



STAFF REPORT

DATE:

TO: Ted Henry, City Manager

FROM: Anne Stephens, City Engineer

RE: 45th Street Land Acquisition

Current Situation:

As the 45th Street Reconstruction project moves through the design process, Garver has identified 18 parcels of property that the City will need to either purchase right-of-way, acquire a temporary construction easement, or acquire a permanent drainage easement.

Goals:

- To acquire the land necessary for the project in a timely manner following KDOT's land acquisition guidelines.

Discussion:

The process of obtaining temporary construction easements and permanent right-of-way is a very time intensive process. In a nutshell, the steps are as follows:

1. Preparation of individual parcel descriptions and exhibits that show exactly what land needs to be acquired.
2. Conduct an appraisal, which includes a valuation for each parcel of land so the City has a "fair market value" for each parcel needed.
3. Valuations approved by City Council.
4. Property owners contacted to start the negotiation process.
5. Transactional documents prepared and signed by both parties.

Since this project is federally funded, there are specific guidelines that must be followed during each step. Staff recommends contracting with a company who has performed similar acquisitions and is familiar with the KDOT process so we do not jeopardize the process or the federal funding.

Financials:

The City is required to pay 100% of all land acquisition costs related to the 45th Street Reconstruction project. The City's portion of this project will be paid for with temporary note proceeds. After three years, the temporary note will be refinanced with a GO Bond and the City will pay annual debt service payment over the next 20 years.

Staff contacted three firms to provide quotes on land acquisition services and of which only three responded.

Bowman Realty Consultants, LLC

Just Compensation Valuation Service	Amount
Single Family Residential	\$900.00
Non-Single Family Residential	\$900.00
Appraisal fee for damages in excess of \$10,000	
Single Family Residential	\$300.00 (Hourly)
Non-Single Family Residential	\$300.00 (Hourly)
Acquisition Services	
Single Family Residential	\$4,500.00
Non-Single Family Residential	\$4,500.00
Hourly rate for Additional Services, including Condemnation Proceedings	\$250/Hour
Other Fees	
Title Services	\$525.00 (Per Parcel)
Closing & Recording Services	\$700.00 (Per Parcel)
Review Appraisal	\$2,500.00 (Per Parcel)

Skeens Consulting Services

Just Compensation Valuation Service	Amount
Single Family Residential	\$850.00
Non-Single Family Residential	\$1,150.00
Appraisal fee for damages in excess of \$10,000	
Single Family Residential	\$1,250.00
Non-Single Family Residential	\$1,700.00
Acquisition Services	
Single Family Residential	\$900.00
Non-Single Family Residential	\$1,100.00
Hourly rate for Additional Services, including Condemnation Proceedings	\$275.00/Hour – Allen
	\$375.00/Hour – Kevin/Derek
Other Fees	
Title Work O&E Reports	\$250.00 (Per Tract)
Review Appraisal – Single Family Residential	\$900.00
Review Appraisal – Non-Single Family Residential	\$1,200.00

Land Acquisitions, Inc.

Just Compensation Valuation Service	Amount
Single Family Residential	\$450.00/parcel
Non-Single Family Residential	\$450.00/parcel
Appraisal fee for damages in excess of \$10,000	
Single Family Residential	\$2,500.00
Non-Single Family Residential	\$1,700.00
Acquisition Services	
Single Family Residential	\$1,900.00
Non-Single Family Residential	\$1,900.00
Hourly rate for Additional Services, including Condemnation Proceedings	\$225.00/Hour
Other Fees	
Title Work	\$300.00 (Per Tract)
Review Appraisal	\$750.00

Recommendation:

Skeens Consulting Services and Land Acquisitions, Inc., have both worked in the area and are familiar with obtaining properties following KDOT's Land Acquisition Guidelines. They are also both comparable in fees, with Skeens Consulting Services being slightly less.

Skeens Consulting Services provided the land acquisition services on both the Woodlawn, 37th to 45th Reconstruction Project as well as the 53rd, Oliver to Woodlawn Reconstruction Project.

Land Acquisitions, Inc., has performed right-of-way and easement acquisition services on multiple projects for the City of Wichita and KDOT.