

ASSEMBLY BILL NO. 462—ASSEMBLYMEN KIRKPATRICK,  
CONKLIN, ATKINSON AND PIERCE

MARCH 19, 2007

Referred to Committee on Government Affairs

SUMMARY—Revises provisions relating to the sale or lease of real property by governmental entities. (BDR 26-901)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets [omitted-material] is material to be omitted.

AN ACT relating to real property; excepting certain sales or leases of real property by governmental entities from requirements that the entities conduct appraisals of the real property before the sale or lease of the real property and that the entities sell or lease the real property by auction; requiring governmental entities to hold public hearings to review certain appraisals of real property; requiring persons requesting to purchase real property from governmental entities by auction to deposit a certain amount of money to pay the costs incurred by the entity in acting upon the application; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing law requires the State Land Registrar, the board of county commissioners of each county, and the governing body of each incorporated city to obtain two independent appraisals of any real property when selling or leasing the property and to sell or lease the property upon sealed bids followed by oral offers. (NRS 244.2795, 244.281, 244.283, 268.059, 268.062, 321.007, 321.335) **Sections 1, 3, 4 and 6** of this bill amend that requirement to require the State Land Registrar, each board of county commissioners and each city governing body to obtain one independent appraisal of real property when selling or leasing the property. **Sections 2-4, 6, 7 and 9** of this bill also require the State Land Registrar, each board of county commissioners and each city governing body to hold a public hearing to review those appraisals. **Sections 1-4 and 6-8** except property sold or leased to a public utility for a public purpose and property sold or leased to the State or another governmental entity from the requirement for an appraisal and to be sold or leased upon sealed bids followed by oral offers.



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15 Existing law provides for the board of county commissioners of each county  
16 and the governing body of each incorporated city to sell real property by auction.  
17 (NRS 244.282, 268.062) **Sections 5 and 8** of this bill require a person requesting to  
18 purchase real property from a county or city by auction to deposit with the board of  
19 commissioners or governing body an amount of money sufficient to pay the costs  
20 of the board of commissioners or governing body in acting upon the request.

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THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** NRS 321.007 is hereby amended to read as follows:  
2 321.007 1. Except as otherwise provided in subsection 5,  
3 NRS 322.063, 322.065 or 322.075, except as otherwise required by  
4 federal law , *except for land that is sold or leased to a public utility,*  
5 *as defined in NRS 704.020, to be used for a public purpose, except*  
6 *for land that is sold or leased to a state or local governmental*  
7 *entity* and except for land that is sold or leased pursuant to an  
8 agreement entered into pursuant to NRS 277.080 to 277.170,  
9 inclusive, when offering any land for sale or lease, the State Land  
10 Registrar shall:

11 (a) Obtain ~~[two independent appraisals]~~ *an independent*  
12 *appraisal* of the land before selling or leasing it. The ~~[appraisals]~~  
13 *appraisal* must have been prepared not more than 6 months before  
14 the date on which the land is offered for sale or lease.

15 (b) Notwithstanding the provisions of chapter 333 of NRS,  
16 select the ~~[two independent appraisers]~~ *independent appraiser* from  
17 the list of appraisers established pursuant to subsection 2.

18 (c) Verify the qualifications of ~~[each]~~ *the* appraiser selected  
19 pursuant to paragraph (b). The determination of the State Land  
20 Registrar as to the qualifications of an appraiser is conclusive.

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

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

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

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

33 4. An appraiser shall not perform an appraisal on any land  
34 offered for sale or lease by the State Land Registrar if the appraiser  
35 or a person related to the appraiser within the first degree of



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1 consanguinity or affinity has an interest in the land or an adjoining  
2 property.

