

ASSEMBLY BILL NO. 68—COMMITTEE
ON GOVERNMENT AFFAIRS

(ON BEHALF OF THE NEVADA LEAGUE OF
CITIES AND MUNICIPALITIES)

PREFILED DECEMBER 15, 2010

Referred to Committee on Government Affairs

SUMMARY—Revises provisions governing the sale or lease of real property by counties and cities. (BDR 21-401)

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

~

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

AN ACT relating to local governments; exempting certain leases of real property from requirements relating to appraisal and auction; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law sets forth requirements for the sale or lease of real property by
2 counties and by incorporated cities. In accordance with these requirements, the
3 board of county commissioners of a county or the governing body of a city is
4 required, with limited exceptions, to obtain two independent appraisals of the fair
5 market value of the real property and to sell or lease the property at publication.
6 (NRS 244.2795, 244.281, 244.283, 268.059, 268.061, 268.062) **Sections 1 and 6** of
7 this bill authorize a county or city to lease real property without satisfying such
8 requirements if the real property is less than 25,000 square feet and the board of
9 county commissioners or governing body of a city adopts a resolution stating that
10 the lease is in the best interest of the county or city.

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

1 **Section 1.** Chapter 268 of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 ***1. The governing body of a city may offer any city-owned***
4 ***building or any portion thereof or any other real property for lease***



* A B 6 8 R 1 *

1 *without complying with the provisions of NRS 268.059, 268.061*
2 *and 268.062 if:*

3 *(a) The area of the building space or other real property is less*
4 *than 25,000 square feet; and*

5 *(b) The governing body adopts a resolution stating that it is in*
6 *the best interest of the city to lease the property:*

7 *(1) Without offering the property to the public; and*

8 *(2) For less than the fair market value of the building space*
9 *or other real property, if applicable.*

10 *2. The governing body shall:*

11 *(a) Cause to be published at least once, in a newspaper*
12 *qualified under chapter 238 of NRS that is published in the county*
13 *in which the city-owned building or portion thereof or the other*
14 *real property is located, a notice setting forth a description of the*
15 *city-owned building or portion thereof or the other real property*
16 *proposed to be leased in such a manner as to identify it; and*

17 *(b) Hold a public hearing on the matter not less than 10 or*
18 *more than 20 days after the date of publication of the notice.*

19 *3. A lease of a city-owned building or any portion thereof or*
20 *any other real property pursuant to this section may be made on*
21 *such terms and conditions as the governing body of the city deems*
22 *proper. The duration of such a lease must not exceed 3 years and*
23 *may include an extension for not more than an additional 2 years.*

24 **Sec. 2.** NRS 268.059 is hereby amended to read as follows:

25 268.059 1. Except as otherwise provided in NRS 268.048 to
26 268.058, inclusive, 278.479 to 278.4965, inclusive, and subsection
27 ~~3~~ 4 of NRS 496.080, *and section 1 of this act*, except as otherwise
28 required by federal law, except as otherwise required pursuant to a
29 cooperative agreement entered into pursuant to NRS 277.050 or
30 277.053 or an interlocal agreement in existence on October 1, 2004,
31 except if the governing body is entering into a joint development
32 agreement for real property owned by the city to which the
33 governing body is a party, except for a lease of residential property
34 with a term of 1 year or less, except for the sale or lease of real
35 property to a public utility, as defined in NRS 704.020, to be used
36 for a public purpose, except for the sale or lease of real property to
37 the State or another governmental entity and except for the sale or
38 lease of real property larger than 1 acre which is approved by the
39 voters at a primary or general election, primary or general city
40 election or special election, the governing body shall, when offering
41 any real property for sale or lease:

42 *(a) Except as otherwise provided in this paragraph, obtain two*
43 *independent appraisals of the real property before selling or leasing*
44 *it. If the governing body holds a public hearing on the matter of the*
45 *fair market value of the real property, one independent appraisal of*



* A B 6 8 R 1 *

1 the real property is sufficient before selling or leasing it. The
2 appraisal or appraisals, as applicable, must be based on the zoning
3 of the real property as set forth in the master plan for the city and
4 must have been prepared not more than 6 months before the date on
5 which real property is offered for sale or lease.

