

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 17701 Bretz Drive – Bid Opening

PURPOSE

The Village owns property at 17701 Bretz Drive, in the M-1 Limited Manufacturing zoning district. The property encompasses 5.91 acres of vacant land. The Village intends for the property to be developed. Initially, staff received two separate proposals that included proposed purchase offer amounts for the property. Because neither of the proposals met the statutory 80% of the appraised value of the property, the Village engaged in the solicitation for bid process to sell and redevelop the property.



PROCESS

The Village acquired the vacant land on December 12, 2024 through the Cook County No Cash Bid program. The subject property is located at 17701 Bretz Drive, located in a small industrial area that is bound on the west by a major shopping district and on the east by a cemetery. To the north is part of the Thornton Quarry and to the south is a smaller industrial/commercial condominium complex.

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. Staff received an appraisal for the property, which puts the market value, as of March 7, 2025, between \$900,000 and \$1,100,000, or from \$3.50 per square foot to \$4.00 per square foot. The calculation of 80% of the property's value of \$900,000 is \$720,000. 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

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President). 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 3/4th Voting)

If the Village decides to sell the property for less than 80% of the appraised value, the Village Board must pass an ordinance directing a sale, which in turn, authorizes and directs staff to publish a “notice of the proposal to sell” the specific property. Per state statute, the notice must be published once each week for three (3) successive 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 3/4th 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.

Decision to Bid

This property is not located within a Tax Increment Financing (TIF) District. Therefore, in order to sell the property for *less* than 80% of the appraised value, *which also provides for more decision-making flexibility*, the Village Board directed staff to publish a “notice of the proposal to sell” the specific property. Per State statute, the notice was published once each week for three (3) successive weeks and the date for opening the bids is at least 30 days after the first publication date.

At its April 22, 2025 meeting, The Village Board passed an ordinance directing the Village Manager to solicit bids. Staff placed the bid solicitations in the Chicago Tribune. The bid solicitation/publication dates are as follows:

- Thursday, May 8 - 1st publication
- Thursday, May 15 - 2nd publication
- Thursday, May 22 - 3rd publication

Sealed bids for the sale of the Bretz Drive property are due to the Village by 12:00 noon on Monday, June 9, 2025. The bids may only be opened 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.

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Board's Discretion to Reject all Bids

According to the Illinois Municipal Code, the corporate authorities of a municipality have the discretion to reject all bids. The statute allows the corporate authorities to accept any contract proposal they determine to be in the best interest of the municipality, but it does **not** require them to accept any bid at all. This means the Village's corporate authorities can choose **not** to sell the property if none of the bids meet their expectations or serve the community's best interest.

OUTCOME

It is intended that the sale of the property will lead to the development of a vacant lot. The development, in turn, will 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

LEGAL REVIEW

Completed

RECOMMENDED BOARD ACTION (S)

Request the Village Clerk to open sealed bids received by 12:00 noon on Monday, June 9, 2025 submitted for the Village-owned property located at 17701 Bretz Drive.

ATTACHMENT(S)

Publication Notification