



PORTFOLIO EXECUTIVE SUMMARY 4/2018

The Nevada Division of State Lands (NDSL) serves as the "real estate" agency of the State for all agencies except the Legislature, the University System, and the Department of Transportation. The agency holds title to lands and interests in land and has compiled them into this Portfolio so that the Legislature, agencies, and members of the public can readily access this information. The main focus of the Portfolio is to list each property's ownership and asset status. The Portfolio does not include sovereign lands. Upon statehood, Nevada received title to all sovereign lands which are submerged beneath navigable bodies of water which at present include Lake Tahoe, Washoe Lake, Walker Lake, Truckee River, Carson River, Colorado River and Virgin River. Humboldt River was not considered navigable.

The Portfolio is a fluid document that reflects the ever-changing status of lands managed by NDSL. In order to ensure the best available information on the status of these lands, staff from NDSL conducted interviews of all agencies that have land assigned to them for specific management activities and purposes.

Agencies were asked a number of questions about their land needs, existing operations, compatibility issues with adjacent properties, site function constraints and opportunities, and issues with lease or other land restrictions. Agency interviews result in key discussions and expose common needs/themes of acquisition, disposal and the need for future master planning. Based on these interviews, the Portfolio was developed. A continued dialogue is maintained so that NDSL can provide a high level of service with "client" agencies.

Specific terms used in the Portfolio and key to its implementation include:

"Performing Asset" relates to meeting the intent of the assigned agency's mission. Of all the properties listed in the Portfolio, 98% are considered performing assets.

"Meets Agency Land Needs" describes the ability of the assigned agency to operate within the confines of the land parcel. Of all the properties listed in the Portfolio, 98.1% meet agency land needs.

“Use Restrictions” are limitations to the property based on pre-approved agreements, leases or other factors. Of all the properties listed in the Portfolio, 90.9% have use restrictions. These restrictions are generally related to Recreation and Public Purpose (R&PP) leases and patents, Land and Water Conservation Fund (LWCF) specifications, and similar encumbrances.

The Portfolio includes five categories of lands managed by the Division of State Lands:

State Owned: Lands owned outright by the State of Nevada.

Other Lease/Agreement: Lands subject to a specific lease or management agreement.

R&PP Lease: Lands acquired as a lease under the Recreation and Public Purpose Act and potentially suitable for patent at a future date. Once patented, the lands are still subject to the original R&PP restrictions.

Authorization: A site utilized by the State through a permit, license, easement or right of entry.

Right-of-Way: A site utilized by the State through an approved Federal right-of-way.

The total land area of the State of Nevada is 70,316,244 acres (source BLM GIS). The land area managed by the Division of State Lands and compiled in the Portfolio totals just under 298,000 acres. In comparison, the Bureau of Land Management manages approximately 47.3 million acres and the US Forest Service manages 5.8 million acres. Other Federal agencies manage over 8 million acres. Private holdings within Nevada amount to a little more than 9 million acres.

Lands Managed by Nevada Division of State Lands

Ownership	Acres	% of Total
State-Owned/Fee Title/Escheat	168,537	55.1%
State-Owned/Fee Title/Escheat and Other Lease/Agreement	103,497	34.2%
Other Lease/Agreement	16,011	5.4%
State-Owned/Fee Title/Escheat and R&PP Lease	9,721	3.3%
State-Owned/Fee Title/Escheat and R&PP Lease and Other Lease/Agreement	4,584	1.5%
R&PP Lease	1,513	0.5%
Right-of-Way	0	0.0%
TOTAL	303,864	100.0%

Status	Acres	% of Total
Performing Assets?		
Yes	291,615	98.0%
Partial	5,589	1.9%
No	357	0.1%
Meets Agency Land Needs?		
Yes	291,900	98.1%
Strategic	5,453	1.8%
No	209	0.1%
Use Restrictions?		
Yes	270,445	90.9%
No	27,117	9.1%

ACQUISITION NEEDS

The Portfolio identifies the need for acquisition of additional land by fee, license or other agreement to meet agency needs. The conversion of R&PP leases to patents is a strategic goal to reduce cost and acquire lands under State ownership. Land acquisitions are sought when an agency identifies the need for expansion or relocation due to existing site constraints or strategic expansion. Recently, the Department of Conservation and Natural Resources along with Department of Wildlife identified the need for an expanded presence in Las Vegas. An R&PP lease and master plan process was completed at a site on Tropicana for a new facility that will commence construction as funding is approved. A patent on the site will be pursued as construction of the facilities is completed.