6 (b) Select the one independent appraiser or two independent
7 appraisers, as applicable, from the list of appraisers established
8 pursuant to subsection 2.

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

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

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

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

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

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

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

32 (a) The sale or lease is void; and

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

36 **Sec. 3.** NRS 268.061 is hereby amended to read as follows:

37 268.061 1. Except as otherwise provided in this subsection
38 and NRS 268.048 to 268.058, inclusive, 268.063, 278.479 to
39 278.4965, inclusive, and subsection ~~3~~ 4 of NRS 496.080, **and**
40 **section 1 of this act**, except as otherwise provided by federal law,
41 except as otherwise required pursuant to a cooperative agreement
42 entered into pursuant to NRS 277.050 or 277.053 or an interlocal
43 agreement in existence on October 1, 2004, except if the governing
44 body is entering into a joint development agreement for real
45 property owned by the city to which the governing body is a party,



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

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

12 (b) Before the governing body may sell or lease any real
13 property as provided in paragraph (a), it shall:

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

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

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

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

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

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

31 (c) If the governing body by its resolution finds additionally that
32 the real property to be sold is worth more than \$1,000, the
33 governing body shall, as applicable, conduct an appraisal or
34 appraisals pursuant to NRS 268.059 to determine the value of the
35 real property. Except for real property acquired pursuant to NRS
36 371.047, the governing body shall not sell or lease it for less than
37 the highest appraised value.

38 (d) If the real property is appraised at \$1,000 or more, the
39 governing body may:

40 (1) Lease the real property; or

41 (2) Sell the real property for:

42 (I) Cash; or

43 (II) Not less than 25 percent cash down and upon deferred
44 payments over a period of not more than 10 years, secured by a



* A B 6 8 R 1 *

1 mortgage or deed of trust bearing such interest and upon such
2 further terms as the governing body may specify.

3 (e) A governing body may sell or lease any real property owned
4 by the city without complying with the provisions of this section
5 and NRS 268.059 and 268.062 to:

6 (1) A person who owns real property located adjacent to the
7 real property to be sold or leased if the governing body has
8 determined by resolution that the sale or lease will be in the best
9 interest of the city and 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 offered
17 for sale 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 offered
21 for sale or lease.

22 (2) The State or another governmental entity if:

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

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

27 (f) A governing body that disposes of real property pursuant to
28 paragraph (e) is not required to offer to reconvey the real property to
29 the person from whom the real property was received or acquired by
30 donation or dedication.

31 (g) If real property that is offered for sale or lease pursuant to
32 this section is not sold or leased at the initial offering of the contract
33 for the sale or lease of the real property, the governing body may
34 offer the real property for sale or lease a second time pursuant to this
35 section. If there is a material change relating to the title, zoning or
36 an ordinance governing the use of the real property, the governing
37 body must obtain a new appraisal of the real property pursuant to
38 the provisions of NRS 268.059 before offering the real property for
39 sale or lease a second time. If real property that is offered for sale or
40 lease pursuant to this section is not sold or leased at the second
41 offering of the contract for the sale or lease of the real property, the
42 governing body may list the real property for sale or lease at
43 the appraised value with a licensed real estate broker, provided that
44 the broker or a person related to the broker within the first degree of



* A B 6 8 R 1 *

1 consanguinity or affinity does not have an interest in the real
2 property or an adjoining property.

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

5 (a) The sale or lease is void; and

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

9 **Sec. 4.** NRS 268.062 is hereby amended to read as follows:

10 268.062 1. Except as otherwise provided in this section and
11 NRS 268.048 to 268.058, inclusive, 268.063, 278.479 to 278.4965,
12 inclusive, and subsection ~~3~~ 4 of NRS 496.080, **and section 1 of**
13 **this act**, except as otherwise required by federal law, except as
14 otherwise required pursuant to a cooperative agreement entered into
15 pursuant to NRS 277.050 or 277.053 or an interlocal agreement in
16 existence on October 1, 2004, except if the governing body is
17 entering into a joint development agreement for real property owned
18 by the city to which the governing body is a party, except for a lease
19 of residential property with a term of 1 year or less, except for the
20 sale or lease of real property to a public utility, as defined in NRS
21 704.020, to be used for a public purpose and except for the sale or
22 lease of real property larger than 1 acre which is approved by the
23 voters at a primary or general election, the governing body shall, in
24 open meeting by a majority vote of the members and before
25 ordering the sale or lease at auction of any real property, adopt a
26 resolution declaring its intention to sell or lease the property at
27 auction. The resolution must:

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

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

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

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

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

39 (b) Causing to be published at least once a week for 3 successive
40 weeks before the meeting, in a newspaper qualified under chapter
41 238 of NRS that is published in the county in which the real
42 property is located, a notice setting forth:

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



* A B 6 8 R 1 *

(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 governing body, 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 chair of the governing body 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 the contract which are to be performed concurrently therewith.

