

# VILLAGE OF HOMEWOOD



## BOARD AGENDA MEMORANDUM

DATE OF MEETING: September 9, 2025

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

**Through:** Napoleon Haney, Village Manager

**From:** Angela Mesaros, Director of Economic and Community Development

**Topic:** Amendment to Redevelopment Agreement with CIG 2020 Homewood, LLC

### PURPOSE

The Village of Homewood has a redevelopment agreement (RDA) with CIG 2020 Homewood, LLC for the construction of a restaurant at 2018-2020 Ridge Road. The RDA provides for the renovation and interior build-out of an existing commercial building into a Mongolian BBQ restaurant. The developer is requesting an amendment to the RDA which requires Board approval.

### PROCESS

In October 2024, the Village of Homewood and CIG 2020 Homewood, LLC, the developer (Grace Yan Cui), entered into a redevelopment agreement for the property located at 2018-2020 Ridge Road. The agreement set the following terms: sale of the property to the developer for \$1 and Village support of a Cook County Class 8 real estate tax incentive.

The restaurant space needed to upgrade and repair their sanitary sewer service connection (*clay tile to PVC pipe*) that extended out to the sewer main under Ridge Road. During construction of their sanitary sewer service line, and unbeknownst to the contractor, the old and brittle connecting clay tile sanitary sewer service line was disconnected. The sanitary sewer service line serving Homewood Skate Shop, Mary's Health Hut, Goodman Insurance, and the two upstairs residential tenants was disconnected/disrupted. It was later discovered that all of the above mentioned properties *share* a service line that is connected to the Village's main sewer line along Ridge Road. This shared clay tile sanitary service line is routed under and through the new restaurant space.

### *Emergency Repair Required*

The owner of the Skate Shop building notified the Village that there was a substantial amount of sewer waste water in the basement of the shop. After inspection, Public Works staff concluded that the sanitary service lines for the properties were connected per the attached diagram. It was also determined that the line constitutes a common easement, and because the disruption occurred during construction, responsibility for restoring service rests with the developer, CIG 2020 Homewood, LLC.

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### *Challenges*

The restaurant developer was adamantly opposed to the connected and vulnerable clay tile line being situated under the new restaurant for fear that a future break would discharge sewer into the subfloor level of the restaurant. The developer further suggested that the building owners to the west construct their own exclusive connections to the sewer main under Ridge Road. Unfortunately, the suggestion is cost prohibitive and would cost each of the west property owners upwards of \$70k to \$100k to establish their own connection. After consulting the village attorney, staff explained to the developer that because the line constitutes an easement, the developer would be required to reconnect and restore the disrupted sanitary service connection. The properties to the west of the new restaurant were without sanitary service for the three days while this discussion occurred.

### *Solutions*

Because the restaurant is located in a TIF district, and because the developer has an existing redevelopment agreement with the Village, the repair/reconnection work is eligible for TIF reimbursement. The existing RDA would require an amendment. The developer is now requesting an amendment to the redevelopment agreement to provide reimbursement for tax increment financing (TIF) eligible expenses for completed improvements to the shared sanitary sewer connection that restored sanitary services to the addresses of 2018, 2022, 2024 and 2026 Ridge Road, in an amount not to exceed \$75,000. To assuage the developer's concern regarding the clay tile connection running under the new restaurant, staff suggested that the developer "slip line" the entire pipe back to a point within the adjacent property. The slip line process creates a new pipe within the old clay tile pipe. This slip line cost is also TIF eligible, per the amended RDA. The slip line process cost is included in the \$75,000 not-to-exceed reimbursement.

### *Incentives*

Other than the property being transferred to the developer for \$1.00, and a Cook County Class 8 incentive, no other monetary incentives were requested and/or provided to the developer. This TIF eligible work would serve as an incentive. Because of the emergency need to restore sanitary service to the properties to the west of the restaurant, the developer completed the restoration of the sanitary line with the understanding that the Village Board would consider amending the RDA to provide the reimbursement of costs for the work performed. The slip line process has not yet been completed.

## **OUTCOME**

The developer is investing in the property through the renovation and interior buildout of a Mongolian BBQ restaurant, and their project will enhance the downtown by returning the

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property to the tax rolls, creating employment opportunities, and adding another dining option for downtown residents and patrons.

### FINANCIAL IMPACT

- **Funding Source:** Downtown TOD TIF Fund
- **Budgeted Amount:** \$466,667 Incentive Account
- **Cost:** Not to exceed \$75,000

### LEGAL REVIEW

Completed

### RECOMMENDED BOARD ACTION

Authorize the Village President to execute an amendment to the redevelopment agreement between CIG 2020 Homewood, LLC and the Village of Homewood to provide reimbursement for tax increment financing eligible expenses for improvements to the shared sanitary sewer connection at 2018-2026 Ridge Road, in an amount not to exceed \$75,000.

### ATTACHMENT(S)

- Amendment to Redevelopment Agreement
- Exhibit showing the past and repaired condition