

RESOLUTION OF THE EUREKA COUNTY COMMISSIONERS  
DESCRIBING THE BOARD'S EFFORTS TO PROVIDE ADDITIONAL  
HOUSING NEAR EUREKA AND APPROVING DEVELOPMENT  
AGREEMENTS FOR THE SALE AND TIMELY DEVELOPMENT OF SINGLE  
FAMILY LOTS AT THE EUREKA CANYON SUBDIVISION

WHEREAS, beginning as early as 1988 the Board of Eureka County Commissioners (Board) 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, this need is pressing because the public continues to demand there be no rules on the use of their land, and there are no land use regulations preventing a land owner from placing a development on property far away from existing services which will eventually burden taxpayers to cover the costs of additional public utility systems, roads and other services; and

WHEREAS, this pressing need is obvious when people consider the recent declaration by a leading mining company to place worker and contractor housing for 300 persons (with the opportunity to increase this number to 1,000) on property located in Eureka County far away from established emergency services and existing utility systems; and

WHEREAS, most of the land area near already established public utility systems is controlled by the Bureau of Land Management (BLM) and is currently unavailable for growth; and

WHEREAS, to alleviate part of this problem of "land locked" utility systems, Eureka County purchased 164 acres of land from the BLM in 1997, and all of these acres are within the town of Eureka; and

WHEREAS, this land is economically suited for additional housing because it can be served by the established emergency services and existing public water and sewer systems; and

WHEREAS, for many years the Board has made efforts to provide additional housing near the town of Eureka on this property, called the Eureka Canyon Subdivision, based on the following brief history:

In 2008 Eureka County leased the 164 acres to Eureka Moly, LLC for the placement of temporary construction worker housing for that mine.

In 2010 Eureka Moly's work at the 164 acre site halted, and the lease was terminated to allow Eureka County the opportunity to find other ways to provide additional housing in a timely manner.

In 2010 Eureka County and the Nevada Rural Housing Authority began to work together to improve the site for rental units and owner occupied housing, and Vogt Santer Insights, a real estate research firm, issued a market feasibility analysis confirming the immediate need for housing at or near Eureka.

In 2011 and 2012 Eureka County provided funding to the Nevada Rural Housing Authority in the form of loans that the Authority is obligated to repay to Eureka County with interest, to be used for the placement of rental housing on a small part of the 164 acre site.

In November of 2011 and again in 2012, at Nevada Rural Housing Authority's request, Eureka County granted the Nevada Rural Housing Authority more time to make the rental units available for renters to occupy.

In June of 2012 the Board of County Commissioners agreed to focus all efforts on completion of lots for residential housing, since the rental units are the responsibility of the Nevada Rural Housing Authority, and development of the other areas will not be of importance unless houses are built and people are living at the Subdivision.

WHEREAS, despite the diligent efforts by members of more than one Board of County Commissioners (efforts that began as early as 15 years ago in 1997 when the former BLM property was purchased by Eureka County), there are still only two rental housing units ready to live in at the Eureka Canyon Subdivision; and

WHEREAS, Eureka County remains committed to satisfying the immediate need for residential housing in an area that can be economically served by existing services; and

WHEREAS, Eureka County remains resolved to satisfy this need for housing without building any houses itself and without going into the real estate business; and

WHEREAS, Eureka County will no longer partner with one company or one developer to the exclusion of all other persons or companies to accomplish this task of satisfying the immediate and pressing need for housing, but will instead offer residential lots for sale on the condition that persons or companies or developers who secure a lot agree in a contract to immediately begin to build or place and promptly finish for immediate occupancy a residence on the lot; and

WHEREAS, this contract will be known as a development agreement in accordance with Eureka County Code Title 2, Chapter 80, and N.R.S. 278.020-278.0207; and

WHEREAS, lots will be made available to any one person or company or developer for completion of residences on the lots equal to the number of lots (but not more than five lots at a time) the person or company or developer guarantees in writing will be completed on or before the end of the building season, declared to be two years from signing of the Development Agreement; and

WHEREAS, the person or company or developer who wishes to secure a lot or lots must show proof satisfactory to Eureka County they are ready, willing, and able in all respects to immediately begin and complete construction of a residence on each lot requested; and

WHEREAS, these requirements (of immediate action to build on the lot, and showing proof of ability) are all designed to prohibit a person or developer or company from purchasing lots for speculation, and are also designed to fix the lack of housing as quickly and economically as possible; and

WHEREAS, Eureka County recognizes the authority for expenditure of local government funds to extend existing utilities, pave the streets, and do what is necessary to make the lots ready for house building or placement is granted by N.R.S. 244.1505(1) (expenditure of public money) and N.R.S. 244.189(1)(a) (development of housing that is affordable); and