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

8 **Sec. 2.** NRS 321.335 is hereby amended to read as follows:

9 321.335 1. Except as otherwise provided in NRS 321.125,  
10 321.510, 322.063, 322.065 or 322.075, except as otherwise required  
11 by federal law , *except for land that is sold or leased to a public*  
12 *utility, as defined in NRS 704.020, to be used for a public purpose,*  
13 *except for land that is sold or leased to a state or local*  
14 *governmental entity* and except for an agreement entered into  
15 pursuant to the provisions of NRS 277.080 to 277.170, inclusive, or  
16 a lease of residential property with a term of 1 year or less, after  
17 April 1, 1957, all sales or leases of any lands that the Division is  
18 required to hold pursuant to NRS 321.001, including lands subject  
19 to contracts of sale that have been forfeited, are governed by the  
20 provisions of this section.

21 2. Whenever the State Land Registrar deems it to be in the best  
22 interests of the State of Nevada that any lands owned by the State  
23 and not used or set apart for public purposes be sold or leased, he  
24 may, with the approval of the State Board of Examiners and the  
25 Interim Finance Committee, cause those lands to be sold or leased  
26 upon sealed bids, or oral offer after the opening of sealed bids for  
27 cash or pursuant to a contract of sale or lease, at a price not less than  
28 the highest appraised value for the lands plus the costs of appraisal  
29 and publication of notice of sale or lease.

30 3. Before offering any land for sale or lease, the State Land  
31 Registrar shall ~~cause~~ :

32 (a) ~~Cause~~ it to be appraised by ~~a~~ competent ~~appraisers~~  
33 ~~appraiser~~ selected pursuant to NRS 321.007 ~~[-]~~ ; and

34 (b) *Within 30 days after receipt of the report of the appraisal,*  
35 *hold a public hearing to review the appraisal in the county where*  
36 *the land to be sold or leased is situated.*

37 4. After receipt of the report of the ~~appraisers,~~ *appraiser and*  
38 *after holding the public hearing pursuant to subsection 3,* the State  
39 Land Registrar shall cause a notice of sale or lease to be published  
40 once a week for 4 consecutive weeks in a newspaper of general  
41 circulation published in the county where the land to be sold or  
42 leased is situated, and in such other newspapers as he deems  
43 appropriate. If there is no newspaper published in the county where  
44 the land to be sold or leased is situated, the notice must be so



published in a newspaper published in this State having a general circulation in the county where the land is situated.

5. The notice must contain:

(a) A description of the land to be sold or leased;

(b) A statement of the terms of sale or lease;

(c) A statement that the land will be sold pursuant to subsection 6; and

(d) The place where the sealed bids will be accepted, the first and last days on which the sealed bids will be accepted, and the time when and place where the sealed bids will be opened and oral offers submitted pursuant to subsection 6 will be accepted.

6. At the time and place fixed in the notice published pursuant to subsection 4, all sealed bids which have been received must, in public session, be opened, examined and declared by the State Land Registrar. Of the proposals submitted which conform to all terms and conditions specified in the notice published pursuant to subsection 4 and which are made by responsible bidders, the bid which is the highest must be finally accepted, unless a higher oral offer is accepted or the State Land Registrar rejects all bids and offers. Before finally accepting any written bid, the State Land Registrar shall call for oral offers. If, upon the call for oral offers, any responsible person offers to buy or lease the land upon the terms and conditions specified in the notice, for a price exceeding by at least 5 percent the highest written bid, then the highest oral offer which is made by a responsible person must be finally accepted.

7. The State Land Registrar may reject any bid or oral offer to purchase or lease submitted pursuant to subsection 6, if he deems the bid or offer to be:

(a) Contrary to the public interest.

(b) For a lesser amount than is reasonable for the land involved.

(c) On lands which it may be more beneficial for the State to reserve.

(d) On lands which are requested by the State of Nevada or any department, agency or institution thereof.

8. Upon acceptance of any bid or oral offer and payment to the State Land Registrar in accordance with the terms of sale specified in the notice of sale, the State Land Registrar shall convey title by quitclaim or cause a patent to be issued as provided in NRS 321.320 and 321.330.

9. Upon acceptance of any bid or oral offer and payment to the State Land Registrar in accordance with the terms of lease specified in the notice of lease, the State Land Registrar shall enter into a lease agreement with the person submitting the accepted bid or oral offer pursuant to the terms of lease specified in the notice of lease.



