

PROPOSAL FOR LAND ACQUISITION SERVICES

City of Aurora



**Aurora Transportation
Center**

**Santacruz Land
Acquisitions** 

2650 Valor Drive · Glenview, IL 60026
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EXECUTIVE SUMMARY

Having extensive experience with right of way projects, we understand the importance of keeping on schedule. On-time lettings gives the City of Aurora, the Local Public Agency (“LPA”) the best use of its resources and strengthens the efficiencies in the implementation of its roadway improvement program. To achieve your goals, it is critical that your land acquisition consultant understands the importance and addresses three critical issues in your acquisition of right of way:

- Deliver the right of way on-time to meet the letting
- Manage the acquisition risks, including the cost of condemnation litigation
- Compliance with the Uniform Relocation Assistance and Real Property Act of 1970, as amended (Uniform Act), IDOT land acquisition policies and procedures and FWHA policies.

CRITICAL ISSUE 1: DELIVER THE RIGHT-OF-WAY ON-TIME TO MEET LETTING

Delivery of right of way on-time keeps the project on its letting schedule. We understand that nothing is more important to the LPA. We also know that keeping the land acquisition on-time and within budget is a measurement of success for the LPA. When a project does not meet its letting schedule, we know it can impact the budget for the LPA, causing scheduling conflicts with potential contractors and also affect other economic factors which govern the delivery of the overall roadway improvement program for the LPA.

Our solution is to assemble a team of industry leading right of way professionals that have years of experience working on land acquisition projects with the understanding of what needs to be done to complete an acquisition on time.

Santacruz Land Acquisitions will work with the staff for the LPA to develop a land acquisition plan for project consisting of the Aurora Transportation Center, IL25 and the pedestrian bridge over the Fox River (the “Project”) to assure that the goals are met. Beginning with waiver valuations on the appraisal side, we look for ways to reduce the time on the acquisition cycle. With years of right of way acquisition work, we have a large database of real estate representatives for corporate acquisitions to cut down the time spent in the initial steps of locating the real estate representative for each property.

All of these efficiencies lead to ways in which we minimize our time with an acquisition and translate to your project staying on schedule.

CRITICAL ISSUE 2: MANAGE THE ACQUISITION RISKS

Equally important as the scheduled letting is the acquisition budget for the Project. Cost overruns can jeopardize a project from moving forward. Because real estate costs can represent a significant portion of the budget for a transportation project, our team will suggest ways to minimize impacts and reduce costs in challenging acquisitions. We will also work with the LPA to minimize the condemnation referrals that impact the budget for this Project. By the same token, our team will quickly identify parcels in the very beginning of the process that have title issues that can only be resolved through condemnation.

Through experience, we know that a portion of the parcels will need to be acquired through condemnation. As such, your land acquisition consultant needs to have knowledge of the legal requirements necessary to position an agency for condemnation. Our team possesses that knowledge and has years of experience providing “expert witness” testimony in these matters.

Santacruz Land Acquisitions is made up of skilled right of way professionals with a vast background in real estate and civil engineering with respect to transportation projects which gives us the ability to recognize issues and resolve them before they create delays.

CRITICAL ISSUE 3: COMPLIANCE WITH GOVERNMENT REGULATIONS

All land acquisition services must be performed in accordance with the Uniform Relocation Assistance and Real Property Act of 1970, as amended (Uniform Act). In addition, we are familiar with IDOT’s land acquisition guidelines, policies and procedures.

WHY SANTACRUZ LAND ACQUISITIONS?

As you review our proposal, you will see that the team that Santacruz Land Acquisitions has assembled is versatile, experienced and qualified to deliver the full scope of the land acquisition needs for the LPA. What sets apart our team is:

- Years of successful on-time delivery of right of way land acquisition services to various other agencies
- Diverse set of real estate acquisition disciplines including backgrounds in law and civil engineering
- Extensive experience with complex valuations and acquisitions
- Title review experience, including familiarity with all types of recorded documents affecting real estate and knowledge on how to clear title
- Experience in reviewing plats and legal descriptions, as well as an ability to review and understand roadway construction plans
- Expertise with the Uniform Relocation Assistance and Real Property Act of 1970, as amended (Uniform Act), Illinois Eminent Domain Act (735 ILCS 30), IDOT Land Acquisition Guidelines.
- Familiarity with IDOT policies and procedures related to land acquisition and appraisals.

