREST INCOME	3,000	0.0	5,912	2.4
TOTAL	<u>\$268,200</u>	<u>0.0</u>	<u>\$251,512</u>	<u>100.0</u>

Budget Analysis

This 17 district group collectively runs a deficit until 2012, turns positive, and then again runs a deficit from 2018 through 2027. The deficit generators are North Main, a high deficit year (2022) of \$1,190,000 and an estimated ending deficit of \$546,700 in 2026, and Main Whitman, a high deficit year of \$717,950 (2028) and an estimated ending deficit of \$397,300 in 2031.

It is difficult to estimate revenue growth which is property tax increment, generated by new construction and projects as well as inflationary growth of existing equalized assessed valuation, for several decades. These projections are based upon the most conservative assumptions possible.

Deficit reduction action was taken in two areas for 2009. For the near downtown area, adjustments were made among the Seventh Street, East River, South Rockford, East Side, and West Side #1 districts. In addition, \$300,000 was transferred from the State and Central district to Springfield Corners. An additional \$4.0 million will need to be transferred from 2011 through 2016 for Seventh Street and East River.

No long term financing is planned for 2012.

Five Year Financial Forecasts

The 2013-2017 five-year forecasts assume no growth for property taxes and that state and local sales tax will not be received. These funds are project, rather than service, oriented and are susceptible to considerable variance in direction and dollars. An ending balance schedule for all TIF districts for all years is also included.

Retail Tax Increment Financing Districts

EAST SIDE TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$359	\$362	\$365	\$1,069	\$0
Expenditures	<u>405</u>	<u>406</u>	<u>407</u>	<u>962</u>	<u>0</u>
Excess (Deficit)	(46)	(44)	(41)	107	0
Beginning Balance	25	(21)	(65)	(107)	0
Ending Balance	<u>(\$21)</u>	<u>(\$65)</u>	<u>(\$107)</u>	<u>\$0</u>	<u>\$0</u>

ASSISTED LIVING TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$0	\$0	\$0	\$0	\$0
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficit)	0	0	0	0	0
Beginning Balance	0	0	0	0	0
Ending Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

EAST RIVER TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$274	\$277	\$980	\$1,332	\$135
Expenditures	<u>177</u>	<u>176</u>	<u>925</u>	<u>1,273</u>	<u>122</u>
Excess (Deficit)	97	101	55	59	13
Beginning Balance	(13)	83	184	240	299
Ending Balance	<u>\$84</u>	<u>\$184</u>	<u>\$239</u>	<u>\$299</u>	<u>\$312</u>

WEST SIDE TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$724	\$728	\$732	\$1,286	\$0
Expenditures	<u>736</u>	<u>737</u>	<u>739</u>	<u>1,357</u>	<u>0</u>
Excess (Deficit)	(12)	(9)	(7)	(71)	0
Beginning Balance	99	87	78	71	(0)
Ending Balance	<u>\$87</u>	<u>\$78</u>	<u>\$71</u>	<u>(\$0)</u>	<u>(\$0)</u>

WEST SIDE 2 TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$9	\$10	\$10	\$10	\$10
Expenditures	<u>0</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>
Excess (Deficit)	9	0	0	0	0
Beginning Balance	10	19	19	19	18
Ending Balance	<u>\$19</u>	<u>\$19</u>	<u>\$19</u>	<u>\$19</u>	<u>\$18</u>

RIVER NORTH TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$88	\$89	\$90	\$91	\$92
Expenditures	<u>76</u>	<u>75</u>	<u>80</u>	<u>79</u>	<u>79</u>
Excess (Deficit)	12	14	10	12	13
Beginning Balance	59	71	84	94	106
Ending Balance	<u>\$71</u>	<u>\$85</u>	<u>\$94</u>	<u>\$106</u>	<u>\$119</u>

Retail Tax Increment Financing Districts

SOUTH ROCKFORD TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$236	\$237	\$989	\$642	\$149
Expenditures	400	399	407	397	400
Excess (Deficit)	(164)	(161)	582	244	(251)
Beginning Balance	(192)	(356)	(517)	65	309
Ending Balance	(\$356)	(\$517)	\$65	\$309	\$58

STATE KILBURN TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$18	\$19	\$20	\$20	\$20
Expenditures	0	0	0	25	25
Excess (Deficit)	18	19	20	(5)	(5)
Beginning Balance	33	51	70	89	85
Ending Balance	\$51	\$70	\$90	\$84	\$80

STATE CENTRAL TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$223	\$226	\$228	\$230	\$234
Expenditures	202	201	200	200	200
Excess (Deficit)	21	25	28	30	34
Beginning Balance	(64)	(42)	(17)	10	41
Ending Balance	(\$43)	(\$17)	\$11	\$40	\$75

SPRINGFIELD CORNERS TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$176	\$178	\$180	\$181	\$183
Expenditures	459	460	484	483	481
Excess (Deficit)	(283)	(282)	(304)	(302)	(298)
Beginning Balance	(128)	(411)	(693)	(998)	(1,300)
Ending Balance	(\$411)	(\$693)	(\$997)	(\$1,300)	(\$1,598)

