

VILLAGE OF HOMEWOOD



BOARD AGENDA MEMORANDUM

DATE OF MEETING: October 13, 2026

To: Village President and Board of Trustees

Through: Napoleon Haney, Village Manager

From: Noah Schumerth, Director of Economic and Community Development

Topic: Cook County Class 8 Incentive Request – 18646 Dixie Highway (Healthy Hounds Pet Grooming and Nutrition)

PURPOSE

Project Information

Cameron Payette of Healthy Hounds is requesting Village support for a Cook County Class 8 property tax incentive for property at 18646 Dixie Highway. All Class 8 incentive requests require a resolution of support from the municipality that the property is located within. The applicant is requesting support from the Village of Homewood for a Class 8 incentive on the property now occupied by Healthy Hounds.

Healthy Hounds Pet Grooming and Nutrition is a boutique pet food retailer and pet grooming business which recently moved into the building at 18646 Dixie Highway. The owner committed significant resources to convert the building from an optometry office to a pet food retailer and grooming provider. The business was previously located in Flossmoor.

The project history for this business is as follows:

- **May 8, 2026:** Mission Optical, the former tenant of the building, closes (the final Village water billing date for Mission Optical was May 8, 2026).
- **May 8, 2026:** Cameron and Lisa Payette of Healthy Hounds purchases the building.
- **July 28, 2026:** The applicant receives a \$25,000 Façade and Property Improvement Program incentive from the Village of Homewood for plumbing, signage, and other improvements.
- **August-September 2026:** The applicant completes approximately \$120,000 of new construction for the building.
- **September 1, 2026:** Healthy Hounds opens its new location to the public.
- **September 28, 2026:** The Village receives a revised Class 8 incentive request from the applicant.

The property owner has requested a Class 8 incentive, claiming that the project work could not be completed and the business could not operate without the incentive. The work was completed and the business opened in early September 2026.

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About Class 8 Incentives

The Cook County Class 8 incentive program is designed to encourage industrial and commercial development in areas of the County which are experiencing “severe economic stagnation.” Under this program, qualified commercial real estate is assessed at 10% of the market value for the first 10 years, 15% in the 11th year, and 20% in the 12th year. The Class 8 designation may be renewed during the 10th, 11th or 12th year of the incentive.

The incentive supports the following types of investment in areas deemed to be in need of substantial revitalization:

- New construction/redevelopment of abandoned property.
- “Substantial rehabilitation” or reutilization of abandoned buildings (for commercial or industrial use).
- Encourage property investment in vacant buildings which would otherwise not occur without property tax incentive assistance.

The Class 8 incentive is designed to support new construction and major rehabilitation of previously abandoned buildings (vacant at least 12 months). To receive a Class 8 incentive for property that has been vacant for less than 12 months, the Village must find that there are “*special circumstances*” which justify the need for a Class 8 incentive to be issued. “Special circumstances” may **not** be used to justify a Class 8 incentive when the following are true:

- A building was purchased but was not vacant/unused prior to the purchase.
- There has not been a purchase of the building and the building has been vacant for less than 12 months.

PROCESS

The Village received a revised application for a Class 8 property tax incentive on September 28, 2026. The applicant has requested an application for a Class 8 under *special circumstances*, as the property was not vacant for more than 12 months. Staff reviewed the application for conformance with Class 8 eligibility criteria and prepared recommendations based on the request for special circumstances.

OUTCOME

The Board reserves the right to approve or deny a resolution of support for a Class 8 incentive, which is a requirement for the incentive to be approved at the County level. When a Class 8 incentive is applied for under special circumstances, the Board must consider whether special circumstances apply which justify the property tax incentive being granted to a property which was not abandoned for more than 12 months.

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Staff has provided the following analysis points:

1. The application claims that the special circumstances are that the owners would not have purchased the building nor completed the substantial renovation work without the Class 8 incentive. The current version of the application was received on September 28, 2026, after the building was purchased (May 2026) and the work was completed (August to early September 2026). The business opened September 1, 2026.
2. The building was not considered vacant by the Village until the date of sale of the building (May 8, 2026).
3. The incentive application claims that the property tax bill on the property in 2026 (reassessment year) will be approximately \$38,000 without the Class 8. The 2025 tax bill for the property was \$20,891. The application claims an **82% increase** in commercial taxes in 2026's reassessment.
4. Based on the application's numbers, the Class 8 incentive would reduce taxes from \$38,101 to \$15,240. The average tax bill for a single-family residential property in Homewood **at median value (\$256,000) is \$11,000 - \$12,000.** An earlier version of this application was submitted with a property tax estimate of \$24,000 – no justification was provided for this revision.

FINANCIAL IMPACT

- **Funding Source:** N/A
- **Budgeted Amount:** N/A
- **Cost:** At the estimated tax numbers for 2026 included in the application, the Village's annual property tax levy for the property (approximately 11%) would drop from \$4,180 to \$1,676, a 60% decrease.

LEGAL REVIEW

Not required

RECOMMENDED BOARD ACTION

The Board may consider one of the following motions:

1. **Direct staff** to prepare a municipal resolution of support for the requested Cook County Class 8 property tax incentive.
2. **Deny** request for a municipal resolution of support for the requested Cook County Class 8 property tax incentive.

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ATTACHMENT(S)

Application Materials