Our solution is to apply our team’s extensive collective decades of experience complying with federal and state laws and maximizing the team’s knowledge of the land acquisition policies of IDOT.

ADDITIONAL COMPONENT OF OUR PROPOSAL: BEP UTILIZATION

Santacruz Land Acquisitions is a BEP with Central Management Services, a DBE with IDOT and an MBE with Cook County and the City of Chicago.

TEAM ORGANIZATION

Santacruz Land Acquisitions has assembled a versatile team of professional right of way consultants with the experience to deliver successful land acquisition services and meet the letting dates of the project. J. Steve Santacruz, President of Santacruz Associates Ltd. d/b/a Santacruz Land Acquisitions will lead the team as Project Manager. The team brings a wealth of experience in land acquisition for governmental agencies and related real estate law and civil engineering disciplines to assure the proper handling of even the most complicated of acquisitions. Additionally, the key members of the Santacruz Land Acquisitions team have collaborated in the past on projects.

SUMMARY

With a long history of successful delivery of a variety of right of way projects on-time, within budget and to our client's satisfaction, we look forward to the opportunity to assist the LPA with its land acquisition needs

COMPENSATION

Santacruz Land Acquisitions shall be entitled to the compensation as shown on the attached schedule. Our cost proposal, based on **seven (7)** projected parcels of right-of-way, is as follows:

| | |
|-----------------------------------|---------------------|
| <u>APPRAISALS/WAIVERS:</u> | \$14,800.00. |
| <u>REVIEW APPRAISALS:</u> | \$6,500.00. |
| <u>NEGOTIATIONS:</u> | \$17,500.00. |

As directed, Santacruz Land Acquisitions shall invoice the LPA for any fees and charges related to the acquisitions including, without limitation, (i) the cost of the later date title commitments, (ii) the cost of title insurance policies obtained on the parcels to be acquired, (iii) the cost of recording any necessary documents to complete the conveyance and obtain clear title, (iv) lender's fees related to the processing of any partial releases needed to provide clear title, and (v) land trustee processing fees. Santacruz Land Acquisitions shall include **\$400.00** per parcel for these charges. Santacruz Land Acquisitions shall pay any such fees and charges in excess of the **\$400.00** per parcel allowance for which Santacruz Land Acquisitions shall be entitled to additional compensation in the amount of any such payments pursuant to a separate work order issued.

Santacruz Land Acquisitions will attend and/or participate in up to four (4) hours of meetings and conference calls for consultations on the project. This will include, without limitation, kick-off meetings, planning discussions, project strategy development and review of parcels with acquisition challenges.

Based on the projected total number of parcels of right-of-way to be acquired for the Project, the land acquisition negotiation services provided herein are offered a cost not to exceed of **\$42,600.00** as follows:

| | |
|-------------------------------|--------------------|
| Land Acquisition Services | \$38,800.00 |
| Consultation/Meeting Services | \$1,000.00 |
| Direct Billable Expenses | \$2,800.00 |

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TECHNICAL APPROACH

Santacruz Land Acquisitions shall perform all necessary services in the preparation of appraisals and review appraisals and the negotiation of the acquisition of necessary properties required for the completion of the Project. All services shall be performed at the direction of the LPA and Consultant in accordance with the policies and procedures of IDOT, as applicable, the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (“Uniform Act”), as amended (49 CFR Part 24), the Illinois Eminent Domain Act (735 ILCS 30) (“Eminent Domain Act”) and the Illinois Code of Civil Procedure (“Code of Civil Procedure”).

Santacruz Land Acquisitions will review the highway construction plans with the LPA and/or the Consultant to understand the nature and purpose of the project.

