

VILLAGE OF HOMEWOOD
BOARD OF TRUSTEES MEETING
TUESDAY—AUGUST 25, 2015
VILLAGE HALL BOARD ROOM

CALL TO ORDER: Village President Hofeld called the regular meeting to order at 7:30 p.m. Approximately 40 people from the public were present. One press representative was in the audience.

PLEDGE OF ALLEGIANCE: Village President Hofeld led the audience in the Pledge of Allegiance.

ROLL CALL: Clerk Marilyn Thomas recorded the roll call. Those present were Village President Richard Hofeld, Trustee Barbara Dawkins, Trustee Lisa Purcell, Trustee Karen Washington, Trustee Anne Colton, and Trustee Jay Heiferman. Trustee Ray Robertson was absent.

INTRODUCTION OF STAFF: Village President Hofeld introduced staff members in attendance: Village Attorney Christopher Cummings, Village Manager Jim Marino, Director of Finance Dennis Bubenik, Police Chief Larry Burnson, Public Works Director John Schaefer and Economic and Community Development Director Tom Vander Woude.

MINUTES: There were no comments or corrections to the minutes of the regular meeting of August 11, 2015. A motion was made by Trustee Purcell and seconded by Trustee Heiferman to approve the minutes of August 11, 2015.

Roll Call: AYES - Trustees Dawkins, Purcell, and Heiferman. NAYS - None. ABSTAIN - Trustees Washington and Colton. ABSENT- Trustee Robertson. Motion carried.

CLAIMS LIST: The Claims List of \$498,877.34 was reviewed. President Hofeld said payments of \$150,643.71 and \$162,306.76 to the City of Harvey for water were 63 percent of the total.

A motion was made by Trustee Colton and seconded by Trustee Purcell for the Board to approve the August 25, 2015 Claims List in the amount of \$498,877.34.

Roll Call: AYES - Trustees Dawkins, Purcell, Washington, Colton, and Heiferman NAYS - None. ABSENT - Trustee Robertson. Motion carried.

APPOINTMENT: A motion was made by Trustee Colton and seconded by Trustee Purcell for the Board to approve the appointment of Shannon Olison to the Community Relations Commission. She will serve through August 31, 2018.

Roll Call: AYES - Trustees Dawkins, Purcell, Washington, Colton, and Heiferman

NAYS - None. ABSENT - Trustee Robertson. Motion carried.

PRESENTATION:

METRA STATION REPAIRS: Mr. Bruce Marchesci, Chief Engineer for Metra, addressed the Village's concerns about the condition of the Homewood station. He said crews have been working on repainting the east entryway walls and tunnel. They will be getting to the entryway to the train tracks and the west entrance as well. Lights have been replaced with LED bulbs in the elevators and will be replaced in the tunnel. The two sets of stairs leading to the platform will be replaced, but Mr. Marchesci said it will take five to seven weekends to do that. Ceiling tiles will be replaced and crews will try and determine where the leaks are coming from.

These cosmetic improvements will be ongoing until the train station's major improvements are made. To date, Metra has a \$585,000 grant for an engineering study on how to improve the underground tunnel, stop seepage and water leaks, and improve the station. However, there is no money for repairs. It is hoped once a plan is on paper, money will become available for the work, which will be coordinated with Metra, Amtrak and CN.

In response to questioning from a resident, it was noted that Metra cannot place security cameras in the parking lots because they are private lots. It has security cameras at the east and west ends of the tunnel that Homewood Police monitor, and Homewood has a security camera on the water tower at Village Hall that can survey the parking area along the east side of the tracks.

HEAR FROM THE AUDIENCE: President Hofeld invited members of the audience to address any issues not on the agenda. No comments were offered.

OMNIBUS VOTE: Village Clerk Thomas read the following items:

- A. **RESCHEDULE MEETING DATE:** Approve the rescheduling of the Village of Homewood Board of Trustees Regular Meeting of Tuesday, September 22, 2015, to Monday, September 21, 2015 at 7:30 p.m.
- B. **ORDINANCE M-1975 / SHED VARIANCE - 2504 LAWRENCE LANE:** Pass an ordinance granting a variance to allow a shed to be located in the east front yard of the property at 2504 Lawrence Lane.

A motion was made by Trustee Purcell and seconded by Trustee Colton to approve and pass the Omnibus report as presented.

