

Assembly Bill No. 371—Assemblymen Swank
and Elliot Anderson

CHAPTER.....

AN ACT relating to historic buildings; authorizing the State Land Registrar to purchase certain historic buildings and enter into a public-private partnership to facilitate certain activities related to such a historic building; providing requirements and exemptions relating to such a public-private partnership; establishing the Restore Nevada’s Treasures Revolving Account; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Section 8 of this bill authorizes the State Land Registrar, to the extent that money is available, to purchase a historic building that has been determined by the Office of Historic Preservation of the State Department of Conservation and Natural Resources to be a historic building that is at risk of loss. **Section 8** also authorizes the State Land Registrar to enter into a public-private partnership for the preservation, rehabilitation, restoration, reconstruction or adaptive reuse of a historic building so purchased and sets forth certain provisions that a contract for a public-private partnership is required to include. **Section 8** requires the public-private partnership to be structured so that the State will be repaid by the private partner for the purchase price of the historic building and the private partner will receive ownership of the historic building from the State. **Section 10** of this bill exempts such a public-private partnership from existing law governing purchasing and public works, except regarding the payment of the prevailing wage.

Section 11 of this bill establishes the Restore Nevada’s Treasures Revolving Account and requires that the money in the Revolving Account be used to acquire historic buildings and pay expenses related to a public-private partnership for the preservation, rehabilitation, restoration, reconstruction or adaptive reuse of a historic building.

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

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

Sections 1 and 2. (Deleted by amendment.)

Sec. 3. Chapter 321 of NRS is hereby amended by adding thereto the provisions set forth as sections 4 to 11, inclusive, of this act.

Sec. 4. *As used in sections 4 to 11, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 5, 6 and 7 of this act have the meanings ascribed to them in those sections.*



Sec. 5. *“Historic building” means a site, building, structure, object or district which is eligible for or included in the State Register of Historic Places pursuant to NRS 383.085 or the National Register of Historic Places or is otherwise of historical significance.*

Sec. 6. *“Private partner” means a person with whom the State Land Registrar enters into a public-private partnership.*

Sec. 7. *“Public-private partnership” means a contract entered into by the State Land Registrar and a private partner pursuant to section 8 of this act.*

Sec. 8. 1. *To the extent that money is available in the Restore Nevada’s Treasures Revolving Account created by section 11 of this act, the State Land Registrar may purchase a historic building that has been determined by the Office of Historic Preservation of the State Department of Conservation and Natural Resources to be a historic building that is at risk of loss.*

2. *The State Land Registrar may enter into a public-private partnership with a private partner for the preservation, rehabilitation, restoration, reconstruction or adaptive reuse of a historic building purchased pursuant to subsection 1. The public-private partnership must be structured to facilitate the transfer of ownership of the historic building from the State to the private partner and repayment of the purchase price of the historic building to the State by the private partner from revenues generated by the historic building.*

3. *The contract for a public-private partnership must include, without limitation:*

- (a) The rate of interest on payments;*
- (b) A schedule for payments; and*
- (c) A provision to ensure all money expended or advanced by the State in connection with the public-private partnership is recovered in the event of a default by the private partner.*

4. *The State Land Registrar shall consult with the Office of Historic Preservation of the State Department of Conservation and Natural Resources regarding:*

- (a) Identification of historic buildings appropriate for public-private partnerships; and*
- (b) The design and restoration of a historic building pursuant to a public-private partnership.*

Sec. 9. *To carry out the provisions of sections 4 to 11, inclusive, of this act, the State Land Registrar may:*

- 1.** *Employ any necessary legal, financial, technical and other consultants.*



2. *Apply for grants and accept from any source any gift, grant, donation or other form of conveyance of land, money, other real or personal property or other thing of value.*

3. *Keep any proprietary information obtained by or disclosed to the State Land Registrar during the procurement or negotiation of the public-private partnership confidential.*

4. *Adopt such regulations as the State Land Registrar deems necessary.*

Sec. 10. 1. *The provisions of chapters 333, 338 and 341 of NRS do not apply to a public-private partnership, except the provisions of NRS 338.013 to 338.090, inclusive, apply to a contract to perform work in connection with the preservation, rehabilitation, restoration, reconstruction or adaptive use of a historic building pursuant to a public-private partnership. The private partner and a contractor who is awarded the contract or enters into the agreement to perform the preservation, rehabilitation, restoration, reconstruction or adaptive use of the historic building shall include in the contract or other agreement the contractual provisions and stipulations that are required to be included in a contract for a public work pursuant to the provisions of NRS 338.013 to 338.090, inclusive. The State Land Registrar, the private partner, any contractor who is awarded a contract or enters into an agreement to perform such work on the historic building project and any subcontractor who performs work on the historic building project shall comply with the provisions of NRS 338.013 to 338.090, inclusive, in the same manner as if a public body had undertaken the project or had awarded the contract.*

