

VILLAGE OF HOMEWOOD



BOARD AGENDA MEMORANDUM

DATE OF MEETING: December 12, 2023

To: Village President and Board of Trustees

Through: Napoleon Haney, Village Manager

From: Amy Zukowski, Director of Finance

Topic: Southwest Central Business District TIF Termination

PURPOSE

The Southwest Central Business District (CBD) Tax Increment Financing (TIF) District expired on December 31, 2022. The year 2023 was the 23rd levy year in which incremental property taxes were collected. The Board of Trustees is now required to approve an ordinance terminating the Southwest Redevelopment Project area. The ordinance terminates the TIF District and confirms our recent notification to Cook County of this intention for taxing purposes.

PROCESS

Tax Increment Financing is the most powerful economic development tool available to municipalities in Illinois. It is used to revitalize blighted and under-performing areas in communities. This tool allows local governments to make the improvements needed in the area, such as new or improved roads or sewers, and to provide incentives to attract new businesses or help existing businesses remain and expand. Tax Increment Financing does this without tapping into general municipal revenues or raising taxes. Homewood currently has seven (7) active TIF districts.

Southwest CBD TIF Expired

Homewood's Southwest CBD TIF was established on February 23, 1999 and expired on December 31, 2022.

TIF Incentives & Projects

Many businesses, such as those listed below, have benefited from the Southwest CBD TIF increment over the last 23 years.

Aurelio's Pizza

Aurelio's Pizza received TIF incentives to update their outdoor dining area, to complete tuckpointing, façade and atrium work, and make energy efficiency updates.

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Blueberry Hill

Blueberry Hill benefited from the TIF by receiving reimbursement funds for interior and exterior improvements, façade updates, and updated outdoor seating.

Good Speed Cycles

Good Speed Cycles relocated their business to 2125 183rd Street in 2009. With the use of TIF funds, Good Speed was able to renovate the building, complete appearance upgrades, and make energy efficiency updates.

Lassen's Sports Bar & Grill

Lassen's Sports Bar & Grill benefited from the TIF by receiving reimbursement for acquisition costs, façade improvements, enclosing the outdoor seating area, new signage, and a basement remodel.

There have also been a number of public infrastructure improvements over the life of the TIF such as roadway lights, curb replacements, brick pavers, tree grates, and pedestrian lights.

OUTCOME

At the December 13, 2022 Board of Trustees meeting, a resolution was approved to transfer/port the remaining unobligated funds from the Southwest CBD Special Tax Allocation Fund to the adjoining Downtown Transit Oriented Development (TOD) TIF's Special Tax Allocation Fund.

FINANCIAL IMPACT

TIF funds will no longer be available to grant incentives for businesses to improve their property nor will TIF funds be available for public improvements. The Village will see an increase in property tax revenue back to the General Fund as a result of the properties in the TIF district returning to the tax rolls.

- **Funding Source:** N/A
- **Budgeted Amount:** N/A
- **Cost:** N/A

LEGAL REVIEW

Complete

RECOMMENDED BOARD ACTION

Pass an ordinance terminating the Southwest Central Business District Redevelopment Project area of the Village of Homewood.

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ATTACHMENT(S)

- Map of Southwest CBD TIF
- Ordinance