

**RESOLUTION OF THE  
RESOURCES AND DEVELOPMENT COMMITTEE  
Of the 23rd Navajo Nation Council---Second Year 2016**

**AN ACTION**

**RELATING TO RESOURCES AND DEVELOPMENT; APPROVING THE NAVAJO NATION  
LAND ACQUISITION RULES AND REGULATIONS**

**BE IT ENACTED:**

**Section One. Authority**

A. The Resources and Development Committee of the Navajo Nation Council, pursuant to 2 N.N.C. § 500(C), exercises oversight authority over land.

B. The Resources and Development Committee of the Navajo Nation Council is empowered to approve land acquisition regulations pursuant to 16 N.N.C. § 3, CAU-44-16.

**Section Two. Findings**

A. The Navajo Nation Council passed Resolution Number CAU-44-16 which amended the Navajo Land Policy on Acquisition of Land, 16 N.N.C. §§ 1-10 and the Land Acquisition Trust Fund, 16 N.N.C. § 202 which was certified by the Speaker of the Navajo Nation Council on August 5, 2016 and signed into law by the President of the Navajo Nation on August 10, 2016.

B. The purposes for amending the Navajo Land Policy on Acquisition of Land include allowing the Navajo Nation to be competitive in the real estate industry and negotiating and acquiring property on a streamlined basis. CAU-44-16. The approval of the Navajo Nation Land Acquisition Rules and Procedures, Exhibit "A," will fulfill these purposes.

C. The Division of Natural Resources Navajo Land Department is proposing the Navajo Nation Land Acquisition Rules and Procedures, attached as Exhibit "A."

D. It is in the best interest of the Navajo Nation to approve the recommended Navajo Nation Land Acquisition Rules and Procedures, attached hereto as Exhibit "A."

**Section Three. Approval**

Resources and Development Committee of the Navajo Nation Council hereby approves the Navajo Nation Land Acquisition Rules and Regulations, attached hereto as Exhibit "A."

**CERTIFICATION**

I, hereby, certify that the foregoing resolution was duly considered by the Resources and Development Committee of the 23<sup>rd</sup> Navajo Nation Council at a duly called meeting at Navajo Department of Transportation, (Navajo Nation) Tse Bonito, New Mexico, at which quorum was present and that same was passed by a vote of 5 in favor, 0 opposed, 1 abstained this 25<sup>th</sup> day of October, 2016.



**Benjamin Bennett, Vice-Chairperson  
Resources and Development Committee  
Of the 23<sup>rd</sup> Navajo Nation Council**

**Motion: Honorable Walter Phelps  
Second: Honorable Leonard Pete**

**LEGISLATIVE SUMMARY SHEET**

Tracking No. 0360-16

**DATE:** October 5, 2016

**TITLE OF RESOLUTION:** PROPOSED STANDING COMMITTEE RESOLUTION;  
AN ACTION RELATING TO RESOURCES AND DEVELOPMENT; APPROVING THE  
NAVAJO NATION LAND ACQUISITION RULES AND REGULATIONS

**PURPOSE:** Approving the Navajo Nation Land Acquisition Rules and Regulations as proposed by the Navajo Division of Natural Resources Land Department. The approval of the Navajo Nation Land Acquisition Rules and Regulations conforms to the authority stated in CAU-44-16 in which the Navajo Nation Council amended the Navajo Land Policy on Acquisition of Land, 16 N.N.C. §§ 1-10 and the Land Acquisition Trust Fund, 16 N.N.C. § 202 and authorized the Resources and Development Committee to approve regulations for acquisition of land.

