



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 19-0182, **Version:** 1

TRANSMITTAL LETTER FOR BOARD MEETING OF FEBRUARY 21, 2019

COMMITTEE ON REAL ESTATE

Mr. Brian A. Perkovich, Executive Director

Authority to purchase the real estate commonly known as 1536 North 43rd Avenue in Stone Park, Illinois for the construction of the Addison Creek Channel Improvement Project (Contract 11-187-3F) and authority for payment to Oxford Bank & Trust as Trustee under Trust Number 1083, the owner of said real estate, in an amount of \$240,000.00, plus closing costs, and relocation costs in an amount not to exceed \$26,415.00, Account 401-50000-656010, Capital Improvements Bond Fund

Dear Sir:

On August 6, 2015, the Board of Commissioners ("Board") adopted Ordinance No. R15-006 establishing the right-of-way for the construction, operation and maintenance of the Addison Creek Channel Improvement Project located in the municipalities of Northlake, Stone Park, Melrose Park, Bellwood, Westchester, and Broadview (Contract 11-187-3F) ("Project"). Ordinance R15-006 was subsequently amended by Ordinances R15-007 and R18-003 to include additional right-of-way needed for the Project.

Said Ordinances 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 Ordinances.

On September 6, 2018, the Board authorized the District to enter into intergovernmental agreements with the City of Northlake, Village of Stone Park, Village of Melrose Park, Village of Bellwood, Village of Westchester, and Village of Broadview for the Project. The proposed channel improvements are broken down into nine reaches along approximately 15,300 linear feet of Addison Creek beginning at Hirsch Street in the City of Northlake and continuing to Cermak Road in the Village of Broadview. The Addison Creek channel improvements, along with the proposed Addison Creek Reservoir, will provide flood reduction benefits to approximately 2,200 properties.

The Project requires the acquisition of several residential properties located in the right-of-way. One such parcel is owned by Oxford Bank & Trust as Trustee under Trust Number 1083, and the beneficial owner of the Trust is Harry Bargamian ("Owner"). The property is located at 1536 North 43rd Avenue in Stone Park, Illinois. The parcel comprises 3,654 square feet and is improved with an approximately 2,844 square-foot two-unit residence. The District and the Owner have reached a negotiated settlement for acquisition in the amount of \$240,000.00 for fee simple title to the property. It is the opinion of the General Counsel and Special Counsel, Neal & Leroy, LLC, 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 residence was occupied by two tenants. The District's relocation consultant, Urban Relocation Services, Inc., has determined that the tenants are eligible for relocation costs of approximately \$26,415.00. 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

payment, reasonable moving expenses, and potential closing costs for both tenants. 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 \$240,000.00, 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 tenants, in an amount not to exceed \$26,415.00, for eligible costs in connection with relocation, as provided for in the Uniform Relocation Assistance and Real Property Acquisition Policies Act.

Requested, Susan T. Morakalis, General Counsel and Catherine A. O'Connor, Director of Engineering;
STM:CAO:EMA:BJD:TN:nm

Recommended, Brian A. Perkovich, Executive Director

Respectfully Submitted, Marcelino Garcia, 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 February 21, 2019

Attachment