

# VILLAGE OF HOMEWOOD



## BOARD AGENDA MEMORANDUM

DATE OF MEETING: April 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 17701 Bretz Drive

### PURPOSE

The Village owns property at 17701 Bretz Drive, in the M-1 Limited Manufacturing zoning district. The property encompasses 5.91 acres of vacant land. The Village intends for the property to be developed. Staff received two separate proposals that included proposed purchase offer amounts for the property. Staff recommends that the Village perform a *solicitation for bid* process to sell and redevelop the property, per State statute.



### PROCESS

The Village acquired the vacant land on December 12, 2024 through the Cook County No Cash Bid program. The subject property is located at 17701 Bretz Drive, located in a small industrial area that is bound on the west by a major retail shopping district and on the east by a cemetery. To the north is part of the Thornton Quarry and to the south is a smaller industrial/commercial condominium complex. This property is outside of the boundaries of a Tax Increment Financing (TIF) District.

#### *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<sup>rd</sup> Voting)*

The Village could sell the property for 80% of its appraised value. Unfortunately, neither of the proposals received met this threshold. Staff received an appraisal for the property, which puts the market value, as of March 7, 2025, between \$900,000 and \$1,100,000, or from \$3.50 per square foot to \$4.00 per square foot. The calculation of 80% of the property's value of \$900,000 is \$720,000. Using this statute, the Village Board could authorize the sale by passing an ordinance

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approved by 2/3 of the board (five votes, including the Village President). After the ordinance is approved, the Village is required to publish a single notice of the sale, and then it can proceed to closing. Again, neither of the two proposals offered to purchase the property for the minimum \$720,000.

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

If the Village decides to sell the property for **less** than 80% of the appraised value, the Village Board must pass an ordinance directing a sale, which in turn, authorizes and directs staff to publish a “notice of the proposal to sell” the specific property. Per state statute, the notice must be published once each week for three (3) successive weeks. The date for opening the bids must be at least 30 days after the first publication date. Also, per state statute, the bids can be opened only 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<sup>th</sup> of the corporate authorities holding office. This language interpreted means that in order to accept any bid that isn’t the highest bid, there must be an affirmative vote of at least six (6) elected officials – this voting process includes the Village President’s vote.

### *Staff Recommendation*

Because of the development interest in this property, staff recommends the Village Board to utilize the bid process for the sale of the property, using the proposed timeline:

- Tuesday, April, 22<sup>nd</sup> – Pass an ordinance directing the Village Manager to solicit bids
- Friday, May 2<sup>nd</sup> – 1<sup>st</sup> publication
- Friday, May 9<sup>th</sup> - 2<sup>nd</sup> publication
- Friday, May 16<sup>th</sup> - 3<sup>rd</sup> publication
- Friday, June 6<sup>th</sup> - Bids due
- Tuesday, June 10<sup>th</sup> Sealed bids opened at regular Village Board meeting

Sealed bids for the sale of the Bretz Drive property must be submitted to the Village by 5:00 p.m. on Friday, June 6, 2025. The bids will be opened at a regular meeting of the Village Board scheduled for June 10, 2025 at 7:00 p.m. in the Village Hall Board Room.

## OUTCOME

The sale of the property will lead to the development of a vacant lot. The development, in turn, will 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

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### **LEGAL REVIEW**

Completed

### **RECOMMENDED BOARD ACTION**

Pass an ordinance directing the Village Manager to utilize the bid process as articulated in 65 ILCS 5/11-76-2 for the sale and redevelopment of the vacant property at 17701 Bretz Drive.

### **ATTACHMENT(S)**

Ordinance