

EEP PPM Section 8.3.2.1.6		Document No.: IMP.PRO.02.01.06	
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## 1.0 PURPOSE AND SCOPE

1.1 Purpose. This process explains how to purchase land (fee simple) or a conservation easement in order to pursue a Design, Bid, Build (DBB) restoration, enhancement, creation or preservation project.

1.2 Scope. After the Project Review Committee and Watershed Planning and Project Implementation (WPPI) Supervisor give the go-ahead, a Project Manager (PM) moves ahead to request purchase of the property via fee simple or a conservation easement. (See IMP.PRO.02.01.07 for easements and land that are donated to EEP.) This process involves securing a valuation via the State Property Office (SPO) and then making an offer to the Landowner. If the Landowner agrees, it's necessary to develop a formal description of the site's boundaries in order to legally close on the sale.

1.3 Participants. This procedure applies to the following personnel:

- EEP Project Manager (PM)
- EEP Watershed Planning and Project Implementation (WPPI) Supervisor
- SPO Real Property Agent
- SPO EEP Manager
- SPO Director
- Landowner
- EEP Attorney
- Closing Attorney
- EEP Land Specialist
- EEP Land Protection Supervisor (LPS)
- Design Firm
- Surveyor
- EEP Budget Officer
- NCDENR Controller's Office
- EEP Operations Director
- Director of NCDENR Division of Purchase and Services (DPS)

## 2.0 PROCEDURE STEPS

2.1 Request valuation. The PM prepares a PO-1 form to request a property valuation and secures the WPPI Supervisor's approval. The WPPI Supervisor forwards it to the LPS, who assigns it to a Land Specialist for follow-up.

2.2 Forward to DENR Division of Purchase and Services. The Land Specialist forwards the PO-1 form to the Director of the DPS for signature.

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- 2.3 Forward PO-1 to SPO. The DPS forwards the signed PO-1 to the SPO Real Property Agent.
- 2.4 Gather information. The SPO Real Property Agent gathers the necessary information.
- 2.5 Develop valuation. If the site is to be purchased fee simple, and the estimated cost is between \$50,000 and \$500,000, SPO will contract for one appraisal. If the purchase is estimated to cost more than \$500,000, SPO contracts for two appraisals. Regardless of the dollar value, it will take four to six weeks to secure the results of the appraisals. If the estimated value is less than \$50,000, or the site is to be acquired via a conservation easement, SPO will render an in-house opinion as to its value; this process takes about two weeks.
- 2.6 SPO prepares preliminary offer. The SPO Real Property Agent prepares a preliminary offer to purchase the land or easement, and notifies the PM of the offer amount.
- 2.7 Consider offer amount. The PM considers whether to move ahead with the purchase, given the land costs, the need for the project and its viability. If the PM opts not to move ahead, go to Step 8. If the PM opts to move ahead, go to Step 9.
- 2.8 Contact Landowner. The PM contacts the Landowner to communicate that EEP is putting the project on hold, and records this information in PTS / IMS.
- 2.9 Contact Landowner with offer. The PM or SPO Real Property Agent contacts the Landowner with the preliminary offer. If the Landowner verbally agrees to the offer, go to Step 11. If not, consider whether negotiations could be beneficial. If no, record the information in PTS / IMS and stop the process. If yes, go to Step 10.
- 2.10 Develop counter offer. The PM and SPO Real Property Agent consider any additional information that was not evaluated earlier and develop a comprehensive counter offer, and send a letter to the Landowner with a deadline for reaching agreement. If the Landowner accepts this offer, go to Step 11. If not, record the information in PTS / IMS and stop the process.
- 2.11 Develop letter of intent if necessary. If appropriate, the PM develops a letter of intent regarding amenities (see process IMP.PRO.02.01.08), and secures their Supervisor's approval and the Operations Director's signature.
- 2.12 Sign formal offer letter. The SPO Director signs a formal offer letter to the Landowner.

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- 2.13 SPO prepares option agreement. The SPO Real Property Agent prepares an option agreement, secures the Manager’s approval, and forwards it to the PM.
- 2.14 Review option agreement. The PM reviews and approves the option agreement.
- 2.15 Forward to Landowner. The SPO Real Property Agent forwards to the Landowner the option agreement for signature and notifies the PM that it has been sent.
- 2.16 Return executed option agreement. The Landowner returns the executed option agreement to SPO’s Real Property Agent and notifies the PM via e-mail that the property has been secured. Go to Step 17.

