

DISTRICT #6

**VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION**

For Inclusion on Board Agenda

<u> X </u>	Resolution or Ordinance (Blue)	<u> </u>	Waiver of First Requested
<u> </u>	Recommendations of Boards, Commissions & Committees (Green)		
<u> </u>	Other Business (Pink)		

TO: PRESIDENT AND BOARD OF TRUSTEES

FROM: William T. Lichter, Village Manager

DATE: January 6, 2004 (COW) (B of T) **Date:** January 15, 2004

TITLE: Special Assessment 218 (Grace Avenue and Fairfield Avenue)
Home Appraisal Services Agreement

SUBMITTED BY: David A. Dratnol, P.E., Village Engineer *[Signature]*

BACKGROUND/POLICY IMPLICATIONS:

See Memo

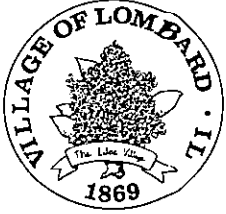
FISCAL IMPACT/FUNDING SOURCE:

Total Contract Amount: \$14,500
HTE Project: 0330
Account: 8735.755700
PW Project Number: ST-03-06

Review (as necessary):

Village Attorney X	_____	Date _____
Finance Director X <i>[Signature]</i>	_____	Date _____
Village Manager X	_____	Date _____

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 noon, Wednesday, prior to the Agenda Distribution.



InterOffice Memo

To: William T. Lichter, Village Manager
From: David A. Dratnol, P.E., Village Engineer *Dratnol*
Date: January 7, 2004
Subject: SA 218 (Grace & Fairfield Avenues)
Home Appraisal Services Agreement

The Engineering Division is requesting approval of a contract in the amount of \$14,500 to appraise 33 single-family homes, 2 vacant lots, 1 church and 3 commercial buildings in the Special Assessment 218 project area. The attached letter from Associated Property Counselors, Ltd. describes the scope of work and terms and conditions of the contract in detail.

Associated Property Counselors, LTD has provided appraisal services for the SA 217 (Lombard Lagoons). The Village Attorney has worked with Associated Property Counselors, LTD in other related municipal real estate issues.

In consulting with the Village Attorney, it was determined that appraisal of the affected properties in the SA 218 project area would be a prudent course of action. This process was also used in relation to Special Assessment 216 and 217. By Illinois statute, the Village cannot assess a property an amount in excess of the benefit received by the property through a special assessment. In other words, the assessments cannot exceed the difference between the post-improvement and pre-improvement fair market values of the various parcels being assessed. Property owners will not participate in the sanitary sewer work; however, stormwater management, roadway improvement (storm sewer, curb and gutter and full depth asphalt pavement), street lighting, sidewalks and engineering fees are all eligible for the 70/30 Village/Resident cost participation per Village policy. Given the preliminary estimates for the project, it is projected that many properties will have their assessment share "capped out". By having an appraisal done for each property, the Village Attorney can have the assessment roll properly distributed prior to the public hearing and filing with the court. In addition, having an appraisal readily available for any court proceeding or negotiated assessment adjustment can minimize contested assessments and reduce project delays.

Please place this item on the Board of Trustees agenda for the meeting scheduled on the January 15, 2005. This item was presented to the Board of Local Improvements on January 8, 2004 and was recommended for approval. If approved please return all paperwork to Engineering for further processing.

RESOLUTION
R_____04

A RESOLUTION AUTHORIZING SIGNATURE OF
PRESIDENT AND CLERK ON AN AGREEMENT

WHEREAS, the Corporate Authorities of the Village of Lombard have received an Agreement between the Village of Lombard, and Associated Property Counselors, Ltd. regarding the SA 218 (Grace and Fairfield Avenues) project as attached hereto and marked Exhibit "A"; and

WHEREAS, the Corporate Authorities deem it to be in the best interest of the Village of Lombard to approve such agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF LOMBARD, DU PAGE COUNTY, ILLINOIS as follows:

SECTION 1: That the Village President be and hereby is authorized to sign on behalf of the Village of Lombard said agreement as attached hereto.

