

Amendment No. CA15

First Conference Committee Amendment to Senate Bill No. 394 Third Reprint (BDR 32-258)

Proposed by: First Conference Committee

Amendment Box:

Resolves Conflicts with: N/A

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

Amend sec. 32, page 21, by deleting lines 5 through 26 and inserting:

“Sec. 32. 1. For the purposes of NRS 361A.220, the value for open-space use of real property used as a golf course in a fiscal year is equal to the sum of:

(a) The value of the land; and

(b) The value of the improvements made to the real property before that fiscal year as adjusted for obsolescence,

↪ determined in accordance with the manual established pursuant to subsection 2.

2. The Nevada Tax Commission shall establish a manual for determining the value for open-space use of real property used as a golf course. The manual must:

(a) Require the use of such standards and modifiers, as published or furnished by the Marshall and Swift Publication Company, as the Nevada Tax Commission determines to be applicable.

(b) For the purpose of determining the value of the land, define various classifications of golf courses and provide for the valuation of each such classification in a manner that is consistent

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S.B. No. 394—Makes various changes to provisions governing conveyance, subdivision and taxation of property.



with the provisions of NRS 361.227, except that the value of the land must not be determined to exceed the product of \$2,860 per acre multiplied by 1 plus the percentage change in the Consumer Price Index (All Items) for July 1 of the current year as compared to July 1, 2004.

(c) For the purpose of determining the value of the improvements made to the real property, require the use of such factors as the Nevada Tax Commission determines to be appropriate. Those factors must include, for the purpose of determining obsolescence, a factor for golf courses that are not used on a consistently frequent basis each month of the year, which is based upon the actual number of rounds of golf played on the golf course in relation to the number of rounds that could have been played under optimum conditions.”.

Amend the bill as a whole by adding new sections designated sections 52.1 through 52.8, following sec. 52, to read as follows:

“**Sec. 52.1.** Section 1 of Assembly Bill No. 312 of this session is hereby amended to read as follows:

Section 1. Chapter 321 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Except as otherwise provided in subsection 5, NRS 322.063, 322.065 or 322.075, except as otherwise required by federal law and except for land that is sold or leased pursuant to an agreement entered into pursuant to NRS 277.080 to 277.170, inclusive, when offering any land for sale or lease, the State Land Registrar shall:

(a) Obtain two independent appraisals of the land before selling or leasing it. The appraisals must have been prepared not more than 6 months before the date on which the land is offered for sale or lease.

(b) Notwithstanding the provisions of chapter 333 of NRS, select the two independent appraisers from the list of appraisers established pursuant to subsection 2.

(c) Verify the qualifications of each appraiser selected pursuant to paragraph (b). The determination of the State Land Registrar as to the qualifications of an appraiser is conclusive.

2. The State Land Registrar shall adopt regulations for the procedures for creating or amending a list of appraisers qualified to conduct appraisals of land offered for sale or lease by the State Land Registrar. The list must:

(a) Contain the names of all persons qualified to act as a general appraiser in the same county as the land that may be appraised; and

(b) Be organized at random and rotated from time to time.

3. An appraiser chosen pursuant to subsection 1 must provide a disclosure statement which includes, without limitation, all sources of income of the appraiser that may constitute a conflict of interest and any relationship of the appraiser with the owner of the land or the owner of an adjoining property.

4. An appraiser shall not perform an appraisal on any land offered for sale or lease by the State Land Registrar if the appraiser or a person related to the appraiser within the first degree of consanguinity or affinity has an interest in the land or an adjoining property.

5. If a lease of land is for residential property and the term of the lease is 1 year or less, the State Land Registrar shall obtain an analysis of the market value of similar rental properties prepared by a licensed real estate broker or salesman when offering such a property for lease.

