



Thomas P. McNamara, Mayor

MEMORANDUM

TO: City Council
Planning and Development Committee

FROM: Todd Cagnoni, City Administrator *Todd*

RE: Proposed funding agreement with Rockford Brake Manufacturing to support ongoing operation located at 302 Peoples Avenue.

DATE: December 19, 2025

For your consideration, is the proposed funding agreement with Rockford Brake Manufacturing to support ongoing operations located at 302 Peoples Avenue in the amount of \$250,000 utilizing Casino Economic Development funds.

Rockford Brake announced their operations on October 27, 2025, and re-introduce Gunite brake drums. They are quickly establishing their market share and ramping up operations hiring over 100 employees, approximately 85% of which were previous employees at the site.

Rockford Brake Manufacturing is the exclusive producer of Gunite brake drums for the heavy-duty trucking industry. The company operates one of the most vertically integrated foundries in the Midwest, managing all phases of production – from raw material processing to finished machining – all under one roof. The company's 619,000-square-foot facility sits on 41 acres and includes a grey iron foundry and machine shop. The Gunite brand is recognized across the commercial vehicle industry for consistent quality and performance. The company maintains more than 80 individual drum patterns, producing brake drums using the same proven processes and tooling that have defined its legacy.

Up to this point they have shipped approximately \$600,000 of product to 14 different states, with over \$250K of booked sales prior to yearend with blanket orders for \$1M on their highest running product, supporting an anticipated \$1M per month being shipped in first quarter 2026.

Cash flow for startup businesses is always of high importance for continued success. The City's grant funding would be leveraged with multiple sources, including securing \$500,000 from Rockford Community Bank at the end of 2025 as they continue to build a sustaining capital through the first half of 2026.

Staff recommends approval of the proposed funding agreement as the request is consistent with City's efforts for community investment. Please let me know should you have any questions.