

VILLAGE OF HOMEWOOD



BOARD AGENDA MEMORANDUM

DATE OF MEETING: August 26, 2025

To: Village President and Board of Trustees

Through: Napoleon Haney, Village Manager

From: Angela Mesaros, Director of Economic and Community Development

Topic: Analysis of Proposals Submitted for the Redevelopment of Village-Owned Property at 18155 Dixie Highway

PURPOSE

The Village owns the property at 18155 Dixie Highway and is seeking to sell the property for redevelopment. After soliciting for bids and proposals, the Village received three (3) responses for purchasing and renovating the property. Staff completed a review



and evaluation of the three (3) proposals. Staff has outlined the methodology for evaluation/analysis in this memorandum. If, after reviewing this analysis, the Village Board chooses to move forward with one (1) of the submitted responses, the Board should direct staff to negotiate a purchase and sale agreement with the successful developer. The purchase and sale agreement would be agendized and considered for approval at a future Board meeting.

PROCESS

In 2020, the Village acquired the property at 18155 Dixie Highway through foreclosure at no cost. After solicitation of bids, the Village transferred the property to a Mediterranean restaurant. After four (4) years of vacancy with no movement towards building out the restaurant, in October 2024, the Village acquired the vacant commercial building through a settlement agreement. The Village paid \$15,000 for the property. The property has been vacant with delinquent property tax bills and deferred maintenance for many years.



At its June 10, 2025, meeting, the Village Board passed an ordinance directing the Village Manager to solicit bids and proposals for the sale and development of the property at 18155 Dixie Highway. Staff placed the bid solicitations in the Chicago Tribune on the following dates:

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- Monday, June 16 - 1st publication
- Monday, June 23 - 2nd publication
- Monday, June 30 - 3rd publication

The Village received three (3) sealed proposals by the submission deadline on July 21, 2025. Village staff publicly opened the bids during the regular Village Board meeting on July 22, 2025, at 7:00 p.m.

Staff Proposal Evaluation and Analysis Section

The Staff Review Committee included a diverse cross-section of professional staff areas:

- Terence Acquah, Assistant Village Manager
- Joshua Burman, Director of Public Works
- Bob Grabowski, Fire Chief
- Angela Mesaros, Director of Economic and Community Development
- Noah Schumerth, Assistant Director of Economic and Community Development
- Antonia Steinmiller, Communications and Engagement Manager
- Amy Zukowski, Finance Director

Evaluation and Analysis Criteria

The Staff Review Committee evaluated each proposal using the following categories and criteria:

1. Supports suitable and successful uses
2. Maximizes yield
3. Improves property conditions
4. Ensures sustainable commercial development
5. Responds to community needs

Below is a summary of each proposal.

- **Bid #1 - Mediterranean Restaurant:** Purchase offer by Munir Bawadi, owner of Bawadi Construction, for **\$15,000**. (The original offer was \$4,000, but the applicant has subsequently increased their offer.) Proposal to construct a modern Mediterranean restaurant similar to the company's existing location in Bridgeview (M'dakhan Mediterranean Restaurant). The request included the Cook County Class 8 real estate tax incentive. The bidder has proposed to remove the front façade and replace with a modernized façade along Dixie Highway. Bidder has also proposed to fully gut the building interior and construct a counter-service sit-down restaurant. The bidder submitted preliminary concept plans.
- **Bid #2 - "Indo Pak Dhaba" Indian/Pakistani Restaurant:** Purchase offer by Mike Husain for **\$50,000**. Proposal for a South Asian restaurant called Indo Pak Dhaba with a focus on Indian and Pakistani food. Included a request for a Cook County Class 8 real estate tax incentive and/or potential for other building incentives (only if available). The bidder has proposed to clean up/renovate the exterior of the building. Bidder has also proposed to fully gut the building interior and construct a counter-service sit-down restaurant. The bidder submitted preliminary concept plans of the restaurant.

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- **Bid #3 - Indoor Soft Play Space:** Purchase offer by Eric Baker for **\$1,000**. Proposal to construct a soft play center for children under seven years old. Bidder proposes the play center as a commercial business.

