

VILLAGE OF HOMEWOOD



BOARD AGENDA MEMORANDUM

DATE OF MEETING: October 27, 2026

To: Village President and Board of Trustees

Through: Napoleon Haney, Village Manager

From: Noah Schumerth, Director of Economic and Community Development

Topic: Purchase and Sale Agreement, 1933 Ridge Road (American Dance Center)



Figure 1: Image of the American Dance Center (1933 Ridge Road) in May 2025.

PURPOSE

The Village has invested heavily in redevelopment efforts in the Downtown area. Anchored by the Village's transit center connecting Metra, Amtrak, and Pace services and historic development which grew around Homewood's rail station, Downtown Homewood serves as a prime location for "transit-oriented development" (TOD). Transit-oriented development encourages forms of property development which benefit from proximity to local transit services and the regional traffic generated by such a station. The Village Board adopted a Downtown transit-oriented development master plan in 2024 to guide future Downtown development.

The Village has acquired numerous properties across the Village, especially in this TOD area, as a method of economic development and revitalization. These properties typically have characteristics which make regular purchase on the private market challenging such as long-term vacancy, building code and maintenance issues, property tax delinquency, etc. The Village generally acquires properties located on major corridors where the Village is concentrating new reinvestment efforts such as the Downtown area, West 183rd Street corridor, and Southgate (south Dixie Highway).

The property located at 1933 Ridge Road is located near the Village's Downtown Core and has been vacant since 2023. The Village first approached the property owner, Villari Ltd. (Brian Villari) in 2025 to discuss options to purchase the building to further economic development goals in the Ridge Road corridor, which is identified as an area for focusing Village reinvestment efforts in the Downtown TOD Master Plan. The Village continued negotiation with the property owner throughout 2025 and 2026. In October 2026, the Village and the property owner agreed to a purchase price of \$400,000 for the entire property.

The Village Board is required to approve the purchase of the property and execute a commercial purchase and sale agreement to move forward with the sale of the property.

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Property Profile

The existing building at 1933 Ridge Road was formerly occupied by the American Dance Center, a dance studio and training facility. The American Dance Studio originally moved into the building in 2001 and operated in the space through 2023. The building was vacated in 2023.

- **PINs:** 29-31-408-013, 29-31-408-014, 29-31-408-015, 29-31-408-016
- **Property Size:** 13,350 square feet (0.3 acres)
- **Building Size:** 7,200 square feet
- **Annual Property Tax Bill:** \$19,000 - \$21,000 (\$21,101 paid in 2025; tax bill was \$22,000 - \$24,000 when occupied prior to 2023)
- **Property Value (Assessed Value):** \$511,660 (previous comparative market analysis (CMA) completed by the Village valued the building at \$520,000)
- **Parking:** 24 spaces (up to 10 spaces currently obligated to Signature Smiles via parking agreement recorded in 2025)



Figure 2: Photo of the entire site under consideration for purchase at 1933 Ridge Road in June 2024, including parking lot and signage on the site.

PROCESS

The Village approached the property owner (Villari Ltd.) with an interest in acquiring and assisting in the reoccupancy or redevelopment of the property at 1933 Ridge Road. The Village's negotiation for acquisition of the property is as follows:

- **Summer 2025:** In preparation for a sales offer in 2025, the Village completed a comparative market analysis (CMA) of the property in 2025 which estimated the value of the building at \$520,000, based on recent property sales and valuations of comparable properties in Homewood.
- **July 22, 2025:** The Village approved a letter of intent (LOI) on July 22, 2025 to complete a due diligence period and analyze the property.