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10. The State Land Registrar may require any person requesting that state land be sold pursuant to the provisions of this section to deposit a sufficient amount of money to pay the costs to be incurred by the State Land Registrar in acting upon the application, including the costs of publication and the expenses of appraisal. This deposit must be refunded whenever the person making the deposit is not the successful bidder. The costs of acting upon the application, including the costs of publication and the expenses of appraisal, must be borne by the successful bidder.

11. If land 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 land, the State Land Registrar may offer the land 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 land, the State Land Registrar must obtain a new appraisal of the land pursuant to the provisions of NRS 321.007 before offering the land for sale or lease a second time. If land 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 land, the State Land Registrar may list the land 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 land or an adjoining property.

**Sec. 3.** NRS 244.2795 is hereby amended to read as follows:

244.2795 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, *except for the sale or lease of real property to a public utility, as defined in NRS 704.020, to be used for a public purpose, except for the sale or lease of real property to the State or another governmental entity* 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]~~ *an independent appraisal* of the real property before selling or leasing it. The ~~[appraisals]~~ *appraisal* must have been prepared not more than 6



1 months before the date on which the real property is offered for sale  
2 or lease.

3 (b) Select the ~~{two independent appraisers}~~ *independent*  
4 *appraiser* from the list of appraisers established pursuant to  
5 subsection 2.

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

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

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

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

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

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

27 *5. Within 30 days after receipt of the report of the appraisal*  
28 *conducted pursuant to subsection 1, the board of county*  
29 *commissioners shall hold a public hearing to review the appraisal.*

30 **Sec. 4.** NRS 244.281 is hereby amended to read as follows:

31 244.281 Except as otherwise provided in this section and NRS  
32 244.189, 244.276, 244.279, 244.2815, 244.2825, 244.284, 244.287,  
33 244.290, 278.479 to 278.4965, inclusive, except as otherwise  
34 required by federal law, except as otherwise required pursuant to a  
35 cooperative agreement entered into pursuant to NRS 277.050 or  
36 277.053 or an interlocal agreement in existence on or before  
37 October 1, 2004, except if the board of county commissioners is  
38 entering into a joint development agreement for real property owned  
39 by the county to which the board of county commissioners is a  
40 party, except for a lease of residential property with a term of 1 year  
41 or less , *except for the sale or lease of real property to a public*  
42 *utility, as defined in NRS 704.020, to be used for a public purpose*  
43 and except for the sale or lease of real property larger than 1 acre  
44 which is approved by the voters at a primary or general election or  
45 special election:



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

7        (a) Sell the property in the manner prescribed for the sale of real  
8 property in NRS 244.282.

9        (b) Lease the property in the manner prescribed for the lease of  
10 real property in NRS 244.283.

11       2. Before the board of county commissioners may sell or lease  
12 any real property as provided in subsection 1, it shall:

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

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

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

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

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

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

30       3. If the board of county commissioners by its resolution  
31 further finds that the property to be sold or leased is worth more  
32 than \$1,000, the board shall appoint ~~two or more~~ **one** disinterested,  
33 competent real estate ~~appraisers~~ **appraiser** pursuant to NRS  
34 244.2795 to appraise the property and, except for property acquired  
35 pursuant to NRS 371.047, shall not sell or lease it for less than the  
36 highest appraised value.

37       4. *Within 30 days after receipt of the appraisal conducted*  
38 *pursuant to subsection 3, the board of county commissioners shall*  
39 *hold a public hearing to review the appraisal.*

40       5. If the property is appraised at \$1,000 or more, the board of  
41 county commissioners may:

42       (a) Lease the property; or

43       (b) Sell the property either for cash or for not less than 25  
44 percent cash down and upon deferred payments over a period of not  
45 more than 10 years, secured by a mortgage or deed of trust, bearing



1 such interest and upon such further terms as the board of county  
2 commissioners may specify.