Sec. 52.2. Section 5 of Assembly Bill No. 312 of this session is hereby amended to read as follows:

Sec. 5. *1. Except as otherwise provided in NRS 244.189, 244.276, 244.279, 244.2825, 244.284, 244.287, 244.290 and 278.479 to 278.4965, inclusive, except as otherwise required by federal law, except as otherwise required pursuant to a cooperative agreement entered into pursuant to NRS 277.050 or 277.053 or an interlocal agreement in existence on or before October 1, 2004, except if the board of county commissioners is entering into a joint development agreement for real property owned by the county to which the board of county commissioners is a party, except for a lease of residential property with a term of 1 year or less and except for the sale or lease of real property larger than 1 acre which is approved by the voters at a primary or general election or special election, the board of county commissioners shall, when offering any real property for sale or lease:*

(a) Obtain two independent appraisals of the real property before selling or leasing it. The appraisals must have been prepared not more than 6 months before the date on which the real property is offered for sale or lease.

(b) Select the two independent appraisers from the list of appraisers established pursuant to subsection 2.

(c) Verify the qualifications of each appraiser selected pursuant to paragraph (b). The determination of the board of county commissioners as to the qualifications of the appraiser is conclusive.

2. The board of county commissioners shall adopt by ordinance the procedures for creating or amending a list of appraisers qualified to conduct appraisals of real property offered for sale or lease by the board. The list must:

(a) Contain the names of all persons qualified to act as a general appraiser in the same county as the real property that may be appraised; and

(b) Be organized at random and rotated from time to time.

3. An appraiser chosen pursuant to subsection 1 must provide a disclosure statement which includes, without limitation, all sources of income that may constitute a conflict of interest and any relationship with the real property owner or the owner of an adjoining real property.

4. An appraiser shall not perform an appraisal on any real property for sale or lease by the board of county commissioners if the appraiser or a person related to the appraiser within the first degree of consanguinity or affinity has an interest in the real property or an adjoining property.

Sec. 52.3. Section 7 of Assembly Bill No. 312 of this session is hereby amended to read as follows:

Sec. 7. NRS 244.281 is hereby amended to read as follows:

244.281 Except as otherwise provided in *this section and section 5 of this act and NRS 244.189, 244.276, 244.279, 244.2825 [and 244.288:], 244.284, 244.287, 244.290, 278.479 to 278.4965, inclusive, except as otherwise required by federal law, except as otherwise required pursuant to a cooperative agreement entered into pursuant to NRS 277.050 or 277.053 or an interlocal agreement in existence on or before October 1, 2004, except if the*

board of county commissioners is entering into a joint development agreement for real property owned by the county to which the board of county commissioners is a party, except for a lease of residential property with a term of 1 year or less and except for the sale or lease of real property larger than 1 acre which is approved by the voters at a primary or general election or special election:

1. When a board of county commissioners has determined by resolution that the sale or ~~[exchange]~~ *lease* of any real property owned by the county will be for purposes other than to establish, align, realign, change, vacate or otherwise adjust any street, alley, avenue or other thoroughfare, or portion thereof, or flood control facility within the county and will be in the best interest of the county, it may:

(a) Sell the property ~~[at public auction,]~~ in the manner prescribed for the sale of real property in NRS 244.282.

(b) ~~[Sell the property through a licensed real estate broker, or if there is no real estate broker resident of the county, the board of county commissioners may negotiate the sale of the property. No exclusive listing may be given. In all listings, the board of county commissioners shall specify the minimum price, the terms of sale and the commission to be allowed, which must not exceed the normal commissions prevailing in the community at the time.~~

~~—(c) Exchange the property for other real property of substantially equal value, or for other real property plus an amount of money equal to the difference in value, if it has also determined by resolution that the acquisition of the other real property will be in the best interest of the county.]~~ *Lease the property in the manner prescribed for the lease of real property in NRS 244.283.*

2. Before the board of county commissioners may sell ~~for exchange~~ *or lease* any real property as provided in ~~paragraphs (b) and (c) of~~ subsection 1, it shall:

(a) Post copies of the resolution described in subsection 1 in three public places in the county; and

(b) Cause to be published at least once a week for 3 successive weeks, in a newspaper qualified under chapter 238 of NRS that is published in the county in which the real property is located, a notice setting forth:

(1) A description of the real property proposed to be sold or ~~exchanged~~ *leased* in such a manner as to identify it;

(2) The minimum price, if applicable, of the real property proposed to be sold or ~~exchanged;~~ *leased;* and

(3) The places at which the resolution described in subsection 1 has been posted pursuant to paragraph (a), and any other places at which copies of that resolution may be obtained.

