



# **Village of Homer Glen**

**14240 W. 151<sup>st</sup> Street  
Homer Glen, Illinois 60491**

**April 25, 2018**

**Board of Trustees  
Committee of the Whole Meeting**

**Village Community Room  
14240 W. 151<sup>st</sup> Street  
Homer Glen, IL 60491**

**A. CALL TO ORDER**

The meeting was called to order on April 25, 2018 by Mayor Yukich at 6:00p.m. in the Village Community Room, 14240 W. 151<sup>st</sup> Street, Homer Glen.

**B. PLEDGE OF ALLEGIANCE TO THE FLAG****C. ROLL CALL**

Present were Mayor Yukich, Trustees Beth Rodgers, Carlo Caprio, Brian Burian, Sharon Sweas, and Keith Gray. Trustee Christina Neitzke-Troiike arrived at 6:35. All remained present throughout the meeting. Also present on behalf of the Village were Village Clerk Ann Holtz, Village Attorney Eric Hanson, Chief Building Official Joe Baber, Treasurer John Sawyers, Economic Development Director Janie Patch, and Village Manager Michael Mertens. *A quorum was established.*

**D. APPROVAL OF AMENDMENTS TO THE AGENDA**

None

**E. PUBLIC COMMENT**

None

**F. DISCUSSION OF SPORTS COMPLEX OPTION**

Mayor Yukich began the discussion and gave a packet of information for the Board to review on a proposal for a tournament-style sports complex which would attract travel sports teams from all over the Chicagoland region. The packet (attached) included a pro forma that includes a breakdown of the costs involved in the proposal, as well as projected demand and economic impact. The packet also included pictures of other similar tournament complexes around the country.

Treasurer Sawyers included a review of various financing options which could involve restructuring of the existing bond debt to obtain the funds for the Village's possible share of the development/land costs under the proposal. The options that were evaluated also included staff recommendations of the financial downside and possible effects on future operational revenue, in the event of a commercial market downturn.

The Mayor provided a historical overview of the concept that he, Trustee Burian and staff have been researching since 2015. Phase One included meeting with various groups as well as conducting a Feasibility Study (completed in 2017). This next Phase is addressed in the packets. He stated that by establishing this complex it would attract athletes and their families from all over the Chicagoland region, which means an increase in sales tax revenue, as the families that attend travel tournaments will often stay local, shop and dine local. Consequently, the concept would attract hotel and restaurant development, thereby having a positive economic impact on the Village and potentially increasing the sales tax revenue and provide additional revenue options, hotel tax.

Trustee Caprio commented he agreed that the Village cannot solely rely on the existing sales tax revenue long term and other potential revenue sources need to be evaluated. He thinks the concept is a great idea that would have a positive economic impact. Trustee Caprio expressed his concerns regarding land acquisition, further evaluation of field costs, and additional information on how the concept was going to get off the ground.

Mayor Yukich stated he would like to arrange for the Trustees to visit other similar complexes for a firsthand experience and to see the economic impact to the surrounding regions.

Mayor Yukich stated there would be additional revenue from attendance fees, as complexes like this typically charge an entrance fee of \$7-10 per person. By being co-owner, the Village would receive a portion of the ticket revenue.

Mayor Yukich stated he would like to eventually see the inclusion of an indoor hockey rink to make this a year-round destination. He envisions that could be a later phase because it would be the most expensive component to construct.

Trustee Gray stated he had reservations, from a financial standpoint, that future economic impact is not guaranteed and remains uncertain. He mentioned proposed plans for a hotel in Lockport. Trustee Gray stated that despite the Village seeming to have the population, high median income level, and a great location, developers have not brought any higher-end commercial proposals like the Mayor mentioned, to the Village. That the original discussions, while they did include a private entity building and managing the project, and the Village assisting with land acquisition, that the financial burden that is presented in this packet holds a bigger impact on the Village than what was previously discussed.

Trustee Caprio mentioned that a factor in not attracting the aforementioned development was the lack of housing density. He asked the chairman of the Community and Economic Development Committee, Trustee Burian, to weigh in.

Trustee Burian agreed that while density is a contributing factor, and that is an issue the Village continues to address, the biggest issue remains the 159th Street corridor and the ongoing construction. He described the reconstruction and widening project of Route 30 through Frankfort, Mokena and New Lenox, and that once the project was complete the commercial development increased dramatically.

