



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Details (With Text)

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Title: Authority to advertise Contract 17-363-11 for public tender of bids a 60-year lease on seven (7) acres of District real estate located south of the Cal-Sag Channel and west of Cicero Avenue in Crestwood, Illinois; eastern portion of Cal-Sag Channel Parcel 11.04. The minimum initial annual rental bid shall be established at \$260,000.00

Sponsors:

Indexes:

Code sections:

Attachments: 1. Aerial Map.Parcel 11.04.pdf

Date	Ver.	Action By	Action	Result
1/5/2017	1	Board of Commissioners	Approved	Pass
1/5/2017	1	Committee of the Whole	Recommended	Pass

TRANSMITTAL LETTER FOR BOARD MEETING OF JANUARY 5, 2017

COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Authority to advertise Contract 17-363-11 for public tender of bids a 60-year lease on seven (7) acres of District real estate located south of the Cal-Sag Channel and west of Cicero Avenue in Crestwood, Illinois; eastern portion of Cal-Sag Channel Parcel 11.04. The minimum initial annual rental bid shall be established at \$260,000.00

Dear Sir:

On February 18, 2016, the Board of Commissioners authorized the commencement of statutory procedures to lease the subject property located south of the Cal-Sag Channel and west of Cicero Avenue in Crestwood, Illinois and known as the eastern portion of Cal-Sag Channel Parcel 11.04. The site is currently vacant. Hamilton Partners has requested to lease this site for commercial development purposes.

Pursuant to statute, the lead applicant, Hamilton Partners, submitted two appraisals and the Law Department obtained a third appraisal as follows:

<u>Appraiser</u>	<u>Value</u>
CohnReznick Patricia McGarr, MAI (District's appraiser)	\$2,600,000.00
Landauer Valuation & Advisory Daniel Costello, MAI	\$1,500,000.00

Madison Appraisal, LLC
Joseph J. Calvanico, MAI \$1,050,000.00

It is recommended that the subject real estate's fair market value be based upon the highest of the three appraisals and established at \$2,600,000.00 and that the minimum initial annual rental bid be established at 10% of the property's fair market value or \$260,000.00.

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 seven (7) acres located south of the Cal-Sag Channel and west of Cicero Avenue in Crestwood, Illinois, and known as the eastern portion of Cal-Sag Channel Parcel 11.04 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 seven (7) acres of real estate be established at \$2,600,000.00 and that the minimum initial annual rental be established at 10% thereof or \$260,000.00.
3. The Director of Procurement and Materials Management be authorized to advertise said seven (7) acres of real estate as available for lease for a term of sixty (60) years at the minimum initial annual rental bid of \$260,000.00 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 17-363-11 for public tender of bids a 60-year lease of seven (7) acres of District real estate located south of the Cal-Sag Channel and west of Cicero Avenue in Crestwood, Illinois and known as the eastern portion of Cal-Sag Channel Parcel 11.04. The minimum initial annual rental bid shall be established at \$260,000.00.

Requested, Ronald M. Hill, General Counsel, RMH:SM: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 January 5, 2017

Attachment