**Sub-Process A: Closing Process**

- 2.17 Request funds for recording fee. The SPO Real Property Agent requests funds from EEP’s Budget Officer for the recording fee for the transaction.
- 2.18 Record option agreement. The SPO Real Property Agent has the option agreement recorded at the register of deeds office.
- 2.19 Request title search. The SPO Real Property Agent notifies the EEP Attorney that the title for the property needs to be searched.
- 2.20 Contract for title opinion. EEP’s Attorney contracts with a local attorney in the county where the site is located for a title opinion on the property in question.
- 2.21 Review title opinion. SPO’s Real Property Agent and EEP’s Attorney review the title opinion and notify the EEP Land Specialist and the PM regarding their findings. If the title is clear of encumbrances, proceed to Step 22. If the title opinion reveals problems, the LPS and WPPI Supervisor confer regarding whether to move ahead. If not, go to Step 8.
- 2.22 Determine how to define site’s legal boundaries. If the site needs a restoration design in order to determine its boundaries, the Restoration Plan Review process should provide for the Design Firm or PM to flag the project’s boundaries. If not, the PM can flag the boundaries.
- 2.23 Order survey. The SPO Real Property Agent orders a survey which uses the PM or Design Firm’s flags to determine the actual acreage involved in the transaction.
- 2.24 Approve survey. The PM and SPO Real Property Agent approve the preliminary survey.

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- 2.25 Landowner reviews survey. After the Landowner approves the survey by signing the preliminary survey approval form letter, the Surveyor places boundary markers to depict the edges of the project.
- 2.26 SPO requests funds. SPO Real Property Agent sends a written request to the LPS for the funds to purchase the property or easement on EEP's behalf. The LPS forwards the purchase request to the EEP Budget Officer.
- 2.27 Request funds from NCDENR's Controller. EEP's Budget Officer requests the funds from the NCDENR Controller's Office.
- 2.28 Controller forwards payment. The NCDENR Controller's Office sends payment to SPO's EEP Manager.
- 2.29 Prepare purchase agreement and / or conservation easement. EEP's Attorney supervises the preparation of the purchase documents.
- 2.30 Forward funds. SPO's Real Property Agent sends the payment to EEP's Attorney.
- 2.31 Review and approve documents. EEP's Attorney reviews the closing documents and forwards them and the payment to the Closing Attorney.
- 2.32 Close on property. The Closing Attorney closes on the property, records the transaction at the register of deeds office and sends the documents to EEP's Attorney. The documents are filed in the vault at the SPO. "PDF" versions are stored at EEP on the S Drive.
- 2.33 Complete. Go to IMP.PRO.02.02.01, Scoping / Contracting for Watershed Planning, Design or Monitoring.

### 3.0 RESPONSIBILITIES AND AUTHORITIES

Table 1 summarizes the responsibilities and authorities of key participants in this procedure.

**Table 1. Responsibilities and Authorities**

Step #	Procedure Step	Project Manager	Landowner	SPO Real Property Agent	State Property Office Director	WPPI Supervisor	EEP Operations Director	EEP's Attorney	Land Specialist	Surveyor	Budget Officer	DENR Controller's Office	Closing Attorney	Design Firm	SPO's EEP Manager	Land Protection Supervisor	NCDENR Div. of Purch. & Ser.	
1	Request valuation	P				RA			S								RA	
2	Forward to DPS								P									RA
3	Forward PO-1 to SPO			S														P
4	Gather information			P														
5	Develop valuation			P											RA			
6	Prepare preliminary offer	S		P	RA												RA	
7	Consider offer amount	P				RA												
8	Contact Landowner	P	N															
9	Contact Landowner with offer	P	S	A	RA										RA			
10	Develop counter offer	RA	S	P	RA													
11	Develop letter of intent	P				RA	S											
12	Sign formal offer letter			A	P										RA			
13	Prepare option agreement	S		P											RA			
14	Review option agreement	RA																
15	Forward to Landowner	N	S	P														
16	Return executed agreement	N	P	S														
	<b>Sub-Process A: Closing Process</b>																	
17	Request funds for recording fee			P							RA	S					RA	
18	Record option agreement			P														
19	Request title search			P														
20	Contract for title opinion							N										
21	Review title opinion	N		P		N		P	N								N	
22	Determine how to define boundaries	P		N										A				
23	Order survey			P						N								
24	Approve survey	RA		RA														
25	Review survey, mark site	A	P							P								
26	Request funds			P							S						RA	