**This written summary does not address recommended amendments as may be provided by the standing committees. The Office of Legislative Counsel requests each Council Delegate to review each proposed resolution in detail.**

5-DAY BILL HOLD PERIOD: None  
Website Posting Time/Date: 4:33pm 10/11/16  
Posting End Date: 10/11/2016  
Eligible for Action: 10/12/2016

1 PROPOSED STANDING COMMITTEE RESOLUTION  
2 23<sup>rd</sup> NAVAJO NATION COUNCIL -- Second Year, 2016

3 INTRODUCED BY

4  
5 ANTON JOE SHEPHERD  
6 (Prime Sponsor)  
7

8 TRACKING NO. 03160-16  
9

10 AN ACTION

11 RELATING TO RESOURCES AND DEVELOPMENT; APPROVING THE NAVAJO  
12 NATION LAND ACQUISITION RULES AND REGULATIONS  
13

14 BE IT ENACTED:

15 **Section One. Authority**

- 16 A. The Resources and Development Committee of the Navajo Nation Council,  
17 pursuant to 2 N.N.C. § 500(C), exercises oversight authority overland.  
18 B. The Resources and Development Committee of the Navajo Nation Council is  
19 empowered to approve land acquisition regulations pursuant to 16 N.N.C. § 3,  
20 CAU-44-16.  
21

22 **Section Two. Findings**

- 23 A. The Navajo Nation Council passed Resolution Number CAU-44-16 which amended  
24 the Navajo Land Policy on Acquisition of Land, 16 N.N.C. §§ 1-10 and the Land  
25 Acquisition Trust Fund, 16 N.N.C. § 202 which was certified by the Speaker of the  
26 Navajo Nation Council on August 5, 2016 and signed into law by the President of  
27 the Navajo Nation on August 10, 2016.  
28 B. The purposes for amending the Navajo Land Policy on Acquisition of Land include  
29 allowing the Navajo Nation to be competitive in the real estate industry and  
30 negotiating and acquiring property on a streamlined basis. CAU-44-16. The

1 approval of the Navajo Nation Land Acquisition Rules and Procedures, Exhibit "A,"  
2 will fulfill these purposes.

3 C. The Division of Natural Resources Navajo Land Department is proposing the  
4 Navajo Nation Land Acquisition Rules and Procedures, attached as Exhibit "A."

5 D. It is in the best interest of the Navajo Nation to approve the recommended Navajo  
6 Nation Land Acquisition Rules and Procedures, attached hereto as Exhibit "A."

7  
8 **Section Three. Approval**

9 Resources and Development Committee of the Navajo Nation Council hereby  
10 approves the Navajo Nation Land Acquisition Rules and Regulations, attached  
11 hereto as Exhibit "A."



**NAVAJO NATION LAND ACQUISITION  
RULES AND REGULATIONS**

**I. PURPOSE**

The Navajo Nation Division of Natural Resources is authorized to acquire or dispose of real property for the Navajo Nation. These regulations shall establish the process for the acquisition and disposition of real property for the Navajo Nation, pursuant to 16 N.N.C. §§ 1 et seq.

**II. NAVAJO NATION LAND ACQUISITION POLICY**

All real property of the Navajo Nation shall be acquired or disposed of in the best interest of the Navajo Nation.

**III. AUTHORIZATION**

- A. The Executive Director is authorized to sign all administrative documents, not including the Purchase Agreement and closing documents.
- B. The Executive Director may authorize the Navajo Land Department to conduct all administrative duties.
- C. The Navajo Land Department shall have the authority to:
  - 1. Strategize and evaluate properties for acquisition or disposition through coordination with appropriate Divisions, Chapters, and Enterprises;
  - 2. Negotiate the purchase price for the subject property;
  - 3. Conduct a preliminary assessment of the property in terms of location, value to the Navajo Nation, title, and environmental issues;
  - 4. Coordinate with interested Divisions or Chapters to complete the assessment of the property for acquisition or disposition;
  - 5. Hire consultants, such as but not limited to, real estate brokers and agents to assist the Navajo Nation in the acquisition or disposition of real property.

**IV. APPROVAL PROCESS**

- A. Pursuant to 16 N.N.C. § 4, the Executive Director of the Division of Natural Resources (“DNR”) shall:
  - 1. Approve price, acreage, and location for the acquisition or disposition of real property;
  - 2. Be limited to the total expenditures of \$5,000,000 for each calendar year (January 1<sup>st</sup> to December 31<sup>st</sup>); and

