



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 16-0756, **Version:** 1

TRANSMITTAL LETTER FOR BOARD MEETING OF AUGUST 4, 2016

COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Authority to advertise Contract 16-364-11 for public tender of bids a 10-year lease of approximately 6.5 acres of District real estate located at 3615 Oakton Street in Skokie, Illinois and known as North Shore Channel Parcels 5.01, 5.02 and 5.03. The minimum initial annual rental bid shall be established at \$342,360.00

Dear Sir:

The District has received a request from Skokie Motor Sales, Inc., d/b/a Sherman Dodge ("Sherman Dodge") to lease the subject 6.5 acres located at 3615 Oakton Street in Skokie and known as North Shore Channel Parcels 5.01, 5.02 and 5.03 for parking and storing cars in conjunction with its nearby car dealership.

In accordance with the leasing statute, the lead applicant, Sherman Dodge, was required to obtain two appraisals and the District obtained a third appraisal as follows:

<u>Appraiser</u>	<u>Value</u>
Appraisal Associates William J. Enright, MAI (District's Appraiser)	\$3,423,600.00
Real Valuation Services Andrew Richter, MAI	\$2,300,000.00
C.A.S.E. Chicagoland, Inc. Toby J. Sorensen, MAI	\$1,475,000.00

It is recommended that the subject real estate's fair market value be based upon the highest of the three appraisals and established at \$3,423,600.00, and that the minimum initial annual rental bid be established at 10% of the property's fair market value or \$342,360.00.

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 approximately 6.5 acres located at 3615 Oakton Street in Skokie, Illinois, and known as North Shore Channel Parcels 5.01, 5.02 and 5.03, 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 6.5 acres of real estate be established at \$3,423,600.00, and that the

minimum initial annual rental be established at 10% thereof or \$342,360.00; and

3. The Director of Procurement & Materials Management be authorized to advertise said 6.5 acres of real estate as available for lease for a term of 10-years at the minimum initial annual rental bid of \$342,360.00 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 16-364-11 for public tender of bids a 10-year lease of approximately 6.5 acres of District real estate located at 3615 Oakton Street in Skokie, Illinois, and known as North Shore Channel Parcels 5.01, 5.02 and 5.03. The minimum initial annual rental bid shall be established at \$342,360.00.

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

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

Respectfully Submitted, Barbara J. McGowan, Chairman Committee on Procurement

Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for August 4, 2016

Attachment