Mayor Yukich addressed Trustee Gray's remarks. He stated that Lockport secured a hotel deal located within a previous project that had not been developed, yet it already had the infrastructure in place (159th/I-355 South-West corner), and that hotel was going to be small in size. He feels that the Village hasn't offered anything that would encourage developers to come to the Village, if anything, the Village's zoning and code restrictions may be chasing them away.

Trustee Gray emphasized that he likes the concept overall and he can see the possibilities for positive economic impact, but feels that impact is not "a given." He fears that some of the surrounding communities may benefit from a complex more than the Village. Furthermore because the complex is for use by outside travel teams, and not residents, he's not sure he sees a positive impact for the residents. He agrees that the possible economic impact is good but also sees the potential downsides. In his opinion, the concept would probably pay for itself, but the complex would not directly be a benefit to Village residents.

Trustee Sweas and Mayor Yukich both stated that there would be an *indirect* benefit. Mayor Yukich explained the indirect benefit is the increased revenue that would allow the Village to provide more services to the residents. There are so many positive elements to this concept that would draw people in as well as investors and developers. He stated it's the Village's responsibility to re-invest in the community to help the Village attract developers and secure the revenues from commercial projects. He gave several examples of why this concept would bring about a huge demand.

Mayor Yukich stated he did not want to spend Village funds researching this proposal further if the consensus of the Board was to not move forward. He stated he would like to see suggestions from the Board for additional revenue sources, because our sales tax revenue will not be sustainable. He stated he does not want to initiate a municipal tax. The Mayor noted the closest complex like this is in Rockford, and the demand is huge. If the Board does not want to move forward with this proposal, it will be their decision and he will not

pursue it. He stated that he would like the Village to be in a position to not have to rely on the State for any tax revenue and be self-sustaining.

Trustee Gray stated that while the Mayor mentioned investigating additional revenue sources, this complex would only increase the sales tax revenue and the Village would still have to rely on that. Mayor Yukich said if this proposal is not what the Board wants, he feels that the Board needs to come up with another way to draw people in, to help increase revenue for the Village. Trustee Gray said perhaps if hotels do build in the Village, there would be a hotel tax, but the Mayor and the Board are essentially still talking about the same thing, relying on sales tax. Mayor Yukich agreed, but feels that without a reason for people to visit Homer Glen to spend their money, why would they visit here? There wouldn't be an increase in the revenue outside of what we already have. He stated he feels this concept would make Homer Glen a destination. He added that during travel tournaments the families want to stay as close as possible to the complex. The Mayor stated he believes hotels would not choose to locate in the surrounding communities, but along the 159<sup>th</sup> street corridor.

Trustee Caprio stated that generally the Board members all feel the biggest fear is a dreaded "municipal property tax," in the future and that long term something needs to be done. Treasurer Sawyers confirmed since the revenue would be "pass through tax" it would be an indirect benefit to residents. He explained briefly the rules regarding sales tax revenue and attempts to identify and isolate the economic impact of the concept. He stated as long as the project breaks even, he considers that a success. The additional revenue impact would be a bonus. He stated it is a very unique opportunity for the Village.

A discussion about business versus community/economic benefit continued. Trustee Burian stated that while he participated in the research of the concept for over two years, it is the business aspect of this concept that has led him to reverse his position. He stated his reasoning is two-fold: One, how to pay for the complex; and two, community use. Community use was always a key aspect in his support of the concept, and that the original discussions were very different proposals, and originally no tax dollars were included. The original discussions were for twelve (12) fields. Eight (8) fields would be used for tournament use, and four (4) fields for use by residents. The reason being, that existing sports facilities located within the Village are not up to par with surrounding communities' sports facilities.

Mayor Yukich countered that the surrounding towns have park districts and more money dedicated to the facilities. Trustee Burian stated that was a different discussion. He added that third on his list - priorities. He stated he always thought the concept would work. Also, he stated he would like to see alternative financing of this concept. He agrees it would be successful, and potentially the right idea, but the Village has higher priorities. He added the pro-forma shown doesn't include the land. While he agrees that business growth is very important, he wanted to add some anecdotal information. He stated he has two personal friends, with young families, who he encouraged to move here, who are now moving to other towns. He was told their reasoning was not about more restaurants, but they were moving because of the amenities the other towns offered. And while Heritage Park will be fantastic, it is not close to being paid for, and it will not include organized sports facilities. In his opinion, our current offerings will force residents to move to other towns. While the property taxes are not attributed to us (since the Village does not levy a municipal tax), the property taxes around us are comparable. So while he supported the concept previously, when it was private money, he would rather see Village funds spent on Village amenities and capital projects because he feels those are a higher priority. Trustee Burian concluded that he feels the timing of this proposal is not right.

