

Requirements for Submitting Evidence of Title to the City of Scottsdale Planning Department



The City of Scottsdale planning department requires applicants for various zoning applications, building permits and other approvals to provide evidence of land ownership. Unless city staff directs otherwise, the required evidence shall be a title insurance commitment meeting the following requirements:

1. The applicant shall instruct the title insurance company to prepare a normal title insurance commitment.
2. The title commitment must cover the whole project site, just as if the city were a commercial real estate developer who was going to buy the whole site from whoever owns it today.
3. The title insurance commitment must be in the same form and have the same wording that the title insurer usually uses when a sophisticated real estate purchaser is buying land from a sophisticated seller. For example, it must not have any extra notes, disclaimers or other language that is not in a normal title insurance commitment for a straightforward land purchase.
4. The City of Scottsdale must be listed as the proposed insured.
5. The proposed insurance amount must be a reasonable estimate of the actual dollar value of the whole site. (The price for the most recent arms-length sale of the whole site is usually an acceptable amount.)
6. The Schedule B requirements must call for:
 - a. A deed from the current owner to the city.
 - b. Releases of all liens, as if the city were going to pay cash for the land and not assume any liens or take subject to any liens.
 - c. Termination of all leases. (Leases with 24 or fewer months remaining in their term may be listed in the Schedule B exceptions instead.)
 - d. Any other specific payments or specific document recordings that the title insurer would normally call for (such as payment of delinquent property taxes).
7. The Schedule B exceptions must show any other specific title matters that may exist.
8. Title companies sometimes state in their title commitments that they will update the title search before issuing a title insurance policy. That's o.k. if the language is clear that the update will only include new title documents that are recorded after the title commitment date. For example, it is o.k. to have wording that says: "Additional items may be added based on new documents recorded before closing." But there must not be vague wording such as this: "Check with title examiner for additional items before closing."
9. The title search date on the title commitment must be less than 30 days old.
10. Both "standard coverage" and "extended coverage" title commitments are acceptable. (The title information on an extended coverage commitment must be identical to the title information that would be on a standard coverage commitment. The only difference is that the Schedule B requirements for an "extended coverage" commitment will call for a survey and will allow the title company to add Schedule B exceptions or requirements for any problems the survey reveals.)
11. There is no need to open an escrow to make a routine dedication. The city will record the dedication directly without sending it through the title company. Often, the city will not actually buy the title insurance described in the commitment or require the applicant to buy it. But, if the city decides to do it (or require the applicant to do it), then the city or the applicant will follow up with the title insurer to pay the insurance premium and satisfy the Schedule B requirements so that the title insurer will issue the policy.
12. The applicant shall inform city staff in writing of any and all title changes that occur after the title commitment is issued.
13. The city reserves the right for city staff to require additional evidence of title, including but not limited to an extended title insurance policy in favor of the city.