



MIAMI-DADE EXPRESSWAY AUTHORITY **PROPERTY ACQUISITION POLICY**

PURPOSE

It is the policy of the Miami-Dade Expressway Authority to acquire property in an economical and efficient manner pursuant to MDX's statutorily authorized purposes. All acquisitions of real property will be made with the appropriate and lawful degree of transparency to assure the general public and MDX bondholders that MDX funds are being put to their highest and best use and that MDX is an exceptional steward of toll revenues.

MDX will only acquire interests in real property that MDX deems to be in furtherance of the Board approved Work Program. All acquisitions will be made in accordance with this Policy, pursuant to the requirements under Florida Statutes Chapter 348, Part 1, and MDX's Trust Indenture, if applicable.

PROCEDURES

Unless otherwise specified within this Policy, MDX shall be guided, but not bound by or limited by, the Florida Department of Transportation's Right-of-Way Procedures Manual (Topic No. 575-000-000) and Guidance Documents, including all amendments thereto.

The Executive Director may, in writing and on a project specific basis, delineate which guidelines shall govern MDX's acquisition of real property under Section 348.0008 ("Acquisition of Lands and Property"), Florida Statutes.

SPECIFIC REQUIREMENTS

1. Definitions.
(Reserved)

2. Character of Property Interest Acquired.

The preferred interest in property acquired by MDX will be fee simple. However, where it is determined that fee simple interest in acquired land is unnecessary, is not economically feasible or is not advantageous to MDX, an alternative property interest, such as, but not limited to an easement, may be acquired.

3. Support for Value of Property Acquired.

Unless specifically authorized by the MDX Board, any property acquired must first have been the subject of an independent appraisal made in accordance with Uniform Standards of Professional Appraisal Practice (USPAP) standards. MDX shall not be limited by, but rather shall be guided by the appraised value of the property, in its determination of the value to pay for the property to be acquired. MDX is free to exercise its discretion in determining whether to acquire the property for more or less than the appraisal report value of the

property.

4. Support for Business Damages.

Unless specifically authorized otherwise by the MDX Board, all business damage settlements less than \$25,000 must be reviewed by Staff. All claims greater than \$25,000 must be reviewed by a Certified Public Accountant in accordance with Generally Accepted Accounting Principles. MDX shall not be limited by, but rather shall be guided by the Staff analysis or Certified Public Accountant review, in its determination of the amount to pay for business damage claims.

5. Support for Relocation Costs.

Unless specifically authorized otherwise by the MDX Board, all relocation payments shall be in compliance with procedural guidelines as adopted by the MDX Board.

6. Advanced Acquisition.

In order to optimize costs and time savings in the acquisition of real property, MDX may make strategic and prudent use of Advanced Acquisition of real property needed for an MDX Project(s).

a. Timing for Advanced Acquisition.

As a general matter, the advanced acquisition of right of way should not be undertaken until, at a minimum, a preferred alignment has been identified in a PD&E study or other similar planning activity. Acquisition of right of way prior to a programmed and budgeted MDX Work Program Right of Way Phase must be made pursuant to a certification by the MDX Director of Engineering that he or she “has a reasonable belief that at least some portion of the property to be acquired will be needed for an MDX project within not more than the next 5 years and shall not be held for a transportation project longer than 10 years without specific review and concurrence by the Operations Committee.”

b. Prioritization Criteria for Advanced Acquisition.

The criteria listed below is not absolute or limiting, but is intended to convey the Board’s policy as to the type of purchase that should be given the greatest consideration.

1. High degree of certainty that property will be needed within 3 years.
2. Property offered for sale on open market where offered sales price does not exceed appraised value by more than 5%.
3. Residential property, not currently offered for sale on the open market, but is either in or at risk of foreclosure.

4. Residential property, not currently offered for sale on the open market, where property can be leased back to owner to maintain occupancy and former owner/occupant indemnifies and insures MDX as a named “other insured.”
5. Commercial property, not currently offered for sale on the open market, but imminent development or improvement plans exist that would significantly increase MDX’s future acquisition costs, and where such plans are adequately documented.

c. Limitations

The total amount expended on Advanced Acquisition of Property in any Fiscal Year shall not exceed 25% of the Work Program Contingency approved by the MDX Board for that Fiscal Year.

d. Subsequent Year Program Evaluation and Report to MDX Board.

In any fiscal year, following the acquisition of any property acquired pursuant to this Advanced Acquisition Section, MDX’s General Engineering Consultant shall present a report to the MDX Board that reflects the following analyses for individual properties acquired, as well as for the overall program:

1. Property purchase price compared to the estimated value at the time the property would likely have been acquired via a typical right of way phase.
2. A comparison of the physical elements of the property acquired against those which were finally needed for the project and the cost differential related to those physical element differentials.
3. Projected costs that would have been incurred should the property have been acquired through an eminent domain process. This must include but not be limited to: owner and MDX attorney fees, litigation costs, costs to cure, severance damages, business damages, and cost of funds related to good faith court deposits.
4. A conclusion as to whether the Advanced Acquisition of Properties for the reporting year resulted in an overall cost savings to MDX.
5. Organization and Coordination of Property Acquisition during the MDX Right of Way Phase

7. Documentation of Negotiations.

The negotiations relating to all MDX property acquisitions shall be reduced to writing and shall for each parcel negotiated reflect, at a minimum, the following:

- a. The date, time and place of the contact.

