



MDX PROPERTY ACQUISITION POLICY

I. Purpose:

MDX may acquire rights, title, and interest in property as it deems appropriate and as authorized under Chapter 348, Part I (“Florida Expressway Authority Act”), Florida Statutes. All acquisitions of property shall be made with an appropriate degree of transparency to assure the public and MDX bondholders that funds are being put to their intended use, and that MDX serves as an exceptional steward of toll revenue. MDX will only acquire an interest in property that its Board deems to be in furtherance of a capital project within the Board approved Five-Year Work Program.

II. Executive Director’s Authority and Discretion to Delegate Property Acquisition and Eminent Domain Litigation Responsibilities:

- (a) The Executive Director is authorized to implement right of way acquisition programs and to administer right of way acquisition processes in a manner consistent with this policy. Such authority includes, but is not limited to, all aspects of acquiring, condemning, clearing, and preparing property for any purpose authorized under the Florida Expressway Authority Act.
- (b) The Executive Director is authorized to appoint designees and assign responsibilities to implement any or all right of way acquisition programs, and to administer any or all right of way acquisition processes. References herein authorizing the Executive Director to act shall provide equivalent authorization to the Executive Director’s designees.

III. Application of Florida Department of Transportation’s Right of Way Procedures Manual:

MDX shall be guided by, but shall not be bound or limited by, the Florida Department of Transportation Right of Way Procedures Manual, as amended and updated.

IV. Advance Acquisition of Property:

- (a) The Executive Director is authorized to make strategic and prudent use of advance acquisition to acquire property or property rights that are needed, or which likely will be needed, for a capital project within the Board approved Five-Year Work Program as long as such acquisition is done in accordance with either:



MIAMI-DADE EXPRESSWAY AUTHORITY

- (i) Section 7.1 (“Advance Acquisition”) of the Florida Department of Transportation Right of Way Procedures Manual, as amended and updated; or
 - (ii) comparable procedures adopted and utilized by a state, regional, or local governmental entity to acquire property or property rights in furtherance of a program to assemble property for a lawful public purpose.
- (b) Advance acquisition should not, as a general matter, be undertaken until a preferred project alignment has been identified in a project development and environment study, or through a similar long-range planning process. Acquisition of property prior to funding being programmed and budgeted for a capital project within the Board approved Five-Year Work Program may be undertaken upon written certification of the Executive Director that “it is likely that at least some portion of the property to be acquired through advance acquisition will be needed for an MDX project within the next five years.”
- (c) The total amount expended on advance acquisition during any fiscal year may not exceed either (i) the Work Program Contingency amount approved by the Board during that fiscal year, or (ii) the amount funded for right of way acquisition as part of the Board approved Five-Year Work Program, whichever amount is greater.
- (d) Following advance acquisition of property, the Executive Director shall prepare a report that evaluates each individual property acquired by addressing the following factors:
 - (i) the fiscal justification to accelerate acquisition in lieu of waiting to negotiate under a customary acquisition timeframe;
 - (ii) a comparison of the rights, title, and interest of the property acquired versus the rights, title, and interest ultimately determined as being necessary for the project, and the resulting value of those differences;
 - (iii) the projected costs that would have been incurred if the property had been acquired through eminent domain, inclusive of estimated compensation and damages payable to the property owner, expected fees and costs likely to be incurred by MDX’s attorney and experts, and expected fees and costs of the property owner’s attorney and experts likely to be taxed against MDX; and
 - (iv) an opinion regarding whether exercise of advance acquisition for properties acquired during the reported fiscal year resulted in an overall fiscal saving to MDX.



V. Offer by MDX to Purchase Property:

- (a) The Executive Director is authorized to initiate acquisition of property by delivering an initial written purchase offer (“Initial Purchase Offer”) to the property owner. The Initial Purchase Offer must be in an amount that is: (i) based on a certificate of value from a written appraisal report and supported by a review appraiser’s statement, both prepared by independent state certified appraisers retained by MDX; and (ii) within the total budgeted sum for acquisition of property for a capital project within the Board approved Five-Year Work Program, unless the proposed acquisition qualifies for advance acquisition as described in Section IV. The Executive Director may determine that two independent state certified appraisers retained by MDX each prepare an appraisal report when an acquisition presents complex appraisal issues and / or the value estimate of the parcel is, or is anticipated to be, in excess of \$1,000,000. Both appraisal reports shall be reviewed by a third independent state certified appraiser who will determine the recommended compensation for inclusion in the Initial Purchase Offer.