NORTH MAIN STREET TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$98	\$99	\$101	\$102	\$104
Expenditures	173	221	218	215	211
Excess (Deficit)	(75)	(121)	(117)	(112)	(107)
Beginning Balance	(469)	(544)	(665)	(782)	(895)
Ending Balance	(\$544)	(\$665)	(\$782)	(\$895)	(\$1,002)

MAIN AUBURN TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$21	\$21	\$22	\$22	\$22
Expenditures	20	20	20	25	25
Excess (Deficit)	1	1	2	(3)	(3)
Beginning Balance	55	56	58	60	56
Ending Balance	\$56	\$57	\$60	\$57	\$53

Retail Tax Increment Financing Districts

MAIN WHITMAN TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$43	\$89	\$91	\$93	\$95
Expenditures	<u>105</u>	<u>104</u>	<u>123</u>	<u>121</u>	<u>118</u>
Excess (Deficit)	(62)	(15)	(32)	(28)	(23)
Beginning Balance	(345)	(407)	(422)	(454)	(482)
Ending Balance	<u>(\$407)</u>	<u>(\$422)</u>	<u>(\$454)</u>	<u>(\$482)</u>	<u>(\$505)</u>

7TH STREET TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$1,046	\$1,056	\$1,066	\$1,076	\$0
Expenditures	<u>1,048</u>	<u>1,045</u>	<u>1,169</u>	<u>1,279</u>	<u>7</u>
Excess (Deficit)	(2)	11	(103)	(203)	(7)
Beginning Balance	<u>5</u>	<u>3</u>	<u>14</u>	<u>(89)</u>	<u>(292)</u>
Ending Balance	<u>\$3</u>	<u>\$14</u>	<u>(\$89)</u>	<u>(\$292)</u>	<u>(\$299)</u>

MIDTOWN TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$48	\$50	\$50	\$51	\$51
Expenditures	<u>0</u>	<u>50</u>	<u>50</u>	<u>50</u>	<u>50</u>
Excess (Deficit)	48	0	0	1	1
Beginning Balance	<u>46</u>	<u>94</u>	<u>94</u>	<u>94</u>	<u>95</u>
Ending Balance	<u>\$94</u>	<u>\$94</u>	<u>\$94</u>	<u>\$95</u>	<u>\$96</u>

BROADWAY TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$45	\$47	\$47	\$47	\$48
Expenditures	<u>0</u>	<u>50</u>	<u>50</u>	<u>50</u>	<u>50</u>
Excess (Deficit)	45	(3)	(3)	(3)	(2)
Beginning Balance	<u>44</u>	<u>89</u>	<u>86</u>	<u>83</u>	<u>80</u>
Ending Balance	<u>\$89</u>	<u>\$86</u>	<u>\$83</u>	<u>\$80</u>	<u>\$78</u>

STATE ALPINE TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$253	\$255	\$257	\$259	\$262
Expenditures	<u>285</u>	<u>260</u>	<u>270</u>	<u>257</u>	<u>240</u>
Excess (Deficit)	(32)	(5)	(13)	2	22
Beginning Balance	<u>203</u>	<u>170</u>	<u>165</u>	<u>151</u>	<u>153</u>
Ending Balance	<u>\$171</u>	<u>\$165</u>	<u>\$152</u>	<u>\$153</u>	<u>\$175</u>

Industrial Tax Increment Financing Districts

Mission Statement

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

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

There are six industrial TIF Districts, Kishwaukee-Harrison #1 and #2, Preston and Central, Rockford Global Trade Park #1, #2, #3.

2011 Accomplishments →

- Initiated S Main Corridor Study.
- Continued implementation of Kishwaukee Corridor Study recommendations.
- Complete and submit Economic Development Plan application to IDOT for Falcon Road reconstruction on behalf of Anderson Packaging.
- Complete and submit Economic Development Plan application to IDOT for Seminary St and Blackhawk Park Ave Reconstruction on behalf of Gunit Corporation.
- Initiated annexation of Gensler and Wolfenberger properties.
- Initiated expansion of River Edge Redevelopment Zone.
- Continued to coordinate Kishwaukee Corridor Empowerment Group.
- Continued cooperative marketing plan for industrial TIFs with RAEDC.
- Continued evaluation of creating Global TradePark South Redevelopment Planning Area.
- Continued administration of Enterprise Zone program incentives and quarterly reporting.
- Continued administration of River Edge Zone program incentives and quarterly reporting.
- Completed Annual Tax Increment Financing reporting.
- Completed Economic Development portion of HUD annual report.

