



# Oregon Watershed Enhancement Board

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## LAND ACQUISITION DUE DILIGENCE MATERIALS

*(Materials to be submitted by invitation of OWEB Board or staff)*

Submission of the following due diligence information is at the request of OWEB staff or the Board after an initial review of the information submitted in Section III of Land Acquisition Grant Application. The following are required to complete a land acquisition grant application. All listed materials must be submitted at least 90 days prior to OWEB Board action.

1. **Option, Purchase or Lease Agreement.** A copy of the written option, purchase, or lease agreement for the proposed acquisition, or evidence that such an agreement exists. If a copy of the option, purchase, or lease agreement is not submitted, the applicant shall submit a brief statement explaining whether the terms of the option, purchase, or lease agreement limit the proposed transfer or lease in any way, or could affect the proposed use of the land interest for the purposes described in section 4(b), Article XV of the Oregon Constitution.
2. **Donation & Disclosure.** Include the following information:
  - a. A statement of whether or not the seller or lessor of the land interest is contractually required by the written option, purchase or lease agreement, or other related documents, to donate or transfer funds to the buyer, applicant, or a third party who has assisted with or facilitated the proposed acquisition.
  - b. Disclosure of the amount of a contractually required donation or payment is required after an initial staff recommendation has been made on the grant application **if** the donation or payment will exceed 15 percent of the purchase or lease price for the land interest. Disclosure of the amount of a contractually required donation or payment exceeding 15 percent of the purchase or lease price must be made to the Board in writing prior to the Board's consideration of the proposed funding request, or the grant application will not be considered for funding by the Board.
3. **Fair Market Value Appraisal.** Self-Contained Narrative Appraisal Reports are to be prepared by independent appraisers who are Certified General Appraisers through the State of Oregon. No Summary or Restricted appraisal reports will be accepted, according to OAR 695-045-0120(2)(d). The appraiser should be experienced in appraising partial property interests and in appraising similar property types. The appraisal should be completed within 18 months prior to submittal of the application to OWEB. The appraisal must value the fair market value of the property interest to be acquired through accepted appraisal techniques (typically the Uniform Standards of Professional Appraisal Practice or USPAP standards).

4. **Title Report & Exceptions.** A preliminary title report for the property. If exceptions are listed on the title report, documentation explaining the exceptions, and a map locating the exceptions on the property.
5. **Environmental Site Assessment.** A phase one environmental site assessment (ESA) conducted by a qualified third party and complying, at a minimum, with American Society for Testing and Materials (ASTM) standard E1527-05 published in November 2006. If a phase one environmental site assessment indicates that further investigation is necessary, OWEB staff may require later submission of a phase two environmental site assessment. If a phase two environmental site assessment indicates that further investigation is necessary, OWEB staff may require submission of additional assessment information. The Board may require remediation prior to the release of grant funds. The final environmental site assessment report shall name OWEB as a third party beneficiary.
6. **Proposed Conservation Easement.** If the grant application requests funding for the purchase of land, a draft of the proposed conservation easement, covenant or deed restriction to be held by OWEB, described in OAR 695-045-0140(7), consistent with the template provided by OWEB. (*See the OWEB Website or contact staff for a copy of the template.*) If the grant application requests funding to assist with the purchase of a conservation easement or lease, a draft of the proposed conservation easement or lease, giving OWEB a third party right of enforcement, and including the conservation easement or lease elements provided by OWEB in template form. If OWEB's conservation easement or lease elements are not acceptable, then the applicant must describe what modifications are requested and why.