

VILLAGE OF HOMEWOOD
BOARD OF TRUSTEES MEETING
TUESDAY, APRIL 9, 2024
VILLAGE HALL BOARD ROOM

CALL TO ORDER: President Hofeld called the regular meeting of the Board of Trustees to order at 7 p.m.

PLEDGE OF ALLEGIANCE: President Hofeld led trustees in the Pledge of Allegiance.

ROLL CALL: Clerk Marilyn Thomas called the roll. Those present were Village President Richard Hofeld, Trustee Julie Willis, Trustee Anne Colton, Trustee Jay Heiferman, Trustee Vivian Harris-Jones, Trustee Lauren Roman and Trustee Alissa Opyd.

President Hofeld introduced staff present: Village Manager Napoleon Haney, Village Attorney Chris Cummings, Finance Director Amy Zukowski, Fire Chief Bob Grabowski, Police Chief Denise McGrath, Director of Economic and Community Development Angela Mesaros, and Assistant Director of Community and Economic Development Noah Schumerth.

MINUTES: The minutes of the meeting of March 26, 2024, were presented. There were no comments or corrections.

A motion was made by Trustee Willis and seconded by Trustee Harris-Jones to approve the minutes as presented.

Roll Call: AYES --Trustees Willis, Heiferman, Harris-Jones, Roman and Opyd. NAYS –None. ABSTAIN –Colton. Motion carried.

CLAIMS LIST: The Claims List in the amount of \$890,076.92 was presented. There were no questions from the Trustees.

A motion was made by Trustee Colton and seconded by Trustee Willis to approve the Claims List as presented.

Roll Call: AYES --Trustees Willis, Colton, Heiferman, Harris-Jones, Roman and Opyd. NAYS –None. Motion carried.

President Hofeld said one item -- \$254,717.87 for employee health insurance – was nearly 30 percent of the Claims List.

PRESENTATIONS: Clerk Thomas read a proclamation honoring the Homewood-Flossmoor High School Boys Basketball team on winning the Illinois High School Association Class 4A Boys Basketball State Championship.

Coach Jamere Dismukes was challenged to a game of nerf basketball against Noah Schumerth. With five shots each, Schumerth came out on top 3-1. President Hofeld presented copies of the proclamation to Coach Dismukes, H-F Superintendent Scott Wakeley and District 233 School Board Member Nathan Legardy.

HEAR FROM THE AUDIENCE: President Hofeld invited anyone in the audience to address the board on any subject not on the agenda. Two residents asked the board to take action to reduce traffic speeds, especially around schools, in light of a child being hit by a car near Churchill School. Resident Bob Griffith, who lives on Center Avenue, suggested stop signs at the intersection of Center and Jamie Avenue and Center and Jonathan Avenue. Kevin Crabtree asked if speed bumps could be placed around schools. He also told Trustees he is concerned that if the road diet happens on 183rd Street traffic will shift to side streets which will mean more speeders in the neighborhoods. President Hofeld thanked them for their concern and suggestions and referred the issues to Public Works Director Schaefer.

MEET THE MERCHANTS: Owner Kwan Pil Kim opened Woori Taekwondo & Hapkido Academy at 18029 Dixie Highway in the past month. He and teacher Lee Richard explained the value of martial arts techniques for young and old. Mr. Richard said taekwondo has proved especially valuable for students who learn discipline and concentration skills. The business offers classes from as young as 4 years old to senior citizens.

OMNIBUS VOTE:

- A. Reappointments/Rail Committee: Approve the reappointments of Lyle Ashford, Phil Dillman, and Bill Woelfel to the Rail Committee for a three-year term ending on April 9, 2027.
- B. Budget Amendment/Labor Relations: Approve a budget amendment transfer of \$50,000 from the Contingency Fund line item to the Labor Relations line item for ongoing litigation costs.
- C. Purchase approval/Radio Communication System/Alpha Prime Communications: Waive competitive bidding due to acquisition through a government purchasing cooperative; and, approve the purchase of a radio communication system and accessories for Public Works from Alpha Prime Communications, of Monee, IL in an amount not to exceed \$176,646.72, which includes a 5% contingency if needed for unforeseen antennae installation costs.
- D. M-2285/Driveway Variance/2716 Debra Lane: Pass an ordinance granting a variance from Section 44-05-05(D) Driveway Standards to allow a residential driveway beyond three feet from the edge of the garage door face on the property at 2716 Debra Lane.
- E. M-2286/Surplus Property: Approve an ordinance to authorize the Village Manager to conduct the sale or disposal of items deemed no longer necessary or useful to the Village.
- F. M-2287/Lease Amendment/Homewood Science Center: Pass an ordinance authorizing deletion of the building at 2018-2020 Ridge Road from the Village of Homewood lease to the Homewood Science Center.

Trustee Colton asked that Item F be removed from the consent agenda and deferred for future consideration. President Hofeld said action on Item F would be deferred for consideration at a future meeting.