2. *The Deputy Administrator of the Public Works - Compliance and Code Enforcement Section of the State Public Works Division of the Department of Administration shall serve as the building official on the work performed in connection with the preservation, rehabilitation, restoration, reconstruction or adaptive use of a historic building pursuant to a public-private partnership.*

Sec. 11. 1. *The Restore Nevada's Treasures Revolving Account is hereby created as a special account in the State General Fund.*

2. *The State Land Registrar shall deposit into the Revolving Account money received:*

(a) *As a gift, grant or donation pursuant to section 9 of this act; and*

(b) *From payments made by a private partner pursuant to a public-private partnership.*



3. The State Land Registrar may use the money in the Revolving Account only for the expenses related to:

(a) The acquisition of a historic building pursuant to section 8 of this act; and

(b) Expenses relating to a public-private partnership.

4. The State Land Registrar shall:

(a) Approve any disbursements from the Revolving Account; and

(b) Maintain records of any such disbursement.

5. The balance of the Revolving Account must be carried forward at the end of each fiscal year.

Sec. 12. NRS 321.007 is hereby amended to read as follows:

321.007 1. Except as otherwise provided in subsection 5, NRS 321.008, 322.061, 322.063, 322.065 or 322.075, **or sections 4 to 11, inclusive, of this act**, except as otherwise required by federal law, except for land that is sold or leased to a public utility, as defined in NRS 704.020, to be used for a public purpose, except for land that is sold or leased to a state or local governmental entity, except for a lease which is part of a contract entered into pursuant to chapter 333 of NRS and except for land that is sold or leased pursuant to an agreement entered into pursuant to NRS 277.080 to 277.170, inclusive, when offering any land for sale or lease, the State Land Registrar shall:

(a) Except as otherwise provided in this paragraph, obtain two independent appraisals of the land before selling or leasing it. If the Interim Finance Committee grants its approval after discussion of the fair market value of the land, one independent appraisal of the land 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 land is offered for sale or lease.

(b) Notwithstanding the provisions of chapter 333 of NRS, 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 State Land Registrar as to the qualifications of an appraiser is conclusive.

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

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



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

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

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

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

6. If land 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 land is void if the change takes place within 5 years after the date of the void sale or lease.

Sec. 13. NRS 321.335 is hereby amended to read as follows:

321.335 1. Except as otherwise provided in NRS 321.008, 321.125, 322.061, 322.063, 322.065 or 322.075, *or sections 4 to 11, inclusive, of this act*, except as otherwise required by federal law, except for land that is sold or leased to a public utility, as defined in NRS 704.020, to be used for a public purpose, except for land that is sold or leased to a state or local governmental entity, except for a lease which is part of a contract entered into pursuant to chapter 333 of NRS and except for an agreement entered into pursuant to the provisions of NRS 277.080 to 277.170, inclusive, or a lease of residential property with a term of 1 year or less, after April 1, 1957, all sales or leases of any lands that the Division is required to hold pursuant to NRS 321.001, including lands subject to contracts of sale that have been forfeited, are governed by the provisions of this section.

2. Whenever the State Land Registrar deems it to be in the best interests of the State of Nevada that any lands owned by the State and not used or set apart for public purposes be sold or leased, the State Land Registrar may, with the approval of the State Board of Examiners and the Interim Finance Committee, cause those lands to be sold or leased upon sealed bids, or oral offer after the opening of



sealed bids for cash or pursuant to a contract of sale or lease, at a price not less than the highest appraised value for the lands plus the costs of appraisal and publication of notice of sale or lease.

3. Before offering any land for sale or lease, the State Land Registrar shall comply with the provisions of NRS 321.007.

4. After complying with the provisions of NRS 321.007, the State Land Registrar shall cause a notice of sale or lease to be published once a week for 4 consecutive weeks in a newspaper of general circulation published in the county where the land to be sold or leased is situated, and in such other newspapers as the State Land Registrar deems appropriate. If there is no newspaper published in the county where the land to be sold or leased is situated, the notice must be so published in a newspaper published in this State having a general circulation in the county where the land is situated.

5. The notice must contain:

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

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

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

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

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

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

(a) Contrary to the public interest.

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



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

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

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

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

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

11. If land that is offered for sale or lease pursuant to this section is not sold or leased at the initial offering of the contract for the sale or lease of the land, the State Land Registrar may offer the land for sale or lease a second time pursuant to this section. If there is a material change relating to the title, zoning or an ordinance governing the use of the land, the State Land Registrar must, as applicable, obtain a new appraisal or new appraisals of the land pursuant to the provisions of NRS 321.007 before offering the land for sale or lease a second time. If land that is offered for sale or lease pursuant to this section is not sold or leased at the second offering of the contract for the sale or lease of the land, the State Land Registrar may list the land for sale or lease at the appraised value with a licensed real estate broker, provided that the broker or a person related to the broker within the first degree of consanguinity or affinity does not have an interest in the land or an adjoining property.

Sec. 14. This act becomes effective on July 1, 2017.