Mayor Yukich questioned how the Village would fund those amenities. Trustee Burian stated he does not agree that without this project hotels will not be built here. He's not convinced of that, and feels that overall that with the existing development proposals pending like Waterfall Place, and that once the 159<sup>th</sup> Street construction is completed, commercial development will follow. In his opinion, hotel chains will come, the industry trend being once there is one in the area, hotels tend to flock to the same area.

Mayor Yukich again emphasized that alternative revenue sources must be studied, but agreed he originally thought that the money would come from private sources. Further study seemed to indicate that was not going to pan out. At that time we all felt that 50% was doable. Trustee Burian stated it took two years of meetings to

reach that conclusion and this proposal doesn't show that. The private funding must be there, he can't justify supporting this proposal by spending public dollars.

Mayor Yukich agreed but the Village needs additional revenue sources to remain sustainable and provide services to its residents. Also, he feels conflicted about asking potential donors to give millions of dollars without some guaranteed return on their investment.

Trustee Burian emphasized that while he feels it's the right town, it's the wrong time. Trustee Burian feels that while the concept will draw people to Homer Glen, he doesn't think the complex will draw people to *move* to Homer Glen. The concept has its pros and cons.

Mayor Yukich stated that many residents cite the water bills as a reason for wanting to move out of the Village. Trustee Burian countered that it is more about what they are getting for their money (in terms of amenities available.)

Trustee Gray stated that it is often infrastructure and amenities that other towns' residents take for granted. The Village simply doesn't have the funds to compete. So while their tax bills may be comparable, the towns still provide huge benefits to their residents. He feels uncomfortable spending public funds for this proposal. It might be different if it were a community or recreation center that residents could access.

Trustee Burian cited personal experience with participation in the Homer Athletic Club and referred to witnessing two (2) teams sharing one field for practice, which he feels is a safety hazard. He feels the Mayor is underestimating the reaction that residents would have knowing that public funds were used to build a sports complex that would be privately owned and managed and not available for the residents to use. No other town around us tells their sports teams to "go fund their fields themselves." Mayor Yukich stated those towns have park districts. Trustee Burian re-emphasized that his support of the concept was always with the condition that it would include residents' use.

Trustee Neitzke-Troiike asked if there was a solution to the question of acquiring the land. Mayor Yukich stated he didn't get to that point yet, he wanted the consensus from the Board first. Trustee Burian asked when the last meeting with the land owner was held. Mayor Yukich stated it was in January of 2017.

Village Manager Mertens gave a summary clarifying what the Mayor is asking the Board: Assuming the Village can acquire the land, what is the consensus of the Board on whether to continue to move forward with this proposal?

Trustee Sweas stated she takes issue with Trustee Burian's statement that it is residents' money being spent for a project they can't use. She stated that current sales tax revenue already includes money from residents from surrounding communities and is not strictly revenue from Village residents.

Mayor Yukich stated he wanted to involve the community in the discussions a long time ago.

Trustee Rodgers stated that in her opinion she does not believe this proposal will work and the numbers in the pro forma do not indicate a success. She added that the point that residents cannot use it is a tough pill to swallow. She mentioned a comparison to the Orland Park Sportsplex on 159<sup>th</sup>. She does not feel that the Village should spend \$5 million dollars on one sport that is restricted to boys only and not inclusive of all. She also feels that it is the Mayor's "opinion" this proposal will be a success; but she's not so convinced. She mentioned the soccer stadium in Bridgeview, which she feels turned out disastrous for their residents in terms of the financial burden which eventually fell on them. Trustee Caprio asked about licensing rights as the soccer park is named "Toyota Park" and Trustee Burian said they exhausted that avenue and came up empty.

Mayor Yukich asked for Board consensus. He understands that Trustee Burian is a "no". Trustee Caprio stated he supports the concept but not with 100% Village financing. Trustee Sweas supports the concept. Trustee Gray, Rodgers and Neitzke-Troiike do not support the proposal at this time.

**G. ADJOURNMENT**

Trustee Caprio motioned to adjourn, second by Trustee Neitzke-Troike.

*Voice Vote:*

Ayes: (6) Trustees Burian, Caprio, Gray, Sweas, Neitzke-Troike and Rodgers

Nays: (0)

Abstained: (0)

Absent: (0)

The Mayor did not vote.

*The motion carried.*

The meeting was adjourned at 7:03 p.m.



Ann Holtz, Village Clerk

*Approved at the Board of Trustees Meeting dated September 26, 2018*