Before the vote, a resident asked about how businesses would know the Village is selling the surplus furnishings. Attorney Cummings said the items were left in a business when the Village took ownership of the Park West Plaza after the property owner did not pay property taxes. By this vote, the Trustees are giving Village Manager Haney the authority to dispose of the items and he will make it known that the items are for sale. Attorney Cummings said that state law requires the Village to pass an ordinance each time it needs to dispose of surplus property. Passing this

ordinance is the first step in that process and then it will be up to the Village Manager to determine how the property will be disposed of.

Trustee Willis asked about the Public Works radio system (Item C). Public Works Director Schaefer said the current system is more than 40 years old, and the base is more than 30 years old and is inoperable. There is a county communications system, but it is only available to the Fire Department or Police Department. When there is a need for communications between the Public Works Department and crews on the street or with Police or Fire, it is a problem. The new system will give the Village direct contact with Public Works trucks when out in the field.

A motion was made by Trustee Colton and seconded by Trustee Roman to approve Items A-E on the Omnibus Report.

Roll Call: AYES --Trustees Willis, Colton, Heiferman, Harris-Jones, Roman and Opyd. NAYS – None. Motion carried.

OLD BUSINESS: Amendment to Letter of Intent/Rabid Ground LLC/3003-3025 183rd Street: Approve the First Amendment to the Letter of Intent with Rabid Ground LLC for the Village-owned property located at 3003-3025 183rd Street.

For Rabid Brewing to move its business from the east side of town to this new location, a number of improvements need to be made to the property and calculating the cost of the repairs is taking longer than expected. By approving this amendment Trustees will give the owners an additional six months (to November 2024) to negotiate a redevelopment agreement with the Village. Economic Development Director Mesaros said the Village is still negotiating the redevelopment agreement terms that may include selling the property for \$1 and a \$300,000.00 up front payment to partially cover the estimated \$2 million in build-out costs, support for a Class 8 designation to reduce property taxes, and rebating Places for Eating tax for five years.

The property is currently in the Kedzie Gateway TIF district, but the Village is in the process of establishing the 183rd West TIF for the Park West Plaza and the former Brunswick Zone. If negotiations are successful, the redevelopment agreement would be approved after the new TIF is established.

Developer Gene Steinmarch, who is helping with this project, said it is taking additional time to convert the space for a restaurant/brewery, but they have been working with an architect, engineer, plumber and other tradesmen to redesign the space. Three current tenants will be staying, and Rabid Brewing will be taking the rest of the building's storefronts.

Trustees voiced their support for the initiative.

Trustee Colton said she recognizes the Letter of Intent is not binding on the Village or the Developer and she looks forward to a successful relocation. She asked what happens if Rabid Brewing does not succeed after the Village sold the property for \$1. Attorney Cummings said the redevelopment agreement would stipulate that ownership of the property would revert to the Village, but this would be difficult since the Village's right to reclaim the property would be secondary to the lender's right to foreclose if the business failed. He emphasized that the property would be in a better condition than it is now. She also raised a concern about the \$300,000 to Rabid Brewing

coming from the General Fund. While she supports the developer and Rabid, she was concerned about the upfront payment coming from the General Fund.

Trustee Heiferman said he agrees on being cautious. He is sure when the Village Board sees the full plan for the property he will be supportive.

A motion was made by Trustee Heiferman and seconded by Trustee Colton to approve the amendment to the Letter of Intent.

Roll Call: AYES --Trustees Willis, Colton, Heiferman, Harris-Jones, Roman and Opyd. NAYS – None. Motion carried.

SPECIAL RECOGNITION: President Hofeld recognized Eric Baker in the audience for his efforts to organize an effort at Homewood-Flossmoor High School that raised \$18,000 for Special Olympics. Eric received a round of applause from the audience.

NEW BUSINESS: Finance Director Amy Zukowski led a discussion of a Five-Year Capital Improvement Plan and provided direction based on staff's recommendations.

Village Manager Haney said the Village has worked to improve its financial picture: a five-month reserves policy; using fund balances for capital and/or economic development; paying into public safety pensions; setting aside approximately \$240,000 yearly for small emergency costs. In the past, the Village has done one-year capital needs assessment, but the Village is now looking at a five-year plan. Director Zukowski said the plan is designed to anticipate rather than react to future needs. Each department head was asked to prioritize their needs as essential, desirable, acceptable or preferable.

In the past, the Village has used a \$2 million bond sale for capital expenses over three years. The Board did not go for a bond sale this year, waiting for lower interest rates. Ms. Zukowski said the Village had money left after increasing reserves from four months to five. That money (approximately \$2 million) was allocated to the capital improvement fund.

The Village also has a water/sewer fund that pays for operations and needs for those services. The Village transfers approximately \$1.6 million annually from the water/sewer fund to the General Fund to cover costs, but it does not have the ability to grow the fund.