***Roll Call: AYES - Trustees Dawkins, Purcell, Washington, Colton, and Heiferman
NAYS - None. ABSENT - Trustee Robertson. Motion carried.***

OLD/NEW BUSINESS:

INTERGOVERNMENTAL AGREEMENT / SOUTH SUBURBAN LAND BANK AND DEVELOPMENT AUTHORITY (SSLBDA): Village Manager Marino brought before the Board a proposed intergovernmental agreement between the Village of Homewood and the South Suburban Land Bank and Development Authority. Economic and Community Development Director Vander Woude explained the Land Bank is a not-for-profit entity that helps redevelop vacant properties and foreclosed properties by cutting through red tape that could take months or years of Village staff time and legal fees. There is no fee to join the Land Bank, and Homewood would have the right to drop out at any time. To date, there are 16 south suburban communities in the organization. Each has a representative on the Board, in addition to four members not affiliated with any community.

Manager Marino said Homewood would like to use the Land Bank to work through issues on three business properties: Bogart's, the Citgo Gas station, and the former Brunswick Bowling Alley. Attorney Cummings said the Village has been trying to get the Bogart's property, but it has five different tax ID numbers. The Land Bank can also help eliminate the liens for back taxes that could be prohibitive to anyone interested in developing the property. Director Vander Woude said if Homewood can get the issues resolved, he believes the Village will have minimal problems getting the properties redeveloped.

Mr. Russell Rydin, Executive Director of the Land Bank, told Trustees that commercial properties are primarily what communities want to work on, although homes also can be included.

Trustees said they were willing to join the Land Bank as an economic development move and a possible way to draw businesses to the downtown area.

A motion was made by Trustee Dawkins and seconded by Trustee Washington to give Village President Hofeld the power to execute the Intergovernmental Contract and By-Laws Agreement making Homewood a member of the South Suburban Land Bank and Development Authority.

***Roll Call: AYES - Trustees Dawkins, Purcell, Washington, Colton, and Heiferman
NAYS - None. ABSENT - Trustee Robertson. Motion carried.***

RESOLUTION R-2230 / APPOINTMENT OF LOCAL GOVERNMENT DIRECTOR:
A motion was made by Trustee Purcell and seconded by Trustee Colton to pass Resolution R-2230 appointing Thomas Vander Woude as the Village of Homewood Local Government Director to the South Suburban Land Bank and Development Authority.

***Roll Call: AYES - Trustees Dawkins, Purcell, Washington, Colton, and Heiferman
NAYS - None. ABSENT - Trustee Robertson. Motion carried.***

WAL-MART DEVELOPMENT AGREEMENT: Village Manager Marino said shortly after the K-Mart at 175th and Halsted Streets closed in December 2013, Wal-Mart notified the Village that it had leased the property. It asked the Village for tax incentives to develop the site, but the Village refused. Wal-Mart has asked for various incentives over the past 18 months. The Village is being asked to give Wal-Mart an agreement that allows it to file for a Cook County Class 8 property tax incentive worth \$4.3 million that will help the corporation recoup some of its expenses for renovating the former K-Mart building.

Attorney Robert Gamrath, representing Wal-Mart, said the company will be investing approximately \$29 million to bring the building up to code and meet the Village's standards. The building is approximately 196,000 square feet and was built in 1992. Wal-Mart will gut the interior, put a new roof on the building, reface the front, improve the parking lot and add landscaping.

The Wal-Mart Super Center will have general merchandise, grocery, pharmacy, a garden center, an auto center and outside sales. It will be asking the Board for a Wal-Mart gas station on an outlot. With approval of the Class 8, Attorney Gamrath said Wal-Mart will go to bid on the project in October 2015 and expects work to begin in November 2015. Wal-Mart will take control of the building in June 2016 and host a ribbon-cutting in July 2016. It will pump \$700,000 in sales taxes into the Homewood economy in its first year. He could not say how many Wal-Mart employees will transfer from the Glenwood Wal-Mart which will be closed. The Homewood store will have 300 employees.

Attorney Gamrath told the audience Wal-Mart is closing the Glenwood location because it is an underperforming property. Wal-Mart has its own real estate company taking responsibility for marketing and leasing the Glenwood property. Wal-Mart is moving to Homewood because the Halsted business corridor is vibrant and the location is close to the I-80 exit.