Industrial Tax Increment Financing Districts

- Initiated redevelopment plan for Phoenix Investor's property at 4000 Auburn St.
- Demolished Lorden Bldg and old train depot on S. Main.
- Continued zoning compliance enforcement at 2501 Kishwaukee St., Northern IL Towing.
- Attracted software company, Lyons Consulting, creating 12 new jobs and \$250,000 investment.
- Completed and submitted Embry-Riddle Aeronautical University proposal for new resident campus.
- Completed purchase and began installation of 150 Wanxiang solar panels on Bell School Rd water reservoir.
- Commenced construction of Rockford Solar Partners' 3.5 megawatt solar farm.
- Worked with S.A. Industries to retain 60 jobs and \$1.5 million investment.
- Worked with Dixon Automatic Tool to retain 20 jobs and \$100,000 investment.
- Worked with Rockford Toolcraft to add 41,000 square feet, retaining 105 jobs and \$2.1 million investment.
- Worked with Pyramid Plastics, Inc to add new machinery resulting in 15 new jobs and retention of 40 jobs and \$500,000 investment.
- Provided assistance to Global Display Solutions; Cellusuede Products Inc; Navistar; Reload/Watco; Gates/S.A. Industries Corp; Testors; B/E Aerospace; Arntzen Corp; Rockford Products: W.A. Whitney; A-1 Wire Tech Inc; Amtech Precision Products; Dial Machine; Gunite; Peterson Engineering; Aim Distribution; Rail Construction Equipment; Barnes International; Caldwell Group; Thermo Fisher Scientific; Anderson Packaging; Pyramid Plastics; Alacran Contracting, all existing companies within the City.

2012 Goals & Objectives →

- Complete S Main Corridor Study.
- Initiate Falcon Road reconstruction with EDP funds from IDOT on behalf of Anderson Packaging.
- Initiate Seminary St and Blackhawk Park Ave Reconstruction with EDP funds from IDOT on behalf of Gunite Corporation.
- Complete expansion of River Edge Redevelopment Zone.

Industrial Tax Increment Financing Districts

- Begin construction of Logistics Parkway extension.
- Begin Construction of RockAero Park/Faith Center Church intersection/access road.
- Continue implementation of Kishwaukee Corridor Study recommendations.
- Complete annexation of Gensler and Wolfenberger properties.
- Continue to coordinate Kishwaukee Corridor Empowerment Group.
- Construct new Rockford Global TradePark sign.
- Continue cooperative marketing plan for industrial TIFs with RAEDC.
- Initiate creation of Global TradePark South Redevelopment Planning Area.
- Continue administration of Enterprise Zone program incentives and quarterly reporting.
- Continue administration of River Edge Zone program incentives and quarterly reporting.
- Complete Annual Tax Increment Financing reporting.
- Complete ED portion of HUD CAPER Report.
- Eliminate three sources of blight in industrial TIFs.
- Attract four new companies to industrial TIFs.
- Assist four existing companies to expand in industrial TIFs.
- Provide assistance to six existing companies in industrial TIFs.

Industrial Tax Increment Financing Districts

Budget Summary

COMMUNITY DEVELOPMENT GLOBAL TRADE PARK TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$2,691	\$10,000	\$35,822	\$10,000	\$0
OTHER	754,988	809,168	835,616	814,488	5,320
TOTAL	<u>\$757,679</u>	<u>\$819,168</u>	<u>\$871,438</u>	<u>\$824,488</u>	<u>\$5,320</u>
FUNDING SOURCE	2011		2012		2012
PROPERTY TAXES	<u>AMOUNT</u>	<u>PERCENTAGE</u>	<u>AMOUNT</u>	<u>PERCENTAGE</u>	
TAX INCREMENT	\$1,079,000	100.0	\$1,063,700	99.6	
INTEREST INCOME	0	0.0	3,892	0.4	
TOTAL	<u>\$1,079,000</u>	<u>100.0</u>	<u>\$1,067,592</u>	<u>100.0</u>	

COMM DEV GLOBAL TRADE PARK 2 TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$1,787	\$0	\$775	\$0	\$0
OTHER	100,000	236,000	233,044	236,400	400
TOTAL	<u>\$101,787</u>	<u>\$236,000</u>	<u>\$233,819</u>	<u>\$236,400</u>	<u>\$400</u>
FUNDING SOURCE	2011		2012		2012
PROPERTY TAXES	<u>AMOUNT</u>	<u>PERCENTAGE</u>	<u>AMOUNT</u>	<u>PERCENTAGE</u>	
TAX INCREMENT	\$193,600	0.0	\$188,600	99.6	
INTEREST INCOME	3,371	0.0	742	0.4	
TOTAL	<u>\$196,971</u>	<u>0.0</u>	<u>\$189,342</u>	<u>100.0</u>	

COMM DEV GLOBAL TRADE PARK 3 TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	50,000	100,000	100,000	100,000	0
TOTAL	<u>\$50,000</u>	<u>\$100,000</u>	<u>\$100,000</u>	<u>\$100,000</u>	<u>\$0</u>
FUNDING SOURCE	2011		2012		2012
PROPERTY TAXES	<u>AMOUNT</u>	<u>PERCENTAGE</u>	<u>AMOUNT</u>	<u>PERCENTAGE</u>	
TAX INCREMENT	\$138,900	0.0	\$82,600	98.1	
INTEREST INCOME	2,532	0.0	1,631	1.9	
TOTAL	<u>\$141,432</u>	<u>0.0</u>	<u>\$84,231</u>	<u>100.0</u>	