➔ If no qualified newspaper is published within the county in which the real property is located, the required notice must be published in some qualified newspaper printed in the State of Nevada and having a general circulation within that county.

3. ~~In addition to the requirements set forth in paragraph (b) of subsection 2, in case of:~~
~~—(a) A sale, the notice must state the name of the licensed real estate broker handling the sale and invite interested persons to negotiate with him.~~
~~—(b) An exchange, the notice must call for offers of cash or exchange. The commission shall accept the highest and best offer.~~

~~—4.]~~ If the board of county commissioners by its resolution further finds that the property to be sold *or leased* is worth more than \$1,000, the board shall appoint ~~[one]~~ *two* or more disinterested, competent real estate appraisers *pursuant to section 4 of this act* to appraise the property ~~[.]~~ and, except for property acquired pursuant to NRS 371.047, shall not sell or ~~[exchange]~~ *lease* it for less than the *highest* appraised value.

~~[5.]~~ 4. If the property is appraised at \$1,000 or more, the board of county commissioners may ~~[sell-it]~~ :

(a) Lease the property; or

(b) Sell the property either for cash or for not less than 25 percent cash down and upon deferred payments over a period of not more than 10 years, secured by a mortgage or deed of trust, bearing such interest and upon such further terms as the board of county commissioners may specify.

5. A board of county commissioners may sell or lease any real property owned by the county without complying with the provisions of NRS 244.282 or 244.283 to:

(a) A person who owns real property located adjacent to the real property to be sold or leased if the board has determined by resolution that:

(1) The real property is a:

(I) Remnant that was separated from its original parcel due to the construction of a street, alley, avenue or other thoroughfare, or portion thereof, flood control facility or other public facility;

(II) Parcel that, as a result of its size, is too small to establish an economically viable use by anyone other than the person who owns real property adjacent to the real property for sale or lease; or

(III) Parcel which is subject to a deed restriction prohibiting the use of the real property by anyone other than the person who owns real property adjacent to the real property for sale or lease; and

(2) The sale will be in the best interest of the county.

(b) Another governmental entity if:

(1) The sale or lease restricts the use of the real property to a public use; and

(2) The board adopts a resolution finding that the sale or lease will be in the best interest of the county.

6. A board of county commissioners that disposes of real property pursuant to subsection 4 is not required to offer to reconvey the real property to the person from whom the real property was received or acquired by donation or dedication.

7. If real property that is offered for sale or lease pursuant to this section is not sold or leased at the initial offering of the contract for the sale or lease of the real property, the board of county commissioners may offer the real property for sale or lease a second time pursuant to this section. If there is a material change relating to the title, zoning or an ordinance governing the use of the real property, the board of county commissioners must obtain a new appraisal of the real property pursuant to the provisions of section 4 of this act before offering the real property for sale or lease a second time. If real property that is offered for sale or lease pursuant to this section is not sold or leased at the second offering

of the contract for the sale or lease of the real property, the board of county commissioners may list the real property for sale or lease at the appraised value with a licensed real estate broker, provided that the broker or a person related to the broker within the first degree of consanguinity or affinity does not have an interest in the real property or an adjoining property.

8. As used in this section, “flood control facility” has the meaning ascribed to it in NRS 244.276.

Sec. 52.4. Assembly Bill No. 312 of this session is hereby amended by adding thereto a new section to be designated as sec. 7.5, immediately following sec. 7, to read as follows:

Sec. 7.5. NRS 244.283 is hereby amended to read as follows:

244.283 1. When the board of county commissioners determines that the lease of real property belonging to the county for industrial, commercial, residential or recreational purposes is necessary or desirable, the board may lease such real property, whether acquired by purchase, dedication or otherwise. Such a lease must not be in contravention of any condition in a gift or devise of real property to the county.

2. Except as otherwise provided in NRS 244.279, before ordering the lease of any property the board shall, in open meeting by a majority vote of the members, adopt a resolution declaring its intention to lease the property. The resolution must:

- (a) Describe the property proposed to be leased in such manner as to identify it.
- (b) Specify the minimum rental, and the terms upon which it will be leased.

