



## 24<sup>th</sup> NAVAJO NATION COUNCIL LEGISLATION SPONSORSHIP WITHDRAWAL

I, Honorable Ricardo Noz, Primary  
Sponsor of proposed legislation hereby withdraw my  
sponsorship of the proposed legislation. The legislation  
tracking number is 0010-20

If there are any co-sponsors, they may re-sponsor the same  
bill by beginning a new legislation.

SPONSOR SIGNATURE:

A handwritten signature in black ink, appearing to be "Ricardo Noz", written over a horizontal line.

DATE:

1-22-20

## LEGISLATIVE SUMMARY SHEET

Tracking No. 0010-20

**DATE:** January 15, 2020

**TITLE OF RESOLUTION:** AN ACTION RELATING TO NAABIK'ÍYÁTI' COMMITTEE AND THE NAVAJO NATION COUNCIL; APPROVING THE PURCHASE OF PROPERTY KNOWN AS THE YAVAPAI RANCH, CONSISTING OF 18,047.80 ACRES, MORE OR LESS, LOCATED WITHIN YAVAPAI COUNTY, ARIZONA; WAIVING PROVISIONS OF THE NAVAJO NATION LAND ACQUISITION RULES AND REGULATIONS; AND, APPROVING THE EXPENDITURE OF NAVAJO NATION LAND ACQUISITION TRUST FUND PRINCIPAL FOR THE PURCHASE OF THE YAVAPAI RANCH PROPERTY

**PURPOSE:** The purpose of the resolution is to approve the purchase of the Yavapai Ranch property; to waive particular portions of the Navajo Nation Land Acquisition Rules and Regulations; and to approve the expenditure of Navajo Nation Land Acquisition Trust Funds for the purchase of the property. The expenditure of principle of the Navajo Nation Land Acquisition Trust Fund requires a two-thirds (2/3) vote of the full membership of the Navajo Nation Council.

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: 2888  
Website Posting Time/Date: 3:08pm 01-15-20  
Posting End Date: 1/20/20  
Eligible for Action: 1/21/20

Naabik'iyáti Committee  
Thence  
Navajo Nation Council

PROPOSED NAVAJO NATION COUNCIL RESOLUTION  
24<sup>th</sup> NAVAJO NATION COUNCIL -- Second Year, 2020

INTRODUCED BY



(Prime Sponsor)

TRACKING NO. 0010-20

AN ACTION

RELATING TO NAABIK'ÍYÁTI' COMMITTEE AND THE NAVAJO NATION  
COUNCIL; APPROVING THE PURCHASE OF PROPERTY KNOWN AS THE  
YAVAPAI RANCH, CONSISTING OF 18,047.80 ACRES, MORE OR LESS,  
LOCATED WITHIN YAVAPAI COUNTY, ARIZONA; WAIVING PROVISIONS  
OF THE NAVAJO NATION LAND ACQUISITION RULES AND REGULATIONS;  
AND, APPROVING THE EXPENDITURE OF NAVAJO NATION LAND  
ACQUISITION TRUST FUND PRINCIPAL FOR THE PURCHASE OF THE  
YAVAPAI RANCH PROPERTY

BE IT ENACTED:

**Section One. Authority**

- A. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. § 102 (A).
- B. The Navajo Nation Council by Resolution CJY-54-94 established the Navajo Nation Land Acquisition Trust Fund within the Navajo Land Department for the purchase of lands for the Navajo Nation according to the Navajo Nation Land Acquisition Policy and Procedures and the Navajo Land Consolidation Act of 1988.
- C. Pursuant to 16 N.N.C. § 4 the Naabik'iyáti' Committee grants final approval for [land] acquisitions of property exceeding \$20,000,000.00 per calendar year. CAU-44-16 (August 10, 2016), attached as **Exhibit D**.

1 D. The Naabik'iyáti' Committee shall approve price, acreage and location for the  
2 acquisition or disposition of real property exceeding the total expenditure of  
3 \$20,000,000 per calendar year and issue a resolution for approval or disapproval of  
4 such acquisition or disposition of real property. See Navajo Nation Land  
5 Acquisition Rules and Regulations, IV(C)(1)(2), RDCO-78-16 (October 25, 2016),  
6 attached as **Exhibit C**.

