

# VILLAGE OF HOMEWOOD



## BOARD AGENDA MEMORANDUM

DATE OF MEETING: July 22, 2025

**To:** Village President and Board of Trustees

**Through:** Napoleon Haney, Village Manager

**From:** Angela Mesaros, Director of Economic and Community Development

**Topic:** Sale of Village-Owned Property at 18155 Dixie Highway – Bid Opening

### PURPOSE

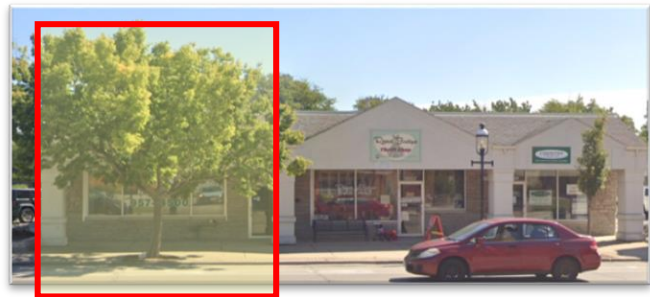
The Village owns property at 18155 Dixie Highway (formerly Delanoe's Pizza), in the B-2 Downtown Transition zoning district. The property is a vacant one-story commercial building. The Village intends for the



property to be developed. Before selling real estate, the Village must publish a notice of proposal to sell for three (3) consecutive weeks, with the first publication date at least 30 days before the opening bid date. The Village can accept the highest bid or any other bid it determines to be in the best interest of the Village.

### PROCESS

The subject property is a vacant Village-owned commercial building located at 18155 Dixie Highway. This property is outside the boundaries of a Tax Increment Financing (TIF) district. The Village acquired it in October 2024 through a settlement agreement.



#### *Requirements to Transfer Property*

This property is not located within a Tax Increment Financing (TIF) district; therefore, if the Village decides to sell, two different methods are permitted under the State statute.

#### *Sale by Ordinance – (80% of Appraised value and 2/3 Voting)*

The Village could sell the property for 80% of its appraised value. An appraisal for the property, puts the market value “as is”, as of February 12, 2020, at \$130,000 or \$85 per square foot; thus, 80% of the value is \$104,000. Using this statute, the Village Board could authorize the sale by passing an ordinance approved by 2/3 of the Board (five votes, including the Village President).

## VILLAGE OF HOMEWOOD



After the ordinance is approved, the Village is required to publish a single notice of the sale, and then it can proceed to closing.

### *Sale using Bid Process – (Three Publications and 3/4th Voting)*

If the Village decides to sell the property for **less** than 80% of the appraised value, the Village Board must pass an ordinance authorizing the publication of a “*notice of the proposal to sell*” the specific property. Per State statute, the notice must be published once a week for three (3) consecutive weeks. The date for opening the bids must be at least 30 days after the first publication date. Additionally, according to State statute, bids can only be opened at a regular meeting of the Village Board. After reviewing the bids, the Village Board may accept the high bid or any other bid determined to be in the best interest of the Village by a vote of 3/4 of the corporate authorities holding office. This language interpreted means that to accept any bid that is not the highest, there must be an affirmative vote of at least six (6) elected officials – this voting process includes the Village President’s vote.

### *Decision to Bid*

This property is not located within a Tax Increment Financing (TIF) district. Therefore, in order to sell the property for **less** than 80% of the appraised value, *which also provides for more decision-making flexibility*, the Village Board directed staff to publish a “*notice of the proposal to sell*” the specific property. Per State statute, the notice was published once each week for three (3) successive weeks, and the date for opening the bids is at least 30 days after the first publication date.

At its June 10, 2025, meeting, the Village Board passed an ordinance directing the Village Manager to solicit bids. Staff placed the bid solicitations in the Chicago Tribune. The bid solicitation/publication dates are as follows:

- Monday, June 16 - 1<sup>st</sup> publication
- Monday, June 23 - 2<sup>nd</sup> publication
- Monday, June 30 - 3<sup>rd</sup> publication

Sealed bids for the sale of the property are due to the Village by noon on Monday, July 21, 2025. The bids may only be opened at a regular meeting of the Village Board. After reviewing the bids, the Village Board may accept the high bid or any other bid determined to be in the best interest of the Village by a vote of 3/4 of the corporate authorities holding office. This language interpreted means that to accept any bid that isn’t the highest, there must be an affirmative vote of at least six (6) elected officials – this voting process includes the Village President’s vote.

## VILLAGE OF HOMEWOOD



### *Board's Discretion to Reject all Bids*

According to the Illinois Municipal Code, the corporate authorities of a municipality have the discretion to reject all bids. The statute allows the corporate authorities to accept any contract proposal they determine to be in the best interest of the municipality, but it does **not** require them to accept any bid at all. This means the Village's corporate authorities can choose **not** to sell the property if none of the bids meet their expectations or serve the community's best interest.

### **OUTCOME**

It is intended that the sale of the property will lead to the redevelopment and occupation of a vacant commercial building. The advantage of this development is that it would transform an underutilized property into productive use, strengthening and enhancing the Village's tax base.

### **FINANCIAL IMPACT**

- **Funding Source:** No Financial Impact
- **Budgeted Amount:** N/A
- **Cost:** \$0

### **LEGAL REVIEW**

Completed

### **RECOMMENDED BOARD ACTION (S)**

Direct staff to review the submitted bids, perform the required due diligence and return to the Village Board at a future meeting with possible options and development/developer bid award recommendations.

### **ATTACHMENT(S)**

Publication Notification