3. Issue a memorandum for approval or disapproval of such acquisition or disposition of real property.
  4. Have the discretion to seek Resources and Development Committee (“RDC”) approval when the purchase is in his or her authority.
- B. Pursuant to 16 N.N.C. § 4, the RDC, after a recommendation by the Budget and Finance Committee, shall:
1. Approve price, acreage, and location for the acquisition or disposition of real property;
  2. Be limited to the total expenditures of \$20,000,000 per calendar year (January 1<sup>st</sup> to December 31<sup>st</sup>); and
  3. Issue a resolution for approval or disapproval of such acquisition or disposition of real property.
- C. Pursuant to 16 N.N.C. § 4, the Naa'bik'iyati' Committee, shall:
1. Approve price, acreage and location for the acquisition or disposition of real property exceeding the total expenditure of \$20,000,000 per calendar year (January 1<sup>st</sup> to December 31<sup>st</sup>); and
  2. Issue a resolution for approval or disapproval of such acquisition or disposition of real property.

## V. REAL PROPERTY PURCHASE REQUIREMENTS

- A. The land must be desired for acquisition or disposition by the Navajo Nation
1. Land must conform to the Major Purposes requirements set forth in 16 N.N.C. §2; or
  2. Be land eligible for compensation due to the exercise of eminent domain by the Navajo Nation pursuant to 16 N.N.C. §§ 1401-1403; or
  3. Other lands that will benefit the Navajo Nation
- B. The Navajo Nation must purchase land with insurable title
1. The Navajo Nation shall purchase fee simple title to real property that is insurable.
  2. All steps will be taken to obtain clear and marketable title that is free of questions of fact, free of questions of law, free of any clouds on title, not subject to any liens, and vested in the seller of the property, except in special circumstances that are deemed to benefit the Navajo Nation.
- C. The purchase price for the land must be fair and reasonable
1. The purchase price may be determined by a certified real estate appraisal; or
  2. Other standards of valuation used to determine a fair and reasonable price.

## VI. GENERAL PROCEDURE FOR PURCHASE OF REAL PROPERTY

### A. Identification of Real Property

1. The Navajo Land Department, with the Executive Director's authority or directive, shall identify real properties and maintain a listing of lands available for sale and acquisition.
  - a. The Navajo Land Department shall categorize and prioritize the listing of lands as it will benefit the Nation.
  - b. The Navajo Land Department shall meet with the Executive Director of the Division of Natural Resources quarterly to update the listing.
2. Real property, with or without improvements, shall be adequately identified by a metes and bounds land description, land survey, or other appropriate form of identification.
3. Review preliminary title documents, if available, for identification of any liens, encumbrances, or title issues.
4. All improvements, including but not limited to, buildings, furniture, equipment, fixtures, and good will of a business shall be included in the description of the property.

### B. Preliminary On-Site Inspection

1. The Navajo Land Department shall conduct an on-site inspection of the property to identify the land, any title issues, inventory, readily identifiable environmental concerns, or any other issue that may exist.

### C. Purchase Approval

1. Upon completion of the preliminary on-site inspection, the Navajo Land Department shall:
  - a. prepare a recommendation to the appropriate oversight; and
  - b. Obtain an approval letter from the Office of the Controller certifying that there are funds available within the Land Acquisition Trust Fund to purchase the subject real property.
2. A memorandum or resolution shall be drafted for approval that shall include the location and acreage of the property and the recommended purchase price range for final approval as provided for in Section III, Approval Process.

### D. Purchase Agreement and Opening Escrow

1. After approval by the appropriate oversight, the Navajo Land Department may issue a Letter of Intent or Purchase Agreement for quick or emergency land purchases.
2. All purchases of real property shall be completed through the opening and closing of a real estate purchase escrow account established with a reputable Title Insurance Company, managed by the company's designated escrow agent.



