

VILLAGE OF HOMEWOOD



BOARD AGENDA MEMORANDUM

DATE OF MEETING: February 10, 2026

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 – 2034 Ridge Road, 69 Prime

PURPOSE

With a highly competitive economic climate, incentives are an important tool for business recruitment and retention. For over 30 years, the Village has provided numerous incentives to businesses and developers. The Village of Homewood has successfully administered an Economic Development Program that utilizes various incentives, including Tax Increment Financing. The Village has several Tax Increment Finance (TIF) Districts (see map). In addition, Homewood offers small business incentives for **non-TIF** areas for up to one-half the cost of the improvements.

The owner of 69 Prime at 2034 Ridge Road requested financial assistance for the remodeling of the restaurant interior. Paul Spass, who is also the owner of The Primal Cut in Tinley Park, IL, established in 2017, has taken over the former La Voute Bistro at 2034 Ridge Road to open a new steakhouse restaurant. The menu at 69 PRIME focuses on traditional surf and turf dishes along with Italian cuisine options. With its upscale setting and laid-back atmosphere, 69 PRIME aims to offer a unique dining experience. Village staff determined that assistance is appropriate based on the project's eligible expenses.

PROCESS

It is estimated that the owner has invested more than \$100,000 to remodel the restaurant located at 2034 Ridge Road, converting the space into a steakhouse. The Business Improvement Agreement, also referred to as a Redevelopment Agreement (RDA), allows the Village to reimburse the owner for a percentage of their construction costs. The owner has requested a business incentive that rebates the Village's 2% Places for Eating Tax for one (1) year. This rebate is estimated to be approximately \$33,000. Staff suggests a maximum cap of \$40,000.

What is a "Places for Eating Tax"?

A Places for Eating Tax is a local tax on food and drinks purchased for immediate consumption, such as meals at restaurants, cafés, fast-food spots, and bars. The tax is collected by these businesses at checkout and then sent to the Village. Restaurants must provide on-site dining to be eligible.

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The revenue helps support important community needs such as infrastructure, public safety, parks, and economic development. Because the tax is paid by restaurant patrons, it helps spread the cost of local services beyond residents alone and reduces reliance on property taxes, while allowing everyone who enjoys Homewood's dining options to contribute to a strong community.

OUTCOME

The redevelopment agreement allows a building owner to renovate a building and add to the vitality of the downtown.

- Restaurants are a targeted business for Homewood. Paul Spass, the owner of 69 Prime, owns The Primal Cut in Tinley Park, IL, a well-established business in operation since 2017.
- Businesses in Homewood face substantial costs to modernize spaces. The recommended funding will be used to make improvements to the building that will increase the long-term viability of the space and the downtown area.
- The Places for Eating Tax rebate is performance-driven and would be paid out over one year.

This restaurant increases foot traffic and enhances the vitality of downtown.

FINANCIAL IMPACT

- **Funding Source:** General Fund
- **Budgeted Amount:** \$0
- **Budget Amendment:** \$40,000
- **Total Incentive Amount:** Places for Eating Tax Rebate not to exceed \$40,000

LEGAL REVIEW

Completed

RECOMMENDED BOARD ACTION

Approve a budget amendment in the amount of \$40,000; and, authorize the Village President to enter into a redevelopment agreement to reimburse eligible expenses for improvements to the building at 2034 Ridge Road for the interior renovation of 69 Prime restaurant, in an amount not to exceed \$40,000.

ATTACHMENT(S)

Redevelopment Agreement