



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 17-0004, Version: 1

TRANSMITTAL LETTER FOR BOARD MEETING OF JANUARY 5, 2017

COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Authority to advertise Contract 17-362-11 for public tender of bids a 39-year lease on 5.65± acres of vacant District real estate located at 4101 South Cicero Avenue in Chicago, Illinois; Main Channel Parcel 40.01. The minimum initial annual rental bid shall be established at \$177,500.00

Dear Sir:

On October 15, 2015, the Board of Commissioners authorized the commencement of statutory procedures to lease the subject real estate located at 4101 South Cicero Avenue in Chicago, Illinois. The site is currently vacant. The requested use is for a construction and demolition recycling center.

Pursuant to statute, the lead applicant Reliable Materials Lyons, LLC, submitted two appraisals and the Law Department obtained a third appraisal as follows:

<u>Appraiser</u>	<u>Value</u>
Appraisal Associates William J. Enright, MAI (District's Appraisal)	\$1,775,000.00
CohnReznick LLP Patricia McGarr, MAI	\$1,050,000.00
Renzi & Associates, Inc. Neil J. Renzi, MAI	\$ 970,000.00

It is recommended that the subject real estate's fair market value be based upon the highest of the three appraisals and established at \$1,775,000.00 and that the minimum annual rental be established at 10% of the property's fair market value or \$177,500.00.

It is further recommended that the Executive Director recommend to the Board of Commissioners that it authorize and approve the following orders:

1. The real estate consisting of 5.65± acres located at 4101 South Cicero Avenue in Chicago, Illinois; Main Channel Parcel 40.01 depicted in the exhibit attached hereto, be declared surplus and not currently needed for the District's corporate purposes and available for lease as set forth herein;
2. The fair market value of 5.65± acres of real estate be established at \$1,775,000.00 and that the

minimum annual rental be established at 10% of the property's fair market value or \$177,500.00; and

3. The Director of Procurement & Materials Management be authorized to advertise said 5.65± acres of District real estate as available for lease for a term of 39-years at the minimum initial annual rental bid of \$177,500.00 and report the results of the bidding to the Board of Commissioner 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 17-362-11 for public tender of bids a 39-year lease on 5.65± acres of vacant District real estate located at 4101 South Cicero Avenue in Chicago, Illinois; Main Channel Parcel 40.01. The minimum initial annual rental bid shall be established at \$177,500.00.

Requested, Ronald M. Hill, General Counsel, RMH:STM:npe

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