Community members voiced their opposition to a deal with Wal-Mart pointing out that it is a multi-billion dollar corporation that shouldn't be asking for help. Several people pointed to the "Wal-Mart Effect" that once a store is opened it drains the life from small businesses within a four-mile radius. Wal-Mart has stores in Country Club Hills and Lansing that are easily within driving distance so the company doesn't need a Homewood store. And others urged Trustees to leave the property vacant rather than open a Wal-Mart.

Mayor Hofeld said unfortunately all big box stores, not just Wal-Mart, draw customers away from smaller stores which is why Homewood is trying to draw restaurants and service businesses to downtown. He acknowledged that Wal-Mart isn't the first business on Halsted Street to get incentives.

A question of Wal-Mart's commitment to stay in Homewood was raised. Manager Marino said he had been told by several Wal-Mart representatives during negotiations

that the company would walk away and leave the old K-Mart site vacant if they couldn't work out a deal, but Attorney Gamrath said that was not the company's intent.

Trustees offered their own positions on the measure: Trustee Dawkins said Wal-Mart doesn't have her trust and said the company's asking for incentives was greed. Wal-Mart saying it didn't know the cost of redevelopment back in 2014 was just an excuse to get greater incentives from Homewood. She was angry for being put in this position, but despite her misgivings she couldn't leave the building empty. She had to think about what was best for the community.

Trustee Purcell also felt the Board had been bullied by Wal-Mart, yet five years from now no one will recall this discussion. They will only see an abandoned K-Mart building that will be in worse condition. She looked at the incentives allowing for the Wal-Mart as being the lesser of two evils.

Trustee Washington said she felt very boxed in.

Trustee Colton said Wal-Mart has been holding out for deals that Homewood wasn't willing to make and she still didn't believe Homewood was being given all the facts from the company. She also complained that only the Village would be benefiting immediately from the Wal-Mart through sales taxes but the other taxing bodies won't be getting a fair share because of the Class 8 property tax reduction.

Trustee Heiferman said he didn't have an answer for an alternative to Wal-Mart. He had to put his personal feelings aside and give Wal-Mart the tax incentive. It is a mega-business, but not the first large corporation Homewood has dealt with. He wanted to look at it as a new employer in the Village that would lead to economic growth.

A motion was made by Trustee Purcell and seconded by Trustee Heiferman to authorize Village President Hofeld to enter into an agreement with Wal-Mart to support a Class 8 property tax incentive.

Roll Call: AYES – Trustees Dawkins, Purcell, Washington, and Heiferman. NAYS – Trustee Colton. ABSENT – Trustee Robertson. Motion carried.

ORDINANCE MC-932 / IMPLEMENTING MONTHLY WATER/SEWER BILLS: Finance Director Dennis Bubenik outlined the proposed changes to the Village Code that would spell out the move from quarterly to monthly water bills. The changes had been reviewed by Trustees, and Director Bubenik said he did change the due date for payment from the 15th to the 20th of the month. Water shut-offs would be on the last day of the month if payment wasn't received. In addition, the reconnection fee will be \$75, rather than a tiered system.

An audience member questioned the 30-day shut-off saying the Village would only be giving residents 10 days to make good on their bills. Director Bubenik said nearly 80 percent of homeowners now pay on time, but Trustees started rethinking the timeframe

and agreed it should be longer. The consensus was to give homeowners an additional 10 days.

A motion was made by Trustee Purcell and seconded by Trustee Washington to pass Ordinance MC-932 amending the Village of Homewood Municipal Code Chapter 110 to allow for monthly water/sewer bills with a due-date amendment.

***Roll Call: AYES - Trustees Dawkins, Purcell, Washington, Colton, and Heiferman
NAYS - None. ABSENT - Trustee Robertson. Motion carried.***

MANAGER'S REPORT: None

GENERAL BOARD DISCUSSION: Trustee Purcell said she wanted to correct her social media comments about the closing of the Bed, Bath and Beyond Store on Halsted Street. The store was planning on closing but not because of slow business. The issue was with the firm's lease agreement. Homewood was still working to keep the store in the community.

Trustee Heiferman said his "meet and greet" held on the first Monday of the month would be on Tuesday, Sept. 8, because of the Labor Day holiday.

A motion was made by Trustee Purcell and seconded by Trustee Washington to adjourn the regular meeting of the Board of Trustees.

***Roll Call: AYES - Trustees Dawkins, Purcell, Washington, Colton, and Heiferman
NAYS - None. ABSENT - Trustee Robertson. Motion carried.***

Respectfully submitted,

Marilyn Thomas
Village Clerk