1. **Supports Suitable and Successful Uses**

The Village seeks the “highest and best use” for the property. This means that the use will positively affect the immediate area and the community as a whole. Staff considered zoning compliance, the goals of the Comprehensive Plan, and the effects/demands on municipal services.

The property is located in the B-2 Downtown Transition district. This district *encourages tax-producing uses*. According to Section 44-02-02 of the Zoning Ordinance, *“The purpose of the B-2 Downtown Transition District is to accommodate the variety of ... uses on the periphery of the Downtown Core. The district is intended to support the adaptive reuse of existing buildings for a mix of residential and non-residential uses as well as contextually sensitive infill development in a pedestrian-oriented environment that supports the vibrancy of the Downtown Core. It is the intent and purpose of this district to protect areas for commercial development and the generation of property tax revenue from the encroachment of nontaxable bodies, including non-commercial places of assembly as defined in this Ordinance.”*

Criteria	Bawadi (Mediterranean Restaurant)	Husain (Indo-Pak Restaurant)	Baker (Soft Play Center)
Proposed Use	<ul style="list-style-type: none"> · Restaurant · 48 indoor seats, · 20-25 outdoor seats; · 60% dine-in to 40% take-out ratio; and · Catering, private events, weekend brunch service 	<ul style="list-style-type: none"> · Restaurant · 20-25 indoor seats, · 4-5 outdoor seats at the front; · 30% dine-in to 70% take-out ratio; and · Catering, private events 	Indoor Soft Play area
Zoning			
Permitted/Limited/Special Use	Permitted Use - Restaurant Limited Use – Outdoor Seating		Special Use
Parking	Required: 11 Provided: 21*	Required: 11 Provided: 21	Required: 8 Provided: 21

**Bawadi’s proposal to locate a patio with a covered gazebo for outdoor dining in the rear of the building could affect the number of parking spaces by two or three. However, they would still exceed the parking requirements.*

Zoning Classification – Proposed Use

A restaurant, as proposed by Bawadi and Husain, is a permitted use in the B-2 zoning district. The outdoor patio will require a Limited Use, which requires additional review and approval at the staff level. The indoor play area, Baker’s proposal, is classified as *indoor commercial places of assembly* in

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the Zoning Ordinance, which a special use permit. This process includes a public hearing with the Planning and Zoning Commission to evaluate and consider the impact on neighboring properties and the public need for the use at the subject location. This process requires final approval from the Village Board.

Parking Compliance – Zoning Code

The property has approximately 21 unmarked parking spaces. Staff analyzed the parking requirements and compliance with the Zoning Code. Parking requirements are classified by type of use:

- Restaurant: The parking ratio for a restaurant use is one parking space per 200 square feet of gross floor area. The building is 2,262 square feet. The total required parking is 11 spaces ($2,262 \text{ sq. ft.} / 200 = 11.31$).
- Indoor Play: The parking ratio for an indoor commercial place of assembly is one parking space per 300 square feet. The total required parking is eight spaces. ($2,262 \text{ sq. ft.} / 300 = 7.54$, rounded up to 8).

Impact on Neighborhood and Community Resources

Criteria	Bawadi (Mediterranean Restaurant)	Husain (Indo-Pak Restaurant)	Baker (Soft Play Center)
Traffic	This restaurant would serve mainly dine-in customers, which may result in less traffic turnover.	This proposal has a greater percentage of take-out customers, which may result in more traffic turnover.	This proposal has low traffic turnover compared to the restaurant proposals.
Hours of Operation	10 AM to 10 PM (7 days a week)	10 AM to 10 PM (Sunday – Thursday) 10 AM to 12 AM (Friday & Saturday)	10 AM to 8 PM
Impact on neighbors (commercial and residences, directly to the east)	Standard – Commercial Use		
Impact on Municipal Services (Police, Fire, Public Works)	No Impact		
Richard Haas Mural	Not Identified	Keep the mural as is	Remove existing mural and replace with a new one
Additional Requests	Outdoor seating	· Outdoor seating · Possibly liquor license and video gaming	None stated

