

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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Instruction Memorandum No. NV-2001-008

Expires: 9/30/2002

To: Field Managers, Nevada
Deputy State Directors and Staff Chiefs, NSO

From: State Director

Subject: Land Valuation Requirements Policy for Feasibility Approval

The purpose of this Instruction Memorandum (IM) is to provide policy guidance to meet the requirements for feasibility report (FR) approval by the State Director (SD) for processing land exchanges involving the Bureau of Land Management (BLM) in Nevada. The intent of the IM is to place an emphasis on the mechanism of the land valuation considerations at feasibility approval and place the BLM in a better position for processing land exchanges.

Federal land exchanges are completed on the basis of equal values as determined by appraisals and as approved by the Chief State Appraiser (CSA) or the State Director (SD). Appraisals must be completed to Federal standards and are subject to review by the CSA or his/her designee. The approved values, for federal and non-federal lands, will be used to define the exchange value levels which will never be less than market value.

Approved values for proposed land exchanges will be the Nevada BLM policy standard for SD approval of exchange feasibility reports. Preliminary value estimates can be substituted for approved values in the FR at the discretion of the CSA. In which case, the appraisal staff will perform a limited appraisal with a restricted use report for support of the preliminary value. This policy is effective immediately for all BLM land exchanges that do not have a signed Agreement to Initiate at the issue date of this Instruction Memorandum.

Contract appraisers can be used to obtain the appraisals. The qualifications of all contract appraisers must be reviewed and approved by the CSA, who is responsible for contracting with qualified appraisers to provide appraisal services as needed. Managers and staff should discuss valuation related needs with the CSA when considering an exchange action. Appraisal work should not be initiated prior to a pre-appraisal conference with a member of BLM's appraisal staff. Appraisals received without a pre-appraisal consultation involving the contract appraiser and appraisal staff member will be subject to automatic rejection at the discretion of the CSA.

Appraisals require a significant amount of information related to the lands being appraised. That information should include: survey data/status, title documents, an assessment of all associated minerals and water right interests, access, timber, etc. being considered for transfer or for reservation; identification of all easements or leaseholds; third-party interests; contamination by or potential for contamination by hazardous substances; and general information related to the foreseeable development scenarios for the lands. Obtaining this significant amount of information to evaluate the lands for value will be performed at the feasibility stage whether the exchange proposal moves forward by approved appraisal values or preliminary values. This information should accompany the appraisal request, Form 9300-8.

If you have any questions concerning this policy, contact Jim Stobaugh at 775-861-6478 or John Walker at 775-861-6626.

Signed by:
Robert V. Abbey
State Director, Nevada

Authenticated by:
Ruth Piotrowski
Secretary to the State Director