8. The governing body may require any person requesting that real property 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 governing body 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,



* A B 6 8 R 1 *

1 including the costs of publication and the expenses of appraisal,
2 must be borne by the successful bidder.

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

5 (a) The sale or lease is void; and

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

9 **Sec. 5.** (Deleted by amendment.)

10 **Sec. 6.** Chapter 244 of NRS is hereby amended by adding
11 thereto a new section to read as follows:

12 *1. The board of county commissioners may offer any county-*
13 *owned building or any portion thereof or any other real property*
14 *for lease without complying with the provisions of NRS 244.2795,*
15 *244.281 and 244.283 if:*

16 *(a) The area of the building space or other real property is less*
17 *than 25,000 square feet; and*

18 *(b) The board of county commissioners adopts a resolution*
19 *stating that it is in the best interest of the county to lease the*
20 *property:*

21 *(1) Without offering the property to the public; and*

22 *(2) For less than the fair market value of the building space*
23 *or other real property, if applicable.*

24 *2. The board of county commissioners shall:*

25 *(a) Cause to be published at least once, in a newspaper*
26 *qualified under chapter 238 of NRS that is published in the county*
27 *in which the county-owned building or portion thereof or the other*
28 *real property is located, a notice setting forth a description of the*
29 *county-owned building or portion thereof or the other real*
30 *property proposed to be leased in such a manner as to identify it;*
31 *and*

32 *(b) Hold a public hearing on the matter not less than 10 or*
33 *more than 20 days after the date of publication of the notice.*

34 *3. A lease of a county-owned building or any portion thereof*
35 *or any other real property pursuant to this section may be made on*
36 *such terms and conditions as the board of county commissioners*
37 *deems proper. The duration of such a lease must not exceed 3*
38 *years and may include an extension for not more than an*
39 *additional 2 years.*

40 **Sec. 7.** NRS 244.2795 is hereby amended to read as follows:

41 244.2795 1. Except as otherwise provided in NRS 244.189,
42 244.276, 244.279, 244.2825, 244.2835, 244.284, 244.287, 244.290,
43 278.479 to 278.4965, inclusive, and subsection 3 of NRS 496.080,
44 *and section 6 of this act*, except as otherwise required by federal
45 law, except as otherwise required pursuant to a cooperative



* A B 6 8 R 1 *

1 agreement entered into pursuant to NRS 277.050 or 277.053 or an
2 interlocal agreement in existence on or before October 1, 2004,
3 except if the board of county commissioners is entering into a joint
4 development agreement for real property owned by the county to
5 which the board of county commissioners is a party, except for a
6 lease of residential property with a term of 1 year or less, except for
7 the sale or lease of real property to a public utility, as defined in
8 NRS 704.020, to be used for a public purpose, except for the sale or
9 lease of real property to the State or another governmental entity and
10 except for the sale or lease of real property larger than 1 acre which
11 is approved by the voters at a primary or general election or special
12 election, the board of county commissioners shall, when offering
13 any real property for sale or lease:

14 (a) Except as otherwise provided in this paragraph, obtain two
15 independent appraisals of the real property before selling or leasing
16 it. If the board of county commissioners holds a public hearing on
17 the matter of the fair market value of the real property, one
18 independent appraisal of the real property is sufficient before selling
19 or leasing it. The appraisal or appraisals, as applicable, must have
20 been prepared not more than 6 months before the date on which the
21 real property is offered for sale or lease.

22 (b) Select the one independent appraiser or two independent
23 appraisers, as applicable, from the list of appraisers established
24 pursuant to subsection 2.