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Criteria Outcome:

1. **Bawadi and Husain – both represent high-revenue generating uses that are suitably located.**
 2. Baker – the proposed play area requires a special use permit. This process includes a public hearing and recommendation from the Planning and Zoning Commission. Without going through this process, staff cannot predict whether this use would be permitted.
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2. Maximizes Yield

In this category, the goal is to analyze the financial benefit of each project to the Village and the community, i.e., the return on investment (ROI). The staff has reviewed the total cost of the project, projected tax revenue to the Village, any ancillary and indirect revenue, and requested incentives for the development.

Revenue Projections – Year One

Criteria	Bawadi (Mediterranean Restaurant)	Husain (Indo-Pak Restaurant)	Baker (Soft Play Center)
Annual Sales Revenue	\$1,200,000	\$1,000,000	\$ 150,000
Property Taxes (Total annual)	\$ 15,000	\$ 15,000	\$ 15,000
Annual Tax Revenue to the Village (Year One)			
Sales Tax	\$ 12,000	\$ 10,000	\$0
Places of Eating Tax	\$ 24,000	\$ 20,000	N/A
Property Taxes (Village Portion)	\$ 1,500	\$ 1,500	\$ 1,500
Video Gaming	N/A	N/A	N/A
TOTAL Annual Tax Revenue to Village	\$ 37,500	\$ 31,500	\$ 1,500

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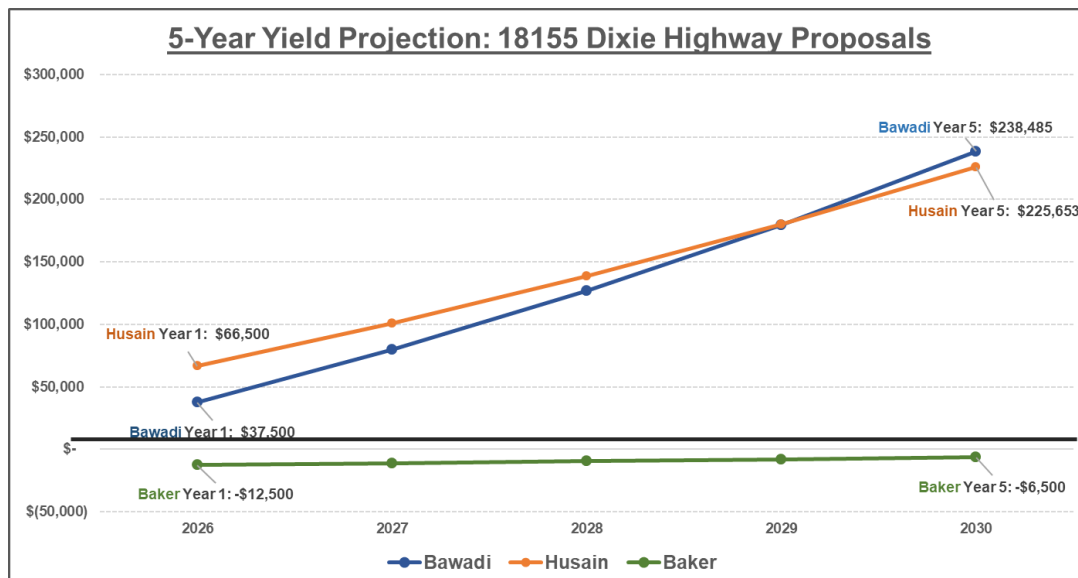