(c) Fix a time, not less than 3 weeks thereafter, for a public meeting of the board to be held at its regular place of meeting, at which sealed proposals to lease will be received and considered.

3. Notice of the adoption of the resolution and of the time and place of holding the meeting must be given by:

(a) Posting copies of the resolution in three public places in the county not less than 15 days before the date of the meeting; and

(b) Publishing the resolution not less than once a week for 2 successive weeks before the meeting in a newspaper of general circulation published in the county, if any such newspaper is published therein.

4. At the time and place fixed in the resolution for the meeting of the board, all sealed proposals which have been received must, in public session, be opened, examined and declared by the board. Of the proposals submitted which conform to all terms and conditions specified in the resolution of intention to lease and which are made by responsible bidders, the proposal which is the highest must be finally accepted, unless a higher oral bid is accepted or the board rejects all bids.

5. Before accepting any written proposal, the board shall call for oral bids. If, upon the call for oral bidding, any responsible person offers to lease the property upon the terms and conditions specified in the resolution, for a rental exceeding by at least 5 percent the highest written proposal, then the highest oral bid which is made by a responsible person must be finally accepted.

6. A person may not make an oral bid unless, at least 5 days before the meeting held for receiving and considering bids, he submits to the board written notice of his intent to make an oral bid and a statement establishing his financial responsibility to the satisfaction of the board.

7. The final acceptance by the board may be made either at the same session or at any adjourned session of the same meeting held within the ~~10~~ 21 days next following.

8. The board may, either at the same session or at any adjourned session of the same meeting held within the ~~10~~ 21 days next following, if it deems such action to be for the best public interest, reject any and all bids, either written or oral, and withdraw the property from lease.

9. Any resolution of acceptance of any bid made by the board must authorize and direct the chairman to execute a lease and to deliver it upon performance and compliance by the lessee with all the terms or conditions of his contract which are to be performed concurrently therewith.

10. All money received from rentals of real property must be deposited forthwith with the county treasurer to be credited to the county general fund.

11. This section does not apply to leases of real property made pursuant to NRS 244.288, 334.070 or 338.177.

Sec. 52.5. Section 12 of Assembly Bill No. 312 of this session is hereby amended to read as follows:

Sec. 12. *1. Except as otherwise provided in NRS 268.048 to 268.058, inclusive, and 278.479 to 278.4965, inclusive, except as otherwise required by federal law, except as otherwise required pursuant to a cooperative agreement entered into pursuant to NRS*

277.050 or 277.053 or an interlocal agreement in existence on October 1, 2004, except if the governing body is entering into a joint development agreement for real property owned by the city to which the governing body is a party, except for a lease of residential property with a term of 1 year or less and except for the sale or lease of real property larger than 1 acre which is approved by the voters at a primary or general election, primary or general city election or special election, the governing body shall, when offering any real property for sale or lease:

(a) Obtain two independent appraisals of the real property before selling or leasing it. The appraisals must be based on the zoning of the real property as set forth in the master plan for the city and must have been prepared not more than 6 months before the date on which real property is offered for sale or lease.

(b) Select the two independent appraisers from the list of appraisers established pursuant to subsection 2.

(c) Verify the qualifications of each appraiser selected pursuant to paragraph (b). The determination of the governing body as to the qualifications of the appraiser is conclusive.

2. The governing body shall adopt by ordinance the procedures for creating or amending a list of appraisers qualified to conduct appraisals of real property offered for sale or lease by the governing body. The list must:

(a) Contain the names of all persons qualified to act as a general appraiser in the same county as the real property that may be appraised; and

(b) Be organized at random and rotated from time to time.

3. An appraiser chosen pursuant to subsection 1 must provide a disclosure statement which includes, without limitation, all sources of income of the appraiser that may constitute a conflict of interest and any relationship of the appraiser with the property owner or the owner of an adjoining property.

