

VILLAGE OF HOMEWOOD



BOARD AGENDA MEMORANDUM

DATE OF MEETING: May 9, 2023

To: Village President and Board of Trustees

Through: Napoleon Haney, Village Manager

From: Angela Mesaros, Director of Economic and Community Development

Topic: Letter of Intent – 1221 175th Street

PURPOSE

Gene Steinmarch of Steinmarch Development Corporation has an interest in the purchase and redevelopment of the property at 1221 175th Street. This property is a three-story commercial building, which is owned by the Village. The building is located within the Northeast Tax Increment Financing District. The developer has requested that the Village hold the property for a period of time so that they can perform due diligence to either redevelop or find an end-user for the property.

PROCESS

The Village recently purchased the property at 1221 175th Street in February 2022, with the intent to redevelop the property. The property has been vacant for several years. The developer and Village Attorney prepared a letter of intent to be approved by the Village Board with the following terms of the agreement:

1. The developer intends to purchase and redevelop the property with an appropriately zoned use, which may include office, industrial, or commercial usage.
2. The developer has 120 days to perform due diligence.
3. The village will not negotiate with other parties during this due diligence period.
4. The developer will be given access to the property.
5. The developer and the Village will enter into a redevelopment agreement (RDA) for the sale and redevelopment of the property.
6. No money is required upfront from the developer, but if the developer decides not to develop the property, they will be responsible for their due diligence costs.

OUTCOME

The sale of the property will result in the reoccupation and renovation of a vacant building. The benefit of such a development is that it would return an underutilized property to productive use and strengthen and enhance the Village's tax base.

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FINANCIAL IMPACT

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

LEGAL REVIEW

Completed

RECOMMENDED BOARD ACTION

Approve a Letter of Intent with Steinmarch Development Corporation of Flossmoor, IL for the redevelopment of Village-owned property located at 1221 175th Street; and authorize the Village Manager to execute the Letter of Intent.

ATTACHMENT(S)

Letter of Intent