- b. All persons present or involved in the contact.
- c. Offers made and discussed.
- d. Counter offers made and discussed.
- e. Results of the discussions.
- f. Any other information pertinent to the negotiation and/or settlement of the property purchase.

DELEGATED AUTHORITIES FOR PROPERTY ACQUISITION

1. Administrative Authority:
 - a. The Executive Director, or the Executive Director's designee, has the authority to administer the Right of Way Acquisition program including, but not limited to, preparing and delivering purchase offers, negotiating, executing purchase agreements and concluding property purchase transactions on behalf of MDX in compliance with applicable procedures.
2. Initial Offer Authority:
 - a. The Executive Director has the authority to make an Initial Offer up to the appraisal report value for the purchase of parcels pursuant to this Policy only when the appraisal report value of the parcel is \$350,000 or less.
 - b. The Operations Committee is hereby authorized to approve an Initial Offer and approve the purchase of parcels when the appraisal report value of the parcel is greater than \$350,000 but less than \$500,000.
 - c. All proposed acquisition of property when the appraisal report value of the parcel is greater than \$500,000 must be endorsed by the Operations Committee and approved by the MDX Board.
3. Settlement Authority:
 - a. For parcels with an appraisal report value that does not exceed \$350,000, the Executive Director has the authority to enter into settlement agreements that do not exceed the appraisal report value of the parcel by more than twenty-five per cent (25%) or do not exceed the appraised value of the parcel by \$100,000, whichever is greater- (excluding attorney's fees, other professional fees and costs). For all other parcel acquisitions, the Executive Director has the authority to enter into settlement agreements that do not exceed the parcel's appraisal report value by more than twenty-five per cent (25%) or up to two million dollars (\$2,000,000), whichever is less (excluding attorney's fees, other professional fees and costs).
4. If applicable, pay the property owner's attorney's fees and other costs in accordance with the requirements of Chapter 73, Florida Statutes.

DELEGATED AUTHORITIES FOR BUSINESS DAMAGE CLAIMS

In some instances of property acquisitions, there may be a separate claim(s) for business damages.

1. Administrative Authority:
 - a. The Executive Director, or the Executive Director's designee, has the authority to administer the Right of Way Business Damage Claim process including, but not limited to, preparing and delivering Notice to Business Owner Letters, receiving and reviewing claims, negotiating, executing settlement agreements on behalf of MDX in compliance with applicable Florida laws.
2. Counter-Offer Authority:
 - a. All Counter-Offers relating to a Business Damage Claim will be subject to the review as required by Section 4 of the Specific Requirements. No counter-offer will be made without the required prior review.
 - b. The Executive Director is authorized to make an initial counter-offer to properly submitted Business Damage Claims only when the counter-offer amount is \$350,000 or less (excluding attorney's fees, other professional fees and costs) based on the required review.
 - c. The Operations Committee is authorized to make an initial counter-offer to properly submitted Business Damage Claims only when the counter-offer amount is between \$350,000 but less than \$500,000 (excluding attorney's fees, other professional fees and costs) based on the required review.
 - d. All counter-offers greater than \$500,000 to a properly submitted Business Damage Claim must be endorsed by the Operations Committee and approved by the MDX Board.
3. Settlement Authority:
 - a. For a properly submitted Business Damage Claim whose initial counter-offer did not exceed \$350,000 supported by the required Section 4 review, the Executive Director has the authority to enter into settlement agreements by more than twenty-five per cent (25%) or \$100,000, whichever is greater, of the initial counter-offer (excluding attorney's fees, other professional fees and costs). For all other Business Damage Claims, the Executive Director has the authority to enter into settlement agreements by more than twenty-five percent (25%) or up to two million dollars (\$2,000,000), whichever is less, of the initial counter-offer (excluding attorney's fees, other professional fees and costs).
4. If applicable, pay the business owner's attorney's fees and other costs in accordance with the requirements of Chapter 73, Florida Statutes.



RELOCATION COSTS

Authority is hereby delegated to the Executive Director, or the Executive Director's designee, to:

1. Administer the Right of Way Relocation program including, but not limited to: preparing and delivering all required Relocation notices, receiving and reviewing Relocation claims, processing and delivering Relocation benefit checks on behalf of MDX in compliance with applicable procedures.

This Policy shall be effective as of the date on which it is adopted by the Governing Board and at such time this Policy rescinds all prior policies relating to MDX Property Acquisition.