SECTION 2: That the Village Clerk be and hereby is authorized to attest said agreement as attached hereto.

Adopted this _____ day of _____, 2004.

Ayes: _____

Nays: _____

Absent: _____

Approved this _____ day of _____, 2004.

William J. Mueller
Village President

ATTEST:

Barbara Johnson
Deputy Clerk

APPROVAL AS TO FORM:

Thomas P. Bayer
Village Attorney

ASSOCIATED PROPERTY COUNSELORS, LTD.

Real Estate Appraisers and Consultants

Main Office
3027 Ridge Road
Lansing, Illinois 60438
Phone: 708-695-6767
Fax: 708-695-3834

630th South Cicero Avenue
Chicago, Illinois 60632
Phone: 773-565-0410
www.apclimited.com

December 31, 2003

Mr. David A. Dratnol, P. E.
Village Engineer
Village of Lombard
255 East Wilson Avenue
Lombard, Illinois 60148

Re: Special Assessment
Project Number SA 213
Lombard, Illinois

Dear Mr. Dratnol:

At your request, I am submitting this letter as an estimate of my fee and contract for professional services in the above referenced matter. The scope of work is as follows.

I am to complete an appraisal of 33 houses, 2 vacant lots, 1 church and 3 commercial buildings to determine the impact of certain public infrastructure improvements that are to be made to each of the properties as part of the above referenced project. The assignment requires me to complete an analysis of each property before the improvements are complete and then project a value of the property after the improvements are complete. I have been provided with specific plans for the project and I believe the project includes street reconstruction, the installation of curbs, gutters, sidewalks and the installation of street lamps. I will communicate my conclusions in a summary report. Both the appraisal and report will be completed in accordance with the Uniform Standards of Professional Appraisal Practice and the Code of Ethics of the Appraisal Institute. The appraisal and report will comply with the appropriate laws that govern the issues to be faced in this matter. Your legal counsel will clarify all legal issues.

The fee to complete the assignment will not exceed \$14,500. If necessary, my time for hearings, trial, preparation for hearing and/or trial, meetings and review of material associated with court activity will be charged at \$275.00 per hour. Time for such participation by associates of the firm will be charged at \$125.00 to \$175.00 per hour depending on the level of expertise necessary to complete the assignment. The use of associates in the completion of the initial appraisal is included in the above referenced fee. Hourly fees above that referenced here are not charged, accumulated or invoiced without discussion and/or your approval. If the presented budget requires modification because you redirect the scope of the assignment, we will discuss the impact of the changes before any additional costs are incurred or invoiced.

UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

1. By this notice, all persons and firms reviewing, using or relying on this report in any manner bind themselves to accept these assumptions and limiting conditions. **Do not use this report if you do not accept these assumptions and limiting conditions. These conditions are a part of this appraisal report.** These conditions are a preface to any certification, definition, fact or analysis, and are intended to establish as a matter of record that the appraiser's function is to provide a present market value indication for the subject property based on the appraiser's observations as to the subject property and real estate market as of a certain date. As the value of the property appraised may be impacted by physical changes, economic changes and/or market activity, this opinion of value is considered to be reliable as of the date of the appraisal. Subsequent to that date, the appraiser(s) reserve the right to amend the analysis and/or value conclusion contained within the appraisal report in light of such changed conditions. This appraisal is not an engineering, construction, legal or architectural study or survey and expertise in these areas is not implied.
2. The liability of Associated Property Counselors, Ltd., its officers, employees, contractors, and associate appraisers (hereinafter referred to collectively as "APC") is limited to the client only. There is no accountability, obligation, or liability to any third party except if otherwise specifically stated within the appraisal report. APC's maximum liability relating to services rendered under this appraisal assignment (regardless of form of action, whether in contract, negligence or otherwise) shall be limited to the charges paid to APC for the portion of its services or work products giving rise to liability. In no event shall APC be liable for consequential, special, incidental or punitive loss, damage or expense (including without limitation, lost profits, opportunity costs, etc.) even if advised of their possible existence. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. The appraisers are in no way responsible for any costs incurred to discover or correct any deficiency in the property. In the case of limited partnerships or syndication offerings or stock offerings in real estate, the client agrees that in case of lawsuit (brought by lender, partner, or part owner in any form of ownership, tenant, or any other party), the client will hold Associated Property Counselors, Ltd., its officers, employees and associate appraisers completely harmless. Acceptance of and/or use of this appraisal report by client or any third party is prima facie evidence that the user understands and agrees to these conditions.

UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

10. All data provided by the client or researched from public records is deemed reliable. If any errors are found that could have a material impact on value, I reserve the right to recall this report and amend the analysis and/or value conclusions. No guarantee is made for the accuracy of estimates or opinions furnished by others and contained in this report.
11. No liability is assumed for matters of legal character affecting the property, including by way of description and not limitation: title defects, encroachments, liens, overlapping lines.
12. Any liens or encumbrances that may now exist have been disregarded. The property has been appraised as though free of indebtedness and as though no delinquency in payment of general taxes and special assessments exist.
13. The value assigned to improvements shown in this report is in proportion to the contribution said improvements make to the value of the property as a whole.
14. Compensation for appraisal services is dependent only upon the delivery of this report.
15. The value found by the appraiser is in no way contingent upon the compensation to be paid or the appraisal services.
16. The appraisal is completed in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) and the Code of Ethics of the Appraisal Institute.
17. In the event that the subject property enters into condemnation proceedings, it is assumed the appraiser will be given additional time for court preparation.
18. No portion of this report may be published or reproduced without the prior written consent of the appraiser.
19. Unless specifically stated otherwise within the appraisal report, no earthquake compliance report, engineering report, flood zone analysis, hazardous waste or asbestos analysis was made or ordered in conjunction with this appraisal report. The client is strongly urged to retain experts in these fields, if so desired.
20. For apartment appraisals, I typically inspect 5% to 20% of the total number of units. It is assumed, in reaching a value conclusion, that the condition and finish of the remaining units is similar to the condition and finish of the inspected units. If it is determined that the remaining units differ from the inspected units in either condition or finish, the appraiser reserves the right to recall the appraisal report to amend the analysis and/or value conclusion.

UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

27. The appraisers have inspected the subject property with the due diligence expected of a professional real estate appraiser. The appraisers are not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraisers that might suggest the possibility of the presence of hazardous waste and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment.
28. The presence of substances such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property. The appraiser's value estimate is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value.
29. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraiser's descriptions and resulting comments are the result of routine observations made during the appraisal process. The client is urged to retain an expert in this field, if so desired.
30. The Americans with Disabilities Act (ADA) became effective January 26, 1992. I have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more requirements of the Act. If so, this fact could have a negative effect upon the values of the property. Since I have no direct evidence relating to this issue, I did not consider possible non-compliance with the requirements of ADA in estimating the value of the property.

STATEMENT OF QUALIFICATIONS

DALE J. KLESZYNSKI, MAI, SRA

PROFESSIONAL DESIGNATIONS AND CERTIFICATION

Member of the Appraisal Institute - MAI #6747
Senior Residential Appraiser - SRA
Illinois State Certified Real Estate Appraiser - License No. 153-000213
Indiana Certified General Appraiser - License No. CG49300022
Michigan State Certified Appraiser - License No. 12-01-004591

APPRAISAL EXPERIENCE AND PROJECTS

Since 1979, various types of real estate, including:

Office and commercial buildings

Assisted living facilities

Apartment structures and complexes

Including Low Income Housing Tax Credit complexes

Industrial and warehouse buildings

Single family and condominium residential properties

Vacant land:

Residential, multi-family, commercial, and industrial

Special purpose properties

Including bulk petroleum storage facilities, steel fabricating plants, hotels, soccer arenas, golf courses, motels, and chemical processing facilities, restaurants, bank facilities and ice arenas

Eminent Domain Projects

McCormick Place expansion

Various properties including the R.R. Donnelley and Sons facility

Extension of Interstate 355 in Cook and Will Counties

Various properties including residential, agricultural, commercial, industrial and residential subdivisions

City of Hammond v. Great Lakes Marina

Palwaukee Airport expansion

Lansing Municipal Airport expansion

Little Calumet River and Levee and Flood Abatement Project

Various road and municipal projects

Qualified witness in Illinois, Indiana, and New York.