Santacruz Land Acquisitions agrees to perform the services as set forth herein as well as furnish and deliver to the LPA the final reports accompanied by all necessary documents needed for recordation and/or necessary for eminent domain proceedings. **The process described in this section has been the roadmap to many successful right of way projects for Santacruz Land Acquisitions helping us help you keep your projects on-time and within budget.**

LAND ACQUISITION CRITICAL PATH STEPS – “OUR ROAD MAP”

Task 1: Notice to Proceed

Our services start within one week (or sooner, if requested) of an authorization to proceed from the LPA.

Task 2: Kick-off Meeting

Santacruz Land Acquisitions will meet with the LPA and/or Consultant to discuss the Project, identify issues and develop any necessary strategies to assure the timely completion of the Project. At that time, we will identify the subconsultants that shall be assigned to the Project to perform the appraisal and review appraisal functions.

Task 3: Delivery and Review of Project Information

The LPA or Consultant will provide Santacruz Land Acquisitions with plats of highway, legal descriptions, the most recent title commitments and any other pertinent information regarding the property owner for each parcel assigned for acquisition. In addition, the LPA or Consultant will also provide us with a set of project plans, including, (i) plan and profile, (ii) drainage and utilities, (iii) pavement markings and (iv) cross sections.

Task 4: Introductory Notice to Owners

The assigned Appraiser will notify the property owner of the proposed taking and the beginning the valuation process of the property. The notice will invite the property owner to be present during the inspection by the appraiser.

Task 5: Appraisal / Waiver Valuation

All appraisal work shall be completed within the time frame provided by the LPA at the time the project is assigned.

The Appraiser will review the plat of highways and the construction plans to determine the type of appraisal to be used for each parcel. The Appraiser shall make a detailed inspection of the properties and make such investigations and studies as are consistent with industry standard and necessary to derive sound conclusions for the preparation of appraisal reports.

While IDOT has revised its policies regarding waiver valuations, their use on this Project would be available at this time. Waiver valuations would require coordination with the LPA. In addition, waiver valuations can only be used if the right-of-way is acquired in the name of the LPA.

It should be noted that a waiver valuation is not an appraisal and may not be represented to be an appraisal. Accordingly, when an offer to purchase based on a waiver valuation is rejected and the

parcel is referred to condemnation, an appraisal, written by a qualified staff or fee appraiser, must be written and reviewed.

Santacruz Land Acquisitions will provide guidance to the LPA in making its decision on whether or it should proceed with waiver valuations for this Project.

The Appraiser shall assist in analyzing and responding to valuation information provided by a property owner in support of a counter offer. At the request of the LPA or Consultant, Santacruz Land Acquisitions will furnish and deliver updated or revised appraisals resulting from a revision to the right of way or for condemnation purposes.

We understand that appearances in court and/or pretrial conferences, which may include depositions, and preparation for litigation or pre-trial conferences may be required by the LPA so that it may complete the acquisition of the property through condemnation. In such case, at the request of the LPA or its trial counsel, the Appraiser assigned to appraise the parcel shall make any such appearances or complete such preparation work in order to assist with this process. Such requests will be pursuant to a separate work order.

Task 6: Review Appraisal

All appraisals will be reviewed by the Review Appraiser assuring that all items affecting the value of the property have been considered in the appraisal.

The Review Appraiser will complete the Right of Way Appraisal Review Certification (using the form designated by IDOT) and a copy will be attached to the appraisal delivered by Santacruz Land Acquisitions.

At the request of the LPA or Consultant, Santacruz Land Acquisitions will furnish and deliver updated or revised appraisals and/or reviews resulting from a revision to the right of way or for condemnation purposes. Such requests will be pursuant to a separate work order.

Task 7: Negotiation and Acquisition

All negotiations and acquisition services shall be provided by Santacruz Land Acquisitions after approval by the LPA of the amount of just compensation to be offered to the property owner.

The Negotiator will not have any authority to determine administrative settlements. The Negotiator will consult with the LPA for approval of any counter offers and upon acceptance by the LPA of any such counter offer, Santacruz Land Acquisitions will prepare the necessary documentation for administrative settlement.

