

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: Washington Park Plaza – Assignment of the Business Development Agreement

PURPOSE

The Beitel Group (formerly Besyata Investment Group) of Brooklyn, NY, is the owner of Washington Park Plaza at 17748-17956 Halsted Street. The plaza is a retail anchor for the Halsted Street corridor that has performed well. The owners have continued to attract and retain top-tiered retail and commercial stores that generate sales tax. Homewood currently has a longstanding Business Development Agreement (sales tax sharing agreement) with the owners of the plaza. The Business Development Agreement has been in place since 2005. It is set to expire in 2029.

The Beitel Group is selling the property to Embel Management Corporation, a California limited liability company. They seek approval to assign the Business Development Agreement with its associated incentive to the new buyer, Embel Management Corporation.

PROCESS

In August of 2005, Washington Park Plaza Partners, LLC was approved to receive economic incentives from the Village for the construction and redevelopment of Washington Park Plaza. The Village agreed to provide economic assistance for the project in order to assist retailers to locate in Homewood and to revitalize a mostly vacant commercial center in Homewood's Halsted Street Corridor. The incentives consisted of real estate tax (property tax) rebates and sales tax sharing. To authorize these incentives, the Village established the plaza area as a "Business District." The Business District allowed Homewood to approve specific business district development and/or redevelopment plans, and to enter into contracts with private agencies or persons to implement such business district plans.

The original Business Development Agreement was established on March 8, 2005. The Business Development Agreement has been amended multiple times to extend the expiration date, most recently in 2023.

VILLAGE OF HOMEWOOD



Year Created/ Amended	Sales Tax Cap	Year Cap
2005	\$3.5 million	15 Years
2013	\$4.5 million	18 Years
2023	\$5.0 million	23 Years

The total cumulative sales tax shared with the developer over the last 19 years per the Business Development Agreement is \$3,926,344. There are four more years remaining under the current agreement that may equate to a sales tax sharing amount of just over \$1,000,000.

In July 2007, the Business Development Agreement between Washington Park Plaza Partners, LLC and the Village was assigned to IA Homewood. More recently, the agreement was assigned from IA Homewood to the current owner, the Beitel Group, when they purchased the plaza in 2016. The Beitel Group, the current owner, plans to sell the plaza. The seller has asked the Village to assign the Business Development Agreement to the new buyer. This requires a formal agreement between the Village and the seller and buyer.

OUTCOME

This process benefits the Village because the new owner assumes the obligations of the agreement and the responsibility to operate the plaza as a commercial shopping center.

FINANCIAL IMPACT

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

LEGAL REVIEW

Completed

RECOMMENDED BOARD ACTION

Pass a resolution authorizing assignment and assumption of the Business Development Agreement for the Washington Park Plaza Shopping Center located at 17748-17956 Halsted Street.

ATTACHMENT(S)

- Resolution
- Agreement