Industrial Tax Increment Financing Districts

COMMUNITY DEVELOPMENT PRESTON CENTRAL TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$28,544	\$0	\$10,807	\$0	\$0
OTHER	<u>105,600</u>	<u>135,454</u>	<u>135,454</u>	<u>122,881</u>	(12,573)
TOTAL	<u>\$134,144</u>	<u>\$135,454</u>	<u>\$146,261</u>	<u>\$122,881</u>	(\$12,573)

FUNDING SOURCE	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$37,300	27.5	\$34,258	26.3
OTHER	98,300	0.0	96,175	73.7
INTEREST INCOME	<u>0</u>	<u>72.5</u>	<u>0</u>	<u>0.0</u>
TOTAL	<u>\$135,600</u>	<u>100.0</u>	<u>\$130,433</u>	<u>100.0</u>

COMMUNITY DEVELOPMENT KISHWAUKEE HARRISON TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$0	\$53	\$0	\$0
OTHER	<u>33,273</u>	<u>46,239</u>	<u>34,733</u>	<u>46,709</u>	470
TOTAL	<u>\$33,273</u>	<u>\$46,239</u>	<u>\$34,786</u>	<u>\$46,709</u>	\$470

FUNDING SOURCE	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$54,399	99.2	\$54,952	97.9
INTEREST INCOME	416	0.8	1,189	2.1
TOTAL	<u>\$54,815</u>	<u>100.0</u>	<u>\$56,141</u>	<u>100.0</u>

COMMUNITY DEVELOPMENT KISHWAUKEE HARRISON #2 TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$0	\$0	\$0	\$0
OTHER	<u>0</u>	<u>100</u>	<u>0</u>	<u>100</u>	0
TOTAL	<u>\$0</u>	<u>\$100</u>	<u>\$0</u>	<u>\$100</u>	\$0

FUNDING SOURCE	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$253	100.0	\$217	100.0
INTEREST INCOME	<u>0</u>	<u>0.0</u>	<u>0</u>	<u>0.0</u>
TOTAL	<u>\$253</u>	<u>100.0</u>	<u>\$217</u>	<u>100.0</u>

Industrial Tax Increment Financing Districts

Budget Analysis

This six district group collectively runs a deficit for the entire period, a low of \$0.8 million in 2013 and a high of \$1.9 million in 2030. This is entirely due to the Preston and Central TIF District which not only had cost overruns during site preparation but also delays in the project being initiated. Given the most optimistic outlook, this project could have several phases and change the current financial estimate. Until development occurs on the site, thereby producing increment, debt service payments will be reimbursed by Liebovich.

It is difficult to estimate revenue growth which is property tax increment, generated by new construction and projects as well as inflationary growth of existing equalized assessed valuation, for several decades. These projections are based upon the most conservative assumptions possible.

Deficit reduction actions taken in 2009 and 2010 included steps in the three Global Trade Park TIF Districts. For 2011, \$200,000 was transferred from Trade Park #2 and \$100,000 from Trade Park #3 to Trade Park #1. Additional transfers will be made in 2012 to address the Trade Park #1 deficit.

No long term financing is planned for 2012.

Five Year Financial Forecasts

The 2013-2017 five-year forecasts assume no growth for property taxes and that state and local sales tax will not be received. These funds are project, rather than service, oriented and are susceptible to considerable variance in direction and dollars. An ending balance schedule for all TIF districts for all years is also included.

GLOBAL TRADE PARK TIF #1 FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$781	\$788	\$794	\$803	\$806
Expenditures	834	857	748	983	1,018
Excess (Deficit)	(53)	(69)	46	(180)	(212)
Beginning Balance	399	347	278	323	143
Ending Balance	\$346	\$278	\$324	\$143	(\$69)

GLOBAL TRADE PARK TIF #2 FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$191	\$193	\$197	\$199	\$201
Expenditures	137	137	188	188	188
Excess (Deficit)	54	56	9	11	13
Beginning Balance	(17)	36	92	101	112
Ending Balance	\$37	\$92	\$101	\$112	\$125

GLOBAL TRADE PARK TIF #3 FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$85	\$86	\$88	\$90	\$91
Expenditures	50	50	50	100	100
Excess (Deficit)	35	36	38	(10)	(9)
Beginning Balance	49	84	120	158	148
Ending Balance	\$84	\$120	\$158	\$148	\$139

