



1255 Imperial Avenue, Suite 1000  
San Diego, CA 92101-7490  
619/231-1466  
FAX 619/234-3407

# Policies and Procedures

No. 8

SUBJECT:

Board Approval: 1/29/04

ACQUISITION OF REAL PROPERTY INTERESTS

PURPOSE:

In order to encourage and expedite the acquisition of real property by agreements with owners, to avoid litigation and relieve congestion in the courts, to assure consistent treatment for owners in the public programs, and to promote public confidence in public land acquisition programs, MTS shall set forth a just and fair acquisition and relocation assistance policy.

BACKGROUND:

The Government Code provides that MTS, "... may own and acquire property within or without its boundaries for either governmental or proprietary, or any purpose, either by succession, annexation, purchase, devise, lease, gift, or condemnation ..."

POLICY:

MTS's real property acquisition program will be executed within the following policy parameters:

1. All property owners will be dealt with fairly and equitably in the acquisition of lands or interests therein required by MTS.
2. Settlements will be based on estimates of fair market value as supported by current appraisal practices.
3. MTS shall pay for expenses that the owner(s) must incur for title and escrow fees incidental to conveying real property to MTS.
4. MTS shall make every reasonable effort to acquire expeditiously by negotiation the required property interests.
5. Condemnation will be utilized where negotiations have reached an impasse or there is a requirement to meet time restraints imposed by funding sources or construction schedules.



6. The Relocation Assistance Program will be fairly administered to ensure that all owners receive any and all benefits to which they are legally entitled as provided in Policy No. 10.

GUIDELINES:

The following guidelines shall be utilized by MTS or its agents to ensure fair and equitable treatment of all property owners affected by MTS acquisitions as set out in Government Code Section 7267.

1. The real property interests to be acquired shall be appraised and the fair market value established before the initiation of negotiations and the property owner shall be given the opportunity to accompany the appraiser during their inspection on the property (Government Code Sections 7267.1b and 7267.2).
2. MTS or its agents shall make a prompt offer to the property owner for the full estimate of market value established by the Board. MTS or its agent shall also provide the property owner with a written statement of and summary of the basis for the amount established as just compensation. The summary shall contain the following elements:
  - a. The owner's name and address.
  - b. Zoning and present use of the property.
  - c. Highest and best use of the property.
  - d. Consideration to be paid by MTS.
  - e. Total property area and amount to be acquired.
  - f. Market value of the property to be acquired and a statement as to how the value was established; i.e., market data approach, income approach, or cost approach.
  - g. Amount of damages or a statement indicating that there are no compensable damages (Government Code Section 7267.2).
3. MTS shall make every reasonable effort to acquire by negotiation the real property interests required so as to reduce the need for litigation. MTS shall strive at all times to assure consistent treatment of property owners involved in public improvement projects and to promote public confidence in MTS's acquisition practices (Government Code Sections 7267 and 7267.1a).
4. MTS shall schedule the construction or development of a public improvement, insofar as it is practicable, so that no person lawfully occupying real property shall be required to move from a dwelling or business, assuming a replacement dwelling is available, without at least 90 days' written notice from MTS

(Government Code Section 7267.3). Should rental property become vacant, MTS may rent the vacated premises prior to acquisition.

5. The threat of condemnation shall not be used to coerce a property owner into agreement (Government Code Sections 7267.5 and 7267.6).
6. MTS shall offer to acquire the entire property if the owner so desires where the acquisition of a portion of the property would leave the remaining portion in such shape or condition as to constitute an uneconomic remnant (Government Code Section 7267.7).

SGreen/JGarde  
POLICY.8.ACQUISITION REAL PROPERTY  
7/11/06

Original Policy approved on 9/11/78.  
Policy revised on 8/27/79.  
Policy revised on 7/28/80.  
Policy revised/renumbered on 1/29/04.