



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 16-0890, **Version:** 1

TRANSMITTAL LETTER FOR BOARD MEETING OF SEPTEMBER 1, 2016

COMMITTEE ON REAL ESTATE

Mr. David St. Pierre, Executive Director

Authority to purchase the real estate commonly known as 6611 West 86th Street in Burbank, IL for the construction of the Melvina Ditch Reservoir Improvements and authority for payment to Frank J. Pajak, the owner of said real estate, in an amount of \$385,000.00, relocation costs in an amount not to exceed \$19,907.00 and closing costs, Account 401-50000-656010, Capital Improvements Bond Fund

Dear Sir:

On May 7, 2015, the Board of Commissioners ("Board") adopted Ordinance No. R15-004 establishing the right-of-way for the construction, operation and maintenance of the vertical and horizontal expansion of the Melvina Ditch Reservoir ("Reservoir") located north of 87th Street and west of Natchez Avenue in Burbank, IL (Contract 14-263-3F) ("Project"). Said Ordinance authorized and directed the Executive Director to negotiate with the respective owners to acquire fee simple title or such lesser interests, as appropriate, in and to the real estate described in the Ordinance. On June 2, 2016, the Board adopted Ordinance R16-004, which amended R15-004 to include an additional tract on which a temporary easement is needed for the Project.

On August 4, 2016, the Board authorized the District to enter into an intergovernmental agreement with the City of Burbank and the Village of Oak Lawn for the Project. The Project consists of vertical and horizontal expansion of the District's Reservoir and associated pump station improvements to address flooding in Burbank and Oak Lawn. The Project, once constructed, will significantly increase the capacity of the existing reservoir and reduce water surface elevations and downstream overflows in the Melvina Ditch watershed. The Project requires the acquisition of 15 residential properties adjacent to the Reservoir.

One such parcel is owned by Frank J. Pajak and is located at 6611 West 86th Street in Burbank. The parcel comprises 0.227 acres and is improved with an approximately 2,858 square foot, single family residence. The District and the homeowner have reached a negotiated settlement for acquisition in the amount of \$385,000.00 for fee simple title to the property. It is the opinion of the General Counsel and Special Counsel, Neal & Leroy, that this amount is within the range of value for the subject property based on the fair market value appraisal obtained by the District.

The District's relocation consultant Urban Relocation Services, Inc. has determined that the owner is eligible for relocation costs of approximately \$19,907.00. These relocation costs are required to be paid by the District under the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act. This total amount includes the maximum replacement housing cost, reasonable moving expenses, and closing costs. The amount is subject to adjustment based upon the actual costs incurred.

Accordingly, it is requested that the Executive Director recommend to the Board of Commissioners that it adopt the following orders:

1. That the subject real estate be purchased by the District for the amount of \$385,000.00, plus closing costs;
2. That the Chairman of the Committee on Finance and the Clerk be authorized and directed to execute the Real Estate Sales Contract effecting the aforesaid purchase, after it is approved by the General Counsel as to form and legality;
3. That the General Counsel be authorized and directed to execute and deliver all other documents and take such other actions as may be necessary to effectuate said purchase and to attain possession of said property; and
4. That the Executive Director be authorized to make intermittent payments to the owner, in an amount not to exceed \$19,907.00, plus closing costs, for eligible costs in connection with relocation, as provided for in the Uniform Relocation Assistance and Real Property Acquisition Policies Act.

Requested, Ronald M. Hill, General Counsel and Catherine A. O'Connor, Director of Engineering;RMH:CAO:SM:BJD:TN: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 September 1, 2016

Attachment