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To: Ald. Janessa Wilkins, Chair, Planning & Development Committee

Cc: Mayor Thomas McNamara  
City Council

From: Anna Carlson, Economic Development Manager

RE: Proposed program to address vacant storefronts

Date: June 22, 2026

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For your consideration is the implementation of the Spaces to Places Program, which is intended to reduce commercial vacancies and support small business growth by providing temporary rent assistance for new or expanding businesses. The Program helps lower the financial barrier of entry for entrepreneurs while increasing foot traffic, activating underutilized space, and strengthening the overall vibrancy of Rockford.

The Program goals are to fill vacant storefronts, encourage new business openings, support small and local entrepreneurs, and create more active and inviting commercial areas. The City will reimburse security deposits and 50% of rent for up to 12 months for a total funding level of up to \$20,000 per business. Eligible businesses have a customer-facing activity and the space must be the business' first or second location. Current eligible areas are covered by a business district. Areas not currently covered by an existing business district association would become eligible when a business district association is established under the BADGE Program. Program participants must work with a small business resource center such as Think Big!, Small Business Development Center, business district association, or other organization or consultant pre-approved by the City. As a result, some eligible areas may receive more funding than others if they generate a greater number of approved applications. The City will not withhold available funding to preserve funds for areas that do not have eligible projects ready to proceed.

The Program will have \$300,000 designated from 2026 and 2027 Casino Funds. Funding will be approved on a first-come, first-serve basis to eligible applicants and properties that have received pre-approval on their applications. The Program aims to support the activation of at least three vacant storefronts in each eligible area, and those that become eligible under the BADGE Program. The City intent is to fully obligate and expend all Program Funding to maximize storefront activation and economic impact. As a result, some eligible areas may receive more funding than others if they generate a greater number of approved applications. The City will not withhold available funding to preserve funds for areas that do not have eligible projects ready to proceed.

