



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 14-1443, **Version:** 1

TRANSMITTAL LETTER FOR BOARD MEETING OF DECEMBER 4, 2014

COMMITTEE ON REAL ESTATE

Mr. David St. Pierre, Executive Director

Authority to enter into a 39-year lease agreement with the Village of Willow Springs for the continued use as a Metra commuter parking lot on approximately 2.13 acres of District real estate located west of Willow Springs Road and south of the Main Channel in Willow Springs, Illinois; Main Channel Parcel 29.04. Consideration shall be an initial annual rent of \$12,000.00

Dear Sir:

The Village of Willow Springs ("Willow Springs") leases approximately 2.13 acres of District real estate under a lease agreement between Willow Springs and the District that commenced January 1, 1989 and expires December 31, 2014. The permitted use under the lease is for the operation of a Metra commuter parking lot. The current rent under the lease is 8% of the gross parking receipts. The District receives approximately \$2,000.00/year.

Willow Springs has requested a new 39-year lease upon expiration of the current lease for the same purpose. The District's technical departments have reviewed the subject request and reported there are no objections to granting Willow Springs a 39-year lease agreement.

The parties have obtained appraisals on the leasehold site as follows:

<u>Appraiser</u>	<u>Value</u>
Appraisal Associates William J. Enright, MAI (District's Appraiser)	\$200,000.00
The Gorman Group, Ltd Robert Gorman, MAI	\$111,444.00
Robert C. Wessel Associates, Ltd Robert Wessel	\$28,000.00

It is District policy to assess the annual rent based on 6% of the site's highest appraisal when leasing District real estate to a governmental entity for non-recreational purposes. It is therefore recommended that the subject real estate's fair market value be based upon the highest of the three appraisals and established at \$200,000.00, and that the initial annual rent be established at 6% of the property's fair market value or \$12,000.00.

Under 70 ILCS 2605/8c(11), said lease will be terminated upon one year notice if it is determined that the premises become essential to the District's corporate purposes.

It is requested that the Executive Director recommend to the Board of Commissioners that it authorize a 39 year lease agreement with the Village of Willows Springs for the continued use as a Metra commuter parking lot on approximately 2.13 acres of District real estate located west of Willow Springs Road and south of the Main Channel in Willow Springs, Illinois; Main Channel Parcel 29.04. Consideration shall be an initial annual rent of \$12,000.00.

It is further requested that the Executive Director recommend to the Board of Commissioners that it authorize and direct the Chairman of the Committee on Finance and the Clerk to execute said lease agreement after same is approved by the General Counsel as to form and legality.

Requested, Ronald M. Hill, General Counsel, RMH:STM:MLD:vp

Recommended, David St. Pierre, Executive Director

Respectfully submitted, Mariyana T. Spyropoulos, 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 December 4, 2014

Attachment