

VILLAGE OF HOMEWOOD
PUBLIC HEARING
PROPOSED NORTHEAST TAX INCREMENT FINANCE DISTRICT
TUESDAY – JULY 14, 2015
VILLAGE HALL BOARD ROOM

CALL TO ORDER: Village President Richard Hofeld called the public hearing to order at 7:30 p.m. Present were Trustees Barbara Dawkins, Lisa Purcell, Ann Colton, Jay Heiferman and Ray Robertson. Trustee Karen Washington was absent. Approximately 25 people from the public were present. One press representative was in the audience.

SUMMARY OF PUBLIC NOTICES AND CONFORMANCE TO TIF ACT: Notice of this public hearing was published twice in the Daily Southtown newspaper. Taxing districts and the State of Illinois were notified by certified mail, residential property owners within 750 feet were notified, as were taxpayers of record.

REPORT OF JOINT REVIEW BOARD: The Joint Review Board met on June 4, 2015 and voted in favor of the Northeast Redevelopment Plan and Project and recommended the Village move forward with the creation of the TIF district.

INTRODUCTION OF WRITTEN COMMENTS: Village Clerk Marilyn Thomas informed the Board of email correspondence from Mark Weglarz of Weglarz Co. in Orland Park who supported the Northeast TIF.

TIF OVERVIEW AND SUMMARY: Bob Rychlicki of Kane McKenna and Associates addressed those present. The company was hired by the Village of Homewood to assess the Village's needs and benefits of establishing a TIF for the area. The Village was obliged to complete a new plan under the Tax Increment Allocation Redevelopment Act and present a TIF Redevelopment Plan and Eligibility Report. The proposal has estimated project costs of \$32 million to cover land acquisition, site preparation/environmental remediation, utility improvements, rehabilitation, interest costs pursuant to the Act, planning, legal, engineering, administrative and other professional services, and job training.

The economic downturn of 2008 and a drop in property values the past several years is what the Village of Homewood has been using in addressing the current TIF district needs. To qualify, the TIF redevelopment area must meet various criteria. Mr. Rychlicki said this project meets six of the 13 factors under the TIF law.

The proposed TIF covers the south side of 175th Street between Halsted Street and Loomis Avenue, and will take in several parcels between 174th Street and 175th Street and Halsted Street and Lathrop Avenue. The TIF crosses Halsted Street to take in a lot at the southeast corner of 175th and Halsted Streets.

Mr. Rychlicki said the proposed area has the potential for redevelopment but has a number of underutilized properties. The Equalized Assessed Valuation (EAV) of the

property has dropped. Mr. Rychlicki said the 2013 property values show a 40 percent decline. The area lacks community planning, it is in deterioration and has excessive vacancies, some properties face obsolescence, and the area has inadequate utilities.

The area in the TIF needs to be repositioned for economic development to stimulate investment and jobs. Some of the buildings are at 30 percent occupancy. Others are 100 percent vacant. The area doesn't have a standard plan for layout, ingress/egress or landscaping. The TIF will follow the Village plan to bring the area back to a productive reuse as commercial, retail or industrial or in some combination.

The TIF is one of few tools available to address economic development, to improve EAV and bring jobs to the area. Redevelopment will allow the Village to design the area with more of a park or campus feel, Mr. Rychlicki said. The Village also will be able to make updates to the sanitary and water mains and make water retention improvements.

Mr. Rychlicki said the 2013 EAV was \$8.85 million. The 2014 reassessment of the south suburbs dropped the value to \$8.1 million.

PUBLIC COMMENTS AND DISCUSSION: Amy Crump, Director of the Homewood Public Library, said as a private citizen she has applauded the use of TIF districts, but she is concerned about this particular district and its long-term impact on the library. She believes dissolving one TIF and putting the same properties into another will not benefit the library. Declining property values are impacting the amount of tax revenue the library and other taxing bodies are receiving. By freezing the TIF property tax rates for the taxing bodies, she believes the library will be shortchanged of any new revenue.

Ms. Crump also asked why the TIF will be extended out so far. She believes a 23-year life for the TIF is too long. She asked the Board to consider a 10-year TIF.

Trustee Ray Robertson asked Mr. Rychlicki if Ms. Crump's premise was correct. Mr. Rychlicki said the library will continue to get the taxes as they are now. If the property is never improved, the library would get the same or probably less revenue because the property values will continue to decline. He said Ms. Crump's argument and his position are usually the dividing line between pro and con TIF arguments.

CLOSE OF PUBLIC HEARING: Mr. Rychlicki said the Board must wait at least two weeks, or as long as 90 days, before taking action to organize the Northeast Tax Increment Finance District.

The public hearing was adjourned at 7:44 p.m.

Respectfully submitted,

Marilyn Thomas
Village Clerk