- a. Navajo Land Department shall coordinate with the Office of the Controller to transfer funds for escrow.
  3. The Purchase Agreement shall require that the opening of escrow occurs when the Purchase Agreement is fully executed, and the earnest money is deposited with the Escrow Agent. The Purchase Agreement shall define the closing of escrow as the event wherein the purchase price for the property, any proration's on the property, and the title insurance policy are fully paid, and a warranty deed is fully executed and delivered by the Seller conveying the subject real property to the Navajo Nation as Buyer.
  4. The Purchase Agreement shall provide for:
    - a. Purchase of the land with full warranties of title which shall survive the closing of escrow;
    - b. Bill of Sale for the acquisition of any equipment, improvements, fixtures, furniture, or other personal property being sold with the land;
    - c. Indentures for the transfer of any interests with the property, such as an assignment of any leases encumbering the land and improvements.
  5. Title insurance policy must be purchased for the property being acquired.
  6. The Purchase Agreement shall include a due diligence period to complete inspections, review any issues, and address any other concerns of the Navajo Nation as buyer.
  7. The Navajo Land Department shall conduct a final inspection of the premises to address any outstanding issues concerning the title of the property deriving from the review of the Title Report provided by the selected Title Company or to address details required by the Purchase Agreement.
- E. Due Diligence Investigations
1. During the due diligence period, the Navajo Land Department may hire contractors through the contracted agent, or obtain the assistance of Navajo Nation Departments or Programs, to assist the Department in determining if the property is suitable for purchase.
  2. The due diligence investigations shall include building or improvement inspections, environmental audits, a full Phase I environmental assessment, engineering or architectural services, appraisals, and surveys.
- F. Closing of Escrow
1. The Navajo Nation shall execute all real property indentures to convey the property to the Navajo Nation, as buyer, and pay any remaining balance of the purchase price, prorations, closing costs, and insurance premiums, as required.
  2. The Warranty Deed must be recorded by the Escrow Agent with the recording official designated by law, which may include the pertinent County of the State wherein the property is located, such as the County Recorder's Office.

G. Post Closing of Escrow

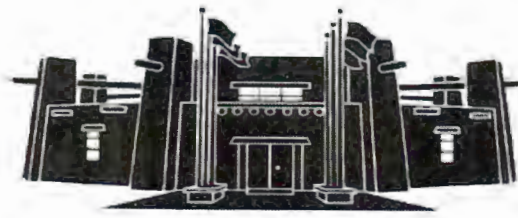
1. Appropriate Divisions shall be notified of the acquisition to insure all transfers are handled correctly, which includes identifying the subject property as a Navajo Nation property or transferring of any lease and/or water rights.

H. Property Taxes

1. Property taxes for all purchases shall be paid yearly by the Land Acquisition Trust Fund budget.

**VI. AMENDMENTS**

This Land Acquisition Rules and Regulations may be amended by the Resources and Development Committee of the Navajo Nation Council.



## MEMORANDUM

TO: Honorable Alton Shepherd  
Jeddito, Cornfields, Ganado, Kinlichee, Steamboat Chapters

FROM: Mariana Kahn  
Mariana Kahn, Attorney  
Office of Legislative Counsel

DATE: October 5, 2016

SUBJECT: PROPOSED STANDING COMMITTEE RESOLUTION; AN ACTION  
RELATING TO RESOURCES AND DEVELOPMENT; APPROVING THE  
NAVAJO NATION LAND ACQUISITION RULES AND REGULATIONS

As requested, I have prepared the above-referenced proposed resolution and associated legislative summary sheet pursuant to your request for legislative drafting. Based on existing law and review of documents submitted, the resolution as drafted is legally sufficient. As with any action of government however, it can be subject to review by the courts in the event of proper challenge.

The Office of Legislative Counsel confirms the appropriate standing committee(s) based on the standing committees powers outlined in 2 N.N.C. §§301, 401, 501, 601 and 701. Nevertheless, "the Speaker of the Navajo Nation Council shall introduce [the proposed resolution] into the legislative process by assigning it to the respective oversight committee(s) of the Navajo Nation Council having authority over the matters for proper consideration." 2 N.N.C. §164(A)(5).

If the proposed resolution is unacceptable to you, please contact me at the Office of Legislative Counsel and advise me of the changes you would like made to the proposed resolution.

