THE CITY OF ROCKFORD ILLINOIS, USA

To: Alderman Kevin Frost, Chairman
Finance and Personnel Committee

From: Todd M. Cagnoni, City Administrator

Re: Proposed Resolution to waive building plan review, building permit, building inspection and water connection/service fees for new residential construction structures on vacant land and lots throughout the City of Rockford.

Date: February 18, 2026

Please find the attached resolution to waive building plan review, building permit, building inspection and water connection/service fees for new residential structures on vacant land and lots throughout the City of Rockford.

In 2024 and 2025, in conjunction with the Property Tax Rebate Program, the City waived all permit fees, all plan review fees and water connection fees for new residential construction. These programs were successful in increasing new residential throughout the City.

In 2024, we had a total of 131 new construction residential units take advantage of the program. This is broken down with 71 single family homes, 8 duplexes (16 units) and 12 multi-family buildings (44 units), this was the most new residential construction permits since 2007.
In 2025, we had a total of 161 new construction residential units take advantage of the program. This is broken down with 91 single family homes, 24 duplexes (48 units) and 5 multi-family buildings (22 units), this remains on track for more residential construction since 2007.

Eligible projects for associated fee waivers are limited to projects that obtain a building permit on or after January 1, 2025 and before December 31, 2026, diligently pursue construction, and not have a development agreement or funding agreement with the City. Failure to begin construction, including installation of foundation and diligently continue construction will result in the revocation of the fee waivers.

The program will result in a loss of revenue otherwise collected with for building fees and for water service fees based. As the housing market increase and more new construction takes place, we will look at staffing levels in the Construction and Development Services Division. Should you have any questions, please let me know.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF ROCKFORD WAIVING CERTAIN BUILDING AND WATER SERVICE FEES IN SUPPORT OF NEW RESIDENTIAL CONSTRUCTION

WHEREAS, the **City of Rockford** has the responsibility to promote economic development and revitalization of underperforming areas within the City**;** and

WHEREAS, the City recognizes that new construction is a means to **support development and promote local job creation and retention**; and

WHEREAS, reduction of fees directly **contribute to the expansion of the local tax base and attracts private development and new businesses to the City**; and

WHEREAS, the City has entered into an intergovernmental agreement with other taxing bodies for residential property tax refunds to **foster sales of new residential real estate**;

WHEREAS, the desires to see **new residential construction** in all quadrants of the City;

WHEREAS, the **City will benefit from new residential construction** for market rate housing, senior housing and affordable housing including single family, two-family and multifamily housing;

NOW, THEREFORE, be it resolved by the City Council of City of Rockford, as follows:

Section 1. The City will waive all plan review and building permit / inspection fees for new residential construction in the City of Rockford that obtains a permit after January 1, 2026 and before December 31, 2026, begins construction and diligently pursues construction.

Section 2. The City will waive all water main connection and waters meter connection fees for new residential construction in the City of Rockford that obtains a permit after January 1, 2026 and before December 31, 2026, begins construction and diligently pursues construction

Section 3. Said waivers shall not be eligible for new construction projects that have a development agreement, funding agreement or cost participation on the project with the City or if the construction project is eligible for State or Federal programs.

Section 4. Construction projects that fail to begin construction, including installation of foundation and diligently continue construction within 12 months of permit issuance, will result in the revocation of the fee waivers.

PASSED THIS _____ day of _____, _____.

AYES: _____

NAYS: _____

DRAFT

ABSTENTIONS: _____

ABSENT: _____

APPROVED THIS _____ day of _____, _____.

_____

Mayor Thomas P. McNamara

ATTEST:

_____

Legal Director, Angela Hammer

DRAFT

Rockford, Illinois Date: February 23, 2026

RECOMMENDATION FOR RESOLUTION

TO THE CITY COUNCIL OF THE CITY OF ROCKFORD:

Council Members:

The Committee on Finance and Personnel having received a request hereby begs leave to report recommending **approval** of Proposed Resolution to waive building plan review, building permit, building inspection and water connection/service fees for new residential construction structures on vacant land and lots throughout the City of Rockford. The Legal Director shall prepare the appropriate resolution.

_____
Kevin Frost (Chair)

_____
Jonathan Logemann (Vice Chair)

_____
Frank Beach

_____
Dawn Granath

_____
Chad Tuneberg

Committee Action Taken:

Frost:	Ayes:___	Nays:____	Absent:____
Logemann:	Ayes:___	Nays:____	Absent:____
Beach:	Ayes:___	Nays:____	Absent:____
Granath:	Ayes:___	Nays:____	Absent:____
Tuneberg:	Ayes:___	Nays:____	Absent:____