

VILLAGE OF HOMEWOOD



BOARD AGENDA MEMORANDUM

DATE OF MEETING: August 11, 2026

To: Village President and Board of Trustees

Through: Napoleon Haney, Village Manager

From: Noah Schumerth, Director of Economic and Community Development

Topic: Parking Lease Agreement with St. John Neumann Parish (Term Sheet)



Figure 1: Image of the Parking Lot at St. John Neumann Parish

PURPOSE

The Village's "Downtown Core" is seeing unprecedented growth, with numerous restaurants, stores, and other businesses opening or expanding (including Stoney Point Grill, 69 Prime Steakhouse, Jiao 66 Mongolian Barbeque, Mitchell and Michaels Restaurant, and more). Additionally, Holladay Properties has continued to develop proposals for two buildings at 2024 Chestnut Road and 2066 Ridge Road with up to over 150 apartments and over 8,000 square feet of new commercial space, totaling \$55-60 million in new investment. Though past parking studies have anticipated much of this growth, this new investment in the Downtown area has prompted the need to more closely monitor parking availability and accessibility.

As the Downtown grows, the Village is considering new options for providing parking for regional visitors of the Downtown area. The Village has been pursuing a "decentralized approach" to parking, seeking to create new parking opportunities from smaller properties or opening currently private parking lots for public parking as a more cost-effective method of providing Downtown parking for visitors and residents.

The St. John Neumann Parish parking lot represents a major investment in this parking approach for the Village. The parking lot is among the largest in Downtown Homewood, with over 120 parking spaces. The parking lot is located across the street from Village Hall and is located within 1/8 mile walking distance from the "Downtown Core" area centered at Ridge Road and Dixie Highway, where much of the new investment in Downtown Homewood is taking shape. The Village has identified this lot as an excellent opportunity for creating new parking opportunities in the Downtown area, converting a private lot which is often vacant during the week (including peak parking demand hours on weekday evenings and weekends).

St. John Neumann Parish and the Archdiocese of Chicago (which controls the use of property occupied by the Parish) have expressed interest in partnering with the Village to create a shared

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use agreement for the Parish parking lot. This use agreement would allow the Village to utilize a significant portion of the lot for public parking at most times throughout the week.

The proposed parking lease agreement is proposed to extend through August 2030 (four-year term) with the opportunity to renew. This agreement will serve several important functions:

- Provide additional parking for new businesses along the east side of Dixie Highway north of Ridge Road (Woori Taekwondo, Mitchell and Michaels, Q/T Elegant Affairs, Travel Brokers) which do not have access to private parking.
- Provide additional overflow parking for visitors of Village Hall or the forthcoming Village Hall auditorium when it opens.
- Provide additional event parking during important Village events which draw large numbers of regional visitors (Fall Fest, Art and Garden Fair, Farmers Market, etc.).
- Provide overflow or temporary parking options for Village Hall employees and visitors during the construction of the mixed-use development in the Village Hall parking lot at 2024 Chestnut Road.

This lease agreement allows the Village to provide parking to serve these uses while eliminating the costs of constructing a new parking facility. This lease agreement will also fit within a larger parking plan to create or improve parking facilities in the Downtown area, as well as new Village policies being developed to track and manage vehicle and bicycle parking demand in the Downtown area.

PROCESS

The Village had a previous shared use agreement with St. John Neumann for up to 28 parking spaces, however, the agreement expired in December 2019.

The Village commissioned a Downtown Parking and Traffic Study in 2019 to review parking needs with the construction of a future multi-family residential building on the Village Hall parking lot site and the renovation of the Village's auditorium. The study found that the Village would be able to provide sufficient parking in the Downtown to support these new developments and other anticipated business growth, *provided the Village followed recommendations for adding or improving parking in the Downtown area*. One of these recommendations was to continue or expand a parking agreement with St. John Neumann Parish to ensure public parking availability for visitors of Village Hall, the Homewood Auditorium, and nearby businesses.

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TIF Implications

The Village approached St John Neumann in 2024 to begin discussions for a new parking agreement. St. John Neumann was amenable to a new parking agreement, but the church required a number of requested improvements to the parking lot and its drainage systems. The St. John Neumann parking lot and church facility is within the Downtown Transit Oriented Development Tax Increment Financing District (Downtown TOD TIF). This means the improvements requested by St. John Neumann can be effectively funded by the TIF and not by the General Fund.