7 E. The Navajo Nation Land Acquisition Trust Fund principal shall not be expended  
8 except by a two-thirds (2/3) vote of the full membership of the Navajo Nation  
9 Council. 16 N.N.C. § 204.

## 10 11 **Section Two. Findings**

12 A. The Navajo Nation Acquisition of Lands Act, 16 N.N.C. §2(A), states "The Navajo  
13 Nation's major purposes in acquiring new lands shall be to: (5) Provide land  
14 necessary for approved Navajo Nation economic development." See CAU-44-16.

15 B. The Navajo Nation shall acquire and dispose of real property subject to land  
16 acquisition regulations as approved by the Resources and Development Committee  
17 of the Navajo Nation Council. 16 N.N.C. § 3, CAU-44-16.

18 C. The Resources and Development Committee approved the Navajo Nation Land  
19 Acquisition Rules and Regulations. RDCO-78-16.

20 D. The Navajo Nation Land Acquisition Rules and Regulations, V. REAL PROPERTY  
21 PURCHASE REQUIREMENTS state:

22 *A. The land must be desired for acquisition or disposition by the Navajo Nation.*

23 *1. Land must conform to the Major Purposes requirements set forth in 16 N.N.C.*  
24 *§2; or*

25 *2. Other lands that will benefit the Navajo Nation.*

26 *B. The Navajo Nation must purchase land with insurable title.*

27 *1. The Navajo Nation should purchase fee simple title to real property that is*  
28 *insurable.*

29 *2. All steps should be taken to obtain clear and marketable title that is free of*  
30 *questions of fact, free of questions of law, free of any clouds on title, not subject to*

1        *any liens, and vested in the seller of the property, except in special circumstances*  
2        *that are deemed to benefit the Navajo Nation.*

3        *C. The purchase price for the land must be fair and reasonable.*

4        *1. The purchase price may be determined by a certified real estate appraisal; or*

5        *2. Other standards of valuation used to determine a fair and reasonable price.*

6        E. The Navajo Nation Land Acquisition Rules and Regulations, VI. GENERAL  
7        PROCEDURE FOR PURCHASE OF REAL PROPERTY provide general  
8        procedures for the purchase of real property:

9        *B. Identification of Real Property.*

10       *\*\*\**

11       *2. Real property, with or without improvements, shall be identified by certified*  
12       *legal survey.*

13       *\*\*\**

14       *C. Preliminary Inspection.*

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

18       *2. The Navajo Land Department shall review preliminary title documents, if*  
19       *available, for identification of any liens, encumbrances, or title issues.*

20       *D. Purchase Approval*

21       *1. Upon completion of the preliminary inspection, the Navajo Land*  
22       *Department shall:*

23       *a. Prepare a recommendation to the appropriate approving authority; and*

24       *b. Verify that funds are available for purchase.*

25       *\*\*\**

26       *2. The approving authority shall take action to approve or disapprove the*  
27       *Navajo Land Department's recommendation.*

28       *\*\*\**

29       *c. Naabik'iyati' will act through the resolution process set forth in Title II*  
30       *of the Navajo Nation Code.*

1 \*\*\*\*

2 *F. Due Diligence Investigations*

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

12  
13 F. The Navajo Nation Division of Natural Resources Executive Director, through  
14 memorandum dated October 16, 2019, does not recommend the purchase of the  
15 Yavapai Ranch. Memorandum dated October 16, 2019 is attached as a  
16 **CONFIDENTIAL Exhibit E.** (Confidential pursuant to 2 N.N.C.  
17 §85(A)(7)(Negotiating position of the Navajo Nation before an agreement is entered  
18 into is a protected record).

19 G. The October 16, 2019 memorandum states that a new appraisal of the property must  
20 be obtained; and that pursuant to Navajo Nation Land Acquisition Rules and  
21 Regulations the recommendation for purchase and inspection report from the  
22 Navajo Land Department must be obtained.

23 H. The Department Director of the Navajo Land Department acknowledges that no  
24 certified legal survey, no preliminary inspection including examination of title  
25 issues, inventory readily indefinable environmental concern, and preliminary title  
26 documents have been obtained by the Navajo Land Department. The Navajo Land  
27 Department is not recommending the purchase of the Yavapai Ranch.

