

Lawrence J. Morrissey, Mayor

NEWS RELEASE

FOR IMMEDIATE RELEASE

Date: January 22, 2007

For more information:

Contact: Rick May

Phone: (815) 967-6737

CITY DESIGNATES NEW TIF DISTRICTS

Rockford, IL – The City of Rockford City Council voted into approval Monday, January 22, 2007, the following Tax Incremental Districts (TIF):

West Side #2: The area defined by the west-side of the downtown area. Running from Cedar Street to Winnabago Street and along the riverfront it will pick up the Amerock, Tapco, and Hanley Furniture Building. The West Side #2 TIF is actually a de-TIF / re – TIF which will extend the life of the existing TIF for an additional 23 years. Adding life to this TID allows the City the ability to offer stronger longer-term incentives to developers interested in bringing business to the downtown area.

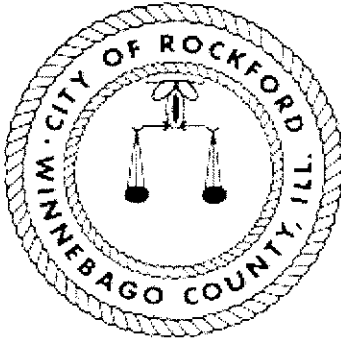
Preston & Central: The approved TIF in this west-side industrial area will allow the removal of several older buildings in the City of Rockford's Yards. Removal of these buildings, currently being rented out as storage, will permit Liebovich Bros. The ability to expand their current facilities.

Jackson School: Located directly to the north of Swedish American Hospital, the area surrounding Jackson School will receive a "shot in the arm" as the TIF allows for potential commercial and retail development in the defined area.

Tax Increment Financing or TIF's is a tool state lawmakers gave local governments to help "jump start" economically sluggish parts of town. When the City of Rockford creates a TIF district, the assessed property values in the district are "frozen" at the current level for all taxing bodies, except the City. As redevelopment is started and property values rise, the City captures the increased property taxes to pay for any public improvements or to help finance other redevelopment projects. Other taxing bodies can only tax the initial property values set when the TIF district was formed.

Creation of these new TIF districts allow the City of Rockford to make the improvements they need to attract new businesses without tapping into the general fund or raising local property taxes. TIF's help attract private development and new businesses, which mean more jobs, more customers, and in turn, more private investment. TIF's also help retain existing businesses that might otherwise find more options elsewhere.

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