Prior to the start of negotiations, the Negotiator will review the plats of highway and appraisals for each parcel before the start of negotiations with a property owner to understand the valuation and impact to the property. Santacruz Land Acquisitions will review the title commitment provided for each parcel to determine the liens and encumbrances that will need to be addressed in order to complete the acquisition process for the LPA. Santacruz Land Acquisitions will direct any questions to the LPA or Consultant resulting from its review of the plans, plats, appraisals and title commitments so that Santacruz Land Acquisitions is prepared for any issues raised by the property owner during negotiations.

Before contacting the owner of a parcel, Santacruz Land Acquisitions will prepare and send the introductory letter to the property owner on the LPA's letterhead. This letter will provide a general statement of the Project, identify the property and the legal property owner, and briefly state the right of requirements necessary from the parcel. This letter shall also contain contact information for Santacruz Land Acquisitions and a representative of the LPA.

Santacruz Land Acquisitions will prepare an offer package for presentation to the owner at the first meeting. The offer package shall contain the Basis for Computing Total Approved Compensation and Offer to Purchase (in the format approved by IDOT), a copy of the plat of highway with the

acquisition areas highlighted and a copy of the legal descriptions of the parcels to be acquired. If, after repeated efforts to contact the property owner to schedule a meeting to present the offer, Santacruz Land Acquisitions is unable to make contact with the property owner, or if the property owner is located out of town, or at the request of the property owner to have the offer package mailed, Santacruz Land Acquisitions will send the offer package by certified mail so that a receipt of delivery can be established.

Santacruz Land Acquisitions will personally contact the property owner a minimum of three times before making a determination that the acquisition of the parcel cannot be successfully negotiated. In most cases, Santacruz Land Acquisitions will exceed the minimum number of contacts in an attempt to make all reasonable efforts to reach a settlement before recommending that the LPA commence condemnation proceedings. All contacts and efforts to make contact with the property owner shall be documented in the negotiator's report maintained by Santacruz Land Acquisitions for each parcel.

If, during its discussions with the property owner, errors in the plans are discovered or the property owner requests design changes, Santacruz Land Acquisitions will immediately notify LPA or Consultant with this information. At any time during negotiations for situations involving design changes, errors in plans or for any other reason, if requested by LPA or Consultant, Santacruz Land Acquisitions will cease negotiations on certain parcels until corrected information or further instruction is provided to Santacruz Land Acquisitions.

Upon successful negotiations with the property owner, Santacruz Land Acquisitions will prepare all necessary conveyance documents in the forms provided by and approved by IDOT in order to complete the acquisition and obtain title approval for the property. Santacruz Land Acquisitions will submit the completed parcel file with original conveyance documents, any documents necessary for title clearance, the Negotiator's Log

documenting all negotiation activities, copies of all correspondence with the property owner, title commitments, plats, and all other documentation as required by the LPA.

In the event that Santacruz Land Acquisitions, after having made every reasonable effort to contact and negotiate with the owner of a parcel, is unable to obtain a settlement on the approved appraisal amount, Santacruz Land Acquisitions shall prepare and submit to the LPA a completed parcel file with its recommendation to acquire the parcel by means of condemnation. In addition, the file will include the Negotiator's Log, copies of all correspondence with the property owner, title commitments, plats, and all other documentation as required by the LPA.

We understand that appearances in court and/or pretrial conferences, which may include depositions, and preparation for litigation or pre-trial conferences may be required by the LPA so that it may complete the acquisition of the property through condemnation. In such case, at the request of the LPA or its trial counsel, the Negotiator assigned to negotiate the parcel shall make any such appearances or complete such preparation work in order to assist with this process. Such requests will be pursuant to a separate work order.

PERSONNEL

The experience and talent of the right of way professionals that make up the team for Santacruz Land Acquisitions will, to a large extent, be the basis for the success of keeping this Project on-time and within budget. J. Steve Santacruz brings over twenty years of right of way acquisition experience to lead this team as its project manager. Steve has worked on thousands of acquisition parcels for ISTHA, IDOT, Cook, Kane, Lake, and Will Counties. He has also worked for numerous township and municipalities. Steve has a reputation in the right of community of being able to handle the most complex of land acquisition transactions.