Industrial Tax Increment Financing Districts

PRESTON CENTRAL TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$128	\$164	\$163	\$161	\$159
Expenditures	<u>121</u>	<u>118</u>	<u>115</u>	<u>111</u>	<u>108</u>
Excess (Deficit)	<u>7</u>	<u>46</u>	<u>48</u>	<u>50</u>	<u>51</u>
Beginning Balance	<u>(1,146)</u>	<u>(1,138)</u>	<u>(1,092)</u>	<u>(1,044)</u>	<u>(994)</u>
Ending Balance	<u>(\$1,139)</u>	<u>(\$1,092)</u>	<u>(\$1,044)</u>	<u>(\$994)</u>	<u>(\$943)</u>

KISHWAUKEE HARRISON TIF #1 FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$57	\$58	\$59	\$59	\$60
Expenditures	<u>47</u>	<u>48</u>	<u>48</u>	<u>49</u>	<u>49</u>
Excess (Deficit)	<u>10</u>	<u>10</u>	<u>10</u>	<u>11</u>	<u>11</u>
Beginning Balance	<u>57</u>	<u>67</u>	<u>77</u>	<u>87</u>	<u>98</u>
Ending Balance	<u>\$67</u>	<u>\$77</u>	<u>\$87</u>	<u>\$98</u>	<u>\$109</u>

KISHWAUKEE HARRISON TIF #2 FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$0	\$0	\$0	\$0	\$0
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficit)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Beginning Balance	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Ending Balance	<u>\$1</u>	<u>\$1</u>	<u>\$1</u>	<u>\$1</u>	<u>\$1</u>

Residential Tax Increment Financing Districts

Mission Statement

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

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

The residential TIFs include Lincolnwood #1 and #2, Hope 6, Garrison, River Oaks, and Jackson School.

2011 Accomplishments

- At Thatcher Blake RiverWalk, no additional units have been constructed above the 16 currently built out. There are two models to view and the prices have been reduced. Of the 16 units, eight units have been sold and there are two pending sales.
- There is one lot left to sell at Lincolnwood II. This lot/home must be presold prior to the start of construction.
- Construction began on five lots at the Springfield Corners Subdivision. Two of the five homes are completed and occupied. The sales of those homes under construction have been stalled due to the sluggish market.
- Garrison School apartments have been completed and are fully occupied.
- Garrison Gym apartments have four completed units and three of those are leased.
- Garrison Town Homes are completed. One has been sold while the remaining two have been leased on a regular basis. Planned is on-site property management. Also, a new contractor has been hired to complete the project. Rent levels have increased indicating a demand and marketability to higher income tenants. Improvements to the façade school and gym, garage entrances and plantings were made over the summer.
- 21XX Reed is currently available for sale. There is an interested party but no contracts have been executed for the sale of the lot.
- The Swedish American Foundation realized delays due to the economy and an underestimation of redeveloped costs. Three properties have been purchased and rehabilitated under the Jackson School TIF agreement with the City.

Residential Tax Increment Financing Districts

2012 Goals and Objectives

- Facilitate through marketing efforts and the provision of incentives, the continued build out of the Springfield Corners Subdivision, Thatcher Blake RiverWalk, 21xx Reed Avenue, and the Garrison Lofts/Townhomes sites. The developers with lots/homes to sell are hopeful that the market will improve and they will sell additional units in 2012.
- The Garrison Townhome units are being listed as for sale or lease due to the high demand for upscale residential housing the development has experienced. While the long term strategy is to sell the townhomes, short term leases will provide the cash flow needed to justify the completion of additional units until the market fully recovers.
- Once the remaining units of Thatcher Blake Condos are sold, the developer intends to market the land for redevelopment.
- The one remaining unit in Lincolnwood Estates II will be sold and this TIF project will be completed.
- The developer at Springfield Estates will also continue to build out on the remaining lots once the housing market improves.
- The Swedish American Foundation will continue to acquire and redevelop property in the Jackson Oaks TIF according to their agreement.

Budget Summary

COMMUNITY DEVELOPMENT LINCOLNWOOD TAX INCREMENT FINANCING DISTRICT #1					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
OTHER	\$45,688	\$44,688	\$44,688	\$68,688	\$24,000
TOTAL	\$45,688	\$44,688	\$44,688	\$68,688	\$24,000
FUNDING SOURCE	2011		2012		2012
PROPERTY TAXES	<u>AMOUNT</u>	<u>PERCENTAGE</u>	<u>AMOUNT</u>	<u>PERCENTAGE</u>	
TAX INCREMENT	\$76,800	96.2	\$79,058	95.8	
INTEREST INCOME	3,000	3.8	3,502	4.2	
TOTAL	\$79,800	100.0	\$82,560	100.0	

Residential Tax Increment Financing Districts

COMMUNITY DEVELOPMENT LINCOLNWOOD TAX INCREMENT FINANCING DISTRICT #2					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
OTHER	\$23,631	\$48,631	\$48,631	\$47,631	(\$1,000)
TOTAL	<u>\$23,631</u>	<u>\$48,631</u>	<u>\$48,631</u>	<u>\$47,631</u>	(\$1,000)