28 I. Funds are available from the FY2020 Land Acquisition Trust Fund Budget Business  
29 Unit 415000 to purchase the property. A copy of the funds availability is attached  
30 as **Exhibit A.**

1  
2 **Section Three. Waiver of Navajo Nation Land Acquisition Rules and Regulations,**  
3 **V. Real Property Purchase Requirements (B) and (C) and VI. General**  
4 **Procedure for Purchase of Real Property, (B)(2), (C)(1)(2), (D)(1)(a), and (F)**

5 A. The Navajo Nation Council hereby waives Navajo Nation Land Acquisition Rules and  
6 Regulations, V. Real Property Purchase Requirements (B) and (C).

7 B. The Navajo Nation Council hereby waives Navajo Nation Land Acquisition Rules and  
8 Regulations, VI. General Procedure for Purchase of Real Property, (B)(2), (C)(1)(2),  
9 (D)(1)(a), and (F).

10  
11 **Section Four. Approval Price, Acreage and Location for the Acquisition of Real**  
12 **Property**

13 The Navajo Nation hereby approves of the purchase of the 18,047.80 acres, more or  
14 less, the location as described in identified by attached **Exhibit B**, at \$41,510,000 plus  
15 any closing costs and expenses.

16  
17 **Section Five. Approval of the Expenditure of Principle and Income of the Navajo**  
18 **Nation Land Acquisition Trust Fund**

19 The Navajo Nation hereby approves the expenditure of the principle and income of  
20 the Land Acquisition Trust Fund in the amount approved to purchase the property to  
21 benefit the Navajo Nation.

22  
23 **Section Six. Directive to the Division of Natural Resources Executive Director and**  
24 **the Navajo Land Department, Department Director**

25 The Navajo Nation directs the Division of Natural Resources Executive Director  
26 and the Department Director of the Navajo Land Department to initiate and  
27 complete the requirements as described in the Navajo Nation Land Acquisition  
28 Rules and Regulations, VI. General Procedure for Purchase of Real Property, E.  
29 Purchase Agreement and Opening Escrow.  
30



# THE NAVAJO NATION

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JONATHAN NEZ | PRESIDENT   MYRON LIZER | VICE PRESIDENT

## Memorandum:

To: Dr. Rudy Shebala, Division Director  
Division of Natural Resources

From:   
Pearlina Kirk, Controller  
Office of the Controller

Date: January 9, 2020

Subject: Land Acquisition Trust Fund Balance

Per the request made by your office on December 19, 2019, the Office of Controller has calculated the unaudited balance of the Land Acquisition fund as of November 30, 2019. The unaudited unreserved amount available for use in the fund balance is \$174,954,972. 16 NNC §204 would govern this amount as it would be Fund Principal.

There currently is a budget within the business unit 415000 of \$4,532,877 that is available for purchase of Real Property 16 NNC §205 Expenditure of Fund Income would govern this portion as this amount is income that should be used for land acquisition.

If you should have any questions please feel free to call me at tribal extension X6125

**THE NAVAJO NATION**  
**Combining Balance Sheet**  
**November 30, 2019 (Unaudited)**

**EXHIBIT A**

<b>Assets</b>	
Current Assets:	
Cash and cash equivalents	\$ 2,519,149
Investments	43,997,135
Receivables:	
Accounts Receivable	438,015
Advances Receivable	-
Total Current Assets	46,954,298
Long Term Assets:	
Investments	133,523,555
Receivables	0
Total Long Term Assets	133,523,555
Total Assets	\$ 180,477,854
<b>Liabilities and Fund Balances</b>	
Liabilities:	
Accounts Payable	\$ -
Accruals	(1)
Other Liabilities	-
Total Liabilities	(1)
Fund Balances:	
Unreserved	(174,954,972)
Committed	(5,388,216)
Assigned	(134,666)
Total Fund Balances	(180,477,853)
Total Liabilities and fund balances	\$ (180,477,854)

