

# VILLAGE OF HOMEWOOD



**BOARD AGENDA MEMORANDUM**

**DATE OF MEETING: October 25, 2022**

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

**Through:** Napoleon Haney, Village Manager

**From:** Angela Mesaros, Director of Economic and Community Development

**Topic:** Settlement Agreement, 3055 183<sup>rd</sup> Street

## **PURPOSE**

The property at 3055 183<sup>rd</sup> Street, formerly the Brunswick Zone Bowling/Big Lots, has experienced vacancies for many years. The building is an approximately 90,000 square foot retail building – Brunswick Zone occupied approximately 54,000 square feet and has been vacant for six years; the Big Lots retail store occupied 31,250 square feet and is recently vacant.

## **PROCESS**

The Brunswick Zone bowling facility at 3055 183<sup>rd</sup> Street closed approximately six (6) years ago and has remained vacant. Since that time, the Village has explored how to best renovate/redevelop the property. In January 2020, the Village filed a demolition order (lawsuit) against the property, citing dilapidation and declaring the property a nuisance, dangerous to public safety, and in violation of various municipal codes.

In 2021, the Village created the Kedzie Gateway Tax Increment Financing (TIF) District, designating the subject property as part of the redevelopment project area, an economic development tool for future financial assistance for redevelopment activity.

Rather than defend the demolition suit, the property owner has agreed to give the property to the Village to settle the Village's demolition lawsuit. As part of the settlement agreement, the Village will agree to dismiss the demolition lawsuit against the property and release all liens, fines, and claims against the property.

## **OUTCOME**

After acceptance of the property, the Village will need to work through Cook County to remove the significant back taxes in order for the property to become marketable for redevelopment. Staff is working with a developer to determine the best use of the property.

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## FINANCIAL IMPACT

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

## LEGAL REVIEW

Completed

## RECOMMENDED BOARD ACTION

Pass a resolution authorizing the Village President to enter into a mutual release and settlement agreement with KM Homewood, LLC of Illinois, and accept a warranty deed in lieu of demolition from KM Homewood, LLC of Illinois for the property located at 3055 183<sup>rd</sup> Street, formerly occupied by Brunswick Zone and Big Lots.

## ATTACHMENT(S)

- Resolution
- Settlement Agreement
- Warranty Deed