

VILLAGE OF ROSCOE

AGENDA ITEM - STAFF REPORT



Agenda Item:	Discussion of Donation of Vacant Property to Northern Illinois Landbank Authority (NILBA) for future Development – 11243 Main Street		
Date:	April 2, 2026	Meeting:	COTW - 04/07/2026
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Overview/Background Information

NILBA Background

The Northern Illinois Land Bank Authority (NILBA), also known as the Winnebago County Landbank, was established in 2019 through an intergovernmental agreement. The Village of Roscoe became a member in 2021. The Landbank utilizes the statutory authority of its member entities to acquire vacant, abandoned, or underutilized properties throughout Winnebago and Boone Counties and return them to productive use.

NILBA's mission is to combat community deterioration and promote economic development by facilitating the redevelopment of properties for housing, commercial use, open space, and employment opportunities. The organization is self-sustaining, operating through grant funding and proceeds from property sales.

Each member municipality maintains a direct role in governance, including voting authority on acquisitions, dispositions, and overall management. Importantly, NILBA cannot acquire or dispose of property within a member jurisdiction without prior written consent from that community's designated representative.

Rationale for Land Bank Partnership

Under typical circumstances, the Village's ability to convey property is limited. Disposition of publicly owned land generally requires declaring the property as surplus and selling it to the highest bidder, which limits the Village's ability to influence the ultimate use and quality of development beyond standard zoning controls.

By partnering with NILBA, the Village can utilize the Landbank's statutory authority to:

- Enter into development agreements with enforceable performance standards
- Establish clear timelines and project milestones
- Ensure the property is developed in alignment with the Village's adopted plans

This approach allows the Village to maintain a higher level of control over the redevelopment outcome while leveraging NILBA's expertise and resources to facilitate project completion.

Property History & Village Objectives

The Village purchased the 2.57-acre property located at 11243 Main Street in July 2023 for \$240,000. At the time of acquisition, the property contained a dilapidated structure that had been converted into multi-family rental units. Due to its condition and lack of viability for rehabilitation, the Village proceeded with demolition to prepare the site for future redevelopment.

In May 2025, the Village issued a Request for Proposals (RFP) with the stated purpose of offering a qualified developer the opportunity to transform the property into a signature mixed-use development for the emerging Main Street District.

This effort aligns with the Village's broader redevelopment strategy. Throughout 2024, the Village worked with consultants and stakeholders to develop and adopt the Main Street District Blueprint, which outlines a long-term vision for reinvestment, mixed-use development, and the creation of a vibrant downtown corridor. The redevelopment of this parcel is a key component of that strategy.

Key Issues

Developer Proposal

In early 2026, the Village received a development proposal from Darko Gligorevic of Ambassador Homes, LLC in response to the Village's solicitation efforts.

The proposal includes:

- Two (2) mixed-use buildings fronting Main Street with ground-floor commercial space
- Five (5) three-family residential buildings located toward the rear of the property

The developer has demonstrated experience in delivering similar residential and mixed-use projects in the region and has indicated the capacity to complete the proposed development. This development concept is consistent with the goals and recommendations outlined in the Main Street District Blueprint, including increasing housing density, activating the streetscape, and expanding the Village's commercial base.

Proposed Process. The anticipated process to advance the project is as follows:

- 1) **Village Approval** of a donation agreement transferring ownership of the property to NILBA
- 2) **Negotiation of a Development Agreement** between NILBA and Ambassador Homes, LLC, in consultation with the Village, establishing:
 - a. Final project scope and design
 - b. Development timeline
 - c. Performance obligations
- 3) **NILBA Board Approval** of the development agreement and subsequent property transfer to the developer
- 4) **Project Completion**, resulting in new mixed-use development and a strengthened northern anchor to the Main Street District

Fiscal Note/Budget Impact

The Village requested Region 1 Planning Council (R1) to prepare an economic and fiscal analysis of the proposed redevelopment, which is included in the Board packet for reference. The analysis indicates that the project represents an estimated \$4.9 million private investment and would deliver a mixed-use development consisting of 21 residential units and approximately 9,000 square feet of commercial space. While the project is currently slightly below typical lending thresholds, resulting in an estimated feasibility gap of approximately \$250,000, R1 concludes that a one-time Village participation at that level would be offset through new revenues and economic activity. Specifically, the Village is projected to receive approximately \$35,000 to \$40,000 annually in combined property and sales tax revenues, resulting in a payback period of roughly seven years.

In addition to direct fiscal impacts, the project is expected to generate broader economic benefits, including approximately \$9.7 million in total economic output and 36 job-years of employment during construction. Upon completion, the development is projected to generate approximately \$3.0 million in annual retail sales and contribute to long-term tax base growth within the Main Street District. Overall, the analysis concludes that a limited, one-time Village investment would leverage substantial private capital, activate a currently underutilized site, and produce sustained economic and fiscal returns consistent with common public-private redevelopment practices.

Action Required/Recommendation

Staff is requesting direction from the Committee of the Whole to proceed with finalizing a donation agreement with the Northern Illinois Land Bank Authority (NILBA) for the redevelopment of the property located at 11243 Main Street, for subsequent consideration and approval by the Village Board.

Attachments

DRAFT_Donation Agreement to NILBA_04032026
R1_ROI Analysis_11243_Main_02_02_2026.pdf
Ambassador Homes_11243 Main_Site Plan & Renderings