**THE NAVAJO NATION**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balance**  
**November 30, 2019 (Unaudited)**

Revenues:	
Tax Revenue	\$ -
Interest & Dividends	1,740,491
Fees & Permits	-
Other Revenue	1,566,458
Total Revenue	3,306,949
Expenditures:	
Total Expenditures	(226,956)
Excess (deficit) of revenues over expenditures	3,079,994
Transfers	-
Net change in fund balances	\$ 3,079,994

|| - Unapportioned Balance Available



Potential Land Sales West Side Acreages Inc. Inholdings						
LOCATION	ACRES	DESCRIPTION				
T 19N R7W						
1	645.24	All=lots 1-4, S1/2N1/2 & S1/2				
3	645.48	All=lots 1-4, S1/2N1/2 & S1/2				
5	648.28	All=lots 1-4, S1/2N1/2 & S1/2				
7	630.88	All= lots 1-4 , E 1/2 & E 1/2 W 1/2				
9	640	All				
11	640	All				
13	640	All				
14	80	W 1/2 NW 1/4				
15	640	All				
17	640	All				
19	97.17	All=lots 1-4				
21	91.39	All=lots 1-4				
23	80.14	All=Lots 1-4				
	6118.58					
T 20N R7W						
1	818.4	All= lots 1-8,S 1/2 N 1/2 and S 1/2				
3	756.57	All= lots 1-8,S 1/2 N 1/2 and S 1/2				
5	712.53	All= lots 1-4 and S 1/2 N 1/2 & S 1/2				
7	625.8	All=lots 1-4 & E 1/2 of W 1/2 & E 1/2				
9	640	All				
11	640	All				
13	640	All				
15	640	All				
17	640	All				
19	627.2	All=lots 1-4 & E 1/2 of W 1/2 & E 1/2				
21	640	All				
23	640	All				
25	640	All				
27	640	All				
29	640	All				
31	628.72	All=lots 1-4 & E 1/2 of W 1/2 & E 1/2				
32	80	All=W 1/2 NE 1/4				
33	640	All				
35	640	All				
	11929.22					
				18047.8		



RDCO-78-16

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.

A handwritten signature in black ink, appearing to read 'B. Bennett', with a long horizontal stroke extending to the right.

**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**

## **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.



CAU-44-16

RESOLUTION OF THE  
NAVAJO NATION COUNCIL

23<sup>rd</sup> NAVAJO NATION COUNCIL -- Second Year, 2016

AN ACT

RELATING TO LAW AND ORDER, BUDGET AND FINANCE, RESOURCES AND DEVELOPMENT AND NAABIK'ÍYÁTI' COMMITTEES AND THE NAVAJO NATION COUNCIL; AMENDING 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 ENACTING THE NAVAJO NATION LAND ACQUISITION ACT

BE IT ENACTED:

Section One. Authorities

- A. The Law and Order Committee has the authority to review and make recommendations to the Navajo Nation Council on amendments to and enactments in the Navajo Nation Code. 2 N.N.C. § 601(B)(14).
- B. The Budget and Finance Committee has oversight of Navajo Nation fiscal policies and oversight of fund management plans. 2 N.N.C. §§ 300(C)(1) and 301(B)(13).
- C. The Resources and Development Committee of the Navajo Nation Council, pursuant to 2 N.N.C. § 500(C), exercises oversight authority over land.
- D. The Naabik'iyáti' Committee of the Navajo Nation Council, pursuant to 2 N.N.C. § 164(A)(9), reviews proposed legislation which requires final action by the Navajo Nation Council.

Section Two. Findings

- A. The Navajo Nation Policy on Acquisition of Lands, 16 N.N.C. § 1, was first enacted on March 23, 1954 for the purpose of acquiring lands for grazing, consolidating checkerboard areas, and overcrowding. The Navajo Nation has since grown through self-governance, executive orders, and other Federal authorizations. The purpose for land acquisition in

1954 no longer reflects the needs of the Navajo Nation because the Navajo Nation has moved into acquiring more industrial and commercial properties.

- B. Real estate is a major investment opportunity and is very competitive, especially for commercial use. To be competitive in the real estate industry, the Navajo Nation must have the ability to negotiate and acquire property on a streamlined basis. The procedures and limitations in the current Navajo Nation Policy on Acquisition of Lands, 16 N.N.C. § 1, et seq., have inhibited the Navajo Nation from acquiring property and being competitive in the real estate industry.
- C. The Navajo Nation has the ability to invest in real property. However, the laws must allow the Navajo Nation to compete, or it will continue to lose opportunities to acquire prime property that can bring more revenue to the Navajo Nation.
- D. The enactment of the Navajo Nation Land Acquisition Act provides flexibility for the Navajo Nation to acquire and dispose of real property. It also removes processes and negotiation limits that no longer make sense in the current real estate market. Additionally, it removes limitations on the types of lands that can be acquired to include any real property.
- E. Pursuant to 16 N.N.C. § 208, the Navajo Land Department recommends the amendments to the Land Acquisition Trust Fund, 16 N.N.C. § 202.
- F. Therefore, the Navajo Nation Council finds the amendments to the Navajo Nation Policy on Acquisition of Lands, 16 N.N.C. § 1 through 10, the Land Acquisition Trust Fund, 16 N.N.C. § 202, and the enactment of the Navajo Nation Land Acquisition Act to be in the best interest of the Navajo Nation.

