



# Tribal Administration of Resource Appraisal Services

*USDOl, Policy Management & Budget,  
Appraisal & Valuation Services Office*



# Presentation Outline

- Introduction
- Who is AVSO?
- Updates on Appraisals and Valuations
- FY2020 Real Estate Appraisal Program MOU Template
- Status of Funding Agreement language
- Filling the Gaps: What did I miss?



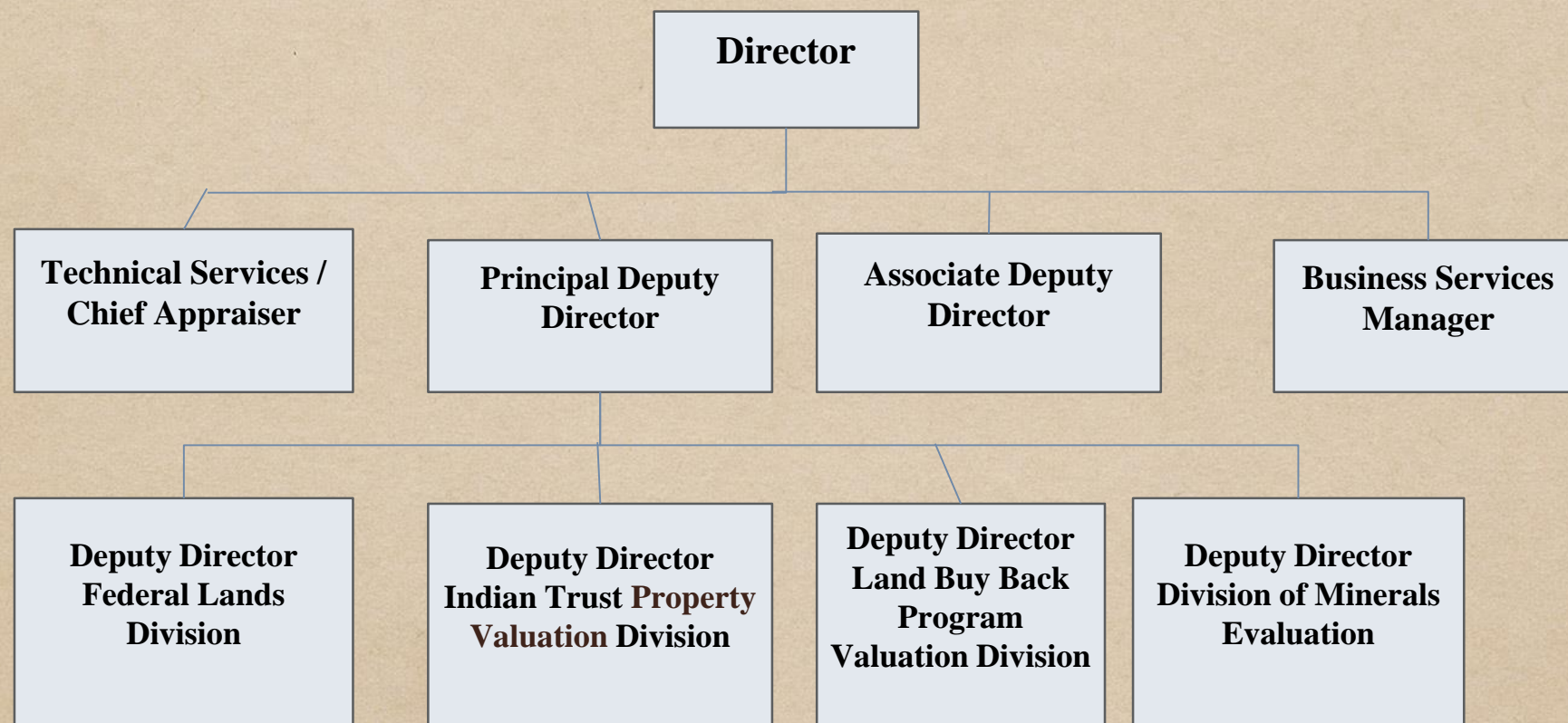
# Who is AVSO?

- On March 19, 2018, Secretary Zinke signed Secretarial Order No. 3363 consolidating appraisal and valuation functions for Indian trust and restricted property. Per Secretarial Order, the single administrative entity identified to administer Indian trust and restricted property appraisals, valuations and administration of P.L. 93-638, as amended, Title I Self-Determination Contracts & Title IV Self-Governance Compacts, related to the Real Estate Appraisal Program, is the **Appraisal and Valuation Services Office (AVSO)**.



