

MEMORANDUM

TO: Governing Board Members

FROM: Tommy B. Strowd, Director
Operations, Maintenance and Construction Division

DATE: November 15, 2012

SUBJECT: Acquisition, in fee, of 169.28 acres lands for the Biscayne Bay Coastal Wetlands Phase 1 Project, Cutler Flow Way Component, in Miami-Dade County, to be conveyed at no cost to the District encumbered by the Restrictive Covenants (hereinafter defined), subject however to the payment of \$150,000 to the District pursuant to the ERP Permit (hereinafter defined) and payment of \$19,970.00 to the District for a portion of the Permit Obligations (hereinafter defined) and further subject to: (i) the environmental conditions of the Premises (hereinafter defined) and (ii) the conditions of title with respect to the Premises all being acceptable to the District

Background:

This fee acquisition of the 169.28 acres (the "Premises") is located in Miami-Dade County and required for the Biscayne Bay Coastal Wetlands Phase 1 Project, Cutler Flow Way component. Pursuant to that certain February 13, 2003 Environmental Resource Permit issued by the District to Lennar Homes, Inc. (the "ERP Permit"), a real estate interest in certain lands is required to be granted to the District. Also, pursuant to the ERP Permit, a payment of \$150,000 is to be paid to the District simultaneously with the District's acquisition of the Premises for the purpose of offsetting certain costs that will be incurred by the District for continuing maintenance of certain mitigation areas identified in the ERP Permit and in the "USACE Permit" identified below.

Pursuant to Resolution No. 2007-1010 passed and adopted by the Governing Board of the South Florida Water Management District on October 11, 2007, the Governing Board approved the acquisition of 153.65 acres, more or less, of the Premises for no cost to the District, subject to the environmental condition being acceptable to the District and consistent with Project purposes. Regarding the environmental condition of the Premises, there are certain requirements that must be complied with pursuant to: (1) the U.S. Army Corps of Engineers permit number SAJ-2001-3245 (the "USACE Permit") and (2) the Miami-Dade County Environmental Resource Management Department Corrective Action Plan Letter (File Number 22241/SW1514) dated August 5, 2005 (the "DERM Plan"). Under the October 11, 2007 Resolution No. 2007-1010, the land owner was obligated to conduct and complete the activities necessary to comply with the DERM Plan. The land owner has now complied with the DERM Plan and, in connection with completion of the DERM Plan, an approximately 78.46 acre portion of the Premises will be encumbered by certain restrictive covenant conditions that prohibit (1) use of the subject property for residential purposes and/or any children's nursery, day care center, school, camp or similar facility, (2) groundwater from the subject property being used for drinking water purposes, and (3) groundwater from being withdrawn from the subject property except in connection with monitoring of pollution (the "Restrictive Covenants").

As owner of the Premises, the District will become successor permittee to the USACE Permit. As permittee, the District will have certain initial construction and perpetual maintenance obligations required to be performed in compliance with the USACE Permit (the "Permit Obligations"). The estimated maximum cost to perform the Permit Obligations is a total of \$266,411, of which the land owner will pay \$19,970.00 to the District simultaneously with the District's acquisition of the Premises.

Owners	Tract No.	Interest	Acres	Appraised Value	Purchase Price
Lennar Homes, LLC and Lakes By The Bay South Community Development District	TA500-175	Fee	169.28	N/A	N/A
Totals			169.28	N/A	N/A

How this helps meet the District's 10-year Strategic Plan:

The Cutler Flow Way component of the Biscayne Bay Coastal Wetlands Phase 1 Project will provide for redistribution of freshwater runoff from the watershed into Biscayne Bay, away from the canal discharges that exist today, and provide a more natural and historic overland flow through existing and or improved coastal wetlands. By rehydrating these coastal wetlands with freshwater runoff from the watershed, the project goals and objectives are met while providing for additional flood protection in the C-1 Basin.

Funding Source:

The land interests are being conveyed at no cost to the District. The Permit Obligations, however, are estimated to be a net maximum cost to the District of \$266,411.00, of which \$19,970.00 are being provided to the District at closing.

This Board item impacts what areas of the District, both resource areas and geography:

This construction and management activities associated with the subject lands and Project will take place in Miami-Dade County and will be managed by the Project Management Section of the Operations, Maintenance and Construction Division.

What concerns could this Board item raise?

There are no concerns regarding this Board item

Why should the Governing Board approve this item?

This proposed acquisition will provide the remaining lands required for construction of the Cutler Flow Way component of the Biscayne Bay Coastal Wetlands Phase 1 Project.