Five-Year Projected Yield

Project	Revenue/Expenses	Year					TOTAL
		1	2	3	4	5	
Village	Acquisition Cost	\$ (15,000)	\$ -	\$ -	\$ -	\$ -	\$ (15,000)
Bawadi	Proposed Purchase Price	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ 15,000
	Total Sales Tax Revenue	\$ 36,000	\$ 40,500	\$ 45,563	\$ 51,258	\$ 57,665	\$ 230,985
	Property Taxes	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 7,500
	Rebate Places of Eating Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Incentive Request	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL	\$ 37,500	\$ 42,000	\$ 47,063	\$ 52,758	\$ 59,165	\$ 238,485
Husain	Proposed Purchase Price	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000
	Total Sales Tax Revenue	\$ 30,000	\$ 33,000	\$ 36,300	\$ 39,930	\$ 43,923	\$ 183,153
	Property Taxes	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 7,500
	Rebate Places of Eating Tax						\$ -
	Incentive Request						\$ -
	TOTAL	\$ 66,500	\$ 34,500	\$ 37,800	\$ 41,430	\$ 45,423	\$ 225,653
Baker	Proposed Purchase Price	\$ 1,000	\$ -	\$ -	\$ -	\$ -	\$ 1,000
	Total Sales Tax Revenue						\$ -
	Property Taxes	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 7,500
	Incentive Request						\$ -
	TOTAL	\$ (12,500)	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ (6,500)

***Property Tax NOTE:** The property taxes assume a Cook County Class 8 real estate tax. Without the Class 8, property taxes are approximately \$32,000; the property is currently tax-exempt. Annual property taxes with the Class 8 in place are estimated at \$15,000. The portion that the Village receives is approximately 10% or \$1,500 annually.

****Incentive NOTE:** No incentives have been included in the five-year projections. However, the Village has budgeted \$85,000 in Business Development (non-TIF) incentives, plus \$20,000 in places of eating tax rebate for this property. This is based on the previously approved restaurant agreement. Although neither of the restaurants has included specific incentive amounts in their budgets, Mr. Husain has expressed interest in incentives if they are available.



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Acquisition Cost

The Village paid \$15,000 for the building and has invested about \$3,000 in additional upkeep costs. The Village aims to recover these expenses through the sale of the property. Husain offered to pay \$50,000, which would cover those costs. The original offer from Bawadi was \$4,000; Bawadi increased the offer to \$15,000 to cover the Village's acquisition costs.

Sales Tax Analysis

Sales tax is the Village's largest revenue source. The Village is continually seeking opportunities to increase its sales tax revenue through the addition of new retailers. The Village has also seen significant revenues from the 2% *Places for Eating* tax for sit-down restaurants.

The sales tax projections are based on the following information provided in the proposals:

- Bawadi: anticipated growth of 10–15% annually over the next 2–3 years due to “expanded services, increased brand awareness, and potential regional catering/event service.” (Calculated at 12.5% increase each year).
- Husain: Revenue is projected to increase 10% due to “anticipated market expansion, brand awareness, and improved sales channels.”

Criteria Outcome:

1. **Bawadi and Husain - Husain has a higher yield at year one due to the higher offer of \$50,000 as payment for the property; however, Bawadi's five-year yield is higher due to the greater annual revenue projections.**
2. Baker may have a café in later years, which would create sales tax revenue, but the sales revenue projections were not part of the proposal.

3. Improves Property Conditions

This category assesses the value added through property improvements. The Village acquired this property to tackle issues like delinquent property taxes, deferred maintenance, and long-term vacancies. It is crucial for the Village that all property owners stay current on their bills and property taxes and keep their properties safe, well-maintained, and in compliance with all codes.

Proposed Renovation Costs

Criteria	Bawadi (Mediterranean Restaurant)	Husain (Indo-Pak Restaurant)	Baker (Soft Play Center)
Total Property Improvements	\$ 650,000-\$800,000	\$ 900,000	\$2,000

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Staff Estimates

The Building Division, Fire Department, and Village Engineer provided cost estimates for the property improvements required to bring the property up to the current Municipal and Building Codes:

Improvement	Restaurant	Soft Play
New HVAC	\$ 20,000	\$ 20,000
Hot Water	\$ 6,000	\$ 6,000
Roof	\$ 70,000	\$ 70,000
Tuck-pointing	\$ 2,000	\$ 2,000
Parking Lot	\$ 40,000	\$ 40,000
Fire Alarm	\$ 10,000	\$ 6,500
TOTAL	\$ 148,000	\$ 144,500

This estimate does not include the significant costs for the restaurant such as kitchen build-out, equipment, and approximately \$30,000 for the grease interceptor.

