

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Nevada State Office
P.O. Box 12000 (1340 Financial Blvd)
Reno, Nevada 89520-0006
<http://www.nv.blm.gov>

August 8, 2006

In Reply Refer To:
2710 (NV-930) P

EMS TRANSMISSION August 8, 2006
Instruction Memorandum No. NV-2006-067
Expires: 09/30/2007

To: Field Managers

From: Ron Wenker
State Director, Nevada

Subject: Authority and Provisions for Land Disposal for Affordable Housing

Program Area: Southern Nevada Public Land Management Act of 1998 (Public Law 105-263) (SNPLMA).

Purpose: This Instruction Memorandum (IM) informs the Nevada Bureau of Land Management (BLM) Field Offices (FO) that the BLM Nevada State Director has the authority to issue Nevada Guidance on the policy, provisions, and required information for the implementation of Section 7(b) of SNPLMA. The IM also provides for the issuance of the revised Nevada Guidance on Policy and Procedures for Affordable Housing Disposals under Section 7(b) of SNPLMA.

Policy/Action: Pursuant to Section 7(b) of SNPLMA, BLM, in consultation with the Department of Housing and Urban Development (HUD), may sell, for affordable housing purposes, land in the State of Nevada at less than fair market value (FMV). BLM is authorized under Section 7(b) of SNPLMA to place terms, covenants, or conditions on such disposals. The revisions to the Nevada Guidance focus mostly on updating the discount percentages for the median income categories that would be administratively applied to the FMV by BLM to establish the value of the public lands offered for sale under the provisions.

Timeframe: This IM is effective immediately.

Budget Impact: The budget regarding the use of appropriated funds (e.g., 1430) is not likely to be affected. The funds used by BLM to process proposals of land sales for affordable housing purposes under Section 7(b) of SNPLMA would be provided, if available, from: (1) the Special Account established under Section 4(e) of SNPLMA; and (2) Nevada's share of the proceeds from land disposals deposited in the Federal Land Disposal Account established by Section 206(a) of the Federal Land Transaction Facilitation Act of 2000 (Title II of Public Law 106-248). Within Section 206(a) account, there is a separate account for Nevada entitled the Federal Land Disposal Account.

Background: The State Director, Nevada, has been delegated the authority to issue Nevada Guidance Policy, in consultation with the Regional Solicitor, on implementation of the provisions of Section 7(b) of SNPLMA regarding the sale of lands in Nevada for affordable housing purposes. This delegation cannot be re-delegated below the State Director.

Section 7(b) of SNPLMA authorizes BLM, in consultation with HUD, to sell BLM managed public lands in Nevada for low-income, affordable housing purposes at less than FMV. All sales will be made pursuant to the terms of Section 203 of Federal Land Policy Management Act (FLPMA). Eligible lands are to be made available only to State and local governmental entities, including local public housing authorities. Section 7(b) allows for the inclusion of “other such terms and conditions” as may be determined by BLM to be appropriate under the circumstances of each case.

The SNPLMA clearly states that lands will be made available under the provisions of 203 (Sales) of FLPMA. Disposals for affordable housing in Nevada will, therefore, not be authorized under the Recreation and Public Purposes (R&PP) Act and will not include the reversionary provisions of the R&PP Act.

Through consultation and coordination with the Pacific Southwest Regional Solicitor’s Office, the HUD Nevada State Office, Las Vegas, and the BLM Nevada State Office, the BLM Nevada Guidance has been developed for purposes of implementing Section 7(b) of SNPLMA. HUD has advised BLM in writing that HUD agrees to the roles and responsibilities as outlined in the BLM Nevada Guidance. Section 7(b) project sales will be processed in accordance with the provisions in FLPMA 203 and the attached Nevada Guidance.

The State of Nevada, or any appropriate Nevada local governmental entity, may submit a written nomination or request in accordance with the required information listed in NV-2700-06 (attached) to the local Nevada BLM office to purchase eligible land for affordable housing. The provisions at 43 Code of Federal Regulations Subpart 1822, *Filing a Document with BLM*, shall apply to nominations under Section 7(b) of SNPLMA. Proceeds from affordable housing sales will be deposited in accordance with applicable laws, including deposits into the aforementioned special accounts established under SNPLMA and the Federal Land Transaction Facilitation Act of 2000.

Manual/Handbook Sections Affected: None.

Coordination: This document was coordinated with the BLM Washington Division Manager, Lands & Realty (WO- 350); Pacific Southwest Region Solicitor’s Office, Sacramento; Deputy State Director (NV-930); Interior HUD Nevada State Office, Las Vegas; and State and local governments in northern and southern Nevada.

Contact: If you have any questions, please contact Jim Stobaugh, Lands Program Lead, at 775-861-6478.

Signed By:
Ron Wenker
State Director, Nevada

Authenticated By:
Ellyn Darrah
Staff Assistant, Resources

3 Attachments

1. BLM Nevada Guidance (7 pp)
2. Illustrations I and II (2 pp)
3. NV-2700-06 Nomination Information Required (1 p)