Parking Spaces

Village staff met regularly with representatives from St. John Neumann Parish and the Archdiocese of Chicago to negotiate terms of a renewed parking lease agreement. The Parish expressed willingness to allow for an increase in the number of parking spaces available for public use (from 50 to 69 spaces) with commitments by the Village to stripe the lot to add additional parking spaces and to perform engineering improvements to resolve drainage issues in the parking lot.

OUTCOME

The negotiations between the Archdiocese of Chicago, St. John Neumann Parish, and the Village produced a term sheet and several official exhibits describing commitments by the Parish and the Village. If this term sheet is approved, the Archdiocese and Parish will provide a final version of an agreement which incorporates the terms included in the term sheet, subject to any conditions or changes recommended by the Village Board prior to approval.

Under the proposed lease agreement, the Archdiocese and Parish would commit to the following terms:

- The Parish will permit the Village to use up to 69 parking spaces in the lot.
- The Village is permitted to share these spaces during the following times:
 - **Monday-Friday:** 7 a.m. – 9 p.m.
 - **Saturday:** 7 p.m. – 12 a.m. (following Saturday mass)
 - **Sunday:** 1 p.m. – 12 a.m. (following Sunday services)*(The Parish has identified several dates/times when parking will be restricted due to special annual events or holy observances.)*
- The Parish will honor the agreement through August 2030 with opportunities to renew the agreement with advance notice and agreement between parties.

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Figure 2: Proposed location of 69 Village parking spaces (spaces will be restriped to add additional spaces within this area)

Under the proposed lease agreement, the Village would agree to the following terms (infrastructure improvements) in exchange for access to the 69 parking spaces:

- The Village will perform work to replace or repair drainage lines and inlets in the parking area which includes the following items.
 - Remove aging landscape planters and replace with a concrete curb/gutter.
 - Install a 6" heavy wall storm sewer pipe from north side of former school building to the inlet on the east side of the parking lot.
 - Repair the code-deficient inlet on the east side of the parking lot.
 - Clean, televise, and repair an additional storm sewer pipe on the east side of the former school building.
 - Install parking blocks adjacent to the former school building.
 - Restripe the parking area to add additional spaces with a more efficient parking layout.
 - Microsurface the entire parking area to the north of the church and former school buildings.
 - Install signage designating shared spaces and Parish-exclusive spaces.
- The Village will also be required to provide the following support for maintenance of the parking lot during the term of the lease.
 - Reimburse the Parish 75% of costs to plow snow from the parking lot billed on a semi-annual basis.
 - Reimburse the Parish 25% of costs to sealcoat and resurface parking lot as needed (every 3-5 years – may not be a cost during the proposed term of the agreement).
 - Reimburse 25% of future Capital Improvements to the parking lot.
 - Periodically clean or maintain Village-owned water line between east side of Parish parking lot and Gottschalk Avenue (as Village would perform under normal operating procedures).

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- Parking lot maintenance will be done by the Parish and the Village will be billed pro rata, based on the share of parking being used.

The total cost of improvements which the Village would agree to perform is \$107,000 which would be funded by the Downtown TOD TIF. If the agreement is approved by all parties, the Village would complete improvements to the parking lot in late September to early October 2026.

FINANCIAL IMPACT

- **Funding Source:** Downtown TOD TIF (Special Tax Allocation Fund)
- **Downtown TIF Balance:** From 2025 Audit - \$355,255
- **Budgeted Amount:** \$110,000
- **Cost:** \$107,000

LEGAL REVIEW

Not Required

RECOMMENDED BOARD ACTION

Accept the terms per the attached Term Sheet and authorize the Village Manager; the Village President, the Village Attorney, and other necessary Village officials to take all necessary actions to enter into a Lease Agreement with St. John Neumann Parish and the Archdiocese of Chicago for the shared use of 69 parking spaces and improvements to the church's parking lot and associated drainage infrastructure. The Lease Agreement will be presented for formal Board approval at a future meeting.

ATTACHMENT(S)

- Resolution
- Terms Sheet (revised 7/20/2026)
- Work Exhibit