



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 10-0110, **Version:** 1

TRANSMITTAL LETTER FOR BOARD MEETING OF FEBRUARY 4, 2010

COMMITTEE ON REAL ESTATE

Mr. Richard Lanyon, Executive Director

Authority to issue a 9-month permit extension to Corn Products, U.S. on approximately 14.02 acres of District land located at 6400 South Archer Avenue in Bedford Park, Cook County, Illinois, and known as Main Channel Parcel 33.01. Consideration shall be a fee of \$71,250.00

Dear Sir:

Corn Products, U.S. ("Corn Products") occupies approximately 14.02 acres of District land located at 6400 South Archer Avenue, in Bedford Park, Cook County, Illinois, and known as Main Channel Parcel 33.01 under a 9-month permit that expired December 31, 2009. Corn Products originally occupied the site under a long-term lease that has expired. This site is used to operate a pumping station in conjunction with adjacent property used to manufacture and distribute corn products. Upon expiration of the lease, Corn Products continued to occupy the site under a permit pending completion of statutory leasing procedures.

In due course, staff recommended the site be made available for leasing; however, due to variation in methods of preparing the appraisals by the appraisers, Corn Products objected to the highest market value and the bidding process was delayed. In February 2009, an independent appraisal review was conducted and new or updated appraisals were recommended by the reviewer. The updated appraisals submitted by Corn Products in September 2009 and a new appraisal obtained by the District are being independently reviewed. Corn Products requests an extension of its permit to allow it to continue to occupy the site pending completion of the independent review and completion of the statutory leasing procedures. It is recommended that the permit be extended for 9-months.

The District's most current appraised value of \$950,000.00 is used as the basis for the permit fee of \$71,250.00 which is based upon 10% of the pro rata share of the property's fair market value.

It is requested that the Executive Director recommend to the Board of Commissioners that it authorize the issuance of a 9-month permit extension to Corn Products, U.S. on approximately 14.02 acres of District land located at 6400 South Archer Avenue in Bedford Park, Illinois, and known as Main Channel Parcel 33.01. Consideration shall be a fee of \$71,250.00.

It is further requested that the Executive Director recommend to the Board of Commissioners that it authorize the Chairman of the Committee on Finance and the Clerk to execute said permit extension agreement once approved by the General Counsel as to form and legality.

Requested, Frederick M. Feldman, General Counsel, FMF:CL:JCC:rg

Recommended, Richard Lanyon, Executive Director

Respectfully Submitted, Terrence J. O'Brien, 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 4, 2010

Attachment