

**Amendment No. CA25**

First Conference Committee Amendment to Assembly Bill No. 143 Second Reprint (BDR 22-44)

**Proposed by:** First Conference Committee

**Amendment Box:**

**Resolves Conflicts with:** N/A

**Amends:** Summary: No Title: No Preamble: No Joint Sponsorship: No Digest: Yes

Amend sec. 2, page 3, by deleting lines 1 through 3 and inserting:

*“(a) Negotiate in good faith with the owner of the property and attempt to reach an agreement regarding the amount of compensation to be paid for the property;”.*

Amend sec. 13, page 9, by deleting lines 42 through 44 and inserting:

*“(c) Each acre of the property is necessary for the purpose of open-space use and will be devoted to open-space use for not less than 50 years; and”.*

Amend the bill as a whole by adding a new section designated sec. 13.5, following sec. 13, to read as follows:

“**Sec. 13.5.** Section 3 of Senate Bill No. 326 of this session is hereby amended to read as follows:

Sec. 3. ~~Notwithstanding~~

*1. Except as otherwise provided in subsection 2, notwithstanding* any other provision of law, if the State of Nevada, any political subdivision of the State or other governmental entity that has acquired property pursuant to the provisions of this chapter:

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BAW

Date: 6/5/2005

A.B. No. 143—Makes various changes concerning community redevelopment and eminent domain proceedings.



~~[1-]~~ (a) Fails to use the property for the public purpose for which it was acquired; and

~~[2-]~~ (b) Seeks to convey the right, title or interest in all or part of that property to any person,

↳ within 15 years after the property is acquired, the person from whom the property was acquired or his successor in interest must be granted the right of first refusal to purchase the right, title or interest in the property sought to be conveyed for fair market value which shall be deemed to be an amount which does not exceed the proportional amount paid by the State, political subdivision or other governmental entity for the acquisition of the property.

*2. This section does not apply to property that is:*

*(a) Acquired through the use of federal funds; or*

*(b) Purchased as an early or total acquisition at the request of the owner of the property.”.*

Amend the bill as a whole by deleting sec. 16 and adding a new section designated sec. 16, following sec. 15, to read as follows:

“**Sec. 16.** 1. This act becomes effective upon passage and approval.

2. Section 13.5 of this act expires by limitation on July 1, 2007.”.

**If this amendment is adopted, the Legislative**

**Counsel's Digest will be changed to read as follows:**

**Legislative Counsel's Digest:**

Existing law allows a redevelopment agency to exercise the power of eminent domain to acquire property for a redevelopment project. (Chapters 37 and 279 of NRS)

This bill requires a redevelopment agency to follow certain procedures before exercising the power of eminent domain to acquire property for a redevelopment project, such as negotiating in good faith with a property owner and attempting to reach an agreement with the owner regarding the amount of compensation to be paid for the property. A redevelopment agency is required to provide a written offer of compensation and notice to an owner that the property is necessary for redevelopment as well as other information.

This bill provides that an agency must give an owner at least 30 days to accept or reject a written offer of compensation before the agency may commence an eminent domain proceeding.

Existing law allows an agency to prepare plans for the redevelopment of a "blighted area," which is currently defined as an area characterized by at least one of several factors set forth in NRS 279.388. (NRS 279.468)

This bill adds the environmental contamination of buildings or property and the existence of an abandoned mine to the factors which characterize a blighted area and increases the number of factors necessary to constitute a blighted area from one or more to at least four. In addition, this bill adds various factors which characterize a blighted area if the subject of the redevelopment is an eligible railroad or facilities related to an eligible railroad.

Existing law provides that in certain larger counties a redevelopment agency may exercise the power of eminent domain for a redevelopment project only if: (1) necessary to carry out the redevelopment plan; (2) the agency adopts a resolution of necessity; and (3) the agency complies with certain other requirements.

This bill makes those provisions applicable to all counties in this State.

Existing law sets forth the public purposes for which the right of eminent domain may be exercised. (NRS 37.010)

This bill prohibits a governmental entity from exercising the power of eminent domain to acquire a parcel of property or group of contiguous parcels of property that is more than 40 acres in area for the purpose of open-space use unless certain conditions are met, such as an attempt by the entity to negotiate in good faith with the property owner for a period of not less than 24 months and that the use of the property conform to certain adopted plans and regulations. This bill also sets forth the conditions that an entity must meet in order to satisfy the requirement that the entity negotiate in good faith with the property owner.

Senate Bill No. 326 of this session established the requirement that if any governmental entity which has acquired property pursuant to chapter 37 of NRS fails to use the property for the public purpose for which it was acquired and seeks to sell the property within 15 years after the property is acquired, the person from whom the property was acquired or his successor in interest must be granted the right of first refusal to purchase the property for fair market value, which is deemed to be the amount paid for the acquisition of the property.

This bills amends this provision of Senate Bill No. 326 to provide that the provision does not apply to property that is acquired through the use of federal funds or purchased as an early or total

acquisition at the request of the owner of the property. The amendment to this provision of Senate Bill No. 326 expires by limitation on July 1, 2007.