WHEREAS, Eureka County recognizes residential housing has been needed for a long time for the support, establishment, and expansion of commercial enterprise, and N.R.S. 244.2815 states that satisfying this need is part of economic development; and

WHEREAS, residential housing lots may be sold for the purpose of economic development, and do not have to be offered first to the public in an auction, or without any conditions placed on the sale, and may even be sold for less than their fair market value, according to N.R.S. 244.2815; and

WHEREAS, Eureka County recognizes the residential housing lots are exempt from the usual requirements of appraisal before sale, because the development agreement every purchaser signs with Eureka County is also considered a joint development agreement, since Eureka County will be jointly developing the lots with the purchasers by constructing improvements in the Subdivision to serve the lots without charging impact fees for those improvements, placing development requirements on the purchasers, authorizing the water and sewer system hookups at a set rate, and because of the authority granted by N.R.S. 244.2795 (appraisal exceptions); and

WHEREAS, all purchasers of lots must disclose their financial interests according to N.R.S. 237.023 (domestic or foreign limited-liability companies are required to submit disclosure if buying land from local government) to avoid attempts to secure more lots than will be developed within two years from signing of the Development Agreement, and to avoid conflicts of interest; and

**NOW THEREFORE IT IS HEREBY RESOLVED:**

It is in the best interest of the public to sell the lots, without first offering them to the public with no restrictions in an auction sale, because an auction of lots to the public will not guarantee that houses will be built or that the housing shortage will be fixed; and

It is in the best interest of the public to sell the lots for less than the fair market value, because the fair market value of the improvements already made to serve the lots (including underground electrical and phone service, street lights, extension of the existing water and sewer service, paving, concrete curb and sidewalks) will discourage many from purchasing a lot and building a residence, and this will prevent the housing shortage from being fixed quickly, and will cause the housing shortage to be fixed by development far away from existing services, causing the public to pay much more in the long run than the revenue that could be made available by selling the lots at fair market value; and

These are the steps to selling residential lots at the Eureka Canyon Subdivision:

**FIRST**, at the public meeting November 20, 2012, Eureka County will identify the residential lots for sale to be developed , and may require lots that can be developed by one person, company, or developer to be staggered and not contiguous; and

**SECOND**, a list of the lots for sale with their description will be available; and

**THIRD**, an application for purchase of a lot will require information about the purchaser's plan for development, identification of the person or company or developer who will perform the development work, the information required by N.R.S. 237.023, and identification of the funding source to pay for the work; and

**FOURTH**, upon receipt the application will be reviewed in a timely manner and either approved or rejected based on the person's or company's or developer's ability in all respects to immediately begin construction of a residence on the lot or lots and there are no conflicts of interest or attempts to secure more lots than the number of lots that will be developed on or before two years from the date of signing the Development Agreement; and

FIFTH, if the application is approved, the purchaser must sign the development agreement in the presence of a representative of Eureka County, the terms of which are not negotiable, and the representative shall note the date and time the agreement is signed; if the application is rejected the person or company or developer will be told why the application was rejected and the person or company or developer can reapply; and

SIXTH, once the development agreement is signed, escrow will be opened at a Title Company selected by Eureka County, the costs of which will be paid for by Eureka County, and if more than one person or company or developer has requested purchase of the same lot, priority in purchase will be determined by the date and time the signed development agreement is received and the first in time shall have the first opportunity to purchase; and

SEVENTH, the Chair of the Eureka County Commission is authorized by this Resolution to sign the development agreement and other papers necessary to effect the sale of the lots identified in the FIRST step; and

EIGHTH, once escrow closes the development agreement will be recorded with the deed for transfer of the property; and

NINTH, the only authorized contact for the list of the lots for sale, the application, the development agreement, and Eureka County's contact for the Title Company shall be:

NAME: Kim Todd and Sharon Auch

PHONE: (775) 237-5372

TITLE: Eureka County Public Works

ADDRESS: 701 South Main Street,  
Eureka, Nevada 89316

HOURS AVAILABLE: Monday thru Friday, 7:30 am to noon, and 1:00 pm to 4:30 pm, Pacific Standard Time.

TENTH, all applications and development agreements must be presented in person by an authorized representative of the person, company, or developer, and signed by a person with authority in the immediate presence of Eureka County's authorized contact and a notary public at the following address: 701 South Main Street, Office of Public Works, Eureka, Nevada 89316. All mailed, faxed or emailed applications and development agreements will be rejected.

ELEVENTH, lots will be available for sale beginning 7:30 am the 26th day of November, 2013.

