



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 15-1105, **Version:** 1

TRANSMITTAL LETTER FOR BOARD MEETING OF OCTOBER 1, 2015

COMMITTEE ON REAL ESTATE

Mr. David St. Pierre, Executive Director

Consent to Alsip MiniMill, LLC's encumbrance of its easement interest on 9,700 sq. ft. of District real estate located north of the Cal-Sag Channel and east of Crawford Avenue, in Alsip, Illinois, known as Cal-Sag Channel Parcel 13.04. Consideration shall be a \$2,500.00 document preparation fee

Dear Sir:

On June 18, 2015, the District granted a 25-year non-exclusive easement to Alsip MiniMill, LLC ("Alsip MiniMill") on 9,700 sq. ft of District real estate located north of the Cal-Sag Channel and east of Crawford Avenue in Alsip, Illinois, and known as Cal-Sag Channel Parcel 13.04 to maintain and operate a pumping station, intake conduit, and sewer ("Easement"). The Easement supports Alsip MiniMill's paper mill operations on privately owned adjacent land. The current annual Easement fee is \$2,500.00.

Alsip MiniMill is in the process of reconfiguring its paper mill facility and is seeking financing from MB Financial Bank, N.A. to finance such work. Alsip MiniMill's lender is requiring that it lien certain property belonging to Alsip MiniMill, including its easement interest on District property. Alsip MiniMill is seeking the District's consent to place such an encumbrance on its Easement interest.

Under the Easement, Alsip MiniMill may not encumber any part of its interest in the Easement without the prior written consent of the District, which may not be unreasonably withheld. The financing will not result in any transfer of Alsip MiniMill's ownership interest in the Easement nor will it relieve Alsip MiniMill of any of its responsibilities to the District under the Easement. The liens for the financing will in no way attach to the District's ownership in the underlying real estate. Rather, the liens will only attach to Alsip MiniMill's Easement interest.

It is requested that the Executive Director recommend to the Board of Commissioners that it consent to Alsip MiniMill, LLC's encumbrance of its easement interest on 9,700 sq. ft. of District real estate located north of the Cal-Sag Channel and east of Crawford Avenue, in Alsip, Illinois, known as Cal-Sag Channel Parcel 13.04. Consideration shall be a \$2,500.00 document preparation fee.

It is also 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 Consent to Encumbrance after it is approved by the General Counsel as to form and legality.

Requested, Ronald M. Hill, General Counsel, RMH:STM:CMM: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 October 1, 2015

Attachment