# Review of AVSO Organization Structure

## March 19, 2018





# Who is AVSO?

- AVSO is responsible for all real property appraisal and valuation services, as well as all mineral economic evaluations for the Department. The primary mission of the Indian Trust Property Valuation Division (ITPVD) of AVSO is to provide real estate appraisal services to the Bureau of Indian Affairs (BIA), to support trust responsibility for Tribes and individual Indians. AVSO responsibility also includes providing real property appraisal and mineral valuation services in support of acquisitions by the Land Buy Back Program for Tribal Nations (BBP).



# Why Was AVSO Created?

- Indian Trust Asset Reform Act (ITARA) called for appraisals and valuations to be administered by a single bureau, agency or other administrative entity within DOI
- The March 2017, Presidential Executive Order 13781 supported consolidation of areas of similar service to improve efficiency, effectiveness and accountability of the Department
- The June 2017, Decision Memorandum from the Department authorized work toward consolidation
- Secretarial Order No. 3363 signed on March 19, 2018 established AVSO



# Status of Consolidation

- Completed transition of the administration of 35 Tribal Appraisal programs operating under Self Determination Contracts and Self Governance Compacts from OST to AVSO .
- Evaluating operating costs: office space, vehicle, travel costs, etc. in order to effectively manage overhead.
- Maintaining workload alignment with funding source, (ensure appropriated funds are spent where intended by appropriation).
- Revising appraisal policy to reflect business needs, statutory and regulatory requirements for all areas of operation.
- Working on plans to consolidate two appraisal request management platforms: **Office of Appraisal Services Information System (OASIS)** and **Interior Valuation Information System (IVIS)** (However, not likely completed before FY2020.)



# What Has Not Changed?

- Procedures for requesting real estate appraisal services, i.e., OASIS or hard copy request to ITPVD
- Procedures for requesting mineral economic evaluations, i.e., OASIS or written request to DME
- Local AVSO POCs about the status of appraisal requests, technical assistance, general questions about appraisals and valuations for planning purposes or clarification
- Valuation services from LBBPVD continue to support acquisitions of fractional interests by BBP for consolidation



# Top Issues and Opportunities

- 43 CFR Part 100 Update
- 25 CFR Part 169 valuation issues
- Rescission of the "One Appraisal Policy"
- Mass Appraisal Methodology: Application to agricultural leased lands to estimate market rental rates
- Proposal to move to one Awarding Officials Technical Representative (AOTR) for the administration of Self Determination Contracts for Real Estate Appraisals
- Sharing of Appraisal Reports by the LBBPTN



# 43 CFR Part 100

- The regulations do not have limitations on whether 638 Tribes that are the landowner or individual Indian landowners who are serviced by a 638 Tribe may waive Departmental review of an appraisal
- The regulations at 43 CFR Part 100 do not preclude 638 Tribes, as landowners, from requesting a waiver of Departmental appraisal review for Tribal land transactions



# 43 CFR Part 100

- Tribes (whether 638 or not) may not make a request to waive the Departmental review on behalf of another landowner, e.g., individuals
- SOL recommends that 638 Tribes' request to waive review not be submitted to the BIA by Tribe's appraiser(s) or appraisal office
- The regulations at 43 CFR Part 100 do not have any limitations on individual Indian landowners making a request that an appraisal prepared by a tribally contracted or compacted program be waived by the Department. BIA may grant the request if it meets the conditions set forth in the rule



# 25 CFR Part 169

- The "Holly Memo", Appraisal Methodology for Rights of Way Grants across Individual Indian lands, rescinded by DOI Chief Appraiser on March 1, 2019
- Issued on May 31, 2005 by former DOI Chief Appraiser
- Required valuations of rights of way across individual Indian lands be performed using the Before and After or Part Taken Plus Damages (aka Across-the-Fence) Method



# 25 CFR Part 169

## Next Steps:

- DOI Chief Appraiser preparing a white paper for AVSO Director on valuations of rights of way across Indian trust and restricted lands
- AVSO Director has recommended that a team of BIA and AVSO ROW experts be formed to evaluate the appraisal requirements under 25 CFR Part 169 to address concerns about the rule



# One AOTR Plan

- Proposed project is twofold: 1) Designate Program Analyst as Awarding Official's Technical Representative for each Title I contract for the Real Estate Appraisal Program; 2) Move current AOTRs to that of Subordinate Awarding Official's Technical representative (SAOTR)
- The goal is that the AOTR will provide improved administrative oversight and support to the six (6) 638 contracts while allowing the SAOTRs, in most cases, Regional Supervisory Appraisers, to focus on their programmatic duties and render technical assistance, work more effectively with Direct Service Tribes. Increase overall appraisal productivity and attention to required reports, funding and contract deliverables.