- (b) Notwithstanding the limitation in Subsection (a)(i) of Section V above, the Executive Director is authorized to initiate acquisition of property by delivering an Initial Purchase Offer in an amount that is greater than its appraised value to incentivize a property owner to voluntarily convey its property to MDX when:
 - (i) the Executive Director has determined that incentive offers will reduce time, expense, and risk associated with property acquisition for a capital project within the Board approved Five-Year Work Program; and
 - (ii) use of incentive offers are consistently and uniformly applied through a written formula for the benefit of all private property owners affected by a capital project within the Board approved Five-Year Work Program.

Incentive offers may not be utilized: (i) for parcels held in the public domain, (ii) to resolve a claim against MDX under 73.071(3)(b), Florida Statutes, for damage to a business, or (iii) to determine relocation benefits.

- (c) The Executive Director is authorized to negotiate resolution of all claims for attorney’s fees and costs under Sections 73.015, 73.091, and 73.092, Florida Statutes, presented by a property owner in conjunction with MDX’s proposed acquisition of property under this section.



VI. Counter-Offer in Response to a Business Damage Claim Presented to MDX Under Section 73.071(3)(b), Florida Statutes:

- (a) The Executive Director is authorized to respond to a business damage claim submitted to MDX under Section 73.071(3)(b) by delivering a written counter-offer (“Business Damage Counter-Offer”) to the claimant.
- (b) For any business damage claim that is \$50,000 or less, the Business Damage Counter-Offer shall be in an amount that is: (i) supported by a written memorandum drafted by MDX staff or an MDX consultant explaining the claim and the grounds to support the amount of the Business Damage Counter-Offer, or is supported by documentation prepared by an independent state certified public accountant retained by MDX; and (ii) within the total budgeted sum for acquisition of property for a capital project within the Board approved Five-Year Work Program.
- (c) For any business damage claim that exceeds \$50,000, the Business Damage Counter-Offer shall be in an amount that is: (i) supported by documentation prepared by an independent state certified public accountant retained by MDX; and (ii) within the total budgeted sum for acquisition of property for a capital project within the Board approved Five-Year Work Program.

VII. Negotiation Prior to Eminent Domain Litigation:

Subsequent to MDX delivering an Initial Purchase Offer, the Executive Director is authorized to acquire property through negotiated conveyance. Subsequent to MDX delivering a Business Damage Counter-Offer, the Executive Director is authorized to negotiate resolution of a business damage claim. The Executive Director shall negotiate within the following parameters:

- (a) For property valued in an amount of \$500,000 or less (based on a certificate of value from a written appraisal report prepared by an independent state certified appraiser retained by MDX), the Executive Director is authorized to acquire the property for an amount up to \$125,000 over MDX’s appraised value. For property valued in an amount that exceeds \$500,000 (based on a certificate of value from a written appraisal report prepared by an independent state certified appraiser retained by MDX), the Executive Director is authorized to acquire the property for an amount that is the lesser of: (i) \$2,000,000 more than MDX’s appraised value, or (ii) 25% more than MDX’s appraised value.
- (b) In defense of a business damage claim submitted to MDX under Section 73.071(3)(b) for which MDX estimates the damage to the claimant’s business to be



\$500,000 or less (based upon documentation supplied by MDX staff, an MDX consultant, or a state certified public accountant retained by MDX), the Executive Director is authorized to negotiate resolution of the business damage claim for an amount up to \$125,000 more than MDX's estimate of damage to the claimant's business. In defense of a business damage claim submitted under Section 73.071(3)(b) for which MDX estimates the damage to the claimant's business exceeds \$500,000 (based upon documentation supplied by a state certified public accountant retained by MDX), the Executive Director is authorized to negotiate resolution of the claimant's business damage claim for an amount that is the lesser of: (i) \$2,000,000 more than MDX's estimate of the damage to the claimant's business, or (ii) 25% more than MDX's estimate of the damage to the claimant's business.