**Section Three. Amendments to the Navajo Nation Policy on the Acquisition of Lands, Title 16 Sections 1 through 10 of the Navajo Nation Code by striking Sections 1 through 10**

The Navajo Nation hereby amends the Navajo Nation Code, Title 16, §§ 1 through 10 as follows:

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TITLE 16. LAND

CHAPTER 1. ~~NAVAJO NATION POLICY ON ACQUISITION OF LANDS~~

~~§ 1. Major purposes~~

~~A. The Navajo Nation's major purposes in acquiring new lands shall be to:~~

~~1. Consolidate Indian holdings in "checkerboard" areas wherever the best interests of the Navajos residing in the area and the welfare of the Navajo Nation are served thereby.~~

~~2. Provide grazing lands for members of the Navajo Nation who do not have grazing permits;~~

~~3. Provide additional or substitute lands for members of the Navajo Nation who reside in overcrowded areas of the Reservation.~~

~~4. Relieve Reservation land resources from excessive use; and~~

~~5. Provide land necessary for approved Navajo Nation enterprises.~~

~~§ 2. Methods of acquisition~~

~~The Navajo Nation may acquire new lands by exchange, gift, or purchase.~~

~~§ 3. Land acquisition program; code of use; priorities~~

~~The Resources Committee of the Navajo Nation Council is authorized and directed to: (1) Formulate a land acquisition program; (2) Develop a code of use for land acquired; and (3) Establish areas to be given priority attention.~~

~~§ 4. Management of agricultural and range lands~~

~~It is the policy of the Navajo Nation to manage agricultural and range lands in accordance with principles of sound and practical use, developing such lands to their maximum and preventing practices which damage or deteriorate them.~~

~~§ 5. Unrestricted lands; taxes and fees~~

~~Except as the United States may otherwise determine, the Navajo Nation shall, in acquiring unrestricted lands, assume responsibility for the payment of taxes lawfully imposed, and of all established fees for the use of federally or state-owned lands.~~

~~§ 6. Scope of land acquisition~~

~~Land acquisition includes agricultural and range lands and land for business or industrial purposes.~~

~~§ 7. Land acquisition proposals; plans for use~~

~~The Resources Committee of the Navajo Nation Council is authorized and directed to consider and investigate land acquisition proposals and to report findings and recommendations to the Navajo Nation Council. Proposals for land acquisition shall not be considered by the Navajo Nation Council unless the lands and the possible uses thereof conform to this land acquisition policy. Following acquisition thereof, a specific plan shall be prepared showing in detail the proposed use and operation of said land, which plan shall conform to the land use code and shall be strictly complied with. No deviation therefrom shall be permitted without the consent of the Navajo Nation Council based upon the recommendation of the Resources Committee.~~

~~§ 8. Cost of purchased lands~~

~~Purchased lands shall be acquired within a total cost calculated to yield to the Navajo Nation sufficient income from such land to pay taxes, land use fees, cost of administration, and to amortize the Navajo Nation~~

~~investment over a period not to exceed 50 years. Provided, however, that the cost of range lands purchased by the Navajo Nation in New Mexico may be amortized for a period not to exceed 99 years.~~

~~§ 9. Appraisal of land~~

~~All acquisition of land shall be based on a comprehensive appraisal thereof, to be secured by the Navajo Nation and approved by the Navajo Nation Council and authorized officials of the Bureau of Indian Affairs. No Navajo Nation monies shall be expended for the purchase in excess of the appraisal value plus an amount equal to ten percent (10%) in excess of such appraised value unless fully justified. Purchases must conform to the limitations established in 16 N.N.C. § 8, as indicated by the approved appraisal report.~~

