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Official Record

Recording requested By
EUREKA COUNTY

Eureka County - NV

Mike Rebaleati - Recorder

Fee: Page 1 of 5
RPTT: Recorded By: FES
Book- 517 Page- 0104

APN # _____
Recording Requested by:
Name: Eureka County c/o Recorder/Auditor
Address: P.O. Box 556
City/State/Zip: Eureka, NV 89316

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I the undersigned hereby affirm that this document submitted for recording contains the social security number of a person or persons as required by law:

Signature (Print name under signature)

Title

RESOLUTION AUTHORIZING MULTIFAMILY GRANT
(Insert Title of Document Above)

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Document # _____ recorded _____ (date) in the Eureka
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This page added to provide additional information required by NRS 111.312 Sections 1-4. (Additional recording fee applies)

**RESOLUTION OF THE EUREKA COUNTY COMMISSIONERS
AUTHORIZING A REFUNDABLE GRANT OF \$4,656,511.00 TO THE
NEVADA RURAL HOUSING AUTHORITY UPON CERTAIN
CONDITIONS**

WHEREAS, beginning on January 20, 1988, the Board of Eureka County Commissioners recognized the need to place housing near the town of Eureka to reduce the burden on taxpayers from building and operating additional public utility systems; and

WHEREAS, in 1997, Eureka County received patents for 164 acres of land within the townsite of Eureka suited for additional housing; and

WHEREAS, on July 20, 2008, Eureka County leased this 164 acres to Eureka Moly, LLC for the placement of temporary construction worker housing and Eureka Moly, LLC did perform tree removal and dirt work to prepare the site for use; and

WHEREAS, on July 6, 2010, by mutual agreement, the lease between Eureka County and Eureka Moly, LLC was terminated to allow Eureka County the opportunity to explore other ways to provide additional housing in a timely manner, because the work by Eureka Moly, LLC at the 164 acre site had stopped; and

WHEREAS, on July 6, 2010, Eureka County and Nevada Rural Housing Authority (NRHA) entered into a Memorandum of Understanding to work together on development of the 164 acres; and

WHEREAS, on July 6, 2010, Eureka County and NRHA executed a Contract for Services with NRHA as an Independent Contractor to plan and execute development of real property for housing and commercial sites at a cost not to exceed \$250,000.00; and

WHEREAS, the Board of Eureka County Commissioners conducted a Community Housing public meeting with NRHA on July 21, 2010, to inform the public about NRHA's role and the efforts made to develop the 164 acres; and

WHEREAS, on August 12, 2010, Eureka County conducted a special meeting of the Board of Eureka County Commissioners and invited both NRHA and Nevada State Bank representatives to discuss ways to fund the development of this property owned by Eureka County and learned private funding for such developments is scarce and federal funding is limited; and

WHEREAS, NRHA contracted with Vogt Santer Insights to conduct a Market Feasibility Analysis to confirm and quantify the current demand for housing near Eureka, Nevada, and Vogt Santer Insights issued their final report November 3, 2010; and

WHEREAS, a Tentative Subdivision Application and Map was filed with Eureka County Public Works December 2, 2010, which identifies the project area as the 164 acres, names the project the Eureka Canyon Subdivision, lists NRHA as the developer and Eureka County as the owner, describes 13 acres set aside for multifamily development, 20 acres for commercial development, 93 acres of open space, 122 lots planned for single family and duplex residences, and includes Development Standards applicable to the Eureka County Subdivision; and

WHEREAS, on December 20, 2010, the Board of Eureka County Commissioners approved the concept of granting NRHA funds to purchase 50 townhome units from Guerdon Homes in Boise, Idaho that had already been constructed, signed a Resolution January 3, 2011 authorizing this grant, and during a special meeting January 7, 2011 approved the terms of a promissory note for \$1,700,000.00 at 5% interest for 21 months that NRHA approved effective January 10, 2011 to be repaid no later than September 30, 2012; and

WHEREAS, on January 26, 2011, during a special meeting of the Board of Eureka County Commissioners, Eureka County presented the revised estimates of the cost to Eureka County for the improvements necessary to build the Eureka Canyon Subdivision of approximately \$18,000,000.00 with the understanding that some portion of that cost would be refunded over time by NRHA; and

WHEREAS, on February 1, 2011, the Eureka County Planning Commission approved the Eureka Canyon Subdivision Tentative Map, and the Board of Eureka County Commissioners approved the Planning Commission's recommendations and the Tentative Map February 7, 2011; and

WHEREAS, on May 4, 2011, Eureka County and NRHA signed an Interim Agreement to immediately make available funds to NRHA in an amount not to exceed \$2,969,335.00 at 3% interest for work to proceed on the Eureka Canyon Subdivision, reduce the interest rate on the \$1,700,000.00 promissory note from 5% to 3%, and unconditionally accept the 50 townhomes purchased by NRHA to be placed on the 13 acres identified for a multifamily development in the Eureka Canyon Subdivision; and

WHEREAS, NRHA and EUREKA COUNTY recognize the need to sign documentation that consolidates the \$1,700,000.00 grant of January, 2011 to purchase the 50 townhome units and all portions of the \$2,969,335.00 already disbursed to NRHA to commence work on the Eureka Canyon Subdivision, and provide an additional grant to accomplish the work of the placement of the 50 townhome units on the Eureka Canyon subdivision site; and

WHEREAS, NRHA and Eureka County recognize the Eureka Canyon Subdivision is exempt from the usual requirements of appraisal before the sale or transfer of government property because Eureka County is jointly developing this area with NRHA, and because



of the authority granted by NRS 244.2795 (appraisal exceptions) and NRS 315.550(2) (powers respecting housing projects); and

WHEREAS, NRHA and Eureka County recognize the authorization for expenditure of local government funds to build the improvements and do the work necessary for the Eureka Canyon Subdivision are permitted by NRS 244.1505(1) (expenditure of public money), NRS 244.189 (development of affordable housing), and NRS 315.550 (powers respecting housing projects); and

WHEREAS, NRHA has requested a grant in the amount of \$4,656,511.00 to consolidate previous disbursements and complete the placement of the 50 rental units at the Eureka Canyon Subdivision;

NOW THEREFORE BE IT RESOLVED THAT:

FIRST, a sufficient amount of money is available from the general fund for this grant of \$4,656,511.00; and

SECOND, the money is not otherwise restricted in its use; and

THIRD, the grant will not compromise the economic viability of the general fund; and

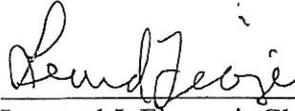
FOURTH, the money from this refundable grant may only be used by NRHA to carry out the work described in the Multifamily Real Property Agreement and Multifamily Grant Agreement contemplated to be signed by NRHA and Eureka County June 29, 2011, and

FIFTH, 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 three percent (3%); and



SIXTH, 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 or converted to permanent financing.

Adopted this 29th day of June, 2011.



Leonard J. Fiorenzi, Chair
Eureka County Board of Commissioners



Mike Page, Vice Chair
Eureka County Board of Commissioners



J.P. Ithurralde, Member
Eureka County Board of Commissioners

Attest:



Jackie Berg, Eureka County Clerk