4. An appraiser shall not perform an appraisal on any real property offered for sale or lease by the governing body if the appraiser or a person related to the appraiser within the first degree of consanguinity or affinity has an interest in the real property or an adjoining property.

Sec. 52.6. Section 13 of Assembly Bill No. 312 of this session is hereby amended to read as follows:

Sec. 13. *Except as otherwise provided in this section and section 15 of this act, NRS 268.048 to 268.058, inclusive, and 278.479 to 278.4965, inclusive, except as otherwise provided by federal law, except as otherwise required pursuant to a cooperative agreement entered into pursuant to NRS 277.050 or 277.053 or an interlocal agreement in existence on October 1, 2004, except if the governing body is entering into a joint development agreement for real property owned by the city to which the governing body is a party, except for a lease of residential property with a term of 1 year or less and except for the sale or lease of real property larger than 1 acre which is approved by the voters at a primary or general election, primary or general city election or special election:*

1. If a governing body has determined by resolution that the sale or lease of any real property owned by the city will be in the best interest of the city, it may sell or lease the real

property in the manner prescribed for the sale or lease of real property in section 14 of this act.

2. Before the governing body may sell or lease any real property as provided in subsection 1, it shall:

(a) Post copies of the resolution described in subsection 1 in three public places in the city; and

(b) Cause to be published at least once a week for 3 successive weeks, in a newspaper qualified under chapter 238 of NRS that is published in the county in which the real property is located, a notice setting forth:

(1) A description of the real property proposed to be sold or leased in such a manner as to identify it;

(2) The minimum price, if applicable, of the real property proposed to be sold or leased; and

(3) The places at which the resolution described in subsection 1 has been posted pursuant to paragraph (a), and any other places at which copies of that resolution may be obtained.

↪ If no qualified newspaper is published within the county in which the real property is located, the required notice must be published in some qualified newspaper printed in the State of Nevada and having a general circulation within that county.

3. If the governing body by its resolution finds additionally that the real property to be sold is worth more than \$1,000, the board shall conduct an appraisal pursuant to section 12

of this act to determine the value of the real property and, except for real property acquired pursuant to NRS 371.047, shall not sell or lease it for less than the highest appraised value.

4. If the real property is appraised at \$1,000 or more, the governing body may:

(a) Lease the real property; or

(b) Sell the real property for:

(1) Cash; or

(2) Not less than 25 percent cash down and upon deferred payments over a period of not more than 10 years, secured by a mortgage or deed of trust bearing such interest and upon such further terms as the governing body may specify.

5. A governing body may sell or lease any real property owned by the city without complying with the provisions of sections 12, 13 and 14 of this act to:

(a) A person who owns real property located adjacent to the real property to be sold or leased if the governing body has determined by resolution that:

(1) The real property is a:

(I) Remnant that was separated from its original parcel due to the construction of a street, alley, avenue or other thoroughfare, or portion thereof, flood control facility or other public facility;

(II) Parcel that, as a result of its size, is too small to establish an economically viable use by anyone other than the person who owns real property adjacent to the real property offered for sale or lease; or

(III) Parcel which is subject to a deed restriction prohibiting the use of the real property by anyone other than the person who owns real property adjacent to the real property offered for sale or lease; and

(2) The sale or lease will be in the best interest of the city.

(b) Another governmental entity if:

(1) The sale or lease restricts the use of the real property to a public use; and

(2) The governing body adopts a resolution finding that the sale or lease will be in the best interest of the city.

6. A governing body that disposes of real property pursuant to subsection 5 is not required to offer to reconvey the real property to the person from whom the real property was received or acquired by donation or dedication.

7. If real property that is offered for sale or lease pursuant to this section is not sold or leased at the initial offering of the contract for the sale or lease of the real property, the governing body may offer the real property for sale or lease a second time pursuant to this section. If there is a material change relating to the title, zoning or an ordinance governing the use of the real property, the governing body must obtain a new appraisal of the real property pursuant to the provisions of section 12 of this act before offering the real property for sale or lease a second time. If real property that is offered for sale or lease pursuant to this section is not sold or leased at the second offering of the contract for the sale or lease of the real property, the governing body may list the real property for sale or lease at the appraised value with a licensed real estate broker, provided that the broker or a person

related to the broker within the first degree of consanguinity or affinity does not have an interest in the real property or an adjoining property.