OLC# 16-646-1

THE NAVAJO NATION  
LEGISLATIVE BRANCH  
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: \_0360-16\_\_\_\_\_      SPONSOR: Alton Joe Shepherd

**TITLE: An Action Relating To Resources And Development; Approving The Navajo Nation Land Acquisition Rules And Regulations**

**Date posted: October 6, 2016 at 4:33pm**

Digital comments may be e-mailed to [comments@navajo-nsn.gov](mailto:comments@navajo-nsn.gov)

Written comments may be mailed to:

**Executive Director  
Office of Legislative Services  
P.O. Box 3390  
Window Rock, AZ 86515  
(928) 871-7590**

**Comments may be made in the form of chapter resolutions, letters, position papers, etc. Please include your name, position title, address for written comments; a valid e-mail address is required. Anonymous comments will not be included in the Legislation packet.**

**Please note:** This digital copy is being provided for the benefit of the Navajo Nation chapters and public use. Any political use is prohibited. All written comments received become the property of the Navajo Nation and will be forwarded to the assigned Navajo Nation Council standing committee(s) and/or the Navajo Nation Council for review. Any tampering with public records are punishable by Navajo Nation law pursuant to 17 N.N.C. §374 *et. seq.*

**THE NAVAJO NATION  
LEGISLATIVE BRANCH  
INTERNET PUBLIC REVIEW SUMMARY**

**LEGISLATION NO.:** 0360-16

**SPONSOR:** Honorable Alton Joe Shepherd

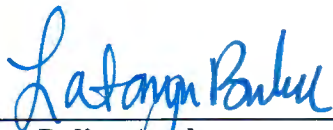
**TITLE:** An Action Relating To Resources And Development; Approving The Navajo Nation Land Acquisition Rules And Regulations

**Posted:** October 6, 2016 at 4:33 pm

**5 DAY Comment Period Ended:** October 11, 2016

**Digital Comments received:**

<b>Comments Supporting</b>	<i>None</i>
<b>Comments Opposing</b>	<i>None</i>
<b>Inclusive Comments</b>	<i>None</i>

  
\_\_\_\_\_  
**Policy Analyst  
Office of Legislative Services**

10/12/16 8:51am  
**Date/Time**

**RESOURCES AND DEVELOPMENT COMMITTEE  
23rd NAVAJO NATION COUNCIL**

**SECOND YEAR 2016**

**COMMITTEE REPORT**

Mr. Speaker,

The **RESOURCES AND DEVELOPMENT COMMITTEE** to whom has been assigned:

**Legislation # 0360-16:** An Action Relating to Resources and Development; Approving the Navajo Nation Land Acquisition Rules and Regulations. *Sponsor: Honorable Alton Joe Shepherd*

Has had it under consideration and report the same with a **DO PASS** with the one amendment as follow:

**AMENDMENT # 1:** Deleted attached Exhibit "A" and incorporated revised "Exhibit A", which is attached to this Committee Report. **(M: Walter Phelps S: Davis Filfred V: 4-0-1)**

And thereafter approved the legislation.

Respectfully submitted,



Benjamin Bennett, Vice-Chairperson  
Resources and Development Committee of  
the 23<sup>rd</sup> Navajo Nation Council

Date: October 25, 2016  
Main Motion: Honorable Walter Phelps  
Second: Honorable Leonard Pete  
Vote: 4-0-1

## **NAVAJO NATION LAND ACQUISITION RULES AND REGULATIONS**

### **I. PURPOSE**

The Navajo Nation Division of Natural Resources is authorized to acquire or dispose of real property for the Navajo Nation. These regulations shall establish the process for the acquisition and disposition of real property for the Navajo Nation, pursuant to 16 N.N.C. §§ 1 *et seq.*

### **II. NAVAJO NATION LAND ACQUISITION POLICY**

All real property of the Navajo Nation shall be acquired or disposed of in the best interest of the Navajo Nation.

### **III. AUTHORIZATION**

- A. The Executive Director of the Division of Natural Resources (“Executive Director”) is authorized to sign all administrative documents, not including the purchase agreement, closing documents, or other transactional documents, which shall be signed by the President pursuant to 2 N.N.C. § 222(A), unless delegated signatory authority by the President.
- B. The Executive Director shall have the authority to:
  - 1. Strategize and evaluate properties for acquisition or disposition through coordination with appropriate Divisions, Chapters, and Enterprises;
  - 2. Conduct a preliminary assessment of the property in terms of location, value to the Navajo Nation, title, and environmental issues;
  - 3. Coordinate with interested Divisions or Chapters to complete the assessment of the property for acquisition or disposition;
  - 4. Hire consultants, such as but not limited to, real estate brokers and agents to assist the Navajo Nation in the acquisition or disposition of real property; and
  - 5. Negotiate the purchase price for the subject property.
  - 6. Authorize the Navajo Land Department to conduct additional administrative duties that are not already identified herein.

