

Amendment No. 21

Senate Amendment to Senate Bill No. 36	(BDR 20-489)
Proposed by: Senate Committee on Government Affairs	
Amends: Summary: Yes Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes	

ASSEMBLY ACTION				Initial and Date	SENATE ACTION				Initial and Date
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____	Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of green bold underlining is language proposed to be added in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill proposed to be retained in this amendment.



SENATE BILL NO. 36—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF CLARK COUNTY)

PREFILED NOVEMBER 19, 2018

Referred to Committee on Government Affairs

SUMMARY—Revises provisions governing the purchase, sale or lease of real property by a ~~board of county commissioners;~~ local government. (BDR 20-489)

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 ~~counties;~~ local governments; revising certain provisions relating to the purchase of real property by a board of county commissioners; revising certain provisions relating to the appraised value of certain real property a board of county commissioners or governing body of a city offers for sale or lease; revising certain requirements for a board of county commissioners or governing body of a city to provide notice when offering certain real property at auction; authorizing a board of county commissioners or governing body of a city to offer real property ~~for sale~~ at auction on the Internet or other electronic medium; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law sets forth requirements for the purchase, sale or lease of real property by a board of county commissioners ~~or a governing body of a city.~~ (NRS 244.275-244.290 ~~or~~ 268.048-268.065) In accordance with these requirements, a board of county commissioners is required to obtain at least one appraisal of real property before the board of county commissioners may purchase property for the use of the county. (NRS 244.275) **Section 1** of this bill requires the appraiser to be selected in the same manner as appraisers selected for real property that the board of county commissioners will sell or lease. ~~Section 1 also authorizes a board of county commissioners to purchase real property for an amount exceeding the appraised value if the board holds a public meeting before the purchase to explain the reasons for paying more than the appraised value for the property.~~

Under existing law, a board of county commissioners ~~or a governing body of a city,~~ with limited exception, is: (1) required to obtain two independent appraisals of the fair market value of real property before selling or leasing the real property or one independent appraisal, if the board holds a hearing on the fair market value of the real property; and (2) prohibited from selling or leasing real property for less than the highest appraised value of the real property. (NRS 244.2795, 244.281 ~~or~~ Section 1, 266.267, 268.059, 268.061) **Sections 3 and 7** of this bill ~~revises~~ revise the prohibition on selling or leasing real property for less than the

highest appraised value to instead prohibit a board of county commissioners or a governing body of a city from, with limited exception, selling or leasing real property for less than the average of two independent appraisals if two appraisals have been obtained or the appraised value if only one appraisal has been obtained. ~~{Section} Sections 3 and 7~~ also ~~{authorizes}~~ authorize a board of county commissioners or a governing body of a city to obtain only 1 appraisal when listing certain real property with a licensed real estate broker if the prior appraisal or appraisals were prepared more than 6 months before the real property is listed. ~~{Section} Sections 2, 5 and 6~~ of this bill ~~{makes}~~ make conforming changes.

Existing law requires a board of county commissioners which intends to offer real property for sale or a governing body of a city which intends to offer real property for sale or lease at auction to : (1) publish notice of the intent to offer the real property for sale or lease; and (2) accept and consider sealed bids at a public meeting of the board. ~~{or governing body, as applicable. (NRS 244.282. ~~{Section} , 268.062} Sections 4 and 8 of this bill {authorizes} require the notice published of the intent to offer real property at auction to be in bold face type. Sections 4 and 8 further authorize~~~~ a board of county commissioners or a governing body of a city to ~~{also}~~ offer real property for sale or lease, as applicable, at auction on an Internet website or other electronic medium. If the board or governing body uses an Internet website or other electronic medium, at the next regularly scheduled meeting of the board or governing body after bidding has closed, the board or governing body is required to make a final acceptance of the highest bid or, under certain circumstances, reject ~~{the}~~ all bids and withdraw the property from sale. ~~{or lease}~~.