FUNDING SOURCE	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$47,000	98.3	\$58,900	97.8
INTEREST INCOME	800	1.7	1,353	2.2
TOTAL	<u>\$47,800</u>	<u>100.0</u>	<u>\$60,253</u>	<u>100.0</u>

COMMUNITY DEVELOPMENT HOPE SIX TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
OTHER	\$129,119	\$265,808	\$317,335	\$260,865	(\$4,943)
TOTAL	<u>\$129,119</u>	<u>\$265,808</u>	<u>\$317,335</u>	<u>\$260,865</u>	(\$4,943)

FUNDING SOURCE	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$181,530	100.0	\$176,729	100.0
INTEREST INCOME	0	0.0	0	0.0
TOTAL	<u>\$181,530</u>	<u>100.0</u>	<u>\$176,729</u>	<u>100.0</u>

COMMUNITY DEVELOPMENT GARRISON TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
OTHER	\$64,463	\$71,802	\$71,802	\$71,505	(\$297)
TOTAL	<u>\$64,463</u>	<u>\$71,802</u>	<u>\$71,802</u>	<u>\$71,505</u>	(\$297)

FUNDING SOURCE	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$53,000	100.0	\$80,734	100.0
INTEREST INCOME	0	0.0	0	0.0
TOTAL	<u>\$53,000</u>	<u>100.0</u>	<u>\$80,734</u>	<u>100.0</u>

Residential Tax Increment Financing Districts

COMMUNITY DEVELOPMENT RIVER OAKS TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
OTHER	\$298,588	\$309,844	\$309,844	\$307,881	(\$1,963)
TOTAL	<u>\$298,588</u>	<u>\$309,844</u>	<u>\$309,844</u>	<u>\$307,881</u>	(\$1,963)

FUNDING SOURCE	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$73,000	100.0	\$58,697	100.0
INTEREST INCOME	0	0.0	0	0.0
TOTAL	<u>\$73,000</u>	<u>100.0</u>	<u>\$58,697</u>	<u>100.0</u>

COMMUNITY DEVELOPMENT JACKSON SCHOOL TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$75,000	\$0	\$0	(\$75,000)
OTHER	<u>206,063</u>	<u>67,735</u>	<u>115,105</u>	<u>116,985</u>	49,250
TOTAL	<u>\$206,063</u>	<u>\$142,735</u>	<u>\$115,105</u>	<u>\$116,985</u>	(\$25,750)

FUNDING SOURCE	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
TAX INCREMENT	\$143,385	98.7	\$107,900	98.7
INTEREST INCOME	<u>1,900</u>	<u>1.3</u>	<u>1,469</u>	<u>1.3</u>
TOTAL	<u>\$145,285</u>	<u>100.0</u>	<u>\$109,369</u>	<u>100.0</u>

Budget Analysis

This six district group collectively runs a deficit until 2026 ranging from \$1.5 million in 2012 to \$4.5 million in 2020. The deficit generators are Hope 6, a high deficit year (2023) of \$1,216,000 never turning positive, Garrison, a high deficit year (2023) of \$975,800 never turning positive, and River Oaks, a high deficit year (2019) of \$3.3 million never turning positive.

It is difficult to estimate revenue growth which is property tax increment, generated by new construction and projects as well as inflationary growth of existing equalized assessed valuation, for several decades. These projections are based upon the most conservative assumptions possible.

No long term financing is planned for 2012.

Residential Tax Increment Financing Districts

Five Year Financial Forecast

The 2013-2017 five-year forecasts assume no growth for property taxes and that state and local sales tax will not be received. These funds are project, rather than service, oriented and are susceptible to considerable variance in direction and dollars. An ending balance schedule for all TIF districts for all years is also included.

LINCOLNWOOD TIF FUND #1 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$84	\$84	\$85	\$86	\$87
Expenditures	92	89	86	83	159
Excess (Deficit)	(8)	(5)	(1)	3	(72)
Beginning Balance	154	146	142	141	144
Ending Balance	<u>\$146</u>	<u>\$141</u>	<u>\$141</u>	<u>\$144</u>	<u>\$72</u>

LINCOLNWOOD TIF FUND #2 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	61	62	62	63	63
Expenditures	72	80	67	65	63
Excess (Deficit)	(11)	(18)	(5)	(2)	0
Beginning Balance	67	56	38	33	31
Ending Balance	<u>56</u>	<u>38</u>	<u>33</u>	<u>31</u>	<u>31</u>

HOPE SIX TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$175	\$178	\$182	\$186	\$189
Expenditures	256	277	271	266	285
Excess (Deficit)	(81)	(99)	(89)	(80)	(96)
Beginning Balance	(304)	(385)	(484)	(573)	(653)
Ending Balance	<u>(\$385)</u>	<u>(\$484)</u>	<u>(\$573)</u>	<u>(\$653)</u>	<u>(\$749)</u>