3 ~~[5-]~~ 6. A board of county commissioners may sell or lease any  
4 real property owned by the county without complying with the  
5 provisions of NRS 244.282 or 244.283 to:

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

9 (1) The real property is a:

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

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

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

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

23 (b) ~~[Another]~~ *The State or another* governmental entity if:

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

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

28 ~~[6-]~~ 7. A board of county commissioners that disposes of real  
29 property pursuant to subsection ~~[4]~~ 5 is not required to offer to  
30 reconvey the real property to the person from whom the real  
31 property was received or acquired by donation or dedication.

32 ~~[7-]~~ 8. If real property that is offered for sale or lease pursuant  
33 to this section is not sold or leased at the initial offering of the  
34 contract for the sale or lease of the real property, the board of county  
35 commissioners may offer the real property for sale or lease a second  
36 time pursuant to this section. If there is a material change relating to  
37 the title, zoning or an ordinance governing the use of the real  
38 property, the board of county commissioners must obtain a new  
39 appraisal of the real property pursuant to the provisions of NRS  
40 244.2795 before offering the real property for sale or lease a second  
41 time. If real property that is offered for sale or lease pursuant to this  
42 section is not sold or leased at the second offering of the contract for  
43 the sale or lease of the real property, the board of county  
44 commissioners may list the real property for sale or lease at the  
45 appraised value with a licensed real estate broker, provided that the





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

4 ~~[8-]~~ 9. As used in this section, "flood control facility" has the  
5 meaning ascribed to it in NRS 244.276.

6 **Sec. 5.** NRS 244.282 is hereby amended to read as follows:

7 244.282 1. Except as otherwise provided in NRS 244.279,  
8 before ordering the sale at auction of any real property the board  
9 shall, in open meeting by a majority vote of the members, adopt a  
10 resolution declaring its intention to sell the property at auction. The  
11 resolution must:

12 (a) Describe the property proposed to be sold in such a manner  
13 as to identify it.

14 (b) Specify the minimum price and the terms upon which it will  
15 be sold.

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

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

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

23 (b) Causing to be published at least once a week for 3 successive  
24 weeks before the meeting, in a newspaper qualified under chapter  
25 238 of NRS that is published in the county in which the real  
26 property is located, a notice setting forth:

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

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

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

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

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



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

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

10 6. The board may, either at the same session or at any  
11 adjourned session of the same meeting held within the 10 days next  
12 following, if it deems the action to be for the best public interest,  
13 reject any and all bids, either written or oral, and withdraw the  
14 property from sale.

15 7. Any resolution of acceptance of any bid made by the board  
16 must authorize and direct the chairman to execute a deed and to  
17 deliver it upon performance and compliance by the purchaser with  
18 all the terms or conditions of his contract which are to be performed  
19 concurrently therewith.

20 8. All money received from sales of real property must be  
21 deposited forthwith with the county treasurer to be credited to the  
22 county general fund.

23 *9. The board may require any person requesting that real*  
24 *property be sold pursuant to the provisions of this section to*  
25 *deposit a sufficient amount of money to pay the costs to be*  
26 *incurred by the board in acting upon the application, including*  
27 *the costs of publication and the expenses of appraisal. This deposit*  
28 *must be refunded whenever the person making the deposit is not*  
29 *the successful bidder. The costs of acting upon the application,*  
30 *including the costs of publication and the expenses of appraisal,*  
31 *must be borne by the successful bidder.*

32 **Sec. 6.** NRS 268.059 is hereby amended to read as follows:

33 268.059 1. Except as otherwise provided in NRS 268.048 to  
34 268.058, inclusive, and 278.479 to 278.4965, inclusive, except as  
35 otherwise required by federal law, except as otherwise required  
36 pursuant to a cooperative agreement entered into pursuant to NRS  
37 277.050 or 277.053 or an interlocal agreement in existence on  
38 October 1, 2004, except if the governing body is entering into a joint  
39 development agreement for real property owned by the city to which  
40 the governing body is a party, except for a lease of residential  
41 property with a term of 1 year or less , *except for the sale or lease*  
42 *of real property to a public utility, as defined in NRS 704.020, to*  
43 *be used for a public purpose, except for the sale or lease of real*  
44 *property to the State or another governmental entity* and except for  
45 the sale or lease of real property larger than 1 acre which is