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

Section 1. NRS 244.275 is hereby amended to read as follows:

244.275 1. The boards of county commissioners shall have power and jurisdiction in their respective counties:

(a) To purchase any real or personal property necessary for the use of the county.

(b) To lease any real or personal property necessary for the use of the county.

2. No purchase of real property shall be made by a board of county commissioners unless the value of the same has been previously appraised and fixed by one or more competent real estate appraisers ~~{to be appointed for that purpose} selected by the {county commissioners.} board from the list of appraisers established pursuant to NRS 244.2795.~~ The person or persons ~~{so appointed}~~ selected shall be sworn to make a true appraisal thereof according to the best of their knowledge and ability. Purchases of real property from other federal, state or local governments are exempt from such requirement of appraisal.

~~{ 3. A board of county commissioners may purchase real property for an amount exceeding the appraised value of the property if the board of county commissioners holds a public hearing before the purchase to discuss the reasons for exceeding the appraised value of the real property. }~~

Sec. 2. 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, 244.2833, 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

1 for the sale or lease of real property to a public utility, as defined in NRS 704.020,
2 to be used for a public purpose, except for the sale or lease of real property to the
3 State or another governmental entity and except for the sale or lease of real property
4 larger than 1 acre which is approved by the voters at a primary or general election
5 or special election, the board of county commissioners shall, when offering any real
6 property for sale or lease:

7 (a) Except as otherwise provided in this paragraph ~~H~~ and paragraph (h) of
8 subsection 1 of NRS 244.281, obtain two independent appraisals of the real
9 property before selling or leasing it. If the board of county commissioners holds a
10 public hearing on the matter of the fair market value of the real property, one
11 independent appraisal of the real property is sufficient before selling or leasing it.
12 The appraisal or appraisals, as applicable, must have been prepared not more than 6
13 months before the date on which the real property is offered for sale or lease.

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

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

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

22 (a) Contain the names of all persons qualified to act as a general appraiser in
23 the same county as the real property that may be 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 disclosure
26 statement which includes, without limitation, all sources of income that may
27 constitute a conflict of interest and any relationship with the real property owner or
28 the owner of an adjoining real property.

29 4. An appraiser shall not perform an appraisal on any real property for sale or
30 lease by the board of county commissioners if:

31 (a) The appraiser has an interest in the real property or an adjoining property;

32 (b) The real property is located in a county whose population is 45,000 or more
33 and any person who is related to the appraiser has an interest in the real property or
34 an adjoining property and the relationship between the appraiser and the person is
35 within the third degree of consanguinity or affinity; or

36 (c) The real property is located in a county whose population is less than
37 45,000 and any person who is related to the appraiser has an interest in the real
38 property or an adjoining property and the relationship between the appraiser and the
39 person is within the second degree of consanguinity or affinity.

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

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

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

46 **Sec. 3.** NRS 244.281 is hereby amended to read as follows:

47 244.281 1. Except as otherwise provided in this subsection and NRS
48 244.189, 244.276, 244.279, 244.2815, 244.2825, 244.2833, 244.2835, 244.284,
49 244.287, 244.290, 278.479 to 278.4965, inclusive, and subsection 3 of NRS
50 496.080, except as otherwise required by federal law, except as otherwise required
51 pursuant to a cooperative agreement entered into pursuant to NRS 277.050 or
52 277.053 or an interlocal agreement in existence on or before October 1, 2004,
53 except if the board of county commissioners is entering into a joint development

1 agreement for real property owned by the county to which the board of county
2 commissioners is a party, except for a lease of residential property with a term of 1
3 year or less, except for the sale or lease of real property to a public utility, as
4 defined in NRS 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 voters at a
6 primary or general election or special election:

7 (a) When a board of county commissioners has determined by resolution that
8 the sale or lease of any real property owned by the county will be for purposes other
9 than to establish, align, realign, change, vacate or otherwise adjust any street, alley,
10 avenue or other thoroughfare, or portion thereof, or flood control facility within the
11 county and will be in the best interest of the county, it may:

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

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

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

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

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

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

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

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

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

34 (c) Except as otherwise provided in this paragraph ~~(h)~~ and paragraph (h), if the
35 board of county commissioners by its resolution further finds that the *real* property
36 to be sold or leased is worth more than \$1,000, the board shall appoint two or more
37 disinterested, competent real estate appraisers pursuant to NRS 244.2795 to
38 appraise the *real* property. If the board of county commissioners holds a public
39 hearing on the matter of the fair market value of the property, one disinterested,
40 competent appraisal of the *real* property is sufficient before selling or leasing it.
41 Except for *real* property acquired pursuant to NRS 371.047, the board of county
42 commissioners shall not sell or lease it for less than ~~[the highest appraised value.]~~ :

43 (1) *If two independent appraisals were obtained, the average of the*
44 *appraisals of the real property.*

45 (2) *If only one independent appraisal was obtained, the appraised value*
46 *of the real property.*

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

49 (1) Lease the *real* property; or

50 (2) Sell the *real* property either for cash or for not less than 25 percent cash
51 down and upon deferred payments over a period of not more than 10 years, secured
52 by a mortgage or deed of trust, bearing such interest and upon such further terms as
53 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~~ *The board of county commissioners must obtain a new appraisal or appraisals, as applicable, 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:*

(1) There is a material change relating to the title, zoning or an ordinance governing the use of the real property; or

(2) The appraisal or appraisals, as applicable, were prepared more than 6 months before the date on which the real property is offered for sale or lease the second time.

(h) 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 or average of the appraised value if two or more appraisals were obtained, as applicable, 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. If the appraisal or appraisals, as applicable, were prepared more than 6 months before the date on which the real property is listed with a licensed real estate broker, the board of county commissioners must obtain one new appraisal of the real property pursuant to the provisions of NRS 244.2795 before listing the real property for sale or lease at the new appraised value.

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. 4. NRS 244.282 is hereby amended to read as follows:

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

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

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

(c) Fix a time, not less than 3 weeks thereafter, for ~~{a}~~ *the auction to be held:*

(1) *At a public meeting of the board ~~{to be held}~~ at its regular place of meeting, at which sealed bids will be received and considered ~~{a}~~; or*

(2) *On an Internet website or other electronic medium.*

(d) *If the auction is to be held on an Internet website or other electronic medium, specify:*

(1) *The Internet website or other electronic medium;*

(2) *The manner in which electronic bids will be accepted; and*

(3) *The period during which bids will be accepted.*

2. Notice of the adoption of the resolution and of the time, ~~{and}~~ place *and manner* of holding the ~~{meeting}~~ *auction* 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}~~ *auction*, 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 ~~{a}~~ *in bold face type:*

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

(2) The minimum price of the real property proposed to be sold 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. *If the auction is held at a meeting of the board:*

(a) 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 board. Of the proposals submitted which conform to all terms and conditions specified in the resolution of intention to sell 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 board rejects all bids.

~~{4}~~ (b) Before accepting any written bid, the board shall call for oral bids. If, upon the call for oral bidding, any responsible person offers to buy the *real* 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.]~~ (c) 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 *next 10 business days* ~~[next following]~~.

~~— 6. The board may, either at the same session or at any adjourned session of the same meeting held within the 10 days next following, if it:] :~~

(1) Make a final acceptance of the highest bid; or

(2) Reject any and all bids, either written or oral, and withdraw the real property from sale if the board deems such action to be for the best public interest.

4. If the auction is held on the Internet or other electronic medium:

(a) At the time and place fixed in the resolution for holding the auction, any person may submit a bid in the manner and on the Internet website or other electronic medium specified in the resolution. Bidding must remain open for the period of time specified in the resolution.

(b) The county and the employees of the county are not liable for the failure of a computer, laptop or tablet computer, smartphone or any other electronic medium or device, including, without limitation, hardware, software or application, computer network or Internet website, which prevents a person from participating in the auction.

