

Memorandum

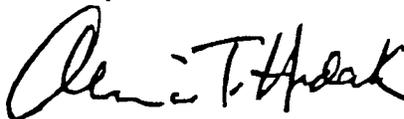
MIAMI-DADE
COUNTY

Date: **May 3, 2011**

Supplement to
Agenda Item No. 8J1B

To: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

From: Alina T. Hudak
County Manager



Subject: Supplemental Report for 8J1B: Appraisal Process

This report has been prepared in response to a request made by Commissioner Barreiro during consideration of Item 8J1B at the April 13, 2011 Regional Transportation Committee.

The appraisal selection process is coordinated by the General Services Administration (GSA) in accordance with Procedure #530 (Request for Property Appraisal) of the Miami-Dade County's Procedures Manual. GSA maintains a list of real estate appraisers who are qualified to appraise real property. They must be certified by the State of Florida and be on the County's vendor list; additionally, for property transactions where the value of the property is \$5 million or more, the appraiser must have an MAI designation. Whenever appraisals are needed by a County agency to determine the fair market value of a piece of property, appraisers from this list are sent a Proposal and Agreement form which contains property information, a description of the assignment and space for them to fill out the cost and estimated completion time. They must fill out the form, sign it and return it within a specified time frame. Once the proposals have been received, the requesting agency forwards them to GSA to schedule before the next Appraisal Selection Committee Meeting.

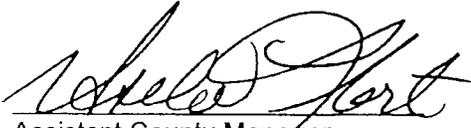
The Appraisal Selection Committee meets once a month, unless there are no items to be heard. The Committee members include the GSA Director or designee, representatives from the County Attorney's Office and the Property Appraiser's Office. GSA schedules the meeting and notifies all County agencies of the meeting date, time and place. Additionally, it is advertised on the County Calendar. The Appraisal Selection Committee reviews the proposals and selects an appraiser(s) for each assignment. The selection is typically made based upon price; however, the Committee may also take into consideration time required for completion, type of assignment, whether condemnation may be required, as well as the amount of business previously given to the appraiser. GSA maintains records of all of the results of the Committee meetings.

Appraisal services must be authorized by the Board of County Commissioners prior to the commencement of work. Departments such as GSA, Fire and Rescue, Park and Recreation, MDT, Library, WASD, and PWD have received blanket authorization from the BCC to hire appraisers with a cap on the expenditure amount. The subject item from MDT is an example of such a request, which will provide the department authorization to perform appraisals through the GSA process, up to a \$100,000 limit. The Seaport Department also has also previously requested authority via Resolution No. 249-07 to perform appraisals on Port property to determine fair market value rates. While the Seaport item was not subject to a cap, the department does avail itself of the GSA Appraisal Selection Committee process to select appraisers, as does each department with blanket authorizations.

Because of specialized needs at the Miami-Dade Aviation Department (MDAD), MDAD has two (2) appraisers, one for Miami International Airport (MIA) and one for the General Aviation Airports (GAA). The GAA appraisers were selected through a RFQ process and the BCC approved the award of that agreement. The County Manager awarded the MIA agreement under the authority delegated in Administrative Order 3-38, also selected through an RFQ process.

Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners
Page 2

Appraisals are utilized by various departments to determine the fair market value of property that the County is purchasing and selling. In the case of property acquisition, State Statute 125.35 requires that a minimum of two appraisals be obtained when the property is worth more than \$500,000.00 and permits waiving appraisal requirements when the property is worth less than \$25,000.00. All appraisals, offers and counter offers are confidential up until 30 days prior to the Board taking action on a contract or negotiations are finalized.



Richard Hart
Assistant County Manager