- (c) Any counter-offers that not are within guidelines set forth in Sections (a) & (b) of this Section will be brought before the designated Committee for endorsement and then the Board for final approval.
- (d) The Executive Director is authorized to negotiate resolution of all claims for attorney's fees and costs under Sections 73.015, 73.091, 73.092, Florida Statutes, presented by a claimant in defense of MDX's proposed acquisition.

VIII. Eminent Domain Litigation:

The Executive Director is authorized to act within the following parameters upon MDX initiating an eminent domain lawsuit:

- (a) After MDX has delivered an Initial Purchase Offer to a property owner, the Executive Director is authorized to acquire any right, title, or interest in property by petitioning for and funding a court order of taking entered under Chapter 74, Florida Statutes. For property valued in an amount of \$500,000 or less (based on a certificate of value from a written appraisal report prepared by an independent state certified appraiser retained by MDX), the Executive Director is authorized to fund an order of taking in an amount up to \$125,000 over MDX's appraised value. For property valued in an amount that exceeds \$500,000 (based on a certificate of value from a written appraisal report prepared by an independent state certified appraiser retained by MDX), the Executive Director is authorized to fund an order of taking in an amount that is the lesser of: (i) \$2,000,000 more than MDX's appraised value, or (ii) 25% more than MDX's appraised value.
- (b) In compensation phase litigation concerning property valued in an amount of \$500,000 or less (based on a certificate of value from a written appraisal report



prepared by an independent state certified appraiser retained by MDX), the Executive Director is authorized to negotiate settlement of compensation payable in an amount up to \$125,000 over MDX's appraised value. In compensation phase litigation concerning property valued in an amount that exceeds \$500,000 (based on a certificate of value from a written appraisal report prepared by an independent state certified appraiser retained by MDX), the Executive Director is authorized to negotiate settlement of compensation payable for an amount that is the lesser of: (i) \$2,000,000 more than MDX's appraised value, or (ii) 25% more than MDX's appraised value.

- (c) In defense of a business damage claim submitted to MDX under Section 73.071(3)(b) for which MDX estimates the damage to the claimant's business to be \$500,000 or less (based upon documentation supplied by MDX staff, an MDX consultant, or a state certified public accountant retained by MDX), the Executive Director is authorized to negotiate settlement of the business damage claim for an amount up to \$125,000 more than MDX's estimate of damage to the claimant's business. In defense of a business damage claim submitted under Section 73.071(3)(b) for which MDX estimates the damage to the claimant's business exceeds \$500,000 (based upon documentation supplied by a state certified public accountant retained by MDX), the Executive Director is authorized to negotiate settlement of the claimant's business damage claim for an amount that is the lesser of: (i) \$2,000,000 more than MDX's estimate of the damage to the claimant's business, or (ii) 25% more than MDX's estimate of the damage to the claimant's business.
- (d) Any settlements that not are within guidelines set forth in Sections (a), (b) & (c) of this Section will be the subject of a "Shade" meeting.
- (e) The Executive Director is authorized to negotiate settlement of all claims for attorney's fees and costs under Sections 73.091 and 73.092, Florida Statutes, presented by a claimant in defense of eminent domain litigation initiated by MDX.

IX. Relocation:

The Executive Director is authorized to implement relocation programs, administer relocation efforts, provide relocation advisory services, and process relocation payments and expenses in conjunction with other responsibilities under the terms of this policy.



X. Consistent Interpretation with Other MDX Policies:

This policy shall be construed in a manner that is consistent with other MDX policies that exist upon the adoption date of this policy, and that is consistent with such policies as may be adopted or amended subsequent to adoption of this policy. This policy shall be interpreted and applied in a manner that supplements other MDX policies and avoids, whenever possible, contradiction of another MDX policy.

XI. Effective Date:

This policy shall become effective as of the date on which it is adopted by MDX's Board of Directors, and at such time this policy rescinds all prior policies relating to property acquisition by MDX.