(c) The board shall, at the next regularly scheduled meeting of the board after bidding has closed:

(1) Make a final acceptance of the highest bid; or

*(2) If the board deems the action to be for the best public interest, reject any and all bids ~~[, either written or oral,]~~ and withdraw the *real* property from sale.*

~~[7.]~~ 5. Any resolution of acceptance of any bid made by the board must authorize and direct the chair to execute a deed and to deliver it upon performance and compliance by the purchaser with all the terms or conditions of the purchaser's contract which are to be performed concurrently therewith.

~~[8.]~~ 6. All money received from sales of real property must be deposited forthwith with the county treasurer to be credited to the county general fund.

~~[9.]~~ 7. The board 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 board 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 ~~[,]~~ *and any related costs*, must be borne by the successful bidder.

~~[10.]~~ 8. If real property is sold in violation of the provisions of this section:

(a) The sale 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.

Sec. 5. NRS 266.267 is hereby amended to read as follows:

266.267 1. A city council shall not enter into a lease of real property owned by the city for a term of 3 years or longer or enter into a contract for the sale of real property until after the property has been appraised pursuant to NRS 268.059. Except as otherwise provided in this section, paragraph (a) of subsection 1 of NRS 268.050 and subsection 3 of NRS 496.080:

(a) The sale or lease of real property must be made in the manner required pursuant to NRS 268.059, 268.061 and 268.062; and

(b) A lease or sale must be made at or above the ~~[highest]~~ appraised value of the real property *or average of the appraised value if two or more appraisals were*

1 obtained as determined pursuant to the appraisal or appraisals, as applicable,
2 conducted pursuant to NRS 268.059.

3 2. The city council may sell or lease real property for less than its appraised
4 value or average of the appraised value, as applicable, to any person who
5 maintains or intends to maintain a business within the boundaries of the city which
6 is eligible pursuant to NRS 374.357 for an abatement from the sales and use taxes
7 imposed pursuant to chapter 374 of NRS.

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

9 268.059 1. Except as otherwise provided in NRS 268.048 to 268.058,
10 inclusive, 268.064, 278.479 to 278.4965, inclusive, and subsection 4 of NRS
11 496.080, except as otherwise required by federal law, except as otherwise required
12 pursuant to a cooperative agreement entered into pursuant to NRS 277.050 or
13 277.053 or an interlocal agreement in existence on October 1, 2004, except if the
14 governing body is entering into a joint development agreement for real property
15 owned by the city to which the governing body is a party, except for a lease of
16 residential property with a term of 1 year or less, except for the sale or lease of real
17 property to a public utility, as defined in NRS 704.020, to be used for a public
18 purpose, except for the sale or lease of real property to the State or another
19 governmental entity and except for the sale or lease of real property larger than 1
20 acre which is approved by the voters at a primary or general election, primary or
21 general city election or special election, the governing body shall, when offering
22 any real property for sale or lease:

23 (a) Except as otherwise provided in this paragraph ~~(f)~~ and paragraph (h) of
24 subsection 1 of NRS 268.061, obtain two independent appraisals of the real
25 property before selling or leasing it. If the governing body holds a public hearing on
26 the matter of the fair market value of the real property, one independent appraisal of
27 the real property is sufficient before selling or leasing it. The appraisal or
28 appraisals, as applicable, must be based on the zoning of the real property as set
29 forth in the master plan for the city and must have been prepared not more than 6
30 months before the date on which real property is offered for sale or lease.

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

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

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

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

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

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

46 4. An appraiser shall not perform an appraisal on any real property offered for
47 sale or lease by the governing body if:

48 (a) The appraiser has an interest in the real property or an adjoining property;

49 (b) The real property is located in a city in a county whose population is 45,000
50 or more and any person who is related to the appraiser has an interest in the real
51 property or an adjoining property and the relationship between the appraiser and the
52 person is within the third degree of consanguinity or affinity; or

(c) The real property is located in a city in a county whose population is less than 45,000 and any person who is related to the appraiser has an interest in the real property or an adjoining property and the relationship between the appraiser and the person is within the second degree of consanguinity or affinity.