1 approved by the voters at a primary or general election, primary or  
2 general city election or special election, the governing body shall,  
3 when offering any real property for sale or lease:

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

10 (b) Select the ~~{two independent appraisers}~~ *independent*  
11 *appraiser* from the list of appraisers established pursuant to  
12 subsection 2.

13 (c) Verify the qualifications of ~~{each appraiser}~~ *the appraiser*  
14 selected pursuant to paragraph (b). The determination of the  
15 governing body as to the qualifications of the appraiser is  
16 conclusive.

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

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

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

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

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

35 *5. Within 30 days after the receipt of the report of the*  
36 *appraisal conducted pursuant to subsection 1, the governing body*  
37 *shall hold a public hearing to review the appraisal.*

38 **Sec. 7.** NRS 268.061 is hereby amended to read as follows:

39 268.061 Except as otherwise provided in this section and NRS  
40 268.063, 268.048 to 268.058, inclusive, and 278.479 to 278.4965,  
41 inclusive, except as otherwise provided by federal law, except as  
42 otherwise required pursuant to a cooperative agreement entered into  
43 pursuant to NRS 277.050 or 277.053 or an interlocal agreement in  
44 existence on October 1, 2004, except if the governing body is  
45 entering into a joint development agreement for real property owned



1 by the city to which the governing body is a party, except for a lease  
2 of residential property with a term of 1 year or less, *except for the*  
3 *sale or lease of real property to a public utility, as defined in NRS*  
4 *704.020, to be used for a public purpose* and except for the sale or  
5 lease of real property larger than 1 acre which is approved by the  
6 voters at a primary or general election, primary or general city  
7 election or special election:

8 1. If a governing body has determined by resolution that  
9 the sale or lease of any real property owned by the city will be in the  
10 best interest of the city, it may sell or lease the real property in the  
11 manner prescribed for the sale or lease of real property in  
12 NRS 268.062.

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

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

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

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

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

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

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

32 3. If the governing body by its resolution finds additionally that  
33 the real property to be sold is worth more than \$1,000, the ~~board~~  
34 *governing body* shall conduct an appraisal pursuant to NRS 268.059  
35 to determine the value of the real property and, except for real  
36 property acquired pursuant to NRS 371.047, shall not sell or lease it  
37 for less than the highest appraised value.

38 4. *Within 30 days after receipt of the report of the appraisal*  
39 *conducted pursuant to subsection 3, the governing body shall hold*  
40 *a public hearing to review the appraisal.*

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

43 (a) Lease the real property; or

44 (b) Sell the real property for:

45 (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-}~~ 6. A governing body may sell or lease any real property owned by the city without complying with the provisions of this section and NRS 268.059 and 268.062 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}~~ *The State or 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-}~~ 7. A governing body that disposes of real property pursuant to subsection ~~{5-}~~ 6 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-}~~ 8. 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 NRS 268.059 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



1 lease at the appraised value with a licensed real estate broker,  
2 provided that the broker or a person related to the broker within the  
3 first degree of consanguinity or affinity does not have an interest in  
4 the real property or an adjoining property.

