

VILLAGE OF HOMEWOOD



BOARD AGENDA MEMORANDUM

DATE OF MEETING: December 19, 2023

To: Village President and Board of Trustees

From: Napoleon Haney, Village Manager

Topic: Southgate Tax Increment Financing (TIF) Expenditures - *Terrace Road Parking Lot Materials and Public Safety Enhancements*

PURPOSE

In the FY2023-24 Budget, Public Works planned to make improvement to the Village-owned parking lot located behind the current Cilantro restaurant at 18755 Dixie Highway. A number of materials and items were approved for purchased as part of the December 12, 2023 regular Board meeting. There are a number of additional items and materials that are being recommended for purchase. Some of the additional purchases fall under the “parking lot material” grouping to complete the work on the Terrace Road public parking lot. The other purchases are being recommended as critical public safety enhancements as part of the overall TIF District.

PROCESS

Parking Lot and Fence Material

Public Works prepared plans and cost estimates along with a material list for the storm sewer portion of this project. These material purchases were approved at the December 12, 2023 regular Board meeting. The purchases currently recommended for purchase include fabricated wood panel replacement fencing (including materials) and fence posts to replace the dilapidated and unsightly chain link perimeter fencing. Staff is also recommending the purchase of closed circuit cameras that will be installed at the Terrace Road Public Parking Lot to provide an additional layer of security for patrons of the Southgate area.

Public Safety Enhancements for the Southgate TIF

Dixie Highway, as the southern entryway into the Village of Homewood, has a healthy vehicle count and was recently resurfaced by the Cook County Department of Highways, making the roadway ideal for north and south travel. Staff is recommending the purchase of two (2) radar speed message boards equipped with radar to serve as a deterrent for speeding on the roadway. The message boards will provide messaging when necessary and show the speeds of vehicles traveling both southbound and northbound respectively. Staff is also recommending the purchase of two (2) Flock Cameras™ for the Southgate TIF area.

Purchase of 2 Flock Cameras™

VILLAGE OF HOMEWOOD



The Village's installation of Flock Cameras™ in 2021 has greatly enhanced our Police Department's ability to solve crimes, track criminals and extend our overall police presence. Flock Cameras, installed throughout the Village, can identify stolen vehicles and alert police "real-time" to vehicles being used in the course of a crime. Homewood's Flock Camera system integrates with surrounding communities that have the cameras installed. The Village initially purchased and installed six (6) cameras in 2021. Homewood's Flock Camera inventory has grown to 19 cameras installed at key travel points throughout the Village. Staff recommends the purchase of two additional Flock Cameras for the Southgate TIF area. A camera installed at Terrace Drive and Dixie Highway will monitor traffic traveling north along Dixie Highway. The second camera, proposed to be installed at 187th Street and Dixie Highway, will monitor both north and south traveling vehicles that turn onto 187th Street - heading east (towards Halsted Street).

Additional Street Light Purchase

During the regular board meeting on December 12, 2023, the Village Board approved the purchase of two separate twenty-three foot Valmont™ street light poles with twin aluminum arms. The purpose for the purchases was to have replacements poles on-hand to replace streetlights damaged by vehicles traveling on Dixie Highway. The current lead time (order to delivery) for light poles and fixtures is 12 months.

On December 11th at 12:39 a.m., prior to the December 12th Board meeting, the streetlight immediately north of Cilantro Cocina Mexican Restaurant was hit by a vehicle. Staff is requesting permission to purchase two (2) additional twenty-three foot Valmont™ streetlight poles with twin aluminum arms. Once the damaged light pole is replaced, the Village will have three light poles in our replacement inventory. The Homewood Police Department issued a citation to the driver of the vehicle and staff is working with our risk management cooperative to recover the cost to replace the damaged street light pole.

OUTCOME

The materials needed for the improvement of the Terrace Road parking lot behind 18755 Dixie Highway will be purchased in 2023 with the great majority of the work to be completed in 2024. The proposed public safety enhancements will provide another layer of safety for the Southgate TIF area and will further extend the Homewood Police Department's reach in dealing with bad actors driving within the Village of Homewood.

FINANCIAL IMPACT

The Southgate TIF (187th Street & Dixie Highway TIF) was established on October 10, 2000 and expires on December 31, 2023. TIF dollars (property tax increment) collected by the treasurer are deposited into the Special Tax Allocation Fund to be utilized by the Village for qualifying TIF expenditures. Once the TIF expires on December 31, 2023, the Special Tax Allocation Fund will remain in place until December 31, 2024 in order to collect the 23rd year of property taxes (released to the Village in 2024).

VILLAGE OF HOMEWOOD



Estimated Southgate TIF Balance

- The audited balance as of April 30, 2023 was \$216,533.
- After accounting for revenues and expenses through October 31, 2023, the unaudited balance is \$191,830.
- Maple Tree Inn is due a final incentive payment from the Village for their TIF incentive.
 - The payment is for \$72,000 and will be paid in January 2024.
- Finance estimates the final year of property tax collections (*2023 taxes collected in 2024*) to be approximately \$100,000. This estimate was calculated using an average of the five (5) prior year's tax collections received.
- \$5,000 is estimated for other expenses that may be incurred through December 31, 2024, such as legal costs.
- This leaves an estimated balance of approximately \$215,000 in the Southgate TIF.

Need to Retain Funding in the TIF

- The Village will need to retain some funding in the TIF to cover the cost for any potential property tax appeals that may be filed by property owners within the Southgate TIF.
- The Village also needs to retain funding in the TIF in the event that staff's estimated tax collection for 2023, *released to the Village in 2024*, tracks lower than expected.

- **Funding Source:** Southgate Tax Increment Financing (TIF) District
- **TIF Fund Amount - Estimated at end of December 2024:** Estimated \$215,000
- **Total Proposed Expenditures:**
 - December 12th - \$ 73,243.40
 - December 19th - \$126,647.75
 - Total: \$199,891.15
- **Remaining TIF Balance to Cover Potential Tax Appeals and Tax Collection Shortfall:**
\$15,108.85

LEGAL REVIEW

Not required

RECOMMENDED BOARD ACTION

Waive competitive bidding (1) based on the utilization of existing contracted vendors to purchase material that has been bid competitively for other projects, (2) based on a Joint Governmental or Cooperative purchasing program, and (3) based on equipment standardization; and, approve the purchase of materials and equipment for safety enhancements and improvements for the Terrace Road parking lot and the Southgate TIF area.

VILLAGE OF HOMEWOOD



ATTACHMENT(S)

- Southgate TIF Expenditure Spreadsheet
- Invoices for all purchases (Dec. 12th and Dec. 19th)