

VILLAGE OF HOMEWOOD
BOARD OF TRUSTEES MEETING
TUESDAY—NOVEMBER 8, 2016
VILLAGE HALL BOARD ROOM

CALL TO ORDER: Village President Hofeld called the regular meeting to order at 7:30 p.m. There were 15 people from the public present. Two press representatives were in attendance.

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

ROLL CALL: Clerk Marilyn Thomas called the roll. Those present were Village President Richard Hofeld, Trustee Barbara Dawkins, Trustee Lisa Purcell, Trustee Karen Washington, Trustee Anne Colton, Trustee Jay Heiferman and Trustee Larry Burnson.

INTRODUCTION OF STAFF: Village President Hofeld introduced staff members in attendance: Village Attorney Christopher Cummings, Village Manager Jim Marino, Director of Finance Dennis Bubenik, Director of Economic and Community Development Tom Vander Woude, and Assistant Village Manager Mike Marzal.

MINUTES: The minutes of the meeting of October 25, 2016 were accepted. A motion was made by Trustee Colton and seconded by Trustee Purcell to approve the minutes of the October 125, 2016, regular board meeting.

Roll Call: AYES – Trustees Dawkins, Purcell, Washington, Colton, Heiferman and Burnson. NAYS – None. Motion carried.

CLAIMS LIST: The Claims List of \$939,642.63 was reviewed. There were no questions from the Trustees.

A motion was made by Trustee Burnson and seconded by Trustee Colton to approve the Claims List as amended.

Roll Call: AYES – Trustees Dawkins, Purcell, Washington, Colton, Heiferman and Burnson. NAYS – None. Motion carried.

President Hofeld said four items totaled 86 percent of the Claims List: \$39,080.37 to HD Supply Waterworks Ltd. for water main replacement; \$195,392.44 and \$306,470.52 to the City of Harvey for Lake Michigan water; \$196,667.96 to IPBC for November's employee group health insurance; \$71,139.39 to Thorn Creek Sanitary District.

APPOINTMENTS: Trustees were asked to approve the reappointment of Jason Balduf, Al Guger and Janet Hernandez to the Tree Committee. Their terms will end November 8, 2019. Also, Diana Grayson and Karen Wahlers for reappointment to the Beautification Committee. Their terms will end Nov. 8, 2021.

A motion was made by Trustee Washington and seconded by Purcell to approve the reappointments as presented.

Roll Call: AYES – Trustees Dawkins, Purcell, Washington, Colton, Heiferman and Burnson. NAYS – None. Motion carried.

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

OMNIBUS REPORT: Clerk Thomas presented the Omnibus Report:

- A. RESOLUTION R-2262 / CLASS 8 PROPERTY TAX DESIGNATION/ 17700 HOFFMAN WAY: Consider a motion to pass a resolution supporting and consenting to a renewal of the Class 8 tax classification for the property located at 17700 Hoffman Way. Homewood, Cook County, Illinois, on behalf of Comcast Corporation.
- B. CHANGE ORDER FOR MSC FLOOR REPLACEMENT PROJECT: Consider a motion to approve a change order in the amount of \$39,000 to JJ Newell Concrete Contractors, Inc. plumbing work for the Municipal Service Center Garage Floor Replacement Project.

After the presentation of the Omnibus Report, President Hofeld invited audience members to speak on either subject. Amy Crump addressed the board on the Class 8 tax extension. She said Comcast had profits of \$55 million last year, and she wondered why they would be interested in a tax break for this particular property.

Trustees agreed with her that it is hard to believe that the tax liability would hurt the company's bottom line, but they were looking at the request as presented by a Homewood business rather than a corporation. Because of Homewood's proximity to Indiana where the tax burden is less, and because the Homewood Service Center employs an estimated 400 people, trustees felt they needed to agree to the tax extension.

Trustee Colton said Comcast has been very supportive of the community, and President Hofeld said he didn't want to see an empty building noting that losing the Comcast workforce would be a drain on auxiliary businesses.

Trustee Heiferman agreed with Crump. He didn't want to give in to what he considered was a demand. He agreed with the tax break when the company first came to Homewood 11 years ago, but he didn't believe it should be renewed.

Trustee Heiferman asked the vote on the Omnibus Report be done as two votes.

A motion was made by Trustee Washington and seconded by Trustee Purcell to approve a resolution supporting the extension of the Class 8 tax exemption for Comcast.

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

A motion was made by Trustee Washington and seconded by Trustee Purcell to approve a change order of \$39,000 for the contract with JJ Newell Concrete Contractors for plumbing work.

Roll Call: AYES – Trustees Dawkins, Purcell, Washington, Colton, Heiferman and Burnson. NAYS –None. Motion carried.

OLD/NEW BUSINESS:

ASSIGNMENT OF PURCHASE AND SALE AGREEMENT FOR 2049052 RIDGE ROAD: Director Vander Woude addressed the board on a proposal to assign the purchase of a building at 2049-51 Ridge Road to Third Coast Development. The village had worked with First Midwest Bank on the purchase. The village was going to be a pass-through agent for the purchase as Third Coast was willing to buy the building from the village.

By assigning the actual purchase to Third Coast, the village will eliminate the closing costs and other related expenses and still achieve the outcome it wanted for the property.

President Hofeld thanked First Midwest Bank for working with the village first on the purchase and now on the property transfer. He called it a win/win situation.

A motion was made by Trustee Purcell and seconded by Trustee Colton to approve Resolution R-2261 approving the assignment of the purchase and sale agreement between the Village of Homewood and Synergy Real Property Holdings LLC for property at 2049-51 Ridge Road.

Roll Call: AYES – Trustees Dawkins, Purcell, Washington, Colton, Heiferman and Burnson. NAYS –None. Motion carried.