### **IV. APPROVAL PROCESS**

- A. Pursuant to 16 N.N.C. § 4, the Executive Director shall:
  - 1. Approve price, acreage, and location for the acquisition or disposition of real property;

2. Be limited to the total expenditures of \$5,000,000 for each calendar year (January 1<sup>st</sup> to December 31<sup>st</sup>);
  3. Issue a memorandum for approval or disapproval of such acquisition or disposition of real property; and
  4. Have the discretion to seek Resources and Development Committee (“RDC”) approval when the purchase is in his or her authority.
- B. Pursuant to 16 N.N.C. § 4, the RDC, after a recommendation by the Budget and Finance Committee (“BNF”), shall:
1. Approve price, acreage, and location for the acquisition or disposition of real property;
  2. Be limited to the total expenditures of \$20,000,000 per calendar year (January 1<sup>st</sup> to December 31<sup>st</sup>); and
  3. Issue a resolution for approval or disapproval of such acquisition or disposition of real property.
- C. Pursuant to 16 N.N.C. § 4, the Naa'bik'iyati' Committee (“Naa'bik'iyati' ”), shall:
1. Approve price, acreage and location for the acquisition or disposition of real property exceeding the total expenditure of \$20,000,000 per calendar year (January 1<sup>st</sup> to December 31<sup>st</sup>); and
  2. Issue a resolution for approval or disapproval of such acquisition or disposition of real property.
- D. Expedited Acquisitions
1. An acquisition shall be expedited only in those unique circumstances where the property must be acquired through immediate approval, due to the nature of the property or the circumstances of the sale.
    - a. The Executive Director is solely authorized to determine when an expedited process is necessary for an acquisition.
    - b. An acquisition may be deemed expedited in circumstances where the immediate acquisition of land is beneficial to the Nation, such as a desirable property in a competitive market, a foreclosure where the Nation can exercise the right of first refusal, or other situations which would necessitate immediate acquisition due to the nature of the property or the circumstances of the sale.
    - c. The Executive Director shall have the authority to authorize the deposit of earnest money and the opening of escrow prior to the execution of a purchase agreement only for expedited acquisitions, and shall exercise such authority only when necessary.
  2. Upon determination of the need for an expedited process for an acquisition between \$5,000,000 and \$20,000,000 per calendar year, the Executive Director shall provide notification of such determination to the Chairs of BNF and RDC.



- a. The Chair of BNF shall immediately convene a special meeting within seven (7) working days to determine if a recommendation to RDC is appropriate for the acquisition.
  - b. The Chair of RDC shall convene a special meeting no more than three (3) days after BNF has met.
3. Upon determination of the need for an expedited process for an acquisition exceeding \$20,000,000 per calendar year, the Executive Director shall provide notification of such determination to the Chair of RDC and the Speaker of the Navajo Nation Council.
  - a. Legislation shall go directly to Naa'bik'iyati' for consideration.
  - b. The Speaker shall convene a special meeting of Naa'bik'iyati' within seven (7) working days to approve or disapprove the acquisition.

## **V. REAL PROPERTY PURCHASE REQUIREMENTS**

- A. The land must be desired for acquisition or disposition by the Navajo Nation.
  1. Land must conform to the Major Purposes requirements set forth in 16 N.N.C. §2; or
  2. Other lands that will benefit the Navajo Nation.
- B. The Navajo Nation must purchase land with insurable title.
  1. The Navajo Nation should purchase fee simple title to real property that is insurable.
  2. All steps should be taken to obtain clear and marketable title that is free of questions of fact, free of questions of law, free of any clouds on title, not subject to any liens, and vested in the seller of the property, except in special circumstances that are deemed to benefit the Navajo Nation.
- C. The purchase price for the land must be fair and reasonable.
  1. The purchase price may be determined by a certified real estate appraisal; or
  2. Other standards of valuation used to determine a fair and reasonable price.

