

# VILLAGE OF HOMEWOOD



## BOARD AGENDA MEMORANDUM

DATE OF MEETING: June 9, 2026

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

**Through:** Napoleon Haney, Village Manager

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

**Topic:** 2<sup>nd</sup> Amendment to Redevelopment Agreement – Tequila Raizes Restaurant, 18134-18138 Dixie Highway

### PURPOSE

On December 10, 2024, the Village entered into a Redevelopment Agreement (RDA) with Raices Restaurant Inc. and Anguiano Guido Properties LLC, to redevelop the Village-owned property at 18134-18138 Dixie Highway. The developer owns Casa Catrina in Joliet, IL, and has sought expansion to a new restaurant location in Homewood. The developer has proposed a 6,000 square foot Mexican restaurant on the site (“Tequila Raizes”).



The developer has yet to secure the funding and/or financing necessary to complete the project which appears to have tempered their progress in completing their final building permit approvals. The developer provided a timeline to Village staff, which entails receiving full construction loan commitments no later than July 31, 2026. The applicant has requested an extension to the RDA to accommodate this timeline.

The applicant also requested an extension to the deadline to receive their issued building permits by August 14, 2026, the expiration date for the project’s planning and zoning approvals set by the Village Zoning Ordinance. A final construction completion date for the project has been proposed for no later than June 30, 2027.

### PROCESS

This Village has met the following milestones in support of the project:

- **December 10, 2024:** The Village approved a redevelopment agreement and purchase and sale agreement with the developer. The RDA:
  - committed the Village to approve a Cook County Class 8 incentive for the project.
  - committed to a places of eating tax rebate of up to \$60,000 for three years.

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- **March 25, 2025:** The developer formally purchased the property for \$1 and closed on the property.
- **August 14, 2025:** The Village approved planning/zoning approvals, which expire after one (1) year if building permits are not received.
- **April 14, 2026:** The Village Board approved a 1st amendment to the RDA on April 14, 2026, which extended project deadlines and created an amended timeline of milestones for the project.

The 1<sup>st</sup> amended to the RDA approved on April 14, 2026 required that the developer provide the Village sufficient proof of financing to complete the project by May 29, 2026. The date has passed, now requiring the Village Board to consider approving an amended redevelopment agreement to extend the deadline for proof of financing and other project milestones.

In general, when critical project milestones in an RDA or an amended RDA are not met, the Village reserves the right to file a re-conveyance deed to return the property to Village ownership.

## OUTCOME

Approval of the 2<sup>nd</sup> amendment to the RDA will allow the developer time to acquire the necessary financing commitments for the project and proceed with final permit approvals and construction. If successful, the project will result in the redevelopment and revitalization of a long-vacant commercial property along Dixie Highway. The restaurant would provide increased property tax revenue, and revenue from sales taxes and places of eating taxes.

## FINANCIAL IMPACT

- **Funding Source:** Places of eating tax rebate
- **Budgeted Amount:** Property transferred to developer for \$1. Places of eating tax rebate capped at \$60,000.
- **Cost:** N/A

## LEGAL REVIEW

Completed

## RECOMMENDED BOARD ACTION

Pass an ordinance approving the Second (2<sup>nd</sup>) Amendment to the Redevelopment Agreement between Raices Restaurant Inc., Anguiano Guido Properties LLC, and the Village of Homewood for the redevelopment of property at 18134-18138 Dixie Highway.

## ATTACHMENT(S)

- Ordinance approving Second Amendment to the Redevelopment Agreement
- Second Amendment to the Redevelopment Agreement