GARRISON TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$82	\$82	\$82	\$83	\$84
Expenditures	171	171	170	168	166
Excess (Deficit)	(89)	(89)	(88)	(85)	(82)
Beginning Balance	(272)	(272)	(362)	(449)	(534)
Ending Balance	<u>(\$361)</u>	<u>(\$361)</u>	<u>(\$450)</u>	<u>(\$534)</u>	<u>(\$616)</u>

RIVER OAKS TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$59	\$60	\$60	\$61	\$62
Expenditures	331	329	327	349	366
Excess (Deficit)	(272)	(269)	(267)	(288)	(304)
Beginning Balance	(1,261)	(1,533)	(1,802)	(2,068)	(2,356)
Ending Balance	<u>(1,533)</u>	<u>(1,802)</u>	<u>(2,069)</u>	<u>(2,356)</u>	<u>(2,660)</u>

Residential Tax Increment Financing Districts

JACKSON SCHOOL TIF FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues	\$110	\$111	\$112	\$113	\$114
Expenditures	<u>116</u>	<u>115</u>	<u>114</u>	<u>113</u>	<u>62</u>
Excess (Deficit)	(6)	(4)	(2)	0	52
Beginning Balance	<u>51</u>	<u>45</u>	<u>41</u>	<u>39</u>	<u>39</u>
Ending Balance	<u>\$45</u>	<u>\$41</u>	<u>\$39</u>	<u>\$39</u>	<u>\$91</u>

Community Development Sanitation Fund

Mission Statement

It is the mission of the Sanitation Division to provide for the collection and disposal of solid waste in a manner that is consistent with federal and state regulations, as well as to encourage the recycling efforts of the community.

Primary Functions → The four primary functions of the Sanitation Division include collection and disposal, composting, recycling, and technical and financial services.

- **Collection and Disposal**→ Provides weekly unlimited collection to all residential buildings of four units or less through a private contractor.
- **Composting Program**→ Contractor collects yard wastes, including leaves, grass, and pruning, and composts them at a City owned landfill site and uses material for landfill cover.
- **Recycling Program**→ Provides curbside recycling as part of regular weekly collection. Residents can recycle 32 items and Christmas trees are recycled seasonally.
- **Technical and Financial Services**→ Purchase of service for contract monitoring, billing and collecting, and reimbursement for street cleaning services are included.

Fund and Rate Information

- Contracts for collection and disposal of solid waste extend to 2013 with contract annual price changes tied to Consumer Price Index (CPI), both positive and negative, not to exceed 4% per year.
- An increase of \$1.40 per month, to \$15.60 effective January 1, 2012 to cover cost of forestry service.

Community Development Sanitation Fund

Budget Summary

COMMUNITY DEVELOPMENT SANITATION DIVISION BUDGET SUMMARY					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
PERSONNEL	\$0	\$0	\$0	\$0	\$0
CONTRACTUAL	6,567,498	7,138,632	6,504,899	7,150,630	11,998
SUPPLIES	1,100	500	658	500	0
OTHER	<u>1,293,600</u>	<u>1,367,775</u>	<u>1,389,339</u>	<u>2,204,550</u>	<u>836,775</u>
TOTAL	<u>\$7,862,198</u>	<u>\$8,506,907</u>	<u>\$7,894,896</u>	<u>\$9,355,680</u>	<u>\$848,773</u>
FUNDING SOURCE		2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES					
SANITATION		\$21,000	0.2	\$21,000	0.2
FRINGE BENEFIT REIMBURSEMENT		700	0.0	700	0.0
USER FEE		8,571,100	99.1	9,169,800	99.1
LANDFILL RENT		15,400	0.2	15,400	0.2
INTEREST INCOME		<u>39,000</u>	<u>0.5</u>	<u>47,300</u>	<u>0.5</u>
TOTAL		<u>\$8,647,200</u>	<u>100.0</u>	<u>\$9,254,200</u>	<u>100.0</u>

