

VILLAGE OF HOMEWOOD



BOARD AGENDA MEMORANDUM

DATE OF MEETING: July 28, 2026

To: Village President and Board of Trustees

Through: Napoleon Haney, Village Manager

From: Noah Schumerth, Director of Economic and Community Development

Topic: Non-TIF Property Incentives – 18646 Dixie Highway (Healthy Hounds)



PURPOSE

The Village created the Business Incentive Program to provide financial assistance for the improvement and maintenance of commercial buildings that would increase the assessed valuation and marketability of the area. The goals of this program include promoting the revitalization of properties, assisting with upgrades to buildings, and retail attraction and expansion.

The applicants, Cameron Payette and Lisa Payette, recently purchased a commercial property at 18646 Dixie Highway (formerly occupied by Mission Optical). The applicants plan to relocate and expand their existing pet goods store, Healthy Hounds, from their current location in Flossmoor to the new property in Homewood. This move will allow the applicants to offer a wider variety of products and provide on-site grooming and pet care services.

The exterior of the building at 18646 Dixie Highway has visibly deteriorated, and the building has several code compliance challenges which need to be resolved before a new use can operate in the building. The building was also constructed as a medical office, and will require significant changes to support a retail business with pet grooming services. The applicant has begun work on the exterior of the building, but has requested assistance to complete the construction of an exterior monument sign (\$7,525), plumbing repairs and upgrades (\$6,930), water heater replacements (\$5,100), electrical system upgrades (\$9,000), HVAC upgrades (\$11,510) and the installation of a security system (\$3,760). These upgrades will assist in resolving code compliance issues and ensure the building is capable of operating effectively as a retail business.

PROCESS

Cameron and Lisa Payette applied for incentives from the Village to assist with costs for renovating the commercial property at 18646 Dixie Highway. The applicants plan to invest over \$120,000 to update the space for the new retail business.

VILLAGE OF HOMEWOOD



Staff reviewed the application for eligibility under the Business Incentive Program, which was established to provide incentives to commercial projects that are undertaken outside of Tax Increment Financing Districts (TIFs) through three programs:

- *Façade and Property Improvement Program (up to \$25,000)* – allows for improvements to commercial property for a new or existing business
- *Retail Enhancement Program (up to \$10,000)* – allows for improvements to existing commercial businesses
- *Go Green! Program (up to \$5,000)* – allows for improvements which improve environmental sustainability or performance

(all three programs reimburse 50% of project costs up to the limit of the program)

The applicants applied for the *Façade and Property Improvement Program*. The purpose of the *Façade and Property Improvement Program* is to promote revitalization by providing financial assistance for the improvement and maintenance of existing commercial buildings to support new businesses. The program supports physical improvements which have not yet been completed. While some work has been completed on the building, the applicants have requested financial support to install signage, upgrade plumbing systems, replace aging water heaters and add a security system to the building.

The Façade and Property Improvement Program requires the applicant to submit at least three bids for any work to be completed. The Village may reimburse up to 50% of the cost of the lowest bid received for any work to be completed. The applicant provided these bids to the Village on June 29, 2026. Staff reviewed the application and submitted bids, and has provided a recommendation to the Board for approval of an incentive.

The signage included in this scope of work is currently under Appearance Commission review. The Appearance Commission has the authority to require changes to ensure projects meet the standards of the Village's Appearance Plan. Staff has recommended replacing materials on the sign in response to Commission feedback about the durability of the sign. The sign costs proposed to be reimbursed include additional funds for upgrading the material of the base of the monument sign as recommended by Village staff in response to Appearance Commission feedback on July 16. The Village will reimburse up to 50% of the final sign cost.

OUTCOME

The Village's participation in the incentive programs would total \$25,000. The funds provided by the Village would reimburse the applicant for actual expenses incurred up to this amount. Costs would be reimbursed only after receipt of the payments were submitted to and approved by staff.

VILLAGE OF HOMEWOOD



In developing the recommendation, staff considered the following:

- The applicant plans to open a new retail business with an estimated \$350,000 in sales in the first year of operation, and up to \$550,000 per year after the fifth year of operation. This will add \$3,500 to \$5,500 in new sales tax revenue annually, in addition to an average property tax levy of approximately \$2,500. The new business with improvements will yield a minimum of \$6,000 to \$8,000 annually in Village revenues. The business anticipates strong business growth by relocating to their new location.
- The proposed incentive represents approximately 68% of the five-year yield of the new business to the Village (including property tax levy, anticipated sales taxes, etc.).
- The proposed improvements will reimburse approximately 30-35% of the total cost of improvements being made to the property for this business improvement.
- The applicant has not received any additional property tax incentives (such as a Cook County Class 8 property tax incentive).

FINANCIAL IMPACT

- **Funding Source:** General Fund
- **Budgeted Amount:** \$25,000
- **Cost:** \$25,000

LEGAL REVIEW

Completed

RECOMMENDED BOARD ACTION

Authorize the Village President to enter into a redevelopment agreement with Cameron and Lisa Payette to provide financial assistance from the Non-TIF Business Incentive Program for up to \$25,000 for building improvements at 18646 Dixie Highway.

ATTACHMENT(S)

Incentive Agreement