

VILLAGE OF HOMEWOOD



BOARD AGENDA MEMORANDUM

DATE OF MEETING: December 10, 2024

To: Village President and Board of Trustees

Through: Napoleon Haney, Village Manager

From: Amy Zukowski, Director of Finance

Topic: Southgate (187th Street/Dixie Highway) TIF Termination

PURPOSE

Tax Increment Financing (TIF) is the most powerful economic development tool available to municipalities in Illinois. TIF 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. TIF does this without tapping into general municipal revenues or raising taxes. Homewood currently has seven (7) active TIF districts.

The 187th Street/Dixie Highway TIF, frequently referred to as the Southgate TIF, expired on December 31, 2023. The year 2024 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 187th Street/Dixie Highway Redevelopment Project area. The ordinance terminates the TIF District and confirms our recent notification to Cook County of this intention for taxing purposes.

PROCESS

Homewood's Southgate TIF was established on October 10, 2000 and expired on December 31, 2023. There have been several public infrastructure improvements over the life of the TIF including landscape and streetscape improvements, street lighting along Dixie Highway, and improvements to the public parking lot located on Terrace Road.

In addition, many businesses, such as those listed below, have benefited from the Southgate TIF increment over the last 23 years.

Maple Tree Inn, 18849 Dixie Highway - Maple Tree Inn relocated their business to Homewood in 2020. With the use of TIF funds, Maple Tree was able to substantially remodel and reopen the vacant restaurant 18849 Dixie Highway.

Cilantro, 18755 Dixie Highway - Cilantro received TIF incentives to improve the patio area with a roofed structure and front wall.

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EMA Building Corp. received funds for flooring, doors, and signage to improve their property at 18676 Dixie Highway.

The businesses located at 18825-18831 Dixie Highway received TIF funds to assist with the parking lot due to the poor condition of the soil and the need for extensive reconstruction.

OUTCOME

With the termination of the 187th Street/Dixie Highway Redevelopment Project area, 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.

FINANCIAL IMPACT

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

LEGAL REVIEW

Complete

RECOMMENDED BOARD ACTION

Approve an ordinance terminating the 187th Street/Dixie Highway Redevelopment Project area.

ATTACHMENT(S)

- Legal Description
- Map of Southgate TIF
- Ordinance