5 **Sec. 8.** NRS 268.062 is hereby amended to read as follows:

6 268.062 1. Except as otherwise provided in this section and  
7 NRS 268.063, 268.048 to 268.058, inclusive, and 278.479 to  
8 278.4965, inclusive, except as otherwise required by federal law,  
9 except as otherwise required pursuant to a cooperative agreement  
10 entered into pursuant to NRS 277.050 or 277.053 or an interlocal  
11 agreement in existence on October 1, 2004, except if the governing  
12 body is entering into a joint development agreement for real  
13 property owned by the city to which the governing body is a party,  
14 except for a lease of residential property with a term of 1 year or  
15 less, *except for the sale or lease of real property to a public utility,*  
16 *as defined in NRS 704.020, to be used for a public purpose* and  
17 except for the sale or lease of real property larger than 1 acre which  
18 is approved by the voters at a primary or general election, the  
19 governing body shall, in open meeting by a majority vote of the  
20 members and before ordering the sale or lease at auction of any real  
21 property, adopt a resolution declaring its intention to sell or lease the  
22 property at auction. The resolution must:

23 (a) Describe the property proposed to be sold or leased in such a  
24 manner as to identify it;

25 (b) Specify the minimum price and the terms upon which the  
26 property will be sold or leased; and

27 (c) Fix a time, not less than 3 weeks thereafter, for a public  
28 meeting of the governing body to be held at its regular place of  
29 meeting, at which sealed bids will be received and considered.

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

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

34 (b) Causing to be published at least once a week for 3 successive  
35 weeks before the meeting, in a newspaper qualified under chapter  
36 238 of NRS that is published in the county in which the real  
37 property is located, a notice setting forth:

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

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

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



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

5        3. At the time and place fixed in the resolution for the meeting  
6 of the ~~board~~ **governing body**, all sealed bids which have been  
7 received must, in public session, be opened, examined and declared  
8 by the governing body. Of the proposals submitted which conform  
9 to all terms and conditions specified in the resolution of intention to  
10 sell or lease and which are made by responsible bidders, the bid  
11 which is the highest must be finally accepted, unless a higher oral  
12 bid is accepted or the governing body rejects all bids.

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

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

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

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

32        ***8. The governing body may require any person requesting***  
33 ***that real property be sold pursuant to the provisions of this section***  
34 ***to deposit a sufficient amount of money to pay the costs to be***  
35 ***incurred by the governing body in acting upon the application,***  
36 ***including the costs of publication and the expenses of appraisal.***  
37 ***This deposit must be refunded whenever the person making the***  
38 ***deposit is not the successful bidder. The costs of acting upon the***  
39 ***application, including the costs of publication and the expenses of***  
40 ***appraisal, must be borne by the successful bidder.***

41        **Sec. 9.** NRS 268.063 is hereby amended to read as follows:

42        268.063 1. A governing body may sell, lease or otherwise  
43 dispose of real property for the purposes of redevelopment or  
44 economic development:

45        (a) Without first offering the real property to the public; and





- 1 (b) For less than fair market value of the real property.  
2 2. Before a governing body may sell, lease or otherwise  
3 dispose of real property pursuant to this section, the governing body  
4 must:  
5 (a) Obtain an appraisal of the property pursuant to NRS  
6 268.059; and  
7 (b) Adopt a resolution finding that it is in the best interests of  
8 the public to sell, lease or otherwise dispose of the property:  
9 (1) Without offering the property to the public; and  
10 (2) For less than fair market value of the real property.  
11 3. *Within 30 days after receipt of the report of the appraisal*  
12 *conducted pursuant to subsection 2, the governing body shall hold*  
13 *a public hearing to review the appraisal.*  
14 4. As used in this section:  
15 (a) "Economic development" means:  
16 (1) The establishment of new commercial enterprises or  
17 facilities within the city;  
18 (2) The support, retention or expansion of existing  
19 commercial enterprises or facilities within the city;  
20 (3) The establishment, retention or expansion of public,  
21 quasi-public or other facilities or operations within the city;  
22 (4) The establishment of residential housing needed to  
23 support the establishment of new commercial enterprises or  
24 facilities or the expansion of existing commercial enterprises or  
25 facilities; or  
26 (5) Any combination of the activities described in  
27 subparagraphs (1) to (4), inclusive,  
28 ➔ to create and retain opportunities for employment for the  
29 residents of the city.  
30 (b) "Redevelopment" has the meaning ascribed to it in  
31 NRS 279.408.  
32 **Sec. 10.** This act becomes effective on July 1, 2007.