The Village received \$2.5 million in American Rescue Plan Act (ARPA) Funds from the federal government as COVID relief. The village has spent half of that money and must obligate all ARPA funds by December 2025. The money must be spent by 2026. Grants are available but they often come with a need for matching funds. Her recommendation is that about \$34,000 of ARPA funds be left as contingency, should any of the project bids come in higher than expected.

Director Zukowski estimates a \$33.5 million capital projects budget over five years. Currently there is \$400,000 left from the most recent \$2 million bond issue (of three years ago). She recommended that money be used for vehicles, upgrades to the IT network, and paving the parking lot at the Science Center.

The \$2 million transferred to the capital improvement fund will be allocated in the next budget. Finance Director Zukowski said priorities will be work on Martin Avenue, a storm sewer project on Ridge Road, HVAC work at the Homewood Auditorium, and downtown cameras.

Ms. Zukowski recommends the board go into the bond market in fall for the sale of the next \$2 million bond. Priority funding would be resurfacing and lighting the Metra lots (Harwood and Park), 183rd Street resurfacing, and purchase of a new ambulance.

Should the Board agree to another bond sale in 2027, most of the \$2 million would likely be allocated for a new fire truck. The current replacement estimate is \$1 million, but she anticipates higher costs when the Village is ready to purchase the vehicle.

The Village uses its state allocated Motor Fuel Taxes for street repairs and road salt purchases.

Finance Director Zukowski said the water/sewer fund balance is at \$2 million after the Village paid \$12 million cash for the new transmission lines for its Lake Michigan water supply from Chicago Heights. She said the Village needs to replenish the fund to cover the costs of a new water tower and meet the state/federal mandate to replace lead water lines. The cost of replacing lead service lines is estimated at \$30 million over the next 17 years. She also recommended the Village Board initiate a rate study to make sure the Village's water rates would cover these infrastructure costs.

The hearing on the proposed 2024-25 budget will be during the April 23 Board meeting.

COMMENTS FROM THE AUDIENCE: Resident Crabtree asked if speed bumps and other safety efforts are part of the capital project? Director Schaefer said speed bumps would require public input from the affected neighborhoods. They are not in the current proposed budget.

COMMENTS FROM THE TRUSTEES: Trustee Willis thanked Ms. Zukowski for the report.

Trustee Colton asked about sewer and water main relocation in the 3rd Addition proposed in 2009. Director Schaefer said at the time it was \$17.7 million project and now estimated it at \$27 million. There has been no action since it was first discussed. He said the plan was to relocate the water and sewer mains from rear yards to the street because they were difficult and expensive the access and often have garages or other improvements built over them.

Director Schaefer said lead line replacement is a major project and prices are spiking and the \$30 million estimate may triple. Because it is a nationwide initiative, towns are competing for the needed supplies and costs are rising. Homewood has 3,800 lead lines to replace out of 7,000 water lines.

Trustee Heiferman asked about the 183rd Street road diet plan which is not part of this five-year capital projects plan.

Trustee Harris-Jones thanked Finance Director Zukowski for prioritizing projects for the community.

Trustee Roman said she appreciated having the projects outlined with dollar amounts attached. It will help the Board set priorities.

Trustee Opyd asked why the Board did not issue a \$2 million bond in Fall 2023 after the previous bond had been paid off. Finance Director Zukowski said that after the most recent audit, it increased its reserves and still had approximately \$2 million available. The Village opted to delay issuing the bonds to see if interest rates would come down and instead the \$2 million to fund capital projects. Trustee Opyd also asked about Way Find signs. Ms. Zukowski said the signage could be funded through \$90,000 ARPA funds to give information on parking lots and a business directory on Martin Square. Trustee Opyd asked about the Art Passageway. Manager Haney said it is the alleyway between Stoney Point Grill and Loulou Belle's that will be decorated with LED lights and may be available for murals. Trustee Opyd also asked if the Village could take down the Matrix Building at the northeast corner of Ridge Road and Harwood. She said having an abandoned building is an eyesore. Manager Haney said there are demolition dollars in the capital fund for when a developer is in line for that site. Trustee Opyd also asked if there could be an update to the fire pit.

President Hofeld said the largest unfunded mandate from the federal/state is the removal of lead lines.

GENERAL BOARD DISCUSSION: Trustee Heiferman said Bergstein's Deli is now open.

Trustee Roman said she, too, has witnessed and been affected by the traffic around Willow and Churchill Schools and believes it is getting worse. She believes it is the Village's responsibility to be proactive and find a way for safety around schools.

A motion was made by Trustee Colton and seconded by Trustee Roman to adjourn the regular meeting of the Board of Trustees.

Roll Call: AYES --Trustees Willis, Colton, Heiferman, Harris-Jones, Roman and Opyd. NAYS – None. Motion carried.

The meeting adjourned at 8:25 p.m.

Respectfully submitted,

Marilyn Thomas

Village Clerk