~~§ 10. Procedure for acquisition of land~~

~~A. The procedure for acquisition of land shall be as follows:~~

- ~~1. Sufficient indication to Navajo Nation representatives that a property owner would consider sale of his or her property to the Navajo Nation, an instrument granting Navajo Nation representatives access to the property for the purpose of conducting preliminary investigations of the property will be secured.~~
- ~~2. When a preliminary investigation disclosing that the property is desirable when adjudged by the standards stated in the Navajo Nation land acquisition program, an appraisal report will be secured. After review by the Resources Committee, the appraisal report will be submitted to designated Bureau of Indian Affairs officials for approval.~~
- ~~3. After approval of the appraisal report by the Bureau of Indian Affairs, authorized Navajo Nation representatives may enter into negotiations with the property owner. Negotiations will be governed by the~~

~~estimates in the approved appraisal report, and the principles of the Navajo Nation Land Purchase Program.~~

- ~~4. If negotiations are carried on longer than six months, the appraisal report will be supplemented to bring value estimates in line with current market conditions.~~

#### Section Four. Enacting the Navajo Nation Land Acquisition Act

The Navajo Nation hereby enacts the Navajo Nation Land Acquisition Act as follows:

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### TITLE 16. LAND

#### CHAPTER 1. NAVAJO NATION ACQUISITION OF LANDS ACT

##### § 1. Establishment.

The Navajo Nation Land Acquisition Act is hereby established which governs acquisitions and disposals of Navajo Nation real property.

##### § 2. Major Purpose.

A. The Navajo Nation's major purposes in acquiring new lands shall be to:

1. Consolidate Indian holdings in "checkerboard" areas wherever the best interests of the Navajos residing in the area and the welfare of the Navajo Nation are served thereby.
2. Provide grazing lands for members of the Navajo Nation who do not have grazing permits;
3. Provide additional or substitute lands for members of the Navajo Nation who reside in overcrowded areas of the Reservation.
4. Relieve Reservation land resources from excessive use; and

5. Provide land necessary for approved Navajo Nation economic development.

§ 3. Rules and Regulations.

The Navajo Nation shall acquire and dispose of real property subject to land acquisition regulations as approved by the Resources and Development Committee of the Navajo Nation Council.

§ 4. Delegation.

The Division of Natural Resources Executive Director is hereby delegated a limited grant of final approval for the acquisition or disposition of real property(ies) not to exceed an accumulated sum of \$5,000,000.00 per calendar year. The Resources and Development Committee, on the recommendation of the Budget and Finance Committee, will grant final approval for acquisition or disposition of real property(ies) between the sum of \$5,000,000.00 and up to and including \$20,000,000.00 per calendar year. The Naabik'iyáti' Committee will grant final approval for acquisition or disposition of property(ies) exceeding \$20,000,000.00 per calendar year. The Executive Director shall report to the Resources and Development Committee and the President no later than March of each year and September of each year, all acquisitions and dispositions.

§ 5. Authorities.

The Division of Natural Resources Executive Director shall have the authority to take all steps necessary to acquire or dispose of real property, which may include: due diligence studies, hiring a real estate broker, or appropriating funds for earnest money, closing costs, and title insurance. The Division of Natural Resources Executive Director shall also have the authority to administer and grant sole and final approval to the budget and expenditure of the Navajo Nation Land Acquisition Trust Fund. The Division of Natural Resources Executive Director shall perform the authorities and delegations, in compliance with §3 Rules and Regulations and §4 Delegation.

§ 6. Oversight.

The Resources and Development Committee of the Navajo Nation Council shall serve as legislative oversight.

§ 7. Amendments.

This Chapter may be amended by the Resources and Development Committee of the Navajo Nation Council.

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**Section Five. Amendments to the Land Acquisition Trust Fund,  
Title 16 Section 202 of the Navajo Nation Code**

The Navajo Nation hereby amends the Navajo Nation Code, Title 16, §202 as follows:

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**TITLE 16. LAND**

**CHAPTER 3. LAND ACQUISITION TRUST FUND**

\*\*\*\*

**§ 202. Investment of the Fund**

~~A.~~ All monies deposited in the Fund shall be invested to acquire and dispose of real property ~~purchase land~~ for the Navajo Nation in accordance with the Navajo Nation Land Acquisition Act, 16 N.N.C. § 1, et seq., Policies and Procedures adopted by the Resources and Development Committee of the Navajo Nation Council.

