



# Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street  
Chicago, IL 60611

## Legislation Details (With Text)

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**Title:** Issue orders authorizing a third amendment to a 50-year lease between the District and the Mount Prospect Park District on the O'Hare CUP Reservoir site to extend the construction commencement date from May 20, 2010 to May 20, 2015

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Mt. Prospect Park District Map.pdf

Date	Ver.	Action By	Action	Result
6/3/2010	1	Committee of the Whole	Recommended	Pass
6/3/2010	1	Board of Commissioners	Approved	Pass

### TRANSMITTAL LETTER FOR BOARD MEETING OF JUNE 3, 2010

#### COMMITTEE ON REAL ESTATE

Mr. Richard Lanyon, Executive Director

Issue orders authorizing a third amendment to a 50-year lease between the District and the Mount Prospect Park District on the O'Hare CUP Reservoir site to extend the construction commencement date from May 20, 2010 to May 20, 2015

Dear Sir:

On July 13, 2000, the District's Board of Commissioners authorized the issuance of a 50-year lease to the Mount Prospect Park District ("Mt. Prospect") for 50.40 acres of District land to develop the O'Hare CUP Reservoir site into recreational facilities. The lease term is from December 1, 2000 to November 30, 2050. Mt. Prospect proposed to improve the site with a golf driving range, three-hole golf teaching course, miniature golf, perimeter bike path, a winter recreational area, and administration, maintenance and parking facilities. The annual rent under the lease is \$10.00. Upon construction of the improvements, the lease provides for the District to receive 25% of the net profits derived from the site.

The lease required Mt. Prospect to commence the construction of the recreational improvements within two years from the commencement date of the lease and to complete construction within three years from the commencement date of the lease. On June 3, 2004, the lease was amended to state that construction of the improvements shall commence no later than May 20, 2005.

In 2005, Mt. Prospect requested an additional five years to commence construction activities on the leasehold site. As a result, on January 20, 2005, the lease was again amended to provide for a May 20, 2010, construction commencement date. At that time, Mt. Prospect estimated that the project will cost between \$5,000,000.00 and \$10,000,000.00.

Recently, Mt. Prospect has requested a third amendment to its lease to provide for a May 20, 2015 construction commencement date. Mt. Prospect has indicated that the original plans proposed at the time the lease was entered into have become too costly and it is now contemplating less costly improvements such as mountain bike trails, paintball, disc golf, and supporting facilities.

It is requested that the Executive Director recommend to the Board of Commissioners that it authorize and approve a third amendment to a 50-year lease between the District and the Mount Prospect Park District on the O'Hare CUP Reservoir site to extend the construction commencement date from May 20, 2010 to May 20, 2015.

It is further requested that the Executive Director recommend to the Board of Commissioners that it authorize the Chairman of the Committee on Finance and the Clerk to sign the third amendment to lease once it is approved by the General Counsel as to form and legality.

Requested, Frederick M. Feldman, General Counsel, FMF:CL:SM:rg

Recommended, Richard Lanyon, Executive Director

Respectfully Submitted, Terrence J. O'Brien, Chairman Committee on Real Estate Development

Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for June 3, 2010

Attachment