

VILLAGE OF HOMEWOOD



BOARD AGENDA MEMORANDUM

DATE OF MEETING: November 8, 2022

To: Village President and Board of Trustees

From: Napoleon Haney, Village Manager

Topic: Budget Amendment/Resolution authorizing the Village to sell a portion of the 174th Street right-of-way as surplus property to Wind Creek Casino for development purposes

PURPOSE

During Homewood's due diligence related to site assembly in preparation for the casino development, the Village learned that a portion of 174th Street, within Homewood's boundaries, belonged to the Illinois State Toll Highway Authority. Wind Creek Casino developers need 174th Street as the primary ingress and egress to the casino development. To expedite the processes required to complete these transactions, the Village desires to initiate two simultaneous processes (1) complete the purchase of the property from the Tollway and (2) declare the property surplus in order to sell the property to the casino for development purposes. While the Village completes the processes necessary to acquire the property from the Tollway, the Village can simultaneously initiate the processes required to sell the property to Wind Creek Casino.

PROCESS

To facilitate the Village's acquisition of the parcel from the Tollway, the Tollway completed an appraisal of the 174th Street parcel and determined its value at \$43,000 (\$1.50 per square foot). On July 26, 2022, the Village Board authorized the Village President to sign an Intergovernmental Agreement (IGA), requiring a \$43,000 lump sum payment to the Tollway to transfer ownership of the parcel to Homewood. Once the Tollway receives the payment, they will issue a property deed transferring ownership of the property to the Village. The property is within the Northeast Tax Increment Financing District (TIF) and the purchase of the land is a TIF eligible expense. The Village did not budget for this purchase, so a budget amendment is required to encumber \$43,000 for the purchase from the Tollway.

As a concurrent process, the Village can pass a resolution authorizing the Village to declare the anticipated property as surplus for the purpose of selling the property to Wind Creek Casino for development purposes. Per the IGA with the Tollway, should the Village convey any portion of the parcel to a private party (casino), the Village must reimburse the Tollway for any portion of the sale proceeds in excess of the \$1.50 per square foot.

OUTCOME

The Village plans to sell the 174th Street property to the casino development for \$43,000. In order to sell the property to the casino, the Village must declare the property as surplus property via resolution, publish the resolution in the newspaper and solicit for contracts to purchase the property.

VILLAGE OF HOMEWOOD



FINANCIAL IMPACT

Funding Source: Northeast TIF District

Budgeted Amount: \$0

Cost: \$43,000 purchase price from Tollway

LEGAL REVIEW

Completed

RECOMMENDED BOARD ACTION

Approve a budget amendment in the amount of \$43,000 in the Northeast Tax Increment Financing District (TIF) Fund; authorize the purchase of Parcel T-1A-502.EX from the Illinois State Toll Highway Authority for \$43,000; and pass a resolution authorizing the sale of surplus real estate owned by the Village of Homewood consisting of a portion of the 174th Street right-of-way west of Halsted Street identified as Parcel T-1A-502.EX in the Village of Homewood.

ATTACHMENT(S)

- Resolution
- Parcel Plat