# One AOTR Plan

## Next Steps:

- Communicate and coordinate proposed plan with BIA Awarding Officials and Regional Directors;
- Communicate and obtain concurrence from the six (6) Tribes who operate a real estate appraisal program under a 638 contract.



# Current Activities

- Provided FY 2020 Real Estate Appraisal and OST Beneficiary Processes Program MOU Templates to OSG for inclusion in the 2020 Self-Governance Negotiation Guidance for BIA Programs
- Continue to work with OSG on Funding Agreement language for the Real Estate Appraisal Program



# Status on Land Buy Back Program for Tribal Nations

The \$1.9 billion Trust Land Consolidation Fund for acquisitions of:

- fractional interests
- in trust or restricted land
- at fair market value
- from willing sellers
- within a 10-year period which began 2012

Purchased interests will be immediately held in trust for the tribe with jurisdiction over the land.

Approximately **\$354 million** remains in the Fund as of 3/1/2019.



# Program Results

## Land Consolidation

- Mailed offers to landowners with interests at 51 locations
- Land consolidation efforts thus far:
  - More than 838,000 interests on nearly 45,000 tracts
  - Nearly 2.4 million equivalent acres transferred to tribes
- Increased tribal ownership to  $\geq 50\%$  in more than 15,800 tracts

## Implementation Costs

- Expended 36% of the \$285 million for implementation costs
- Entered into agreements with 51 tribes



# Locations Through Winter 2020

- Blackfeet
- Bois Forte (Nett Lake)
- Cheyenne River
- Fond du Lac
- Fort Belknap\*
- Fort Berthold\*
- Fort Peck
- Navajo
- Standing Rock
- Wind River

Locations will be added as capacity and resources allow

Tribes will be contacted individually

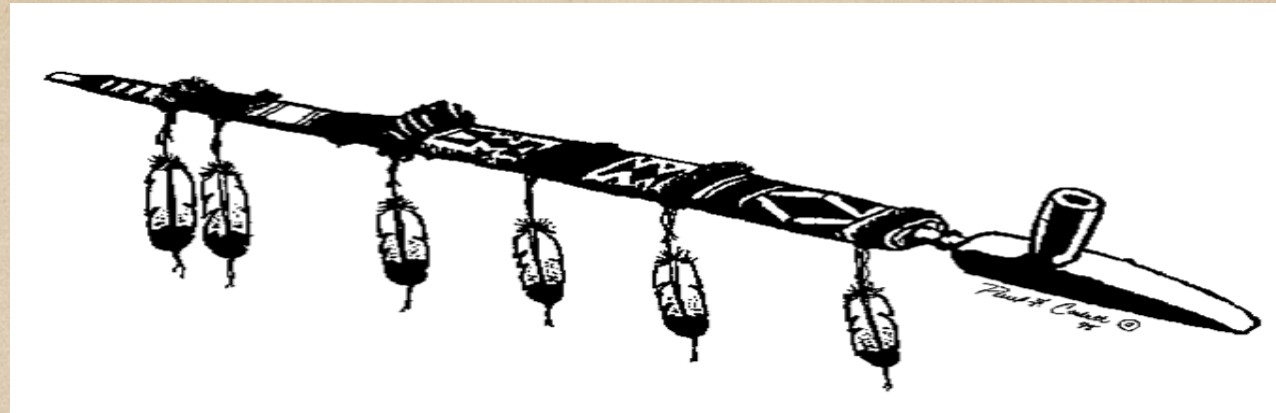
\*Offers  
pending



# Sharing of Appraisals

- The Land Buy-Back Program for Tribal Nations is committed to maximizing the responsible use of its appraisals and has determined copies of appraisal reports will be shared with:
  - Landowners
  - Tribal Nations
  - BIA regional offices and agencies





What Did I miss?

Did I Cover Your Top Issues and Questions?