

# VILLAGE OF HOMEWOOD



## BOARD AGENDA MEMORANDUM

DATE OF MEETING: June 10, 2025

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

**Through:** Napoleon Haney, Village Manager

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

**Topic:** Sale of Village-Owned Property at 18155 Dixie Highway

### PURPOSE

The Village owns property at 18155 Dixie Highway (formerly Delanoe's Pizza), in the B-2 Downtown Transition zoning district. The property is a vacant one-story commercial building. The Village intends for the property to be developed. Before selling real



estate, the Village must publish a notice of proposal to sell for three (3) consecutive weeks, with the first publication date at least 30 days before the opening bid date. The Village can accept the highest bid or any other bid it determines to be in the best interest of the Village.

### PROCESS

The subject property is vacant village-owned commercial building located at 18155 Dixie Highway. This property is outside the boundaries of a Tax Increment Financing (TIF) District. The Village acquired it in October 2024, through a settlement agreement.



#### *Requirements to Transfer Property*

This property is not located within a Tax Increment Financing (TIF) District; therefore, if the Village decides to sell, two different methods are permitted under the State statute.

#### *Sale by Ordinance – (80% of Appraised value and 2/3 Voting)*

The Village could sell the property for 80% of its appraised value. An appraisal for the property, puts the market value “as is”, as of February 12, 2020, at \$130,000 or \$85 per square foot; thus, 80% of the value is \$104,000. Using this statute, the Village Board could authorize the sale by passing an ordinance approved by 2/3 of the Board (five votes, including the Village President).

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After the ordinance is approved, the Village is required to publish a single notice of the sale, and then it can proceed to closing.

### *Sale using Bid Process – (3 Publications and 3/4 Voting)*

If the Village decides to sell the property for **less** than 80% of the appraised value, the Village Board must pass an ordinance authorizing the publication of a “*notice of the proposal to sell*” the specific property. Per State statute, the notice must be published once a week for three (3) consecutive weeks. The date for opening the bids must be at least 30 days after the first publication date. Also, per State statute, the bids can be opened only at a regular meeting of the Village Board. After reviewing the bids, the Village Board may accept the high bid or any other bid determined to be in the best interest of the Village by a vote of 3/4 of the corporate authorities holding office. This language interpreted means that in order to accept any bid that isn’t the highest bid, there must be an affirmative vote of at least six (6) elected officials – this voting process includes the Village President’s vote.

### *Staff Recommendation*

Because of the development interest in this property, staff recommends the Village Board to utilize the bid process for the sale of the property, using the proposed timeline:

- Tuesday, June 10 - Pass an ordinance directing the Village Manager to solicit bids
- Monday, June 16 - 1<sup>st</sup> publication
- Monday, June 23 - 2<sup>nd</sup> publication
- Monday, June 30 - 3<sup>rd</sup> publication
- Friday, July 18 - Bids due
- Tuesday, July 22 - Sealed bids opened at regular Village Board meeting

Sealed bids for the sale of the property located at 18155 Dixie Highway must be submitted to the Village by 5:00 p.m. on Friday, July 18, 2025. The bids will be opened at a regular meeting of the Village Board scheduled for July 22, 2025 at 7:00 p.m. in the Village Hall Board Room.

## OUTCOME

The sale of the property will lead to the redevelopment and occupation of a vacant commercial building. The advantage of this development is that it would transform an underutilized property into productive use, strengthening and enhancing the Village’s tax base.

## FINANCIAL IMPACT

- **Funding Source:** No Financial Impact
- **Budgeted Amount:** N/A
- **Cost:** \$0

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### **LEGAL REVIEW**

Completed

### **RECOMMENDED BOARD ACTION**

Pass an ordinance directing the Village Manager to solicit alternate bids and proposals for the sale and development of the property at 18155 Dixie Highway.

### **ATTACHMENT(S)**

Ordinance