Sec. 52.7. Section 14 of Assembly Bill No. 312 of this session is hereby amended to read as follows:

Sec. 14. *1. Except as otherwise provided in this section and section 15 of this act and NRS 268.048 to 268.058, inclusive, and 278.479 to 278.4965, inclusive, except as otherwise required by federal law, except as otherwise required pursuant to a cooperative agreement entered into pursuant to NRS 277.050 or 277.053 or an interlocal agreement in existence on October 1, 2004, except if the governing body is entering into a joint development agreement for real property owned by the city to which the governing body is a party, except for a lease of residential property with a term of 1 year or less and except for the sale or lease of real property larger than 1 acre which is approved by the voters at a primary or general election, the governing body shall, in open meeting by a majority vote of the members and before ordering the sale or lease at auction of any real property, adopt a resolution declaring its intention to sell or lease the property at auction. The resolution must:*

- (a) Describe the property proposed to be sold or leased in such a manner as to identify it;*
- (b) Specify the minimum price and the terms upon which the property will be sold or leased; and*
- (c) Fix a time, not less than 3 weeks thereafter, for a public meeting of the governing body to be held at its regular place of meeting, at which sealed bids will be received and considered.*

2. Notice of the adoption of the resolution and of the time and place of holding the meeting must be given by:

(a) Posting copies of the resolution in three public places in the county not less than 15 days before the date of the meeting; and

(b) Causing to be published at least once a week for 3 successive weeks before the meeting, in a newspaper qualified under chapter 238 of NRS that is published in the county in which the real property is located, a notice setting forth:

(1) A description of the real property proposed to be sold or leased at auction in such a manner as to identify it;

(2) The minimum price of the real property proposed to be sold or leased at auction; and

(3) The places at which the resolution described in subsection 1 has been posted pursuant to paragraph (a), and any other places at which copies of that resolution may be obtained.

↪ If no qualified newspaper is published within the county in which the real property is located, the required notice must be published in some qualified newspaper printed in the State of Nevada and having a general circulation within that county.

3. At the time and place fixed in the resolution for the meeting of the board, all sealed bids which have been received must, in public session, be opened, examined and declared by the governing body. Of the proposals submitted which conform to all terms and conditions specified in the resolution of intention to sell or lease and which are made by responsible

bidders, the bid which is the highest must be finally accepted, unless a higher oral bid is accepted or the governing body rejects all bids.

4. Before accepting any written bid, the governing body shall call for oral bids. If, upon the call for oral bidding, any responsible person offers to buy or lease the property upon the terms and conditions specified in the resolution, for a price exceeding by at least 5 percent the highest written bid, then the highest oral bid which is made by a responsible person must be finally accepted.

5. The final acceptance by the governing body may be made either at the same session or at any adjourned session of the same meeting held within the 21 days next following.

6. The governing body may, either at the same session or at any adjourned session of the same meeting held within the 21 days next following, if it deems the action to be for the best public interest, reject any and all bids, either written or oral, and withdraw the property from sale or lease.

7. Any resolution of acceptance of any bid made by the governing body must authorize and direct the chairman to execute a deed or lease and to deliver it upon performance and compliance by the purchaser or lessor with all the terms or conditions of his contract which are to be performed concurrently therewith.

Sec. 52.8. Section 25 of Assembly Bill No. 312 of this session is hereby amended to read as follows:

Sec. 25. This act becomes effective on ~~July~~ *October* 1, 2005.”.

Amend sec. 57, page 30, by deleting lines 10 through 13 and inserting:

“Sec. 57. 1. This section and sections 52.1 to 52.8, inclusive, of this act become effective upon passage and approval.

2. Sections 1 to 22, inclusive, 24 to 28, inclusive, 42 to 52, inclusive, and 53 to 56, inclusive, of this act become effective on July 1, 2005.”.

Amend the title of the bill, eighth line, after “citizen;”, by inserting:

“revising certain provisions relating to the sale, lease or other disposal of public property by a governmental entity;”.