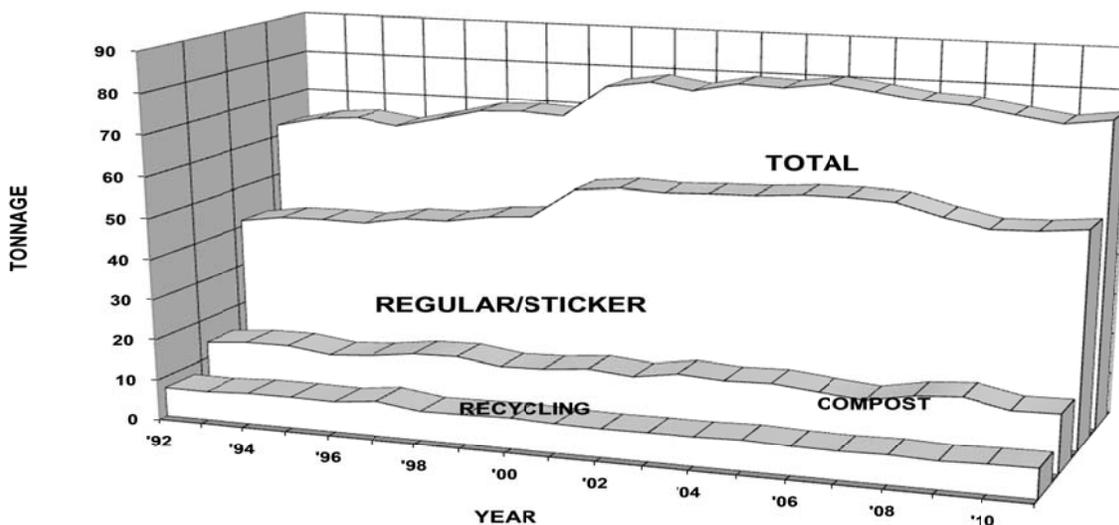
Budget Analysis

The contractual budget for collection and disposal costs will increase \$71,320 or 1.3% from the previous year. Rate increases change by the CPI; 2012 CPI is estimated to be 2.8%. The collection rate will increase from \$66.74 to \$67.26 per ton while the disposal rate will rise from \$37.05 to \$37.34 per ton. Actual 2011 tonnage is 69,735, 9,760 tons less than the budgeted 79,500 while 2012's projected 74,500 tons is 5,000 tons less than 2011's budget and 4,765 tons more than the 2011 actual. Customers are estimated at 49,500 for the year.

Code Enforcement Division staff monitor and enforce the contract and are funded with a purchase of services from the General Fund. Supplies remained unchanged. Purchase of services increases \$836,775 reflecting an increase to cover purchase of service cost of forestry service (\$797,000) and increase in street sweeping expenses.

Community Development Sanitation Fund

ROCKFORD SOLID WASTE



SOURCE: COMMUNITY DEVELOPMENT

As the performance measurement schedule indicates, the introduction of alternative programs, composting and recycling, have kept wastes out of the landfill. It is anticipated 29% of the waste stream, or 21,500 tons, will be diverted for 2012.

Rate changes since the introduction of the user fee in 1984 have been minimal and with good reason. Previously, a ten cent property tax rate, generating \$2.0 million annually, added to the user fee in paying for this service. With this rate transferred to the General Fund to pay public safety expenses, the 2011 user fee was increased to pay for this service. The user fee increased for 2012, from \$170.40 to \$186.00. Other income includes land rental and interest earnings.

In 2011, the Sanitation Fund spent \$7,894,896 or 92.8% of the budgeted allocation. In the past several years, 91% to 99% of the budget has been spent.

Five Year Financial Forecast

The 2013-2017 five year forecast assumes that total tonnage will increase approximately 300 tons per year. Costs are expected to increase 3.0% (4% is the maximum) annually for collection, composting, and recycling, and disposal.

SANITATION FUND 2013-2017 FINANCIAL FORECAST (IN 000'S)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Recommended Rates	\$186.00	\$186.00	\$192.00	\$198.00	\$204.00
Revenues	\$9,584	\$9,961	\$10,346	\$10,734	\$11,131
Expenses	<u>9,942</u>	<u>10,122</u>	<u>10,613</u>	<u>10,817</u>	<u>11,163</u>
Excess(Deficit)	<u>(358)</u>	<u>(162)</u>	<u>(267)</u>	<u>(82)</u>	<u>(32)</u>
Beginning Balance	<u>2,703</u>	<u>2,345</u>	<u>2,183</u>	<u>1,915</u>	<u>1,833</u>
Ending Balance	<u>\$2,345</u>	<u>\$2,183</u>	<u>\$1,915</u>	<u>\$1,833</u>	<u>\$1,801</u>
RESERVE	23.6	21.6	18.0	16.9	16.1

Community Development Sanitation Fund

Performance Measurements

	2009	2010	2011	2011	2012		2011 Actual/
	<u>Tonnage</u>	<u>Tonnage</u>	<u>Budgeted</u>	<u>Actual</u>	<u>Budgeted</u>	<u>2011-2012</u>	<u>2012 Budget</u>
			<u>Tonnage</u>	<u>Tonnage</u>	<u>Tonnage</u>		
Regular	51,786	49,739	56,000	48,038	53,000	(3,000)	4,962
Composting	16,620	14,490	16,000	14,812	14,000	(2,000)	(812)
Recycling	6,830	6,736	7,500	6,886	7,500	0	614
Sticker	<u>17</u>	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	75,253	70,968	79,500	69,736	74,500	(5,000)	4,764
Landfill	51,803	49,742	56,000	48,038	53,000	(3,000)	4,962
Baxter	16,620	14,490	16,000	14,812	14,000	(2,000)	(812)
Recycled	<u>6,830</u>	<u>6,736</u>	<u>7,500</u>	<u>6,886</u>	<u>7,500</u>	<u>0</u>	<u>614</u>
	75,253	70,968	79,500	69,736	74,500	(5,000)	4,764
Diversion							
Rate	31.2	29.9	29.6	31.1	28.9		