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

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

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

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

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

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



* A B 6 8 R 1 *

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. 8. NRS 244.281 is hereby amended to read as follows:

244.281 1. Except as otherwise provided in this subsection and 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, **and section 6 of this act**, 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 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:

(a) When a board of county commissioners has determined by resolution that the sale or 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:

(1) Sell the property in the manner prescribed for the sale of real property in NRS 244.282.

(2) Lease the property in the manner prescribed for the lease of real property in NRS 244.283.

(b) Before the board of county commissioners may sell or lease any real property as provided in paragraph (a), it shall:

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

(2) 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:

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

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



(III) The places at which the resolution described in paragraph (a) has been posted pursuant to subparagraph (1), 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.

(c) Except as otherwise provided in this paragraph, 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 two or more disinterested, competent real estate appraisers pursuant to NRS 244.2795 to appraise the property. If the board of county commissioners holds a public hearing on the matter of the fair market value of the property, one disinterested, competent appraisal of the property is sufficient before selling or leasing it. Except for property acquired pursuant to NRS 371.047, the board of county commissioners shall not sell or lease it for less than the highest appraised value.

(d) If the property is appraised at \$1,000 or more, the board of county commissioners may:

(1) Lease the property; or

(2) 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.

(e) 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:

(1) 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 the sale will be in the best interest of the county and 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.



(2) The State or another governmental entity if:

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

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

(f) A board of county commissioners that disposes of real property pursuant to paragraph (d) 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.

(g) 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 NRS 244.2795 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.

2. 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.

3. As used in this section, "flood control facility" has the meaning ascribed to it in NRS 244.276.

Sec. 9. 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 **H and section 6 of this act**, before ordering the lease of any property the board shall, in open meeting by a majority vote of the members,



* A B 6 8 R 1 *

- 1 adopt a resolution declaring its intention to lease the property. The
2 resolution must:
- 3 (a) Describe the property proposed to be leased in such manner
4 as to identify it.
- 5 (b) Specify the minimum rental, and the terms upon which it
6 will be leased.
- 7 (c) Fix a time, not less than 3 weeks thereafter, for a public
8 meeting of the board to be held at its regular place of meeting, at
9 which sealed proposals to lease will be received and considered.
- 10 3. Notice of the adoption of the resolution and of the time and
11 place of holding the meeting must be given by:
- 12 (a) Posting copies of the resolution in three public places in the
13 county not less than 15 days before the date of the meeting; and
- 14 (b) Publishing the resolution not less than once a week for 2
15 successive weeks before the meeting in a newspaper of general
16 circulation published in the county, if any such newspaper is
17 published therein.
- 18 4. At the time and place fixed in the resolution for the meeting
19 of the board, all sealed proposals which have been received must, in
20 public session, be opened, examined and declared by the board. Of
21 the proposals submitted which conform to all terms and conditions
22 specified in the resolution of intention to lease and which are made
23 by responsible bidders, the proposal which is the highest must be
24 finally accepted, unless a higher oral bid is accepted or the board
25 rejects all bids.
- 26 5. Before accepting any written proposal, the board shall call
27 for oral bids. If, upon the call for oral bidding, any responsible
28 person offers to lease the property upon the terms and conditions
29 specified in the resolution, for a rental exceeding by at least 5
30 percent the highest written proposal, then the highest oral bid which
31 is made by a responsible person must be finally accepted.
- 32 6. A person may not make an oral bid unless, at least 5 days
33 before the meeting held for receiving and considering bids, the
34 person submits to the board written notice of the person's intent to
35 make an oral bid and a statement establishing the person's financial
36 responsibility to the satisfaction of the board.
- 37 7. The final acceptance by the board may be made either at the
38 same session or at any adjourned session of the same meeting held
39 within the 21 days next following.
- 40 8. The board may, either at the same session or at any
41 adjourned session of the same meeting held within the 21 days next
42 following, if it deems such action to be for the best public interest,
43 reject any and all bids, either written or oral, and withdraw the
44 property from lease.



1 9. Any resolution of acceptance of any bid made by the board
2 must authorize and direct the chair to execute a lease and to deliver
3 it upon performance and compliance by the lessee with all the terms
4 or conditions of the lessee's contract which are to be performed
5 concurrently therewith.

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

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

11 **Sec. 10.** This act becomes effective upon passage and
12 approval.

