

# VILLAGE OF HOMEWOOD



**BOARD AGENDA MEMORANDUM**

**DATE OF MEETING: January 9, 2024**

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

**Through:** Napoleon Haney, Village Manager

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

**Topic:** Ordinance Proposing Designation of 183<sup>rd</sup> West TIF District

## **PURPOSE**

Staff engaged Ryan LLC of Chicago, IL (formerly Kane, McKenna & Associates) to assist with creating a redevelopment plan for two parcels comprised of approximately 10 acres and two buildings - the former Brunswick Zone and American Bagel Plaza to establish the 183<sup>rd</sup> West - Tax Increment Financing District (TIF). The proposed 183<sup>rd</sup> West TIF Redevelopment Project Area consists of two parcels currently located in the Kedzie Gateway TIF District, established by the Village of Homewood in 2021 at, and about the intersection of Kedzie Avenue and 183<sup>rd</sup> Street. After the Kedzie Gateway TIF was established, the Village acquired the former Brunswick Zone/Big Lots building and petitioned to have the property declared tax exempt. Separating these parcels from the existing TIF and creating a new TIF would reset the base assessed valuation (AV) of these properties at significantly lower levels, thus creating more TIF increment for redevelopment.

The TIF Act requires that the Municipality convene a joint review board (JRB) and conduct a public hearing before the adoption of a redevelopment plan and project, designating the redevelopment project area, and adopting tax increment allocation financing. Any interested person or affected taxing district may file written objections and may be heard regarding the Redevelopment Plan and Project.

The Joint Review Board meeting is scheduled for January 25, 2024, at 2:00 p.m. and the public hearing is scheduled for March 12, 2024, at 7:00 p.m. at the Homewood Village Hall.

## **PROCESS**

In November 2023, the Village engaged Ryan LLC (formerly Kane, McKenna & Associates) to conduct the required steps to establish the 183<sup>rd</sup> West TIF. To establish an area as a "redevelopment project area" according to the TIF Act, Illinois municipalities must adopt several documents including a Redevelopment Plan and Qualification Report that provide the basis for eligibility of the redevelopment project area (RPA or TIF District).

Ryan LLC conducted an eligibility survey of the Redevelopment Project Area and prepared the report which states that the proposed area qualifies as a "redevelopment project

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area” as defined in the TIF Act. The survey and findings are on file and available for the public to view at the Village Hall as required under the TIF Act.

## **OUTCOME**

Tax Increment Financing (TIF) is an economic development tool that uses future tax revenues to finance redevelopment activity. The intersection of Kedzie Avenue and 183<sup>rd</sup> Street is an important gateway into the Village. The 183<sup>rd</sup> West - TIF district would allow the Village to use tax increment financing to alleviate conditions that can deter private investment from occurring in the area.

## **FINANCIAL IMPACT**

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

## **LEGAL REVIEW**

Completed

## **RECOMMENDED BOARD ACTION**

Pass an ordinance convening a joint review board and calling a public hearing for the proposed 183<sup>rd</sup> West - Tax Increment Financing (TIF) Redevelopment Project Area Plan, the designation of the 183<sup>rd</sup> West - TIF Redevelopment Project Area, and the adoption of tax increment allocation funding.

## **ATTACHMENT(S)**

- Ordinance
- Redevelopment Plan