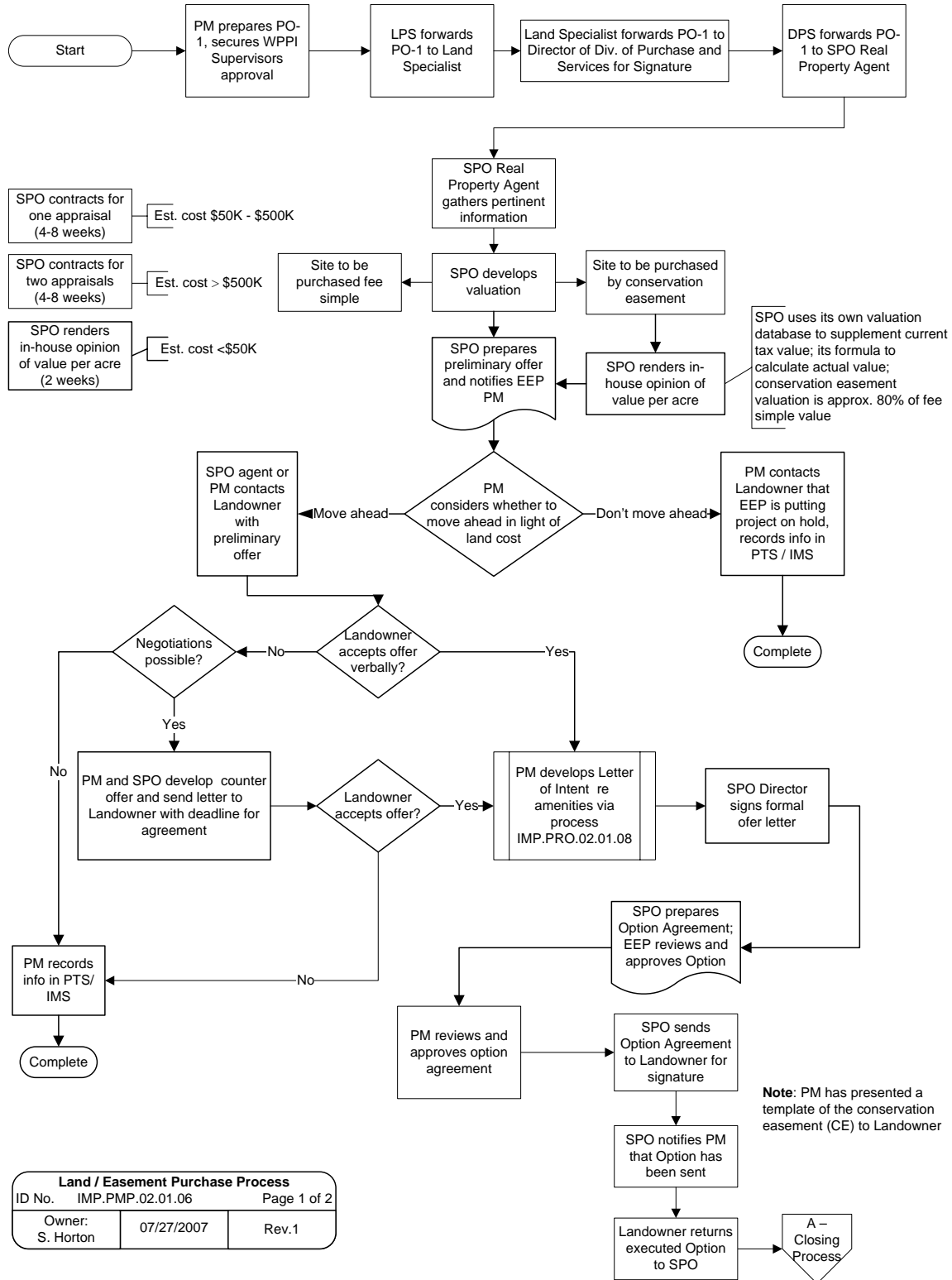
Step #	Procedure Step	Project Manager	Landowner	SPO Real Property Agent	State Property Office Director	WPPI Supervisor	EEP Operations Director	EEP's Attorney	Land Specialist	Surveyor	Budget Officer	DENR Controller's Office	Closing Attorney	Design Firm	SPO's EEP Manager	Land Protection Supervisor	NCDENR Div. of Purch. & Ser.
27	Request funds from DENR Controller										P	S					
28	Controller forwards payment											P			S		
29	Prepare closing documents			A				P									
30	Forward funds			P				S									
31	Review and approve documents							RA				S					
32	Close on property							S				P					
33	Complete																

