

Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street Chicago, IL 60611

Legislation Text

File #: 17-0958, Version: 1

TRANSMITTAL LETTER FOR BOARD MEETING OF SEPTEMBER 14, 2017

COMMITTEE ON REAL ESTATE

Mr. David St. Pierre, Executive Director

Authority to issue a 9 ½ month permit to United Parcel Service, Inc. on 20.5 acres of District real estate located at the Cal-Sag Channel and Ridgeland Avenue in Alsip, Illinois and known as the Ridgeland Avenue Drying Facilities; Cal-Sag Channel Parcel 10.04 (eastern portion) for storing and parking trucks and trailers. Consideration shall be \$779,000.00

Dear Sir:

United Parcel Service, Inc. ("UPS") has requested a permit for certain months in the years 2017 through 2019 that would allow seasonal use of the eastern 20.5 acres of District real estate located at the Cal-Sag Channel and Ridgeland Avenue in Alsip, Illinois and known as the Ridgeland Avenue Drying Facility ("Ridgeland Facility"); Cal-Sag Channel Parcel 10.04 (eastern portion) for storing and parking trucks and trailers. UPS requests use of the site from September 15, 2017 to January 31, 2018, and September 1, 2018 to January 31, 2019. These months represent the time of year when UPS requires additional land for parking trucks and trailers due to demands related to the holiday season.

Although the Ridgeland Facility has been designated by the U.S. Army Corps of Engineers ("Corps") as a confined disposal facility in conjunction with the Calumet River and Cal-Sag dredging projects, it is not presently needed for such purpose. Christy Webber Landscapes ("Christy") currently uses the western 12 acres of the Ridgeland Facility under a District permit for mulching and storing leaves, and storing and parking trucks and trailers. The Ridgeland Facility contains sufficient acreage to allow both permits. Any permit issued to UPS would require UPS to coordinate its activities with Christy. The technical departments have no objections to making the Ridgeland Facility available for such use by UPS. A permit allows the District the right to terminate the agreement, if necessary, due to the Corps' needs.

The recommended permit fee is \$779,000.00, which represents the pro-rata share of over 10% of the fair market value of the land, based upon recent appraisals of nearby comparable sites.

It is requested that the Executive Director recommend to the Board of Commissioners that it authorize and approve the issuance of a 9 ½ month permit to United Parcel Service, Inc. on 20.5 acres of District real estate located at the Cal-Sag Channel and Ridgeland Avenue in Alsip, Illinois and known as the Ridgeland Avenue Drying Facilities; Cal-Sag Channel Parcel 10.04 (eastern portion) for storing and parking trucks and trailers. Consideration shall be \$779,000.00.

It is also requested that the Executive Director recommend to the Board of Commissioners that it authorize and direct the Chairman of the Committee on Finance and the Clerk to execute the permit agreement after it is approved by the Acting General Counsel as to form and legality.

Requested, Susan T. Morakalis, Acting General Counsel, STM:CMM:BJD:vp

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Recommended, David St. Pierre, Executive Director Respectfully Submitted, David J. Walsh, 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 September 14, 2017

Attachment