



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 amend lease agreement dated June 11, 2013, between the District and the City of Blue Island to surrender two portions comprising 1.27+ acres on Parcel 15.04 and 12.61+ acres on Parcel 14,02 of its 150+ acre leasehold located north and south of the Cal-Sag Channel between Kedzie Avenue and Fay's Point in Blue Island, Illinois.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Authority to Amend Lease to surrender 1.2 acres at Fay's Point in Blue Island - Aerial.pdf

Date	Ver.	Action By	Action	Result
1/9/2020	1	Board of Commissioners	Approved	Pass

TRANSMITTAL LETTER FOR BOARD MEETING OF JANUARY 9, 2020

COMMITTEE ON REAL ESTATE

Mr. Brian A. Perkovich, Executive Director

Authority to amend lease agreement dated June 11, 2013, between the District and the City of Blue Island to surrender two portions comprising 1.27+ acres on Parcel 15.04 and 12.61+ acres on Parcel 14,02 of its 150+ acre leasehold located north and south of the Cal-Sag Channel between Kedzie Avenue and Fay's Point in Blue Island, Illinois.

Dear Sir:

The City of Blue Island ("Blue Island") currently leases 150+ acres of District real estate located north and south of the Cal-Sag Channel between Kedzie Avenue and Fay's Point in Blue Island, Illinois; Cal-Sag Channel Parcels 14.01-14.02, 14.04-14.09, 14.11, 14.13, 15.03-15.07, 15.09-15.11 and 16.03 for public recreational use, constructing and maintaining the Cal-Sag Trail, hosting community events, and maintaining a parking lot and community gardens. The lease commenced June 11, 2013 and expires May 31, 2052. The annual rent is \$10.00, plus 25% of the net revenues generated by Blue Island's use of its leasehold.

Blue Island has requested to surrender two portions of its leasehold comprising 1.27+ acres and 12.61+ acres respectively, thereby reducing the leased acreage from 150+ acres to 136.12+ acres. Blue Island is requesting to surrender the 1.27+ acre portion of its leasehold so that the District can commence statutory leasing procedures for a new 5-year lease on that section of the site. The 1.27+ acre portion is located between Chatham Street and Division Street. Blue Island and Blue Island Organic Sustainable Farm ("BIOS Farm") have requested to lease this site for commercial farming purposes.

The District's technical departments have no objections to this lease request by Blue Island and BIOS Farm. A companion transmittal letter is on today's agenda seeking authority to commence statutory leasing procedures on this 1.27+ acre portion of Parcel 15.04.

Blue Island is also requesting to surrender the 12.61± acre portion of its leasehold because the site is needed by the District for corporate purposes as part of the Flood Control Project on Midlothian Creek in the Village of Robbins. The 12.61± acre portion is located between Kedzie Avenue and Francisco Avenue and comprises all of Parcel 14.02. Parcel 14.02 will be used as the outfall of a diversion channel from Midlothian Creek.

Surrendering the subject 1.27± acre and 12.61± acre portions will not affect the construction or operation of the Cal-Sag Trail.

It is requested that the Executive Director recommend to the Board of Commissioners that it authorize an amendment to the lease agreement dated June 11, 2013, between the District and the City of Blue Island to surrender two portions comprising 1.27± acres on Parcel 15.04 and 12.61± acres on Parcel 14.02 of its 150± acre leasehold located north and south of the Cal-Sag Channel between Kedzie Avenue and Fay's Point in Blue Island, Illinois.

Requested, Susan T. Morakalis, General Counsel, STM:EMA:CMM:vp

Recommended, Brian A. Perkovich, Executive Director

Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for January 9, 2020

Attachment