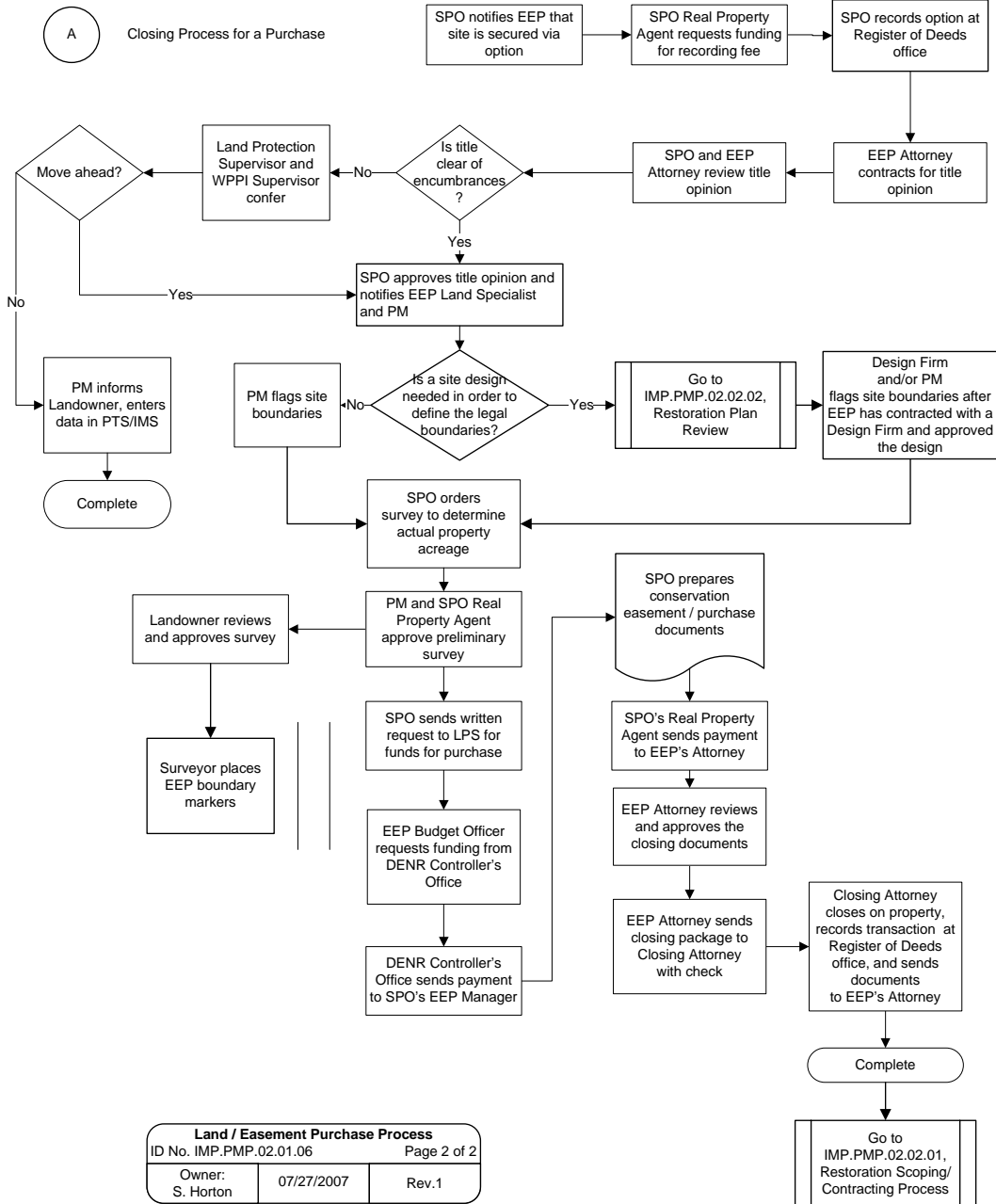
Legend:

- P** = Primary responsibility
- A** = Assist
- RI** = Review to provide Input
- RA** = Review and Approve
- N** = Notify
- S** = Submit final output to this person



### 4.0 PROCEDURE FLOW DIAGRAM





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 Restoration Scoping/  
 Contracting Process

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## 5.0 REFERENCES

None.

## 6.0 FORMS

PO-1