The list of proposed improvements from each applicant is in the table below:

Improvements	Bawadi (Mediterranean Restaurant)	Husain (Indo-Pak Restaurant)	Baker (Soft Play Center)
Parking Lot	✓	✓	
Exterior Clean Up		✓	✓
Remove Tree Front*		✓	
Roof		✓	
Interior Lighting	✓	✓	
HVAC	✓	✓	
ADA Compliant Restrooms	✓	✓	
Plumbing Upgrades	✓	✓	
Electrical Upgrades	✓	✓	
Interior finishes (flooring, walls, ceilings)	✓	✓	✓
Fire Alarm		✓	
Landscaping	✓	✓	
New Façade	✓		
Signage	✓	✓	
Patio/Outdoor Seating	✓	✓	

**Tree removal requires a building permit, approval by the Village Arborist, and replacement or fee-in-lieu of the tree.*

Based on the construction budgets of each proposal, this table shows the improvements budgeted for the property. The check mark (✓) indicates the improvements that the proposals included in their budget. Any required items, such as the fire alarm and new roof, will need to be addressed by the selected applicant.

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Criteria Outcome:

1. **Bawadi and Husain** – Both restaurant proposals provide estimated improvements to address Code needs. Bawadi's construction projections are lower – this is possibly because he owns his own construction company and can save on costs.
2. Baker – the proposed rehab and construction budget for Baker is much lower than the amount estimated to update this space to meet the Village's Codes.

4. Ensures Sustainable Commercial Development

In this category, staff evaluated each of the potential building owners' experience in commercial real estate management and their ability to sustain this property for the long term.

Sustainability/Areas of Experience

Criteria	Bawadi (Mediterranean Restaurant)	Husain (Indo-Pak Restaurant)	Baker (Soft Play Center)
Construction Management Experience	<p>High level of experience. Numerous projects completed or underway since 2019.</p> <p>New construction:</p> <ul style="list-style-type: none"> • Shell Gas Station Chicago, IL <p>Exterior construction/renovation:</p> <ul style="list-style-type: none"> • Bawadi Construction 18250 Harwood Avenue, Homewood, IL <p>Interior construction/renovation:</p> <ul style="list-style-type: none"> • Matari Coffee Co. (2) Niles, IL/Lombard, IL • Vida Boba Café (2) Bridgeview, IL/Milwaukee, WI • M'dakhan Restaurant Bridgeview, IL • Melt 'n' Dip Restaurant Skokie, IL • Addah Chai House Lombard, IL • Mashhoor Fried Chicken Chicago, IL <p>+ Additional renovation projects in Chicagoland region and other cities.</p>	<p>High level of experience. Most construction experience was between 1996 and 2005.</p> <p>New construction:</p> <ul style="list-style-type: none"> • Gas Stations (multiple) Chicago, IL • Dunkin' Donuts Calumet City, IL • Dunkin' Donuts Homewood, IL <p>Exterior construction/renovation:</p> <ul style="list-style-type: none"> • Dunkin' Donuts (2) Homewood, IL <p>Interior construction/renovation:</p> <ul style="list-style-type: none"> • Glenwood Oaks Glenwood, IL • Dunkin' Donuts (2) Homewood, IL <p>+ Additional projects in Chicagoland region.</p>	None provided.

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Criteria	Bawadi (Mediterranean Restaurant)	Husain (Indo-Pak Restaurant)	Baker (Soft Play Center)
Business Operation Experience	<p>High level of experience.</p> <p>Current operations include multiple food service locations:</p> <ul style="list-style-type: none"> • M'dakhan Restaurant Bridgeview, IL • Matari Coffee Co. (2) Niles, IL/Lombard, IL <p>Owens/operates construction company</p> <ul style="list-style-type: none"> • Bawadi Construction 18250 Harwood Avenue, Homewood, IL 	<p>High level of experience.</p> <p>Currently operates multiple food service locations:</p> <ul style="list-style-type: none"> • Dunkin' Donuts (2) (since 2002) Homewood, IL • Glenwood Oaks* (restaurant is closed, private events only) Glenwood, IL • Karachi Chaathouse Chicago, IL 	None provided.

