



# Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street  
Chicago, IL 60611

## Legislation Text

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**File #:** 15-0650, **Version:** 1

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### **TRANSMITTAL LETTER FOR BOARD MEETING OF JUNE 18, 2015**

#### COMMITTEE ON REAL ESTATE

Mr. David St. Pierre, Executive Director

Authority to amend lease agreement dated July 13, 2000, between the District and the Mount Prospect Park District on 50.40 acres of District real estate located at the Majewski Reservoir site to extend the construction commencement date to May 20, 2020 for constructing, operating and maintaining recreational facilities. Consideration shall be a nominal fee of \$10.00

Dear Sir:

On July 13, 2000, the Board of Commissioners authorized the issuance of a 50-year lease to the Mount Prospect Park District ("Mt. Prospect") on 50.40 acres of District real estate located at the Majewski Reservoir site, f/k/a the O'Hare CUP Reservoir site, for construction and operation of recreational facilities ("Lease"). The Lease commenced December 1, 2000 and expires November 30, 2050. 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. Mt. Prospect initially 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 site contains large spoil piles deposited on site from the excavation of the Majewski Reservoir.

The Lease required Mt. Prospect to commence construction of the recreational improvements within two years from the Lease commencement date. The Lease, as amended, provides for a construction commencement date of May 20, 2015. Mt. Prospect indicated that the original plans proposed at the time the Lease was entered into would cost between \$5 million and \$10 million and that it was contemplating less costly improvements such as mountain bike trails, paintball, disc golf, and supporting facilities.

In 2014, the District, ISTHA and Mt. Prospect entered into an Intergovernmental Agreement allowing ISTHA to remove 500,000 cubic yards of soil from the spoil piles for roadway improvement work in connection with the construction of the O'Hare Western Access Project. The removal of the soil by ISTHA from Mt. Prospect's leasehold will aid it in implementing its site improvement work. Accordingly, Mt. Prospect has requested an amendment to its Lease to provide for an additional five (5) years to commence construction of its improvements so that ISTHA can remove the spoil piles from its leasehold. ISTHA has estimated that the spoil piles will be removed within three (3) years. A companion transmittal letter is on today's agenda seeking authority to issue a three (3) year permit to ISTHA allowing it to remove 500,000 cubic yards of soil from its leasehold site.

It is requested that the Executive Director recommend to the Board of Commissioners that it authorize and approve an amendment to the lease agreement dated July 13, 2000, between the District and the Mount Prospect Park District on 50.40 acres of District real estate located at the Majewski Reservoir site to extend the construction commencement date to May 20, 2020 for constructing, operating and maintaining recreational facilities. Consideration shall be a nominal fee of \$10.00.

It is also requested that the Executive Director recommend to the Board of Commissioners that the Chairman of the Committee on Finance and the Clerk be authorized and directed to execute said amendment to lease agreement after it 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 June 18, 2015

Attachment