



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 14-0273, **Version:** 1

TRANSMITTAL LETTER FOR BOARD MEETING OF APRIL 3, 2014

COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Authority to advertise Contract 14-363-11 for public tender of bids for a 10-year lease on 6.04 acres of District real estate located at 3219 Oakton Street in Skokie, Illinois; North Shore Channel Parcels 6.06 and 6.11. The minimum initial rental bid shall be established at \$170,000.00

Dear Sir:

On July 11, 2013, the District's Board of Commissioners authorized the commencement of statutory procedures to lease the subject real estate and authorized the waiver of the North Shore Channel Resolution thereon. This site is currently occupied by Monarch Asphalt Company and Oakton-McCormick, LLC (collectively referred to as "Monarch") under a permit. Monarch has requested to lease this site upon expiration of the permit. The permit, as extended, expires on June 30, 2014.

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

<u>Appraiser</u>	<u>Value</u>
Appraisal Associates William J. Enright, MAI (District's Appraiser)	\$1,700,000.00
Kelly Appraisal Consultants, Inc. Patrick M. Kelly, MAI	\$1,470,000.00
MaRous & Company Michael S. MaRous, MAI CRE	\$1,235,000.00

It is recommended that the subject real estate's fair market value be based upon the highest of the three appraisals and established at \$1,700,000.00 and that the minimum annual rental bid be established at 10% of the property's fair market value or \$170,000.00.

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 consisting of 6.04 acres located at 3219 Oakton Street in Skokie, Illinois, and known as North Shore Channel Parcels 6.06 and 6.11 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 6.04 acres of real estate be established at \$1,700,000.00 and that the minimum initial annual rental be established at 10% thereof or \$170,000.00.
3. The Director of Procurement and Materials Management be authorized to advertise said 6.04 acres of real estate as available for lease for a term of ten (10) years at the minimum initial annual rental bid of \$170,000.00 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 14-363-11 for public tender of bids for a 10-year lease of 6.04 acres of District real estate located at 3219 Oakton Street in Skokie, Illinois; North Shore Channel Parcels 6.06 and 6.11. The minimum initial annual rental bid shall be established at \$170,000.00.

Requested, Ronald M. Hill, General Counsel, RMH:STM:BO'C:vp

Recommended, Darlene A. LoCascio, Director of Procurement and Materials Management

Respectfully submitted, Mariyana Spyropoulos, Chairman Committee on Real Estate

Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for April 3, 2014

Attachment