



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 20-0757, Version: 1

TRANSMITTAL LETTER FOR BOARD MEETING OF SEPTEMBER 17, 2020

COMMITTEE ON REAL ESTATE

Mr. Brian A. Perkovich, Executive Director

Authority to purchase the real estate commonly known as 1516 N. 40th Avenue in Stone Park, Illinois, for the construction of the Addison Creek Channel Improvement Project (Contract 11-187-3F) and authority for payment to Jose Escamilla, the owner of said real estate, in an amount of \$225,000.00, plus closing costs, Account 501-50000-656010, Stormwater Management Fund

Dear Sir:

On August 6, 2015, the Board of Commissioners ("Board") adopted Ordinance No. R15-006 establishing the right-of-way for the construction, operation and maintenance of the Addison Creek Channel Improvement Project located in the municipalities of Northlake, Stone Park, Melrose Park, Bellwood, Westchester, and Broadview (Contract 11-187-3F) ("Project"). Ordinance R15-006 was subsequently amended by Ordinances R15-007, R18-003, and R19-002 to include additional right-of-way needed for the Project. Said Ordinances authorized and directed the Executive Director to negotiate with the respective owners to acquire fee simple title or such lesser interests, as appropriate, in and to the real estate described in the Ordinances.

On September 6, 2018, the Board authorized the District to enter into intergovernmental agreements with the City of Northlake, Village of Stone Park, Village of Melrose Park, Village of Bellwood, Village of Westchester, and Village of Broadview for the Project. The proposed channel improvements are broken down into nine reaches along approximately 15,300 linear feet of Addison Creek beginning at Hirsch Street in the City of Northlake and continuing to Cermak Road in the Village of Broadview. The Addison Creek channel improvements, along with the proposed Addison Creek Reservoir, will provide flood reduction benefits to approximately 2,200 properties.

The Project requires the acquisition of the property commonly known as 1516 N. 40th Avenue in Stone Park, Illinois. The property is improved with a two-unit residential building containing approximately 2,318 square feet. The District originally made an offer to acquire a permanent easement to construct the channel improvements; however, after a detailed review of the project design and modeling, the full acquisition of this Property will enhance the Project. The property is near the creek and would have remained in the flood plain even after project completion. Through this purchase, the structure will be demolished as part of the channel improvement work and will be used to facilitate the construction of those channel improvements. After these improvements are completed, the property will be transferred to the Village of Stone Park to be maintained as open space to maximize the flood benefits. Due to the proximity of the property to the creek, and the fact that it was already listed for sale, the Village and the property owner also preferred a full acquisition over establishing a permanent easement on a portion of the property.

The District and the Owner have reached a negotiated settlement for this acquisition in the amount of \$225,000.00 for fee simple title to the property. It is the opinion of the General Counsel and Special Counsel, Neal & Leroy, LLC, that this amount is within the range of value for the subject property based on the fair

market value appraisal obtained by the District. The District's appraisal, prepared by Woodland Valuation Services, LLC, was \$225,000.00. The tenants at this property had month-to-month leases which will terminate before closing, so no relocation costs are anticipated.

Accordingly, it is requested that the Executive Director recommend to the Board of Commissioners that it adopt the following orders:

1. That the subject real estate be purchased by the District for the amount of \$225,000.00, plus closing costs;
2. That the Chairman of the Committee on Finance and the Clerk be authorized and directed to execute the Real Estate Sales Contract affecting the aforesaid purchase, after it is approved by the General Counsel as to form and legality; and
3. That the General Counsel be authorized and directed to execute and deliver all other documents and take such other actions as may be necessary to effectuate said purchase and to attain possession of said property.

Requested, Susan T. Morakalis, General Counsel and Catherine A. O'Connor, Director of Engineering;
STM:CAO:EMA:BJD:CN:nm

Recommended, Brian A. Perkovich, Executive Director

Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for September 17, 2020

Attachment