DOWNTOWN TIF DISTRICT: Director Vander Woude outlined a proposal for establishment of a new Downtown Tax Increment Financing (TIF) District to help cover costs of the various improvements on the drawing board for the downtown area and the Metra station.

The village has been working with SB Friedman Development Advisor on how to finance the proposals. The company's recommendation is to establish the new TIF that will include not only property on Ridge Road and Martin Avenue, but extend to Dixie Highway and the former Savoia's property the village now owns; also the village hall parking lot and the parking lot along the Metra tracks.

Vander Woude said by February Third Coast will own both the 2049-51 building and the Triumph building. He suggested the board act as soon as possible so that a TIF district is in place when Cook County does its property reassessment in May enabling the village to capture any property value increases.

SB Friedman's first task will be an eligibility study to determine if the village can move forward.

President Hofeld asked if any audience members wanted to comment on the proposal. Amy Crump, director of the Homewood Public Library, said she appreciated the village's efforts to inform taxing bodies of the village's intentions for downtown. She asked if SB Friedman could consider a shorter timeframe for the TIF. The previous Downtown TIF expired after 24 years. She was hoping the timeframe for the proposed TIF could match with the timeline of the Transit Oriented Development Third Coast will be doing.

Trustees gave approval to the suggestion for a TIF district recognizing the potential the development has for downtown and the community.

A motion was made by Trustee Colton and seconded by Trustee Purcell to approve a budget amendment in the Contractual line item for \$26,060 for SB Friedman consulting services for development of a tax increment financing district.

Roll Call: AYES – Trustees Dawkins, Purcell, Washington, Colton, Heiferman and Burnson. NAYS –None. Motion carried.

A motion was made by Trustee Burnson and seconded by Trustee Colton to authorize President Hofeld to enter into an agreement between the Village and SB Friedman Development Advisors for consulting services to establish the downtown TIF district in an amount not to exceed \$26,060.

Roll Call: AYES – Trustees Dawkins, Purcell, Washington, Colton, Heiferman and Burnson. NAYS –None. Motion carried.

CLASS 7B LIQUOR LICENSE: Redbird Café

Finance Director Bubenik said Kim Nolen is asking for a liquor license for the Redbird Café at 2057 Ridge Road. Under a Class 7B license, the business will be limited to no more than 25 percent for alcohol sales of beer and wine only. No video gaming or carry out alcohol sales will be allowed.

Ms. Nelsen said her business will be community-centric and focus on farm to table dishes. She is hoping to include craft beers and sodas, specialty teas and other drinks.

A motion was made by Trustee Colton and seconded by Trustee Purcell to direct staff to draft an ordinance increasing the allowed number of Class 7B liquor licenses from zero to one.

Roll Call: AYES – Trustees Dawkins, Purcell, Washington, Colton, Heiferman and Burnson. NAYS –None. Motion carried.

CLASS 2 LIQUOR LICENSE: Raj's Food & Liquor

Manbreeb Kaur addressed the board on behalf of Balwinder Kaur and Raj's Food & Liquor Inc. making a request for a liquor license for a business at 17532 Dixie Highway. The company would be buying United Liquors operating at that location.

In its business plan, Raj's said it would be converting the store to a mini-mart adding more perishables and grocery items, although Mr. Kaur said liquor sales would remain the primary money maker at the store. He hopes to eventually buy the strip mall and make major improvements to the property.

Trustees questioned him on the business plan he submitted. They questioned how it would be a mini-mart when the greater emphasis will be on liquor sales (estimated at 55%). Attorney Cummings reminded Mr. Kaur the liquor license does not automatically transfer with the business purchase.

Trustee Jay Heiferman also questioned the company's business practices at its liquor store in Glenwood. The business has been asked by Glenwood school officials to bar students from entering the store after school hours, and it has been selling hookah pipes and other paraphernalia to persons who may not be the legal age of 18.

President Hofeld called for a motion to direct staff to begin the process of increasing the Class 2 liquor license for Raj's Food & Liquor, Inc. No trustee brought the proposal up for action. President Hofeld said the matter died for lack of a motion.

2016 REAL ESTATE TAX LEVY:

Finance Director Bubenik said Homewood's tax levy will show \$2,517,000 in general fund revenues and \$3,128,992 for pension funds. The levy is a drop of approximately 6%.

The reduction is due to a drop in the amount required for debt principal and interest payments. These debt payments are not subject to State mandated tax cap rules.

Homewood's tax cap limit is set by Consumer Price Indexing of 0.7%. The village estimates a 4% increase in EAV through new construction. Combined, that allows the village to raise \$5,635,133 in property taxes.

To stay within the State mandated tax cap rules for pension funds and day-to-day operations fund, the village needed to reduce its first estimates at the 2016 real estate tax levy by \$137,000.

Two long-term options were presented and one short-term option. The short term option was recommended which will result in a reduction to 2016 real estate tax dollars going toward day-to-day operations.

Bubenik suggested the board agree to this short-term option and have him do a \$137,000 transfer from money the Village has in reserve with the Intergovernmental Risk Management Agency (IRMA).

Trustees thanked Bubenik for his outstanding work, and applauded his initiative to find money without hurting village operations.

Greg Knoll, who serves on the Fire/Police Pension Board, also thanked Bubenik for his efforts to keep the pension fund 90 percent funded.

MANAGER'S REPORT: Manager Marino thanked President Hofeld for being a good sport about the Chicago Cubs World Series victory and wearing a Cubs jersey for a day, despite his loyalty to the Chicago White Sox.

BOARD DISCUSSION: None

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

Roll Call: AYES – Trustees Dawkins, Purcell, Washington, Colton, Heiferman and Burnson. NAYS –None. Motion carried.

Respectfully submitted,

Marilyn Thomas
Village Clerk