

**RESOLUTION OF THE EUREKA COUNTY COMMISSIONERS
AUTHORIZING A REFUNDABLE GRANT OF \$1,700,000 TO THE
NEVADA RURAL HOUSING AUTHORITY UPON CERTAIN
CONDITIONS**

WHEREAS, December 20, 2010, the Board of Eureka County Commissioners (Board) was presented with options by the Nevada Rural Housing Authority (NRHA) to secure the availability of 50 townhome units at a discounted cost; and

WHEREAS, the Board approved a refundable grant to NRHA to secure the townhome units on the express understanding the refundable grant will be repaid with interest, and the grant will be repaid even if the townhome units are not placed in the proposed but not yet finalized Eureka County subdivision; and

WHEREAS, the Board is planning a public hearing January 26, 2011, to discuss the proposed Eureka Canyon subdivision, the need for the project and the funding mechanisms available for the project; and

WHEREAS, to secure the availability of the townhomes at a discounted cost money must be available to NRHA on or before January 15, 2011;

NOW THEREFORE BE IT RESOLVED THAT:

FIRST, the money from this refundable grant may only be used by NRHA to secure the 50 townhome units now located at the Guerdon factory in Boise, Idaho, that were personally inspected by representatives of Eureka County, and

SECOND, no money of this refundable grant will be made available unless and until the Board receives a promissory note obligating the NRHA to repay the grant with interest at an annual rate of not greater than five percent (5%); and

THIRD, no money of this refundable grant will be made available unless and until the Board receives written confirmation by NRHA that the refundable grant with interest will be repaid in full, regardless of all other facts and circumstances, on or before September 30, 2013; and

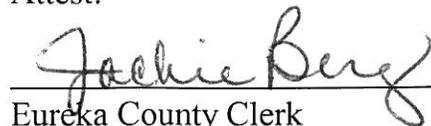
FOURTH, the Board publicly declares this Resolution is not contingent upon placement of the 50 townhome units at the site commonly referred to as the Eureka Canyon subdivision, and NRHA assumes the risk the subdivision project may not proceed, the townhome units will have to be located elsewhere by NRHA, and the promissory note must still be repaid on or before September 30, 2013.

Adopted this 3rd day of January, 2011.



Leonard J. Fiorenzi, Chair
Eureka County Board of Commissioners

Attest:



Eureka County Clerk

copies to:

NRHA
Eureka County Planning Commission
Department of Public Works
Recorder/Auditor's Office
Assessor's Office