

# 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:** Amy Zukowski, Director of Finance

**Topic:** Budget Amendment – The Ridgewood Incentive Payment

## **PURPOSE**

Approve a budget amendment request for the incentive payment to 2059 Ridge Road, LLC. This incentive was in the redevelopment agreement with The Ridgewood, located at 2059 Ridge Road, which was approved at the June 11, 2024 Board meeting.

## **PROCESS**

The redevelopment agreement provides financial assistance to aid the building owner, Scott Donkel, with the buildout of The Ridgewood business and structural renovations to the building and property.

The redevelopment agreement included the reimbursement of 50% of the eligible renovation costs, which include structural improvements, replacement of lead water lines, signage, and improvements to the back patio and parking lot, not to exceed \$56,240.

As required in the redevelopment agreement, within sixty (60) days of the completion of the work, the building owner submitted a written reimbursement request, along with copies of canceled check(s) or other evidence that the owners have paid for the work and lien waivers from all general contractors, subcontractors, and materialmen who provided services or materials for the work. In anticipation of this request and payment, a budget amendment is required.

### *Sourcing of Funding Incentive*

The funding for the \$56,240 incentive payment will be paid from the Assigned Fund Balance. Assigned Fund Balance is a self-imposed constraint with intent to use the fund balance for a specific purpose. The Village has typically utilized assigned fund balances to fund pending or future non-TIF incentives. The process of identifying and partnering incentives and projects to *assigned fund balance* is completed annually during the audit process.

## **OUTCOME**

Approval of the budget amendment will allow the Village to meet its obligation to 2059 Ridge Road, LLC for the agreed upon incentive payment within 60 days of the completion of work.

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## **FINANCIAL IMPACT**

- **Funding Source:** General Fund Assigned Fund Balance
- **Budgeted Amount:** \$0
- **Cost:** \$56,240

## **LEGAL REVIEW**

Not Required

## **RECOMMENDED BOARD ACTION**

Approve a budget amendment of \$56,240 to the General Fund for the incentive payment to 2059 Ridge Road, LLC.

## **ATTACHMENT(S)**

Redevelopment Agreement