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

268.061 1. Except as otherwise provided in this subsection and NRS 268.048 to 268.058, inclusive, 268.063, 268.064, 278.479 to 278.4965, inclusive, and subsection 4 of NRS 496.080, 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, 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, primary or general city election or special election:

(a) 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 NRS 268.062.

(b) Before the governing body 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 city; 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) If the governing body by its resolution finds additionally that the real property to be sold is worth more than \$1,000, the governing body shall, as applicable, conduct an appraisal or appraisals pursuant to NRS 268.059 to determine the value of the real property. Except for real property acquired pursuant to NRS 371.047, the governing body shall not sell or lease it for less than ~~the highest appraised value.~~ :

(I) If two independent appraisals were obtained, the average of the appraisals of the real property.

(2) If only one independent appraisal was obtained, the appraised value of the real property.

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

(1) Lease the real property; or

(2) Sell the real property for:

(I) Cash; or

(II) 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.

(e) 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:

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

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

(f) A governing body that disposes of real property pursuant to paragraph (e) 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 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]~~ The governing body must obtain a new appraisal or appraisals, as applicable, 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~~ if:

(1) There is a material change relating to the title, zoning or an ordinance governing the use of the real property; or

(2) The appraisal or appraisals, as applicable, were prepared more than 6 months before the date on which the real property is offered for sale or lease the second time.

(h) 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 or average of the appraised value if two or more appraisals were obtained, as applicable, 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. If the

appraisal or appraisals, as applicable, were prepared more than 6 months before the date on which the real property is listed with a licensed real estate broker, the governing body must obtain one new appraisal of the real property pursuant to the provisions of NRS 268.059 before listing the real property for sale or lease at the new appraised value.

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.

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

268.062 1. Except as otherwise provided in this section and NRS 268.048 to 268.058, inclusive, 268.063, 268.064, 278.479 to 278.4965, inclusive, and subsection 4 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 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, 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, 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 real property at auction. The resolution must:

(a) Describe the real 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 real property will be sold or leased; and

(c) Fix a time, not less than 3 weeks thereafter, for ~~the auction to be held:~~
(1) At 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 ~~()~~; or

(2) On an Internet website or other electronic medium.
(d) If the auction is to be held on an Internet website or other electronic medium, specify:

(1) The Internet website or other electronic medium;

(2) The manner in which electronic bids will be accepted; and

(3) The period during which bids will be accepted.

2. Notice of the adoption of the resolution and of the time, ~~and~~ place and manner of holding the ~~(meeting)~~ auction 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)~~ auction, 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 ~~()~~ in bold face type:

(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. *If the auction is held at a meeting of the governing body:*

(a) 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.

~~4.4~~ (b) 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 real 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.

~~5.1~~ (c) 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 next 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:]~~

(1) *Make a final acceptance of the highest bid; or*

(2) *Reject any and all bids, either written or oral, and withdraw the real property from sale if the governing body deems such action to be for the best public interest.*

4. *If the auction is held on an Internet website or other electronic medium:*

(a) *At the time and place fixed in the resolution for holding the auction, any person may submit a bid in the manner and on the Internet website or other electronic medium specified in the resolution. Bidding must remain open for the period of time specified in the resolution.*

(b) *The city and employees of the city are not liable for the failure of a computer, laptop or tablet computer, smartphone or any other electronic medium or device, including, without limitation, hardware, software or application, computer network or Internet website, which prevents a person from participating in an auction.*

(c) *The governing body shall, at the next regularly scheduled meeting of the governing body after bidding has closed:*

(1) *Make a final acceptance of the highest bid; or*

(2) *If the governing body deems the action to be for the best public interest, reject any and all bids, ~~[either written or oral]~~ and withdraw the real property from sale or lease.*

~~7.4~~ 5. 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.

~~8.1~~ 6. 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, including the costs of publication and the expenses of appraisal ~~and~~ and any related costs, must be borne by the successful bidder.

~~9.1~~ 7. 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.