

# VILLAGE OF HOMEWOOD



## BOARD AGENDA MEMORANDUM

DATE OF MEETING: May 12, 2026

**To:** Village President and Board of Trustees

**Through:** Napoleon Haney, Village Manager

**From:** Noah Schumerth, Interim Director of Economic and Community Development

**Topic:** Proposed Amendment to Downtown TOD TIF Redevelopment Plan and Project Area

### PURPOSE

The Village has proposed the creation of the Harwood TOD Tax Increment Financing (TIF) District and Redevelopment Project Area. This new tax-increment financing (TIF) district is proposed to be created through the removal of thirty-four (34) parcels from the existing Downtown TOD TIF Redevelopment Project Area and placing these parcels within the new district.

This district is generally bounded by Pine Road to the north, Ridge Road to the south, parcels fronting Dixie Highway to the east, and the Metra Electric and Amtrak rail lines to the west. The proposed TIF district includes the Village Hall campus, several vacant properties, and multiple Village-owned properties identified for future redevelopment.

The removal of parcels from the Downtown TOD TIF and creation of the new Harwood TOD TIF will allow development and investments in the new TIF to access up to 23 years of increment, thus increasing the economic viability of projects within the TIF. Removal of these parcels requires an amendment of the previously approved Downtown TOD TIF district.

### PROCESS

Under the TIF Act, any amendment to a previously approved tax increment financing (TIF) district, including removal of parcels from the redevelopment project area, must be passed by ordinance by the Village's Board of Trustees.

The TIF Act authorizes the Village to amend the redevelopment plan and project without convening the joint review board, conducting a public hearing, or providing notice otherwise required by the TIF Act, provided that the amendments do not:

1. add parcels into the district.
2. alter the general land uses otherwise included in the district.
3. alter the nature of the district.
4. increase the total district cost/budget by more than 5% after adjustment for inflation.
5. add additional redevelopment project costs to the initial plan for the district.
6. increase the number of residential units displaced from the district.

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Staff has reviewed the proposed amendments and finds that they do not cause any of the changes which would require additional notice or procedures. The Board is authorized to pass an ordinance to amend the existing TIF district without additional notice or procedures.

## **OUTCOME**

Tax Increment Financing (TIF) is an economic development tool that uses future tax revenues to finance redevelopment activity within a specific TIF area. The Downtown TOD area contained within both the existing Downtown TOD TIF and the proposed Harwood TOD TIF is an area of unique economic significance for the Village, and has been identified as an area of focus for redevelopment in the Village's 1999 Comprehensive Plan and 2024 Downtown TOD Master Plan.

The amendment of this district will not substantially alter the current revenue or planned costs within the existing Downtown TOD TIF. Removal of the parcels will enable the creation of the Harwood TOD TIF, which will allow development and investments in the new TIF to access up to 23 years of increment, thus increasing the economic viability of projects within the TIF.

## **FINANCIAL IMPACT**

**Funding Source:** N/A

**Budgeted Amount:** N/A

**Cost:** N/A

## **LEGAL REVIEW**

Completed

## **RECOMMENDED BOARD ACTION**

Pass an ordinance amending the redevelopment plan and project for the Downtown TOD Tax Increment Financing (TIF) Redevelopment Project Area removing parcels of property from the redevelopment project area.

## **ATTACHMENT(S)**

Ordinance amending the redevelopment plan and project for the Downtown TOD Tax Increment Financing (TIF) Redevelopment Project Area.