**The Glenwood Oaks restaurant has struggled with restaurant traffic and costs associated with improvements to the building since 2020. The restaurant is currently closed, and the facility is open for private events only. Mr. Husain is working with the Village of Glenwood to pay back an outstanding Village loan.*

Financing Intent of Potential Owners

Criteria	Bawadi (Mediterranean Restaurant)	Husain (Indo-Pak Restaurant)	Baker (Soft Play Center)
Private Investment	Cash/possible small loan		Not Stated

Criteria Outcome:

1. **Bawadi-** has a larger, more recent resume of projects that align with the scope of this property.
2. **Husain-** while he has construction and business operation experience, a considerable amount of that experience comes from being a Dunkin' Donuts franchise owner.
3. **Baker-** was not able to provide any experience.

5. Responds to Community Needs

This category measures the proposal's capability of supporting local businesses' growth and development, using the following criteria:

- Ability to provide services that meet the stated community wants, needs, and demands. Through social media, emails, public meetings, and input during festivals, the community has expressed the desire for uses to be located in Homewood, such as "Third Spaces" (a public, neutral gathering space that is distinct from both home (first place) and work (second place). Examples of requested spaces/services/businesses include Indian and Mediterranean food,

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places for teens and children, Trader Joe's, coffee shops, non-alcoholic performance venues, and takeout food places.

- Ability to create a unique/distinctive commercial property that contributes to a sense of place in Homewood.
- Ability to increase local employment/job growth
- Ability to support local business growth

Stated Community Needs/Wants	Bawadi (Mediterranean Restaurant)	Husain (Indo-Pak Restaurant)	Baker (Soft Play Center)
Unique Destination/ Sense of Place	A Mediterranean restaurant would introduce a new type of dining experience to downtown Homewood.	Homewood does not have an Indian restaurant. This would introduce a new type of dining experience.	This business would be new to Homewood. However, a similar business is located in Flossmoor and serves the Homewood market.
Third Space	All proposals would be considered a "third space."		
Local Employment/ Job Growth	Business occupancy increases jobs.		
Direct Support of Local Business Growth	The applicant is a local business owner of Bawadi Construction and plans to collaborate with local farms, suppliers, and host local events, fundraisers, and networking groups.	The applicant is a local business owner of both Dunkin' Donuts in Homewood.	The applicant is a resident.
Downtown TOD Plan Recommendations	A sit-down restaurant with outdoor dining.	New dining options – variety of restaurants.	Cultivate the growth of small businesses; family-friendly activities.

Criteria Outcome:

1. **Bawadi and Husain** – All three projects align with the community's stated desires. Bawadi has most clearly expressed a commitment to collaborating with local businesses, vendors, and community programs in ways that strengthen and support the local economy. Husain, meanwhile, brings a new cuisine to the community—something residents have specifically expressed interest in.
2. Baker- with the similar concept being done in Flossmoor, there may not be a desire by the community to have this type of business.

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OUTCOME

Overall Criteria Disposition:

Criteria	Bawadi (Mediterranean)	Husain (Indo-Pak)	Baker (Soft Play)
Supports Suitable and Successful Uses	✓	✓	
Maximizes Yield	✓	✓	
Improves Property Conditions	✓	✓	
Ensures Sustainable Commercial Development	✓		
Responds to Community Needs	✓	✓	

FINANCIAL IMPACT

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

LEGAL REVIEW

Completed

RECOMMENDED BOARD ACTION

After review of the Staff Review Committee's analysis, the Village Board is requested to consider a Board action to direct staff to negotiate a purchase and sale agreement and a redevelopment agreement with one of the proposed restaurant developers to redevelop the Village-owned commercial property at 18155 Dixie Highway.

ATTACHMENT(S)

- Proposals (3)
- Exhibits