Various zoning and municipal projects

Adult Use Impact Study - County of Cook

Adult Use Impact Study - Village of Lansing

Impact Study for Group Home Zoning

Appraisal and consulting assignments completed in Arizona, Arkansas, California, Colorado, Florida, Illinois, Indiana, Kansas, Maryland, Michigan, Minnesota, New Jersey, Pennsylvania, and Texas.

STATEMENT OF QUALIFICATIONS

DALE J. KLESZYNSKI, MAI, SRA

EDUCATIONAL CREDITS

Loyola University of Chicago, Bachelor of Arts, 1971

Society of Real Estate Appraisers

Course 101, Course 201 (Instructor - 1989 and 1990)

American Institute of Real Estate Appraisers:

Courses 1-A, 1-B, VII, VIII, Standards and Professional Practice, Course II -
(Parts 1 and 2), 1981 through 1983 Real Estate Principles, 1988

R-2 Narrative Report Writing Seminar, 1982

American Savings and Loan Institute:

Lending I and II, Real Estate Law I and II, 1980

Boeckh Cost Manual Seminar - Residential and Industrial

Federal Housing Authority Appraisal Seminar

Various seminars sponsored by the Society of Real Estate Appraisers and the
American Institute of Real Estate Appraisers, and Appraisal Institute

I am currently certified under the Appraisal Institute Continuing Education
Program.

I am currently certified under the Continuing Education Requirements of the
State of Illinois.

I am currently certified under the Continuing Education Requirements of the
State of Indiana.

A representative list of clients follows.

PARTIAL LIST OF CLIENTS

Bank/Lending Agencies

American National Bank
Bank of Homewood
Bank One
East Side Bank
FCA Mortgage
First Chicago Bank
First of America
Fleet Mortgage
Harris Bank
Heritage Standard Bank
Highland Community Bank

LaSalle Bank
LaSalle National Bank
LaSalle Taiman Mortgage Corp.
Mercantile National Bank
NBD Bank
Pinnacle Bank
Prairie Bank
Security Pacific Bank
St. Paul Bank for Savings
U.S. Bank
Wells Fargo Bank

Government Agencies

Cook County State's Attorneys Office
DuPage County State's Attorneys Office
DuPage County Assessor's Office
Federal Home Loan Bank Board
Federal Savings and Loan Insurance

Little Calumet River Basin Development
Federal Aviation Administration
Lansing Municipal Airport
Resolution Trust Corporation
Department of Justice

Corporations

The Archdiocese of Chicago
AT&T Capital Corporation
Allis Chalmers
Allstate Insurance Company
The Alter Group
Associates Relocation
Bee Chemical
BP Products – North America
Broadacre Management
Clark Oil Company
R.R. Donnelley Corporation
Fleet Services Corporation

Gallagher & Henry
Great Lakes Marina
Hartz Construction
McDonald's
Merrill Lynch Relocation
The Pritzker Foundation
Sherwin Williams
Southwick Properties, Inc.
Taco Bell
U.S. Steel Corporation
USA Muffler
The Weglarz Group

Municipal Clients

City of Calumet City
Village of Bradley
Village of Flossmoor
Homewood - Flossmoor Park District
Village of Oak Lawn

Village of Lansing
Village of Rosemont
Village of Orland Park
Green Hill Library District
Village of Riverdale

Professional Law Firms

Ancel, Glink, Diamond, Cope & Bush, P.C.
Field, Golan & Swiger
Figliuolo and Silverman
Foran, Nasharr & O'Toole
Foran and Schultz
Hinshaw and Culbertson

Holland and Knight, LLC
Klein, Thorpe & Jenkins, Ltd.
Liston and Lafakis
Neal, Murdock & Leroy, LLC
Ryan and Ryan
Sosin, Lawler & Arnold, LLC

Personal and case references available upon request.

