

ASSEMBLY BILL NO. 42—COMMITTEE
ON GOVERNMENT AFFAIRS

(ON BEHALF OF MINERAL COUNTY)

PREFILED DECEMBER 14, 2010

Referred to Committee on Government Affairs

SUMMARY—Authorizes a county to lease certain real property acquired from the Federal Government in certain circumstances without obtaining an appraisal. (BDR 20-187)

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 counties; authorizing a county to lease certain real property acquired directly from the Federal Government in certain circumstances without obtaining an appraisal; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Under existing law, a board of county commissioners is authorized to sell, lease
2 or otherwise dispose of real property owned by the county for the purposes of
3 redevelopment or economic development without first offering the real property to
4 the public and for less than its fair market value if the board: (1) obtains an
5 appraisal of the real property; and (2) adopts a resolution finding that it is in the
6 best interest of the public to sell, lease or otherwise dispose of the real property on
7 those terms. (NRS 244.2815) **Section 2** of this bill authorizes the board of county
8 commissioners of a county whose population is less than 45,000 (currently
9 Churchill, Esmeralda, Eureka, Humboldt, Lander, Lincoln, Mineral, Nye, Pershing,
10 Storey and White Pine Counties) to lease real property without obtaining an
11 appraisal if: (1) the real property was acquired by the county from the Federal
12 Government; and (2) the terms and conditions under which the real property was
13 acquired prohibit the sale of the real property and provide for the reversion of the
14 title to the real property to the Federal Government upon its demand. The board is
15 required to comply with all other requirements of existing law applicable to such a
16 lease, including the requirement for the adoption of a resolution that the lease is in
17 the best interest of the public.



* A B 4 2 R 1 *

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

Section 1. 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, **244.2815**, 244.2825, 244.2835, 244.284, 244.287, 244.290, 278.479 to 278.4965, inclusive, and subsection 3 of NRS 496.080, 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) Except as otherwise provided in this paragraph, obtain two independent appraisals of the real property before selling or leasing it. If the board of county commissioners holds a public hearing on the matter of the fair market value of the real property, one independent appraisal of the real property is sufficient before selling or leasing it. The appraisal or appraisals, as applicable, 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 one independent appraiser or two independent appraisers, as applicable, 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.



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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.

5. If real property is sold or leased in violation of the provisions of this section:

(a) The sale or lease is void; and

(b) Any change to an ordinance or law governing the zoning or use of the real property is void if the change takes place within 5 years after the date of the void sale or lease.

Sec. 2. NRS 244.2815 is hereby amended to read as follows:

244.2815 1. A board of county commissioners may sell, lease or otherwise dispose of real property for the purposes of redevelopment or economic development:

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

(b) For less than fair market value of the real property.

2. Before a board of county commissioners may sell, lease or otherwise dispose of real property pursuant to this section, the board must:

(a) ~~Obtain~~ *Except as otherwise provided in subsection 3, obtain* an appraisal of the real property pursuant to NRS 244.2795; and

(b) Adopt a resolution finding that it is in the best interest of the public to sell, lease or otherwise dispose of the real property:

(1) Without offering the real property to the public; and

(2) For less than fair market value of the real property.

3. *The board of county commissioners of a county whose population is less than 45,000 may lease real property pursuant to this section without obtaining the appraisal otherwise required pursuant to subsection 2 if:*

(a) *The real property was acquired by the county directly from the Federal Government; and*

(b) *The terms and conditions under which the real property was acquired prohibit the sale of the real property and provide for the reversion of the title to the real property to the Federal Government upon demand by the Federal Government.*

4. As used in this section:

(a) "Economic development" means:



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(1) The establishment of new commercial enterprises or facilities within the county;

(2) The support, retention or expansion of existing commercial enterprises or facilities within the county;

(3) The establishment, retention or expansion of public, quasi-public or other facilities or operations within the county;

(4) The establishment of residential housing needed to support the establishment of new commercial enterprises or facilities or the expansion of existing commercial enterprises or facilities; or

(5) Any combination of the activities described in subparagraphs (1) to (4), inclusive,

to create and retain opportunities of employment for the residents of the county.

(b) "Redevelopment" has the meaning ascribed to it in NRS 279.408.

Sec. 3. NRS 244.2825 is hereby amended to read as follows:

244.2825 1. ~~[A]~~ *Unless the provisions of NRS 244.2815 apply, a* board of county commissioners may transfer real property which was acquired by the county directly from the Federal Government to a person without complying with the provisions of NRS 244.281 if the board of county commissioners determines that:

(a) The property is part of an original mining townsite;

(b) The person and the person's predecessors in interest, if any, have continuously claimed, possessed and occupied such property for at least the 25 years immediately preceding the date of the transfer;

(c) The person's claim of right to possession of the property is based upon a written instrument issued to the person or the person's predecessors in interest by a person who claimed a right to possess the property; and

(d) The person or the person's predecessors in interest have paid all taxes that have been assessed against the property for the period during which the person and the person's predecessors in interest have claimed, possessed and occupied the property.

2. The board of county commissioners may sell real property which was acquired by the county directly from the Federal Government to a person without complying with the provisions of NRS 244.281 if the board of county commissioners determines that the requirements set forth in paragraphs (a) and (b) of subsection 1 apply to the property. To establish a price for a sale pursuant to this subsection, a board of county commissioners shall obtain an appraisal of the property from a person who is certified to appraise real estate pursuant to chapter 645C of NRS. The price of property



1 sold pursuant to this subsection must be equal to the sum of the
2 appraised value of the property plus the greater of:

3 (a) One hundred dollars; or

4 (b) The balance of the state, county and municipal taxes that are
5 due and owing on the land for the 5 years immediately preceding the
6 date of the sale.

7 3. For purposes of this section, a person shall be deemed to
8 have continuously possessed and occupied real property if during
9 the time the person claims that the person and the person's
10 predecessors in interest, if any, have possessed and occupied the real
11 property, the real property has been:

12 (a) Usually inhabited, cultivated or improved by the person or
13 the person's predecessors in interest;

14 (b) Protected by a substantial enclosure erected by the person or
15 the person's predecessors in interest; or

16 (c) Used by the person or the person's predecessors in interest
17 for the production of fuel, timber, ore or minerals, for husbandry or
18 pasturage or for any other habitual use that the board of county
19 commissioners determines to be indicative of possession and
20 occupancy.

21 4. Before submitting documents to the county recorder to
22 record a transfer or sale of property to a person pursuant to this
23 section, the board of county commissioners shall:

24 (a) Charge and collect from the person to whom the real
25 property is being transferred or sold a payment in an amount equal
26 to the sum of:

27 (1) If applicable, the sales price determined pursuant to
28 subsection 2; and

29 (2) The total cost to the county of:

30 (I) Acquiring the property from the Federal Government;
31 and

32 (II) Conveying the property to the person; and

33 (b) Submit the money collected pursuant to this section to the
34 county treasurer.

35 5. As used in this section, "original mining townsite" means
36 real property owned by the Federal Government upon which
37 improvements were made:

38 (a) Because a mining operation was located near the property;
39 and

40 (b) Based upon the belief that:

41 (1) The property had been or would be acquired from the
42 Federal Government by the entity that operated the mine; or

43 (2) The person who made the improvement had a valid claim
44 for acquiring the property from the Federal Government.



1 **Sec. 4.** This act becomes effective upon passage and approval.

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