TWELFTH, attached to this Resolution shall be a copy of excerpts from an unofficial map depicting the 67 lots available for sale by this Resolution, showing the lot numbers, their square feet, and a typical lot easement.

THIRTEENTH, lots 32-69 will be available for purchase immediately after the final map for that section has been filed with the Recorder's Office.

FOURTEENTH, once an applicant has substantially completed improvements on the lots in the initial purchase, that applicant can then make application for up to an additional five lots until all lots are sold or no longer available.

RESOLVED this 20th day of November, 2012.

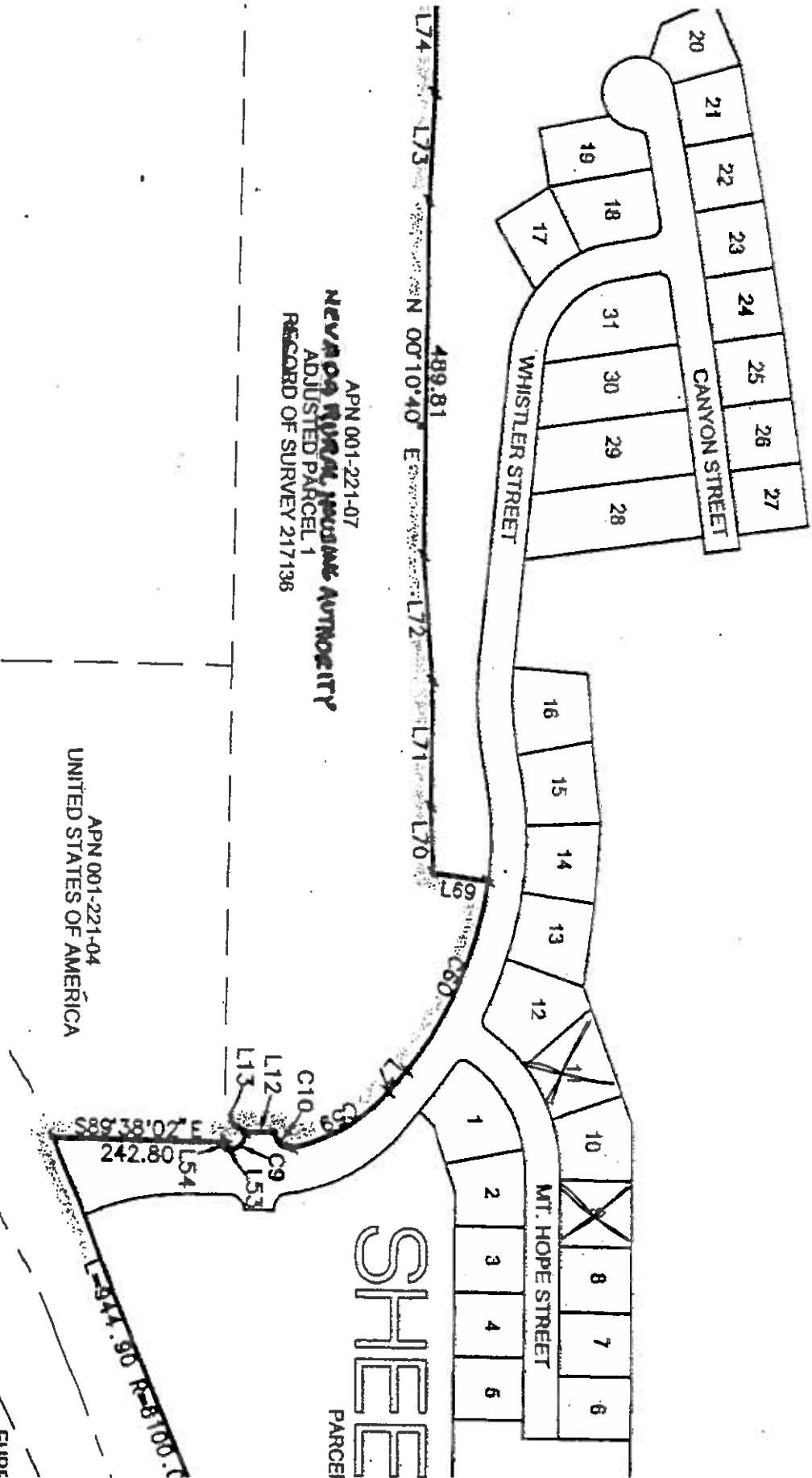
APPROVED:

