

Property Purchase Conditions/Guidelines

Property acquisition eligibility for water quality projects, provided it is not specifically excluded by statute, shall be reviewed on a case by case basis by ECOLOGY and may be subject to the following conditions.

1. Match or reimbursement value shall be limited to fair market value at the time of project application or construction.
2. Ecology limits purchase to fair market value as determined by licensed appraiser.
3. Property purchase is limited to the footprint of the water quality improvement. Larger parcels may be pro-rated, with prior approval from Ecology.
4. Property may not be purchased for future use. Construction of the water quality improvement must be part of the Funding Agreement. Ecology may delay reimbursement until after the project is constructed to ensure the property is used to provide water quality benefit. The Recipient assumes the risk if the Recipient purchases the property prior to ensuring that the property will be suitable for the proposed water quality project.
5. Property must be deed-restricted to ensure that it remains in use for water quality, and is not modified to another use without approval from Ecology.
6. Costs to acquire the property including surveying, soil testing, title search, and earnest money are eligible if they occur within the grant period. Ecology may reimburse these costs prior to project construction.
7. Ecology retains the right to enter the property to inspect the installed water quality improvements for the design life of the water quality improvement.
8. Property purchased prior to the agreement effective date may be used as match subject to the conditions 1-7.

SAMPLE TASK LANGUAGE

Task x Property Appraisal

- A. Obtain an appraisal from a State Certified General Real Estate Appraiser. The appraisal must comply with the Uniform Standards of Professional Appraisal Practice (USPAP) and may not be a restricted-use report. The following items shall be included in the appraisal report:
 1. Description of the appraisal assignment and the property to be valued. State whether the appraisal is for fee simple interest in the property or for less than fee simple rights, such as a conservation easement, and describe all reservations.
 2. Legal Description – Include the legal description from the preliminary title report. If only a portion of the ownership listed on the preliminary title report is to be appraised, clearly identify the area to be acquired in the property description.
 3. Property Description – Include the parcel number(s), acreage to be acquired and a map. If the acreage is different from the county assessment records, state source for the acreage estimate.
 4. Property Access – Describe the existing physical access to the property and the location of legal access to the public roadway, if known.
 5. Ownership and Occupant Information – Include any information you have about the current ownership of the property and any tenants. Note other adjacent property under the same ownership if the acquisition is for less than the entire ownership.
 6. Preliminary Title Report – Provide a copy of the preliminary title report with existing easements and encumbrances.

7. Special Property Characteristics – Identify or describe any special attributes or conditions affecting the property (i.e. threatened or endangered species, geologic hazards, etc.)
 8. Market Value –expressed as a point value.
 9. Date of Value – This typically should be the same as the date of the last property inspection unless otherwise instructed or justified.
 10. Encumbrances – Include encumbrances from the preliminary title report and instruct the appraiser to address whether any of the encumbrances would impact the market value of the property. If the appraiser becomes aware of unrecorded encumbrances through the course of their work, those should also be addressed as to whether they would impact the market value of the property
 11. Report Format – The report format must be a self-contained appraisal report. Restricted use reports are not acceptable.
 12. Extraordinary Assumptions – The RECIPIENT may not assume any extraordinary assumptions without pre-approval from ECOLOGY.
 13. Hypothetical Conditions – The RECIPIENT may not use any hypothetical conditions without pre-approval.
 14. Any other interest, such as a life estate or leases must be provided.
- B. Obtain a review of the appraisal to confirm the value of record.

Deliverables:

Property Appraisal

Review of Property Appraisal

Task X

Property Acquisition

- A. Conduct any due diligence proceedings e.g., title review, hazardous substances review, etc, and obtain ECOLOGY approval for any draft legal documents.
- B. Acquire the property and record conveyance documents (e.g., deed, easement, lease) with the county auditor's office.
- C. Property records and conveyance documents shall dedicate future use of the parcel for the purposes of reduction of pollutants from stormwater.
- D. The purchase price of the property shall not be reimbursed by ECOLOY prior to receipt of the Construction Completion Form.

Deliverables:

Due Diligence Report

Copies of conveyance documents and deed restriction.

Bill of Sale