

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



**LEGISLATION NO: \_0241-22\_**

**SPONSOR: Jamie Henio**

**TITLE   An Action Relating to Resources and Development, and Naabik'iyáti' Committees and the Navajo Nation Council; Approving the Purchase of Property Known as the Chaves Ranch, Consisting of 6,349 Acres, More or Less, Located Near Tohajíílee, Navajo Nation; Waiving 16 N.N.C. §§ 3-5, RDCO-78-16, and the Navajo Nation Land Acquisition Rules and Regulations; Approving the Expenditure of Navajo Nation Land Acquisition Trust Funds for the Purchase of the Chaves Ranch Property**

***Date posted:*   December 7, 2022 at 5:44 PM**

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**Executive Director  
Office of Legislative Services  
P.O. Box 3390  
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## LEGISLATIVE SUMMARY SHEET

Tracking No. 0241-22

**DATE:** December 6, 2022

**TITLE OF RESOLUTION:** AN ACTION RELATING TO RESOURCES AND DEVELOPMENT, AND NAABIK'ÍYÁTI' COMMITTEES AND THE NAVAJO NATION COUNCIL; APPROVING THE PURCHASE OF PROPERTY KNOWN AS THE CHAVES RANCH, CONSISTING OF 6,349 ACRES, MORE OR LESS, LOCATED NEAR TOHAJÍÍLEE, NAVAJO NATION; WAIVING 16 N.N.C. §§ 3-5, RDCO-78-16, AND THE NAVAJO NATION LAND ACQUISITION RULES AND REGULATIONS; APPROVING THE EXPENDITURE OF NAVAJO NATION LAND ACQUISITION TRUST FUNDS FOR THE PURCHASE OF THE CHAVES RANCH PROPERTY

**PURPOSE:** The legislation, if approved, would authorize the purchase of the Chaves Ranch property for \$19,000,000, plus closing costs and purchase expenses, from the Land Acquisition Trust Fund.

**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: Johnson  
Website Posting Time/Date: \_\_\_\_\_  
Posting End Date: 12-12-22  
Eligible for Action: 12-13-22

Budget & Finance Committee  
Thence  
Resources & Development Committee  
Thence  
Naabik'iyáti' Committee  
Thence  
Navajo Nation Council

PROPOSED NAVAJO NATION COUNCIL RESOLUTION  
24<sup>th</sup> NAVAJO NATION COUNCIL – Fourth Year, 2022

INTRODUCED BY

\_\_\_\_\_  
(Prime Sponsor)

TRACKING NO. 0241-22

AN ACTION

RELATING TO RESOURCES AND DEVELOPMENT, AND NAABIK'ÍYÁTI'  
COMMITTEES AND THE NAVAJO NATION COUNCIL; APPROVING THE  
PURCHASE OF PROPERTY KNOWN AS THE CHAVES RANCH,  
CONSISTING OF 6,349 ACRES, MORE OR LESS, LOCATED NEAR  
TOHAJÍILEE, NAVAJO NATION; WAIVING 16 N.N.C. §§ 3-5, RDCO-78-16,  
AND THE NAVAJO NATION LAND ACQUISITION RULES AND  
REGULATIONS; APPROVING THE EXPENDITURE OF NAVAJO NATION  
LAND ACQUISITION TRUST FUNDS FOR THE PURCHASE OF THE  
CHAVES 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 Budget and Finance Committee was established as a standing committee of the Navajo Nation Council with an enumerated responsibility to protect the interests of the Navajo People through the prudent management of financial reserves of the Navajo Nation and the use of funds available for expenditure by the Navajo Nation. 2 N.N.C. § 300(A) and § 300(C)(4).

- 1 C. The Resources and Development Committee was established as a standing  
2 committee of the Navajo Nation Council with an enumerated responsibility to  
3 exercise oversight over Navajo Nation land(s) and acquisitions. 2 N.N.C. § 500(A),  
4 § 500(B) and § 501(B)(1).
- 5 D. The Naabik'iyáti' Committee was established as a standing committee of the Navajo  
6 Nation Council with the assigned responsibility to hear and act on proposed  
7 legislation that requires final action by the Navajo Nation Council. 2 N.N.C. § 700(A)  
8 and § 164 (A)(9).
- 9 E. Through Resolution No. CAU-44-16, attached as **Exhibit A**, the Navajo Nation  
10 Council enacted the Navajo Nation Land Acquisition Act which amended the Navajo  
11 Land Policy on Acquisition of Land, 16 N.N.C. §§ 1 – 10, and the Land Acquisition  
12 Trust Fund, 16 N.N.C. § 202.
- 13 F. As required by the Navajo Nation Land Acquisition Act, the Resources and  
14 Development Committee adopted Resolution No. RDCO-78-16, attached as **Exhibit**  
15 **B**, enacting the Navajo Nation Land Acquisition Rules and Regulations.
- 16 G. The Navajo Nation Land Acquisition Trust Fund principal shall not be expended  
17 except by a two-thirds (2/3) vote of the full membership of the Navajo Nation Council.  
18 16 N.N.C. § 204.

19  
20 **Section Two. Findings**

- 21 A. The Navajo Nation Land Acquisition Act, 16 N.N.C. §2(A), states “The Navajo  
22 Nation’s major purposes in acquiring new lands shall be to: (4) [r]elieve Reservation  
23 land resources from excessive use; and (5) [p]rovide land necessary for approved  
24 Navajo Nation economic development.” **Exhibit A**.
- 25 B. As more fully described in **Exhibit C**, the Chaves Ranch is a +6,349 acres property  
26 located approximately 20 minutes west of the Albuquerque I-25/I-40 intersection and  
27 in visual sight of I-40 (Mile Marker 140). The +6,349 acres include +/- 58.78 acres  
28 of economic development parcel(s) with I-40 access; +/- 1,785 acres of fee simple  
29 ranch land, including ranch house, stables, corrals, and barns; historical Native  
30 Americans Ruins of the Hummingbird Pueblo; +/- 4,468 acres of land leased from the

1 State of New Mexico and the Bureau of Land Management that will transfer with the  
2 sale; and +/- 37 acres of Canoncito Road frontage.