~~B. Pursuant to 16 N.N.C. §1, the major purposes of acquiring new lands are:~~

- ~~1. To consolidate Indian holdings in the "checkerboard" area wherever the best interest of the Navajos residing in the area and the welfare of the Navajo Nation are served thereby;~~

- ~~2. To provide grazing lands for members of the Navajo Nation who do not have grazing permits;~~
- ~~3. To provide additional or substitute lands for members of the Navajo Nation who reside in overcrowded areas of the Reservation;~~
- ~~4. To relieve Reservation land resources from excessive use; and~~
- ~~5. To provide land necessary for approved Navajo Nation enterprises.~~

~~C. Pursuant to 16 N.N.C. §6, land acquisition may include agricultural and range lands for business or industrial purposes.~~

~~D. The administration management of the Fund shall be entrusted with the Navajo Land Department. Pursuant to CN-72-92, the Resources and Development Committee of the Navajo Nation Council serves as the Legislative Oversight over the Navajo Land Department and has (certain authority and function in the land acquisition process). All investment objectives shall be approved in accordance with 16 N.N.C. §1, et. seq., and other applicable Navajo Nation laws.~~

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#### **Section Six. Effective Date**

The Navajo Nation Code amendment enacted herein shall be effective pursuant to 2 N.N.C. § 221(B).

#### **Section Seven. Codification**

The provisions of this Act which amend or adopt new sections of the Navajo Nation Code shall be codified by the Office of Legislative Counsel. The Office of Legislative Counsel shall incorporate such amended provisions in the next codification of the Navajo Nation Code.

#### **Section Eight. Saving Clause**

Should any provisions of this ordinance be determined invalid by the Navajo Nation Supreme Court, or the District

Courts of the Navajo Nation, without appeal to the Navajo Nation Supreme Court, those portions of this ordinance which are not determined invalid shall remain the law of the Navajo Nation.

### CERTIFICATION

I hereby certify that the foregoing resolution was duly considered by the Navajo Nation Council at a duly called meeting in Window Rock, Navajo Nation (Arizona) at which a quorum was present and that the same was passed by a vote of 18 in favor and 2 opposed, this 2<sup>nd</sup> day of August 2016.



LoRenzo Bates, Speaker  
Navajo Nation Council

Aug. 5, 2016

Date

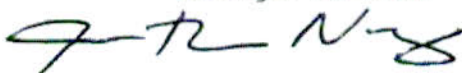
Motion: Honorable Jonathan L. Hale  
Second: Honorable Jonathan Perry

### ACTION BY THE NAVAJO NATION PRESIDENT:

1. I hereby sign into law the foregoing legislation, pursuant to 2 N.N.C. §1005 (C)(10), on this 10<sup>th</sup> day of August 2016.



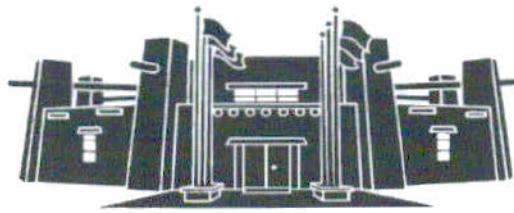
Russell Begaye, President  
Navajo Nation



2. I hereby veto the foregoing legislation, pursuant to 2 N.N.C. §1005 (C) (11), this \_\_\_\_\_ day of \_\_\_\_\_ 2016 for the reason(s) expressed in the attached letter to the Speaker.

---

Russell Begaye, President  
Navajo Nation



## MEMORANDUM

TO: Tom Platero  
Executive Director, Office of Legislative Services

Manuel Rico  
Administrative Services Officer

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

DATE: January 15, 2020

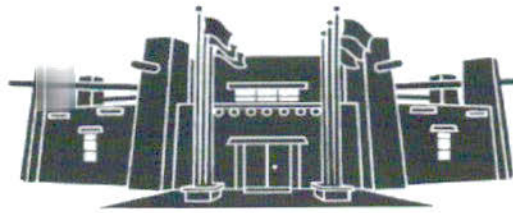
SUBJECT: Confidential **Exhibit E** not to be placed on Legislative Branch Website

