

VILLAGE OF HOMEWOOD



BOARD AGENDA MEMORANDUM

DATE OF MEETING: September 12, 2022

To: Village President and Board of Trustees

From: Napoleon Haney, Village Manager

Topic: Purchase and Sale Agreement transferring property to Wind Creek IL, LLC and the vacation of public right-of-way (174th Street).

PURPOSE

The Village desires to sell property described as, a portion of 174th Street west of Halsted Street, to Wind Creek IL, LLC as a necessary component of the casino development; and the Village agrees to approve the vacation of the public right-of-way commonly known as 174th Street west of Halsted Street.

PROCESS

For many years, it was understood that the Villages of Homewood and East Hazel Crest owned and maintained their respective jurisdictional portions of roadway property commonly known as 174th Street. Homewood's portion of 174th Street includes the majority of the entrance of the roadway that begins at Halsted Street and continues west along 174th Street; specifically, a 29,044 square foot roadway parcel **[plat attached]**. It was both Homewood and East Hazel Crest's intent to transfer their respective portions of the 174th Street property and easements to Wind Creek Casino as part of the casino development project. Wind Creek could then own and improve 174th Street as the gateway and main entrance to the casino property.

After receiving a "Preliminarily Suitable" gaming license designation from the Illinois Gaming Board in December of 2021, Wind Creek Casino began performing due diligence activities for the property within the casino's site footprint. Wind Creek learned that the proposed entryway to the casino property (174th Street) was actually owned by the Illinois State Toll Highway Authority.

The Villages of Homewood and East Hazel Crest worked with the Illinois State Toll Highway Authority to successfully acquire the deed to their respective portions of 174th Street so the properties could be transferred to Wind Creek IL, LLC as a critical component of the casino development.

Homewood's Parcel

The Village of Homewood and the Illinois State Toll Highway Authority signed an intergovernmental agreement (IGA) transferring the approximately 29,044 square feet of real

VILLAGE OF HOMEWOOD



property to the Village of Homewood for the appraised value of \$43,000 paid by the Village to the Tollway in a lump sum. Because the Village's portion of 174th Street is situated in the Northeast TIF, the Village covered the cost for this *property acquisition* from funds in the Northeast Tax Increment Financing fund as an eligible expense. The IGA also included the stipulation that limits the Village's future sale price of the property to \$43,000. Per the IGA, the Village would be required to reimburse the Illinois Tollway for any portion of a sale in excess of \$43,000.

The Village Board approved the IGA with the Tollway on July 26, 2022; the \$43,000 was paid to the Tollway on December 22, 2022, and the Village received the fully executed and properly filed quitclaim deed for their portion of the 174th Street property on December 27, 2023.

Sale of Property to Wind Creek IL, LLC and Vacation of Property

By way of a resolution, the Village may transfer ownership of real property legally described in **Exhibit A** consisting of a 29,044 square foot roadway parcel at 174th Street west of Halsted Street to Wind Creek IL, LLC to facilitate a casino development. The sale price of the property is \$43,000 - due at closing. The Village is also able to effectuate the vacation of the public right-of-way commonly known as 174th Street west of Halsted Street by passing the attached ordinance.

OUTCOME

Once the property is sold to Wind Creek IL, LLC, and properly vacated, the developer will be able to develop and improve 174th Street to accommodate the needs of the casino development. The Village will also recoup its cost of \$43,000 to acquire the property from the Illinois State Toll Highway Authority.

FINANCIAL IMPACT

- **Funding Source:** Northeast TIF
- **Budgeted Amount:** N/A
- **Sale Price:** \$43,000

LEGAL REVIEW

Completed

RECOMMENDED BOARD ACTION

Pass a resolution approving and authorizing the sale of a 29,044 square foot roadway parcel at 174th Street west of Halsted Street to Wind Creek IL, LLC for a casino development; and, authorize the Village President to enter into a real estate purchase and sale agreement to transfer the property to Wind Creek IL, LLC for an amount not to exceed \$43,000; and pass an ordinance approving the vacation of public right-of-way commonly known as 174th Street west of Halsted Street in Homewood, IL.

VILLAGE OF HOMEWOOD



ATTACHMENT(S)

- Plat - 29,044 square foot roadway parcel
- Deed
- Resolution
- Real Estate Purchase and Sale Agreement
- Ordinance of vacation