

# VILLAGE OF HOMEWOOD



**BOARD AGENDA MEMORANDUM**

**DATE OF MEETING: September 10, 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:** Economic Development Incentives – 18123 Harwood (Hibbing Building)

## **PURPOSE**

The owner of the building at 18123 Harwood Avenue, Joe Peters, JWP Interpris Corp., is in the process of a major renovation to the property that includes two (2) new eating places on the first floor. The owner has requested financial assistance to reimburse the installation of one (1) grease trap to service both restaurants. The Village has agreed to provide \$36,560 of assistance.

## **PROCESS**

The owner of the building, Joe Peters, JWP Interpris Corp plans to invest approximately \$925,000 in renovation to the building at 18123 Harwood Avenue. This includes two (2) apartments on the second floor and two (2) eating places on the first floor.

The Village's participation in the incentive programs would include reimbursement of the cost of a grease trap that would service both eating places, not to exceed \$36,560. The owner of the building has submitted three (3) quotes for the grease trap; the incentive would cover the cost of the lowest bid.

When developing this incentive recommendation, staff considered the following:

- The total recommended financial incentive is approximately 4% of the total buildout costs for the building (\$925,000), which is less than the 50% maximum available under the Business Incentive Program.
- The Hibbing Building is one of Homewood's iconic buildings, dating back to approximately 1928. The building has been vacant for many years and requires major renovations.
- Many buildings in downtown Homewood face costs associated with modernizing spaces and bringing them into compliance with building codes. The recommended funding will be used to make improvements to the building that will increase the long-term viability of the space.

## **OUTCOME**

The redevelopment agreement allows the owner to renovate a vacant building in downtown Homewood for the re-occupation of two (2) apartments and two (2) businesses. The apartments

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and first floor establishments will bring additional foot traffic and add to the vitality of the downtown. The incentive amount is comparable to recent incentives given to restaurants.

### FINANCIAL IMPACT

- **Funding Source:** General Fund (*Assigned Fund Balance for Non-TIF Incentives*).
- **Total Incentive Amount:** \$36,560

### LEGAL REVIEW

Completed

### RECOMMENDED BOARD ACTION

Approve a resolution authorizing the Village President to enter into a redevelopment agreement with JWP Interpris Corp to reimburse eligible expenses for a grease trap for two eating establishments at 18123 Harwood Avenue.

### ATTACHMENT(S)

- Resolution
- Redevelopment Agreement