## **VI. GENERAL PROCEDURE FOR PURCHASE OF REAL PROPERTY**

- A. This is the general procedure to be used for the purchase of fee land. It is understood that other process are used for purchase of allotment land, foreclosed lands, and other lands being acquired under special circumstances.
- B. Identification of Real Property
  1. The Navajo Land Department, with the Executive Director's authority or directive, shall maintain a listing of real property available for sale and acquisition.

2. Real property, with or without improvements, shall be identified by certified legal survey.
  3. All improvements, including but not limited to, buildings, furniture, equipment, fixtures, and good will of a business shall be included in the identification of the property, if applicable.
- C. Preliminary Inspection
1. The Navajo Land Department shall conduct an on-site inspection of the property to identify the land, any title issues, inventory, readily identifiable environmental concerns, or any other issue that may exist.
  2. The Navajo Land Department shall review preliminary title documents, if available, for identification of any liens, encumbrances, or title issues.
- D. Purchase Approval
1. Upon completion of the preliminary inspection, the Navajo Land Department shall:
    - a. Prepare a recommendation to the appropriate approving authority; and
    - b. Verify that funds are available for the purchase.
  2. The approving authority shall take action to approve or disapprove the Navajo Land Department's recommendation.
    - a. The Executive Director will approve or disapprove acquisitions through memorandum.
    - b. RDC will act through the resolution process set forth in Title II of the Navajo Nation Code.
    - c. Naa'bik'iyati' will act through the resolution process set forth in Title II of the Navajo Nation Code.
- E. Purchase Agreement and Opening Escrow
1. After it is determined that real property is suitable for purchase by the Navajo Nation, the Executive Director may issue a letter of intent or begin negotiating a purchase agreement.
  2. All purchases of real property shall be completed through the opening and closing of a real estate purchase escrow account established with a reputable Title Insurance Company, managed by the company's designated escrow agent, except in special circumstances that are deemed to benefit the Navajo Nation.
  3. The purchase agreement shall require that the opening of escrow occurs when the purchase agreement is fully executed, and the earnest money, which is part of the purchase price, is deposited with the escrow agent.
    - a. The Executive Director will have the authority to authorize the deposit of earnest money with the escrow agent for all purchases.
    - b. Navajo Land Department shall coordinate with the Office of the Controller to transfer funds for escrow and earnest money.

4. Title insurance policy may be purchased for the property being acquired.
5. The purchase agreement shall include a due diligence period to complete inspections, review any issues, and address any other concerns of the Navajo Nation as buyer.

F. Due Diligence Investigations

1. During the due diligence period, the Navajo Land Department may hire contractors through the contracted agent, or obtain the assistance of Navajo Nation Departments or Programs, to assist the Department in determining if the property is suitable for purchase.
2. The due diligence investigations shall include building or improvement inspections and appraisals.
3. To the extent possible, the due diligence investigations should include environmental audits, Phase I environmental site assessment, surveys, and engineering inspections.

G. Closing of Escrow

1. The Navajo Land Department shall conduct a final inspection of the premises to ensure that no changes have been made to the property.
2. The Division pursuing the acquisition shall ensure all conditions contained in the purchase agreement are fulfilled.
3. The deed must be recorded by the escrow agent with the Navajo Nation and the recording official designated by law, which may include the pertinent County of the State wherein the property is located, such as the County Recorder's Office.

H. Post-Closing of Escrow

1. The Executive Director shall notify appropriate divisions of the acquisition to insure all transfers are handled correctly, which includes identifying the subject property as a Navajo Nation property or transferring of any lease and/or water rights.

**VII. LAND ACQUISITION TRUST FUND**

- A. The Land Acquisition Trust Fund shall be used to compensate land users for the exercise of eminent domain by the Navajo Nation pursuant to 16 N.N.C. §§ 1401-1403.
- B. Property taxes for all taxable Navajo Nation properties shall be paid yearly through the Land Acquisition Trust Fund.
- C. Funds within the Land Acquisition Trust fund budget that are unspent at the end of each fiscal year shall be carried over and budgeted into the following fiscal year.

**VIII. AMENDMENTS**

This Land Acquisition Rules and Regulations may be amended by the Resources and Development Committee of the Navajo Nation Council.