The internal support team members for Santacruz Land Acquisitions include Robin Weber, a real estate paralegal with over twenty years of experience in closing residential and commercial real estate transactions, and Jonathan Abplanalp, a District 1 fee negotiator.

Each of our team members, including our subconsultants, have relevant experience working collaboratively with professionals of other disciplines and other agencies. They understand the importance of effective coordination throughout the land acquisition process.

PRIOR EXPERIENCE

Santacruz Land Acquisitions was founded in 1992 as Santacruz Associates Ltd. and has grown to be one of the most dependable right of way negotiation firms in IDOT's District 1. Since it opened, Santacruz Land Acquisitions has been providing comprehensive right of way solutions, including negotiation activities and the coordination of the valuations of parcels for various public agencies. Our proprietary database overlay allows us to handle hundreds of parcels at one time keeping deadlines organized for each of our different clients.

Our team brings an array of services and broad disciplines in real estate which give us a distinct advantage in handling even the most complex of your land acquisition projects. In addition, our team of subconsultants is not new to each other as we have collaborated together on various other projects.

Our team has delivered real estate solutions for its public agencies balancing risk management and letting dates on some of the largest and most intricate projects in the State.

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EXHIBITS

a. Pricing Schedule

Compensation for Services

Appraisal Services (based on complexity)

| | |
|--|-------------------------|
| Appraisals | \$1,800.00 - \$4,000.00 |
| Waiver Valuations | \$1,500.00 |
| Revision to appraisal due to change in ROW or plans ¹ | \$1,200.00 - \$4,000.00 |

Review Appraisal Services (based on complexity)

| | |
|---|-----------------------|
| Review Appraisals | \$800.00 - \$2,000.00 |
| Revision to review appraisal due to change in ROW or plans ¹ | \$600.00 - \$2,000.00 |

Negotiation Services (based on complexity)

| | |
|---|-------------------------|
| Negotiation and acquisition services for Right of Way including, without limitation, documentation of conveyance of property interest | \$2,400.00 - \$2,750.00 |
|---|-------------------------|

Witness Services

| | |
|--|------------|
| Rate for each ½ day in pretrial conference or in court for Negotiator ¹ | \$1,000.00 |
| Rate for each ½ day in pretrial conference or in court for Appraiser ¹ | \$1,000.00 |
| Hourly rate for consultation not otherwise specifically provided for herein | \$250.00 |

Title Services (if applicable)

| | |
|--|---------|
| Later date commitment – In addition to actual recording costs + Administrative fee | \$25.00 |
| Title insurance policies – In addition to actual recording costs + Administrative fee | \$25.00 |
| Recording of Documents – In addition to actual recording costs + Administrative fee | \$25.00 |
| Copies of recorded documents – In addition to actual copying costs & research fees + Administrative fee | \$25.00 |

¹ Requires additional work order.

AGREEMENT FOR LOCAL PUBLIC AGENCY LAND ACQUISITION, NEGOTIATION AND APPRAISAL SERVICES

JOB NO.:
PROJECT NO.:
ROUTE: Aurora Transportation Center
SECTION: 16-000313-00-MS
COUNTY: Kane

LOCAL PUBLIC
AGENCY (LPA): City of Aurora
ADDRESS: 44 East Downer Place, Aurora, IL 60507

PROJECT: Aurora Transportation Center

1. THIS AGREEMENT FOR LOCAL PUBLIC AGENCY LAND ACQUISITION, NEGOTIATION AND APPRAISAL SERVICES (hereinafter referred to as the “Agreement”) is made by and between Santacruz Associates Ltd. d/b/a Santacruz Land Acquisitions whose address is 310 Happ Road, Suite 206, Northfield, IL 60093 (hereinafter referred to as “Negotiator”) and LPA for certain negotiation, appraisal and review appraisal services concerning the acquisition of right of way (hereinafter referred to as the “Land Acquisition Services”) for the future construction of improvements to the Project (as defined above). Said Land Acquisition Services are fully described and shall be in accordance with the Scope of Services attached hereto as Exhibit A and made a part hereof.