AN ACTION RELATING TO NAABIK'ÍYÁTI' COMMITTEE AND THE NAVAJO NATION COUNCIL; APPROVING THE PURCHASE OF PROPERTY KNOWN AS THE YAVAPAI RANCH, CONSISTING OF 18,047.80 ACRES, MORE OR LESS, LOCATED WITHIN YAVAPAI COUNTY, ARIZONA; WAIVING PROVISIONS OF THE NAVAJO NATION LAND ACQUISITION RULES AND REGULATIONS; AND, APPROVING THE EXPENDITURE OF NAVAJO NATION LAND ACQUISITION TRUST FUND PRINCIPAL FOR THE PURCHASE OF THE YAVAPAI RANCH PROPERTY

Confidential **Exhibit E** is referenced on page four of this legislation. It is a memorandum dated October 16, 2019 from Dr. Rudolph Shebala, Executive Director of the Division of Natural Resources. The memorandum is confidential pursuant to 2 N.N.C. §85(A)(7)(Negotiating position of the Navajo Nation before an agreement is entered into is a protected record). The Confidential Exhibit is not to be placed on the Legislative Branch website.

The Confidential Exhibit will be delivered to the Legislative Services staff on the day the Naabik'iyati' Committee and the Navajo Nation Council considers the legislation. The Legislative Services staff should distribute the Confidential Exhibit at the time the legislation is considered and should gather the Confidential Exhibit after legislation has been considered.

If you would like to speak with me about my request please call me at 871-7166.



## MEMORANDUM

TO: Honorable Rickie Nez  
Tiistoh Sikaad, Nenahnezad, Upper Fruitland, Tse' Daa' Kaan, Newcomb, San  
Juan Chapters

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

DATE: January 15, 2020

SUBJECT: AN ACTION RELATING TO NAABIK'ÍYÁTI' COMMITTEE AND THE  
NAVAJO NATION COUNCIL; APPROVING THE PURCHASE OF  
PROPERTY KNOWN AS THE YAVAPAI RANCH, CONSISTING OF  
18,047.80 ACRES, MORE OR LESS, LOCATED WITHIN YAVAPAI  
COUNTY, ARIZONA; WAIVING PROVISIONS OF THE NAVAJO NATION  
LAND ACQUISITION RULES AND REGULATIONS; AND, APPROVING  
THE EXPENDITURE OF NAVAJO NATION LAND ACQUISITION TRUST  
FUND PRINCIPAL FOR THE PURCHASE OF THE YAVAPAI RANCH  
PROPERTY

I have prepared the above-referenced proposed resolution pursuant to your request for legislative drafting. **Please note that the legislation will require a two-thirds (2/3) vote of the full Navajo Nation Council.** 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).

Please ensure that this particular resolution request is precisely what you want. You are encouraged to review the proposed resolution to ensure that it is drafted to your satisfaction.

THE NAVAJO NATION  
LEGISLATIVE BRANCH  
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: 0010-20

SPONSOR: Rickie Nez

TITLE: An Action Relating to Naabik'iyáti Committee and the Navajo Nation Council; approving the purchase of property known as the Yavapai Ranch, consisting of 18,047.80 acres, more or less, located within Yavapai County,, Arizona; waiving provisions of the Navajo Nation Land Acquisition Rules and Regulations; and, approving the expenditure of Navajo Nation Land Acquisition Trust Fund Principal for the purchase of the Yavapai Ranch property

*Date posted:* January 15, 2020 at 3:08pm

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.: 0010-20

SPONSOR: Honorable Rickie Nez


**TITLE: An Action Relating to Naabik'iyáti Committee and the Navajo Nation Council; approving the purchase of property known as the Yavapai Ranch, consisting of 18,047.80 acres, more or less, located within Yavapai County,, Arizona; waiving provisions of the Navajo Nation Land Acquisition Rules and Regulations; and, approving the expenditure of Navajo Nation Land Acquisition Trust Fund Principal for the purchase of the Yavapai Ranch property**

Posted: January 15, 2020 at 3:08 PM

5 DAY Comment Period Ended: January 20, 2020

Digital Comments received:

Comments Supporting	<i>None</i>
Comments Opposing	<i>None</i>
Inconclusive Comments	<i>None</i>

  
\_\_\_\_\_  
Legislative Tracking Secretary  
Office of Legislative Services

1/21/20 8:22AM

Date/Time