POTENTIAL DISPOSALS

The Portfolio identifies lands that are suitable for potential disposal. These lands are nonperforming, not meeting agency land needs, suitable for sale, or other reasons. Some lands are being held strategically until such time that the market would dictate the most financial return. Other lands are authorized to be disposed or transferred via the Legislature. For example, Assembly Bill 15 of the 2015 Legislature authorized the sale of State land in Clear Creek, Carson City with the proceeds to benefit improvements at the Stewart Indian School. Assembly Bill 34 of the 2015 Legislature authorized the transfer of four Nevada Division of Forestry fire stations to local jurisdictions as a result of the dissolution of certain fire protection districts.

SCHOOL TRUST LANDS

School trust lands are a special category of lands that are suitable for disposal or managed to generate revenue for the Permanent School Trust Fund. There are 2,914 acres of school trust

lands in Nevada remaining. Sale of these lands benefit the permanent school trust fund. Sales occur based on a value of “highest and best use” and timing is based on when the market would dictate the most monetary return. These lands can also be utilized as exchange lands with the federal government (Bureau of Land Management) in an effort to consolidate ownership and potentially provide the State lands better suited for revenue generation.

- ▶ The Northwest Ordinance of 1785 set aside land for the support of the common schools. Starting with the admission of Ohio in 1803, each new state was granted school trust land. Until 1850, one section (section 16) was granted in every township. After 1850, two sections (sections 16 and 36) were granted and Nevada received two sections. Four sections (sections 2, 16, 32, and 36) were granted to Utah, Arizona and New Mexico. Nevada’s land grants for Sections 16 and 36 amounted to approximately 4 million acres. Lands were required to be surveyed before patent could pass from Federal ownership to State and Private ownership. Most grant lands were located in arid, remote and inaccessible locations. As such, settler demand for those lands were low. By 1879, fifteen years after statehood, only about 60,000 acres were surveyed and sold. Congress granted Nevada permission to give up its “in place” land grant of sections 16 and 36 (about 4 million acres) in exchange for a 2 million acre “state selection” grant. Nevada was the only state granted a state selection exchange and lands were selected where there was demand by settlers. These lands sold for \$1.25 or \$2.50 an acre and nearly all of the 2 million acres was sold by the end of the 19th century. The exchange acts were successful in bringing settlers to Nevada. In 1926, Congress granted Nevada permission to exchange the remaining 30,000 acres of school grant land for another state selection of an equal amount of acreage. These lands have now all been selected and except for 2,914 acres have all been disposed. These land sales were consistent with the original implementation plan and objectives to generate revenue for the Permanent School Trust Fund and enhance and encourage settlement in Nevada.

School trust lands occur throughout the State and are located in Carson City, Clark, Lyon, Nye and Washoe Counties:

Vicee Canyon, Carson City, 315.06 acres

These parcels are west of Western Nevada College.

Clark County, 152.96 acres

These two parcels are east of Las Vegas in the Moapa Valley.

Elko County, 41.18 acres

This remote parcel is northeast of Wells.

Lyon County, 80.74 acres

This parcel is near Wabuska, north of Yerington.

Nye County, 462.72 acres

These remote parcels are scattered across the northern county and also in Pahrump.

Flannigan Area, Washoe County, 516.11 acres

These remote parcels are in the vicinity of Flannigan, northwest of Pyramid Lake.

Vya Area, Washoe County, 1,345.52 acres

These remote parcels are east of Vya in northern Washoe County.

MASTER PLANNING

The Portfolio serves as a component of the agency’s “Master Plan” for certain properties that are nonperforming, strategic or are identified for a combination of uses that warrant additional oversight prior to assignment and development. Local jurisdictions, Federal and State agencies, the Legislature and the general public all benefit from understanding NDSL’s intent for future uses on lands it manages. Examples of pending master plans include Jean Prison, Nevada State Prison, the Jones Boulevard property in Las Vegas and an update to the Stewart Indian School property. For performing assets, NDSL discusses the need for agencies to complete master plans and assists in the development of those plans.

Plans are most important for partially performing and strategic assets to ensure that the State uses its property efficiently. Considerations in the master plan process include:

- ▶ Joint use of the site by multiple agencies to improve efficiency and reduce operational and maintenance costs.
- ▶ Disposal or transfer of portions of a site for revenue generation or better utilization by a different agency or entity.
- ▶ Compatibility with adjacent existing or proposed uses.
- ▶ Compatibility with agency needs and strategic projections.
- ▶ Creation of certainty for agencies, the Legislature and local jurisdictions.
- ▶ Establishment of entitlements necessary for future agency uses.