

VILLAGE OF HOMEWOOD



BOARD AGENDA MEMORANDUM

DATE OF MEETING: June 23, 2026

To: Village President and Board of Trustees

Through: Napoleon Haney, Village Manager

From: Noah Schumerth, Director of Economic and Community Development

Topic: Sale of Village-Owned Property at 18157 Dixie Highway

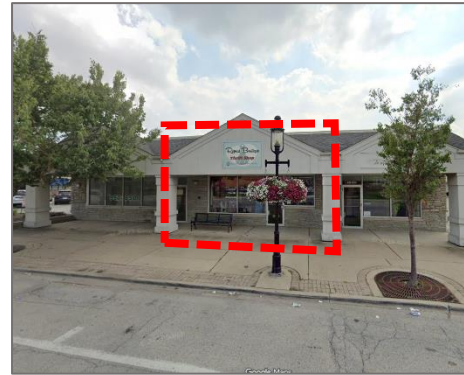


Figure 1: Current facade of building at 18157 Dixie Highway

PURPOSE

The Village acquired property located at 18157 Dixie Highway (PIN #29-31-409-076) on May 12, 2026. The Village purchased the property for \$100,000 from Grand Prairie Services Integrated Health, a healthcare provider with a large presence in the south suburbs. The property previously operated as a consignment store called Repeat Boutique. The property has been vacant since 2024 and is in need of substantial rehabilitation, especially within the building's interior.

The property is zoned in the B-2 Downtown Transition zoning district, which is a district designed to *“accommodate the variety of residential and nonresidential 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 nonresidential uses as well as contextually sensitive infill development in a pedestrian-oriented environment that supports the vibrancy of the downtown core.”*

The Village acquired this property to create a commercial redevelopment opportunity in alignment with the Village's Downtown TOD Plan and the B-2 zoning district. The property is located on a major downtown arterial (Dixie Highway), and is located near other recently completed/in-progress redevelopment projects such as Homewood Brewing Company, Bawadi's adjacent restaurant, and the planned Tequila Raizes restaurant. Redevelopment of the property may offer an opportunity to significantly increase property tax yield and generate additional sales tax revenue.

The Village formerly owned the adjacent building at 18155 Dixie Highway, the former Delanoe's Pizza restaurant. This property was sold to Munir Bawadi in 2025 for \$15,000 through a solicitation of alternative bids by ordinance. Bawadi has continued work on this neighboring property including interior demolition and site preparation for the construction of a new Mediterranean restaurant.

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PROCESS

There are two methods available to non-home rule communities for the sale of property:

- **Sale as Surplus Property:** Pass a resolution to sell the property at 80% of appraised property value, no competitive bidding required (property price may not be less than 80% of appraised value).
- **Notice to Sell Real Estate:** Pass an ordinance to publish a notice to sell the property once per week for at least three weeks (no less than 30 days).

Details for each of these processes are included below.

1. **Surplus Real Estate (No Competitive Bidding):** The corporate authorities (specifically designated as the Village President and Board of Trustees) may declare that the property is surplus real estate and authorize the sale with the approval of a resolution to sell the property. The resolution must be approved by a two-thirds vote of the corporate authorities (a minimum of five (5) elected officials, including the Village President).

The resolution shall direct that the property be sold by staff, through a local licensed real estate agency, or a public auction. The resolution must be published in a paper of record immediately after the resolution is passed. Prior to sale, the value of the property must be determined by a MAI-certified appraisal or with a written certified appraisal by a licensed or certified real estate appraiser.

The Village President and Board of Trustees may select and approve *any* proposed offer which is a) greater than 80% of the appraised value of the property, and b) is determined to be in the best interest of the municipality. This process waives competitive bidding for the property.

2. **Notice to Sell Real Estate (Competitive Bidding):** The corporate authorities (Village President and Board of Trustees) may approve an ordinance to sell property through competitive bidding in the event that the property is deemed “no longer necessary, appropriate, required for the use of, or profitable to the Village,” or if the sale of the property is deemed to be in the best interest of the municipality.

The ordinance shall authorize staff to complete a bidding process. Staff must publish a notice for the solicitation of bids for the property at least once per week, for three consecutive weeks, in a local newspaper of general circulation. The first publication shall be made no less than 30 days before the day provided in the notice for the opening of bids. Bids may only be opened at a regular meeting of the Board of Trustees.

The Board of Trustees may move to select any bid for the property which is deemed to be in the best interest of the municipality. The Board may also direct staff to evaluate

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received bids and provide an analysis at a future meeting. The Board may also decline to select any bid. Any selection of a bid must be approved with an ordinance by a three-fourths vote of the corporate authorities (a minimum of six (6) elected officials, including the Village President).

The Village has received limited interest in the property since it was acquired in May. Due to limited interest in purchasing the property at a price of at least 80% of appraised value, staff recommends that the Village Board consider an ordinance to post notice to sell the property. This would direct staff to prepare a minimum of three notices soliciting bids for the property.

The solicitation of bids would follow the proposed timeline:

- **Tuesday, June 23, 2026** – Pass an ordinance directing staff to post notice of sale for the property and solicit bids
- **Friday, June 26, 2026** – 1st notice published in newspaper
- **Friday, July 3, 2026** – 2nd notice published in newspaper
- **Friday, July 10, 2026** – 3rd notice published in newspaper
- **Friday, July 24, 2026** – Bids due by 12:00 p.m. (noon) at Village Hall
- **Tuesday, July 28, 2026** – Bids opened at Village Board meeting

The Village also uses social media channels, the Village website, and other publications to post additional information about solicitations of bids for public property. The Village Board will be notified of receipt of bids, but details about bids will not be made available until the bid opening on July 28.

OUTCOME

The sale of Village-owned property at 18157 Dixie Highway may provide the following potential benefits:

- **Increase Property Tax Revenue:** The redevelopment of the property may increase property tax revenue generated from the property. If retained by the Village, the property will be removed from the property tax rolls. The property was vacant prior to Village acquisition, and redevelopment may increase the overall assessed value of the property.
- **Produce Sales Tax or Places of Eating Tax Revenue:** Sale to a bidder seeking to redevelop the property into a commercial use may generate additional sales tax or place of eating tax revenue. These taxes would make up the vast majority of the new revenue generated by the property.
- **Implement Downtown TOD Plan:** The Downtown TOD Plan approved in 2024 recommends targeting underutilized or dilapidated properties in the Downtown TOD area for commercial redevelopment to support a walkable and transit-oriented development. Redevelopment of this property may significantly improve the overall level of activity and appearance of the Dixie Highway corridor.

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FINANCIAL IMPACT

- **Funding Source:** None required for solicitation of bids
- **Budgeted Amount:** N/A
- **Cost:** \$0 for solicitation of bids (*Village paid \$100,000 for purchase of property on May 12, 2026*)

LEGAL REVIEW

Completed

RECOMMENDED BOARD ACTION

Pass an ordinance directing the Village Manager to utilize the solicitation of bids per, State Statute, for the sale of the Village-owned property at 18157 Dixie Highway.

ATTACHMENT(S)

Ordinance – Solicitation of Bids for the Sale of Village-Owned Property