



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 17-0957, **Version:** 1

TRANSMITTAL LETTER FOR BOARD MEETING OF SEPTEMBER 14, 2017

COMMITTEE ON REAL ESTATE

David St. Pierre, Executive Director

Authority to commence statutory procedures to lease 9+/- acres of District real estate located west of Cicero Avenue and south of the Cal-Sag Channel in Crestwood, Illinois; Cal-Sag Channel Parcel 11.04 (portion)

Dear Sir:

The Village of Crestwood has requested to lease an approximately 9 acre section of Cal-Sag Channel Parcel 11.04 ("Parcel 11.04"). The site is currently vacant. The intended use is for a hotel and banquet hall development. The requested term is 60 years, in accordance with Board policy involving a lease for commercial development when such term is necessary to finance the development. Parcel 11.04 comprises approximately 22 acres and is being divided into 3 separate leaseholds to allow for commercial development under leases acquired pursuant to the competitive bid process and one lease for public recreational use.

In conformance with such approach, on April 6, 2017, the Board of Commissioners ("Board") authorized the District to lease to the Village of Crestwood ("Crestwood") an approximate 6 acre portion of Parcel 11.04 for public recreational purposes for use as a public park, a walking trail, and a detention basin. This lease contains a 30' wide setback area along the entire length of Parcel 11.04, adjacent to and parallel with the Cal-Sag Channel. On June 15, 2017, the Board awarded a competitive bid lease to Crestwood on the approximate eastern 7 acre portion of Parcel 11.04 for a mixed use retail development. Under this lease, Crestwood pays an annual rent in the amount of \$158,000.00. The Crestwood leases are each for a 60-year term. Crestwood now requests to lease the remaining portions of Parcel 11.04, which are presently vacant and comprise the approximate western 4 acres and the middle 5 acres of the parcel.

The District's Waterway Strategy Resolution applies to all District leases entered into after 1984 and requires a 60' foot open-space setback from the water's edge. Because the subject site is long and narrow, being approximately 275' wide, and is already bordered by a 30' setback under Crestwood's public recreational lease, it is recommended that the remaining 30' of the 60' open-space setback requirement be waived in this instance due to the remaining limited area of the site.

The District's technical departments have reviewed this lease request and have indicated that the subject site is not currently needed for corporate use and that they have no technical objections thereto.

It is requested that the Executive Director recommend to the Board of Commissioners that it authorize and direct the Acting General Counsel to commence statutory procedures to lease 9+/- acres of District real estate located west of Cicero Avenue and south of the Cal-Sag Channel in Crestwood, Illinois; Cal-Sag Channel Parcel 11.04 (portion).

Requested, Susan T. Morakalis, Acting General Counsel, STM:CMM:vp

Recommended, David St. Pierre, Executive Director

Respectfully Submitted, David J. Walsh, 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 14, 2017

Attachment