2. Said Land Acquisition Services shall be furnished by Negotiator at the rates as provided for in Exhibit A. Said Land Acquisition Services shall be conducted in accordance with Chapters 2, 3 and 4 of the Land Acquisition Policies and Procedures Manual (hereinafter referred to as the “Manual”) of the Illinois Department of Transportation (hereinafter referred to as “IDOT”) and the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (hereinafter referred to as the “Act”), as well as any policies or procedures of LPA.

3. LPA will furnish Negotiator with parcel plats, legal descriptions, title reports or evidence of ostensible ownership for each parcel. It is understood and agreed that LPA shall be considered to be the owners of all plats, legal descriptions, ownership and occupancy records, forms of deeds and easements, title reports, and any and all other material furnished, prepared or obtained by Negotiator during the course of providing the Land Acquisition Services in accordance with this Agreement. Upon termination of this contract for any reason, or upon completion of the negotiation and/or acquisition of each parcel, as the case may be, the file for each said parcel maintained by the Negotiator shall be delivered to LPA. Negotiator's parcel files shall be available for inspection or review of its contents by LPA personnel at any time during normal business hours.

4. Where the acquisition of a parcel involves the displacement of an owner or tenant occupant from a residence or any personal property thereof, Negotiator and LPA shall determine how relocation assistance will be provided to the property owner. LPA acknowledges that no relocation services are a part of this Agreement unless a specific amendment to this Agreement covering such relocation services has been signed by Negotiator and LPA.

5. It is understood that appearances in court and pretrial conferences may be required in relation to said Land Acquisition Services and it is agreed that such appearance or appearances shall be made upon request of LPA or trial counsel hired by LPA (or IDOT, as the case may be). LPA acknowledges that no such services for appearing in court or at pretrial conferences are a part of this Agreement unless a specific amendment to this Agreement covering such services has been signed by Negotiator and LPA.

6. It is agreed that Negotiator may be expected to attend planning or status meetings with LPA and/or their respective agents in order to facilitate said Land Acquisition Services. In such cases, Negotiator shall be entitled to additional of compensation from LPA in the amount \$175.00 per hour.

7. Invoices for negotiation services will be submitted for payment to LPA each month for services rendered by Negotiator in the previous month. All invoices will show the parcel number or numbers and the services provided for those parcels. Invoices for services in connection with pretrial conferences and court testimony or other services will show the items listed above and in addition, will include a statement of the nature of services performed and amount of time thereon. Invoices shall be paid by LPA within 45 days or shall be subject to interest of 1% per month.

8. Negotiator warrants that he/she has not employed or retained any company or person, other than a bonafide employee working solely for him/her, to solicit or secure this contract, and that Negotiator has not paid or agreed to pay any company or person, other than a bonafide employee working solely for Negotiator, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of the contract.

9. Negotiator hereby certifies that, if any conflict of interests arises in any of the parcels subsequently assigned, Negotiator will immediately inform LPA for a resolution of said conflict.

10. Changes in the work to be performed under this Agreement may be made at any time in writing by LPA. If such changes justify an increase or decrease in the compensation as set forth in Exhibit A, an equitable adjustment shall be made and this Agreement shall be modified accordingly. Documentation prepared by Negotiator which is considered inadequate will be augmented and errors will be corrected upon request without additional cost.

11. LPA may terminate this Agreement at any time and for any cause by a notice in writing to Negotiator. In the event of such termination, payment will be made to Negotiator for the services which have been provided to date.

12. This Agreement shall be binding on Negotiator and LPA and their respective executors, administrators, successors or assigns, as may be applicable.

13. This Agreement shall be governed by Illinois law.

IN WITNESS WHEREOF, the parties hereto have caused this Subcontract Agreement for Local Public Agency Land Acquisition Negotiation and Appraisal Services to be executed and delivered on the date written below.

For SANTACRUZ ASSOCIATES LTD.:


_____ Date: May 15, 2016
J. Steve Santacruz, President

For CITY OF AURORA:

_____ Date: _____
By: _____
Its: _____