



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

From: Anna Garrison, Economic Development Manager *Anna EC Garrison*

Re: Request to approve Redevelopment Agreement with Cord Construction (1322 E. STATE STREET LLC) for the rehabilitation of 1322 E. State Street, Rockford, Illinois.

Date: June 8, 2026

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1322 E. STATE STREET LLC (**Developer**) has requested financial assistance from the City of Rockford (**City**) through the Jackson School TIF District to support the rehabilitation of the commercial property located at 1322 East State Street, Rockford, Illinois (**Property**).

The attached Redevelopment Agreement (**Agreement**) outlines the proposed project (**Project**), which includes an estimated One Million Four Hundred Twenty-Eight Thousand Dollars (\$1,428,000) in total redevelopment costs.

Under the Agreement, the City will provide a one-time reimbursement for eligible redevelopment costs—those permitted under the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq.—in an amount not to exceed \$100,000.

The Developer agrees to:

- Complete the Project within twelve (12) months of the Agreement's execution, subject to Force Majeure delays.
- Maintain its primary corporate location within the City of Rockford for ten (10) years following Project completion.
- Comply with all applicable federal, state, and local regulations, including the Illinois Prevailing Wage Act, 820 ILCS 130/.01 et seq.
- Avoid all prohibited uses identified in the Agreement.



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The Jackson School TIF District, established in 2006, was created primarily to stabilize a predominantly residential neighborhood with limited commercial capacity. The Property is one of the corridor's key commercial sites along East State Street and plays a significant role in supporting the district's economic health.

Cord Construction, the primary business operating at the Property, will continue its operations in Rockford as a result of the financial assistance provided through this Agreement. The ten-year location commitment ensures long-term economic stability, while the Project's improvements enhance the commercial corridor and advance the original goals of the TIF district.

The Project and Agreement have been reviewed in accordance with the City's TIF Policy Statement and found to be consistent with its requirements. The Project meets several of the City's Primary Project Priorities, including the rehabilitation of an existing commercial building and the strengthening of an established commercial district that serves as a gateway to downtown.

Staff requests the Planning and Development Committee review and recommend to the City Council the attached Development Agreement between the City of Rockford and 1322 E. State Street LLC for consideration.

Please contact me with any questions at 779.348.7449



## TIF Guideline Point System

### Total Points Under Scoring System: 225

The project and development agreement has been reviewed in accordance with the TIF Policy Statement and found to be consistent with the Policy. The relative sections of the TIF Point System are highlighted below.

- a. Type of project
  - i. Industrial/Manufacturing—100 Points
    - 1. New
    - 2. Existing
  - ii. Commercial—75 Points
    - 1. New commercial
    - 2. Renovation/improvement of existing commercial
    - 3. Demolition of abandoned structures
  - iii. Professional/Office—75 Points
  - iv. Residential—50 Points
    - 1. Address concentration of low-income residential
    - 2. Dangerous and abandoned buildings
  - v. Advanced education and training—30 Points
  - vi. Arts—20 Points
  - vii. Public Improvements—10 Points
    - 1. Note that this means the use of TIF funds for a public improvement standing alone, not that some part of the funding for a project in a different category would include a public improvement. For example, a new manufacturing plant might require an upgraded sewer line. That is a manufacturing project even though it includes a public improvement. The line between “stand alone” public improvements and those linked to a specific project is not an easy one to draw.
    - 2. For “stand alone” public improvements, it is hard to see how the “but for” test is met since the funding of the improvement will often be a question of the allocation of tax revenues. It is also a practice that uses the taxing authority of another jurisdiction to pay for something that the City is unable or unwilling to fund out of its own possible revenue sources.
  - viii. Tourism—10 Points
  - ix. Historic Preservation—10 Points
    - 1. Historic preservation should be considered in context, in terms



alternative development and in terms of “opportunity costs”, the impact that abandoned structures have on surrounding neighborhood.

b. Location of the project—note that these areas all presumably will have to qualify as “blighted”

**i. High Priority areas—100 Points**

1. Central City (broadly defined)

a. The Central City would encompass most of the areas that were developed by the 1950s

2. Census tracts with high unemployment

3. Census tracts with low median income

4. Riverfront

ii. Mid-Priority areas—50 Points

1. Areas that developed between 1950 – 1990.

2. Buildings that have been vacant for more than 10 years.

3. For example, the abandoned grocery store at the Charles/Alpine 5 Points area.

iii. Low Priority areas—10 Points

1. Typically “green field” locations which require the extension of public services

c. Employment Factor—number and wage rate—50 Points each

i. High/High—100

**ii. Low/High—50**

iii. High/Low—50

iv. Low/Low--0

d. Others—up to 100 points

i. Indirect employment

ii. MBE/WBE/Veterans

iii. Targeted employment

Scale

**-High Priority Over 225 points**

-Mid Priority 125 to 224 points

-Low Priority Under 124 points