



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 21-362-11 for public tender of bids a 39-year lease on 9.3+ acres of District real estate located south of the Main Channel and west of Central Avenue in Forest View, Illinois; Main Channel Parcel 38.13. The minimum initial annual rental bid shall be established at \$200,000.00

Sponsors:

Indexes:

Code sections:

Attachments: 1. RE - Authority to advertise 39-year lease on MC 38.13.pdf

Date	Ver.	Action By	Action	Result
8/5/2021	1	Board of Commissioners	Approved	Pass

TRANSMITTAL LETTER FOR BOARD MEETING OF AUGUST 5, 2021

COMMITTEE ON PROCUREMENT

Mr. Brian A. Perkovich, Executive Director

Authority to advertise Contract 21-362-11 for public tender of bids a 39-year lease on 9.3+ acres of District real estate located south of the Main Channel and west of Central Avenue in Forest View, Illinois; Main Channel Parcel 38.13. The minimum initial annual rental bid shall be established at \$200,000.00

Dear Sir:

On July 15, 2021, the Board of Commissioners ("Board") authorized the commencement of statutory procedures to lease the subject District real estate located south of the Main Channel and west of Central Avenue in Forest View, Illinois; Main Channel Parcel 38.13, for a 39-year term. The lead applicant, Lakeshore Recycling Systems, LLC ("Lakeshore"), has requested to lease the site for operation of a recycling facility, storage yard, transfer station, barge terminal and other related uses.

Pursuant to statute, Lakeshore, as lead applicant, 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 appraiser)	\$2,000,000.00
Chicago Commercial Appraisal Group David J. Lehman, MAI	\$1,310,000.00

Borysow Appraisal
Paul Borysow, MAI

\$ 990,000.00

It is recommended that the subject real estate's fair market value be based upon the highest of the three appraisals and established at \$2,000,000.00, and that the minimum initial annual rental bid be established at 10% of the property's fair market value or \$200,000.00.

1. The real estate comprising 9.3± acres of District real estate located south of the Main Channel and west of Central Avenue in Forest View, Illinois; Main Channel Parcel 38.13, as 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 9.3± acres of real estate be established at \$2,000,000.00, and that the minimum initial annual rental be established at 10% thereof or \$200,000.00.
3. The Director of Procurement and Materials Management be authorized to advertise said 9.3± acres of real estate as available for lease for a term of 39 years at the minimum initial annual rental bid of \$200,000.00 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 21-362-11 for public tender of bids a 39-year lease on 9.3± acres of District real estate located south of the Main Channel and west of Central Avenue in Forest View, Illinois; Main Channel Parcel 38.13. The minimum initial annual rental bid shall be established at \$200,000.00.

Requested, Susan T. Morakalis, General Counsel, STM:MTC:CMM
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 August 5, 2021

Attachment