



United States Department of the Interior

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August 19, 2010

In Reply Refer To:
2920 (NV933) P

EMS Transmission 08/19/2010
Instruction Memorandum No. NV-2010-065
Expires: 09/30/11

To: Field and District Managers, Nevada
From: State Director, Nevada
Subject: Rent for Nonlinear Rights-of-Ways and Permits

Program Area: Lands and Realty

This Instruction Memorandum (IM) establishes annual rent for certain non-linear rights-of-way and land use permit authorizations, and replaces Nevada IM 99-046 (July 28, 1999).

Regulations at 43 CFR 2806.50 and 43 CFR 2920.8 establish the methods by which the BLM determines rent for right-of-way grants that do not fall under the linear or communication site right-of-way regulatory rent schedules. These methods include “a process based on comparable commercial practices, appraisals, competitive bid, or other reasonable methods.” This IM addresses comparable commercial practices and other reasonable methods for determining right-of-way and permit rent, including market established minimum charges, when neither the linear schedule at 43 CFR 2806.20 nor the communication-use rent schedule at 43 CFR 2806.30 is appropriate.

In an effort to streamline and maintain a consistency with regards to right-of-way and permit rent determinations that fall under this category, the Office of Valuation Services (OVS) (formerly Appraisal Services Directorate) conducted a study and provided its findings of comparable commercial practices and minimum rents where landowners or administrators conveyed similar rights affecting land areas of 10 acres or less. The Nevada BLM intends to use this study data to administratively establish the rent rates to be charged for non-linear rights-of-way and permit authorizations located in those rural and/or low intensity land use areas where individual appraisals are not economically warranted. This differs from past practice where an appraisal of the rights authorized was completed for each grant or permit; or from long-past practice where the agency appraisers prepared a rental schedule or minimum rental charges under the BLM State Director’s delegated authority.

Three rent rates are established, one for negligible impact uses, one for minimal impact uses, and one for more significant uses.

- Characteristics of negligible impact right-of-way grants or permits include small sites (1 acre or less) where the uses and impacts are slight because the area and/or uses are short term, temporary, intermittent, or so minor in nature that only a nominal rent is typical. Examples include: Small signs, gates, culverts, historic or commemorative monuments, interpretative panels, small temporary staging areas for races or competitions, temporary recreational, cultural, arts, or educational events, collecting samples, doing studies, testing, or other slight impact intermittent uses. The rent for this category of uses is **\$100/site/year**.
- Characteristics of minimal impact right-of-way grants or permits include small sites (up to 5 acres) that are long term or permanent, seldom visited, can be relatively easily relocated if necessary, include smaller disturbed or enclosed areas, have little or no ongoing surface disturbance, and are generally industrial in nature. Examples include: cathodic protection sites, water and air quality monitoring sites, weather monitoring facilities, minor water control berms and earthworks, small electrical facilities, pig launcher and valve sites on pipelines, small tank sites, and water diversion structures like control or diversion gates and spillways. The rent for this category of uses is **\$500/site/year**.
- Characteristics of significant impact right-of-way grants or permits warranting a higher rent because of size or moderate to high impacts include (sites up to 10 acres) evidencing regular visitation, larger fenced areas, significant surface disturbance and/or ongoing disruption, high visual impacts, and little or no flexibility as to location, Examples include: large electrical substations, pump and compressor stations, oil tank batteries, large equipment storage sites, production or processing sites, office sites, large tank sites, drill and well sites, portal or tunnel sites, reservoirs, large water control or diversion structures, sewage lagoons, water treatment facilities, or other similarly impactful sites. The rent for this category of uses is **\$1,500/site/year**.

Sound judgment is required in applying the appropriate class and the rates identified above to only those authorizations that meet the criteria identified. Individual appraisals should still be requested for all non-linear rights-of-way and permits being authorized in urban or other high-intensity use areas, or where investigation indicates that market rent data exists to economically justify individual appraisals.

If you have any questions, please contact the Nevada State Office, Branch of Lands and Realty.

Signed By:
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