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- **August 2025:** The Village completed a walkthrough of the existing building with the Fire Department, Building Division, Public Works, and Economic & Community Development. Staff noted current code deficiencies or work which will need to be completed prior to any redevelopment.
- **September 9, 2025:** The Village notified the property owner of the work which will be required to reoccupy the property at current code requirements, which was estimated at more than \$400,000 over the next 7-10 years.
- **September 2025:** The Village did not move forward with a purchase of the building and the letter of intent (LOI) expired.
- **Winter/Spring 2026:** The Village continued negotiation and maintained strong communication with the owner, Brian Villari.
- **April 24, 2026:** The Village submitted an offer to the property owner for a price not to exceed \$400,000. The offer was not accepted at that time.
- **October 1, 2026:** The Village submitted an updated offer letter to the property owner for an offer not to exceed \$400,000, after the property owner expressed that they would accept the offer for the property.
- **October 13, 2026:** The Village Board formally approved the offer letter and associated terms at a regular meeting.

The property purchase requires approval of a commercial purchase and sale agreement by the Village Board. The draft agreement is attached to this memo for approval. The agreement includes the following terms for consideration by the Village Board:

- Purchase price of \$400,000
- Closing date of November 30, 2026
- No tax prorations (all taxes currently up to date, no additional prorations due from the Village)

OUTCOME

Property Acquisition/Payment

The property owner has accepted a Village offer of \$400,000 for the property at 1933 Ridge Road. The Village has scheduled a closing date of November 30, 2026. This requires the Village to place \$1,000 in earnest money into an escrow within five days of the effective date of the purchase and sales agreement. The Village Attorney will coordinate all required closing documents and payments by wire transfer at the identified closing date.

Funding Source

The \$400,000 purchase price will be funded from General Fund Unassigned Fund Balance (reserves). The Village's Fund Balance Policy requires the General Fund to maintain a reserve equal to five months of budgeted operating expenses as protection against unforeseen changes or needs. As of the April 30, 2026 annual audit, the Village held approximately \$670,000 above

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that minimum. The policy allows the Board to use funds above the minimum for designated priorities, including economic development, under which this purchase qualifies. After the \$400,000 purchase, approximately \$270,000 would remain above the required minimum in the General Fund Unassigned Fund Balance.

Redevelopment or Future Sale of Property

All property acquisitions must fulfill a public purpose, which may include municipal economic development and/or the revitalization of vacant property. The Village's purchase of this property is designed to support redevelopment following several years of property vacancy. The building has not been purchased by another private buyer since it was vacated in 2023. Should the Village acquire the property, the Village may begin efforts to redevelop the property by publicly soliciting proposals as required in the Illinois TIF Act for the sale of any Village-owned property located in a TIF district.

The Village has previously received interest from multiple parties for the redevelopment of the property. The property is zoned in the B-2 Downtown Transition zoning district, which can support a variety of uses such as restaurants, retail stores, multi-tenant commercial centers, mixed-use residential, and other uses. Any redevelopment of this property will also require approval of a Planned Development ordinance in addition to any other required agreements.

The property is located in the East Central CBD TIF district, which was established in November 2011, and there are eight years remaining in the TIF. The East Central CBD TIF district currently has a negative balance of -\$60,859 (audited balance as of April 30, 2026). Should the Village acquire this property, the balance will decrease due to the acquisition of the property and the valuation of the property at \$0 EAV as a tax-exempt parcel.

Since the funds required for this purchase originate from General Fund reserves (Unassigned Fund Balance) and the building is being purchased below market value, staff recommends that the Board consider cost recovery of the original \$400,000 purchase price in the selection of any future redevelopment proposal.

FINANCIAL IMPACT

- **Funding Source:** General Fund Unassigned Fund Balance (reserves)
- **Budgeted Amount:** \$0
- **Budget Amendment Requested:** \$400,000
- **Cost:** \$400,000

LEGAL REVIEW

Completed

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RECOMMENDED BOARD ACTION

Approve a budget amendment in the amount of \$400,000; and, pass an ordinance authorizing the Village President to enter a real estate purchase contract with Villari Ltd. (Brian Villari) for the property at 1933 Ridge Road, Homewood, IL.

ATTACHMENT(S)

- Ordinance
- Commercial Purchase and Sale Agreement
- Signed Offer Letter (approved October 13, 2026)
- Code Review Letter (dated September 11, 2025)