



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Details (With Text)

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Title: Authority to advertise Contract 19-360-11 for public tender of bids a 39-year lease on approximately 14.494 acres of District real estate located at 3426 South Kedzie Avenue in Chicago, Illinois; Main Channel Parcel 41.07. The minimum initial annual rental bid shall be established at \$350,000.00

Sponsors:

Indexes:

Code sections:

Attachments: 1. aerial MCP 41.07 - Quality Truck.pdf

Date	Ver.	Action By	Action	Result
12/20/2018	1	Board of Commissioners	Approved	Pass
12/20/2018	1	Committee of the Whole	Recommended	Pass

TRANSMITTAL LETTER FOR BOARD MEETING OF DECEMBER 20, 2018

COMMITTEE ON PROCUREMENT

Mr. Brian A. Perkovich, Executive Director

Authority to advertise Contract 19-360-11 for public tender of bids a 39-year lease on approximately 14.494 acres of District real estate located at 3426 South Kedzie Avenue in Chicago, Illinois; Main Channel Parcel 41.07. The minimum initial annual rental bid shall be established at \$350,000.00

Dear Sir:

On December 1, 2016, the Board of Commissioners authorized the commencement of statutory procedures to lease approximately 14.494 acres of District real estate located at 3426 South Kedzie Avenue in Chicago, Illinois; Main Channel Parcel 41.07 for a 39-year term. The site is currently vacant. The lead applicant, Quality Truck & Trailer Repair, Inc. ("Quality Truck"), has requested to lease the site for truck parking and equipment storage.

Pursuant to statute, the lead applicant, Quality Truck, has submitted two appraisals and the Law Department obtained a third appraisal as follows:

<u>Appraiser</u>	<u>Value</u>
Appraisal Associates William I. Enright, MAI (District's Appraiser)	\$3,500,000.00
LaSalle Appraisal Group, Inc. Joseph M. Ryan, MAI	\$ 625,000.00

Praedium Valuation Group
Mary Wagner, MAI

\$2,030,000.00

It is recommended that the subject real estate's fair market value be based upon the highest of the three appraisals and established at \$3,500,000.00, and that the minimum initial annual rental bid be established at 10% of the property's fair market value or \$350,000.00.

It is further recommended that the Executive Director recommend to the Board of Commissioners that it authorize and approve the issuance of the following orders:

1. The real estate comprising approximately 14.494 acres of District real estate located at 3426 South Kedzie Avenue in Chicago, Illinois; Main Channel Parcel 41.07, as depicted in the exhibit attached hereto, be declared surplus and not needed for the District's corporate purposes and available for lease as set forth herein.
2. The fair market value of the approximately 14.494 acres of real estate be established at \$3,500,000.00, and that the minimum initial annual rental be established at 10% thereof or \$350,000.00.
3. The Director of Procurement and Materials Management be authorized to advertise said approximately 14.494 acres of real estate as available for lease for a term of 39-years at the minimum initial annual rental bid of \$350,000.00, and report the results of the bidding to the Board of Commissioners for further action.

It is requested that the Executive Director recommend to the Board of Commissioners that it authorize the Director of Procurement and Materials Management to advertise Contract 19-360-11 for public tender of bids a 39-year lease on approximately 14.494 acres of District real located at 3426 South Kedzie Avenue in Chicago, Illinois; Main Channel Parcel 41.07. The minimum initial annual rental bid shall be established at \$350,000.00.

Requested, Susan T. Morakalis, General Counsel, STM:CMM:BJD:vp
Recommended, Darlene A. LoCascio, Director of Procurement and Materials Management
Respectfully Submitted, Barbara J. McGowan, Chairman Committee on Procurement
Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for December 20, 2018

Attachment