

# VILLAGE OF HOMEWOOD



## BOARD AGENDA MEMORANDUM

DATE OF MEETING: May 26, 2026

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

**Through:** Napoleon Haney, Village Manager

**From:** Noah Schumerth, Interim Director of Economic and Community Development

**Topic:** Cook County Class 8 Incentive at 2345 183<sup>rd</sup> Street (Berkot's Super Foods)

### PURPOSE

Ace Group Inc. (Berkot's Super Foods) is seeking Village support for a Class 8 property tax designation for the property at 2345 W 183<sup>rd</sup> Street. The property is an existing grocery store which was recently reoccupied by Berkot's Super Foods (formerly occupied by Walt's Food Center). The new owner proposes approximately \$2.65 million in investment to upgrade and rehabilitate the building to support the new grocery store, focused on resolving code violations, increasing the market competitiveness of the store, improving the overall condition of the property, and increasing sales activity at the store. The property owner has stated that "but-for" the proposed Class 8 incentive, the purchase of the property, continued operation of the store as a grocer, and necessary investment in the property are not feasible.

The Class 8 program encourages commercial development throughout Cook County by stimulating expansion, retaining existing businesses, and increasing employment opportunities. Under this program, the property is assessed at 10% during the first 10 years and for any subsequent 10-year renewal period.

### PROCESS

In October 2025, Ace Group Inc. acquired the existing Walt's Food Center property at 2345 183<sup>rd</sup> Street. This sale led to the change in the name/branding of the store to "Berkot's Super Foods." The property was purchased in a transaction which led to the purchase of four Walt's grocery stores in the south suburbs, including the Homewood location.

The new owners have proposed substantial reinvestment into the property, including \$2.65 million in improvements to modernize the store. The improvements are focused on compliance with current building codes, renovation of the exterior of the building, and major equipment repair and replacement to improve the competitiveness and sales output of the store. The store's annual sales are anticipated to increase from \$19 million in 2025 to \$23 million by 2030.

The Cook County tax system has placed a heavy tax burden on commercial properties that must compete with the lower tax rates in adjacent counties and in Indiana, where the property tax

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rate is as much as 45% less. Cook County has recognized the property tax issue for the Chicago Southland and created the Class 8 Cook County Tax Incentive Program. The program identifies five (5) Cook County townships that have automatic certification for the incentive; the subject property is located in Bloom Township, one of the five designated townships.

The Class 8 incentive is designed to promote the development of “abandoned” commercial development in Cook County, defined as property vacant for at least 12 months and meeting abandonment criteria established by Cook County. However, this requirement may be waived with the finding of “special circumstances” approved by the municipality in which the property is located. The Village finds that significant reinvestment is needed into the property to maintain a grocery store at its current scale, which is a significant contributor to sales tax revenue for the Village and is critical for grocery access for residents in the south suburbs. The Village finds that but for the proposed incentive, the property is unlikely to receive this necessary investment and that “special circumstances” apply uniquely to this property.

## OUTCOME

Ace Group Inc. (Berkot’s Super Foods) plans to invest in the property through renovation and reinvestment into the property. The Project will address code compliance challenges with the existing store, and improve the performance of the property by addressing the issues of deferred maintenance, and aging site infrastructure and equipment.

## FINANCIAL IMPACT

- **Funding Source:** N/A
- **Budgeted Amount:** N/A
- **Cost:** N/A

## LEGAL REVIEW

Completed

## RECOMMENDED BOARD ACTION

Pass a resolution supporting and consenting to a Class 8 Cook County tax classification for the property located at 2345 W 183<sup>rd</sup> Street, owned by Ace Group Inc. (Berkot’s Super Foods).

## ATTACHMENT(S)

Resolution