3 C. In addition to the economic development possibilities and potential, including  
4 distribution access, acquisition of the Chaves Ranch would provide numerous benefits  
5 to the Navajo Nation, including, but not limited to: adding 6,349 acres of additional  
6 land holdings to the Navajo Nation; providing legal access and frontage along I-40;  
7 400 acre feet of Water Rights for future use; acquisition of Hummingbird Pueblo  
8 which could be deeded to Laguna Pueblo in exchange for land or other consideration;  
9 and direct KV Line for lease of large solar field. **Exhibit C.**

10 D. The Chaves Ranch property which includes the 1,720 acres ranch tract; the 58.91  
11 acres interstate tract; the 4,468 acres of leased land from the State of New Mexico and  
12 the Bureau of Land Management; 400 acre-feet of non-transferable water rights; and  
13 the Humming Bird Pueblo is being offered for nineteen million dollars (\$19,000,000).  
14 **Exhibit C.**

15 E. 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. The Resources and  
18 Development Committee approved the Navajo Nation Land Acquisition Rules and  
19 Regulations pursuant to RDCO-78-16. **Exhibit B.**

20 F. 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. §2;*  
24 *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 that*  
2        *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        G. 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 Department*  
22       *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       *\*\*\*\**

30       *F. Due Diligence Investigations*

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

10       H. Although the Navajo Land Department was provided information concerning the  
11       opportunity to acquire the Chaves Property more than two years ago and has been  
12       provided site surveys and appraisals, as well as being requested by both the Chairman  
13       of the Budget and Finance Committee and the Speaker of the Navajo Nation to  
14       investigate and process the purchase under the Navajo Nation Land Acquisition Rules  
15       and Regulations, the Navajo Land Department has not taken the requisite action to  
16       execute the purchase. Nor has the Executive Director of the Division of Natural  
17       Resources Executive Director issued a memorandum recommending or not  
18       recommending the acquisition of the Chaves Property as required by the Land  
19       Acquisition Rules and Regulations, Rule IV (A)(3). **Exhibit B.**

20       I. The Office of the Controller has identified that the current balance of the Land  
21       Acquisition Trust Fund principal far exceeds the purchase price of the Chaves Ranch  
22       property. **Exhibit D.**

23       J. As set forth in CAU-44-16, which amended the Land Acquisition Trust Fund, “[r]eal  
24       estate is a major investment opportunity and is very competitive, especially for  
25       commercial use [and] [t]o be competitive in the real estate industry, the Navajo Nation  
26       must have the ability to negotiate and acquire property on a streamlined basis.”  
27       **Exhibit A.**

28       K. Notwithstanding the Division of Natural Resources failure to take action, the Navajo  
29       Nation Council determines that the purchase of the Chaves Ranch property with Land  
30       Acquisition Trust Funds is in the best interests of the Navajo Nation and Navajo

1 communities, specifically those Navajo communities on and near Tohajílee, Navajo  
2 Nation (New Mexico).

3  
4 **Section Three. Waiver of Certain Provisions of the Navajo Nation Acquisition of**  
5 **Lands Act and Navajo Nation Land Acquisition Rules and Regulations**

- 6 A. The Navajo Nation Council hereby waives 16 N.N.C. §§ (3) – 5 of the Navajo Nation  
7 Acquisition of Lands Act, attached as **Exhibit A**, as necessary to effectuate the  
8 expedited purchase of the Chavez Ranch property.
- 9 B. The Navajo Nation Council hereby waives the Navajo Nation Land Acquisition Rules  
10 and Regulations approved by RDCO-78-16, attached as **Exhibit B**, as necessary to  
11 effectuate the expedited purchase of the Chavez Ranch property.

12  
13 **Section Four. Real Property Acquisition Approval**

- 14 A. The Navajo Nation hereby approves the purchase and acquisition of the Chaves  
15 Property, as described in **Exhibit C**, for up to nineteen million dollars (\$19,000,000)  
16 plus any closing costs and other purchase expenses.
- 17 B. The Office of President and Vice-President and Division of Natural Resources shall  
18 take all actions necessary to expeditiously effectuate the purchase of the Chaves  
19 Ranch property.

20  
21 **Section Five. Approval of the Expenditure of Principle and Income of the Navajo**  
22 **Nation Land Acquisition Trust Fund**

23 The Navajo Nation hereby approves the expenditure of the principle and/or income of the  
24 Land Acquisition Trust Fund in the amount approved to purchase the Chaves Property to  
25 benefit the Navajo Nation.

26  
27 **Section Six. Directives to the Division of Natural Resources Executive Director and**  
28 **the Navajo Land Department, Department Director**



- 1 A. The Division of Natural Resources Executive Director and the Department Director  
2 of the Navajo Land Department shall immediately initiate and complete the purchase  
3 of the Chaves Property using best practices.
- 4 B. At the end of each fiscal year quarter, the Division of Natural Resources Executive  
5 Director and the Department Director of the Navajo Land Department shall provide  
6 a verbal and written report to the Resources and Development Committee delineating  
7 the steps they have taken to effectuate the purchase of the Chavez Ranch property.