Leonard Fiorenzi: \_\_\_\_\_

Mike Page \_\_\_\_\_

J.P. Ithurralde \_\_\_\_\_

COPY



APN 001-221-07  
NEVADA RURAL PUBLIC AUTHORITY  
ADJUSTED PARCEL 1  
RECORD OF SURVEY 217136

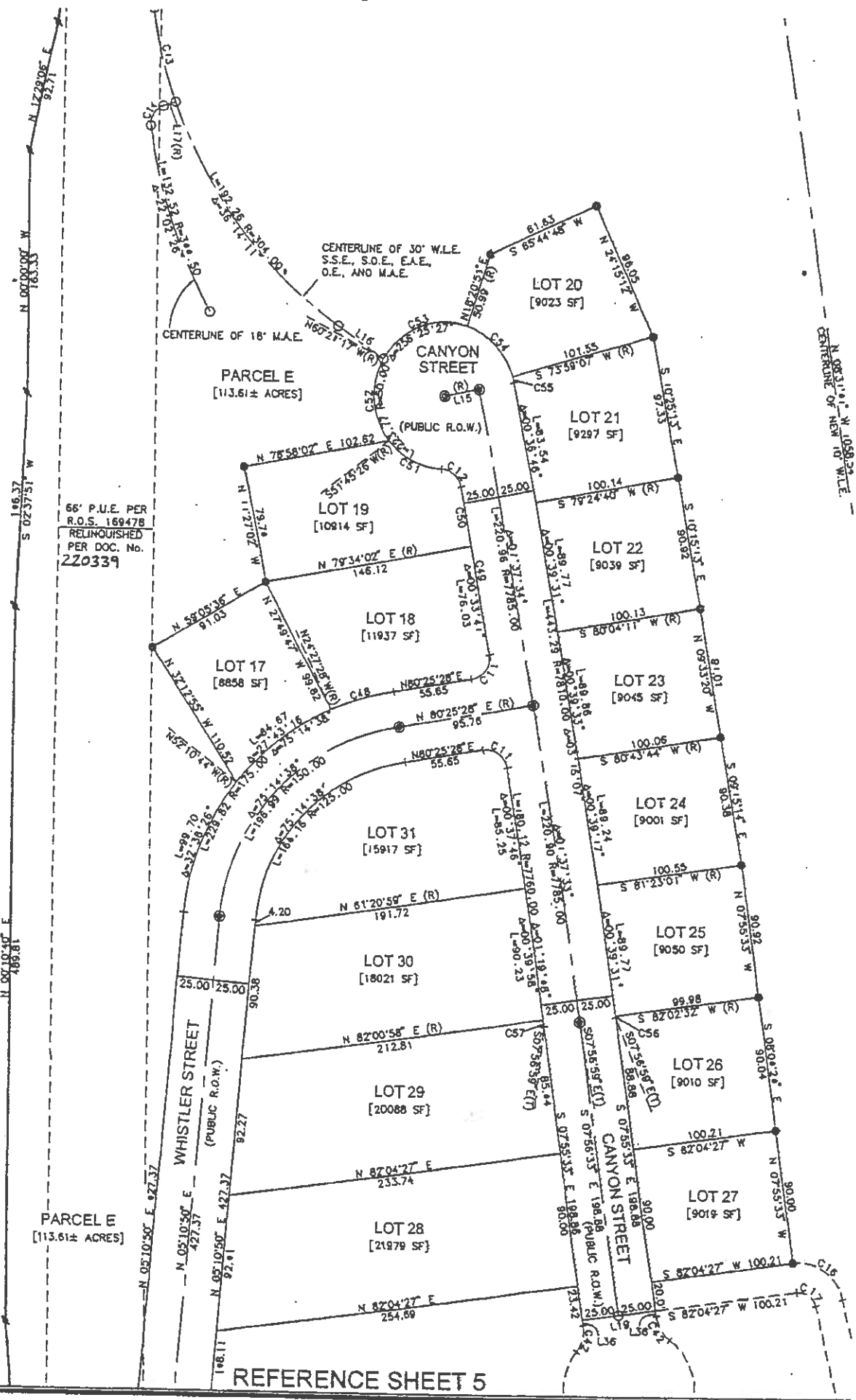
APN 001-221-04  
UNITED STATES OF AMERICA

SHEE  
PARCEL





CITY



66' P.U.E. PER  
R.O.S. 169478  
RELINQUISHED  
PER DOC. No.  
ZZ0339

CENTERLINE OF 30' W.L.E.  
S.S.E., S.O.E., E.A.E.,  
O.E., AND M.A.E.

CENTERLINE OF 18' M.A.E.

CENTERLINE OF NEW 10.58' W.L.E.

PARCEL E  
[113.61± ACRES]

PARCEL E  
[113.61± ACRES]

WHISTLER STREET  
(PUBLIC R.O.W.)

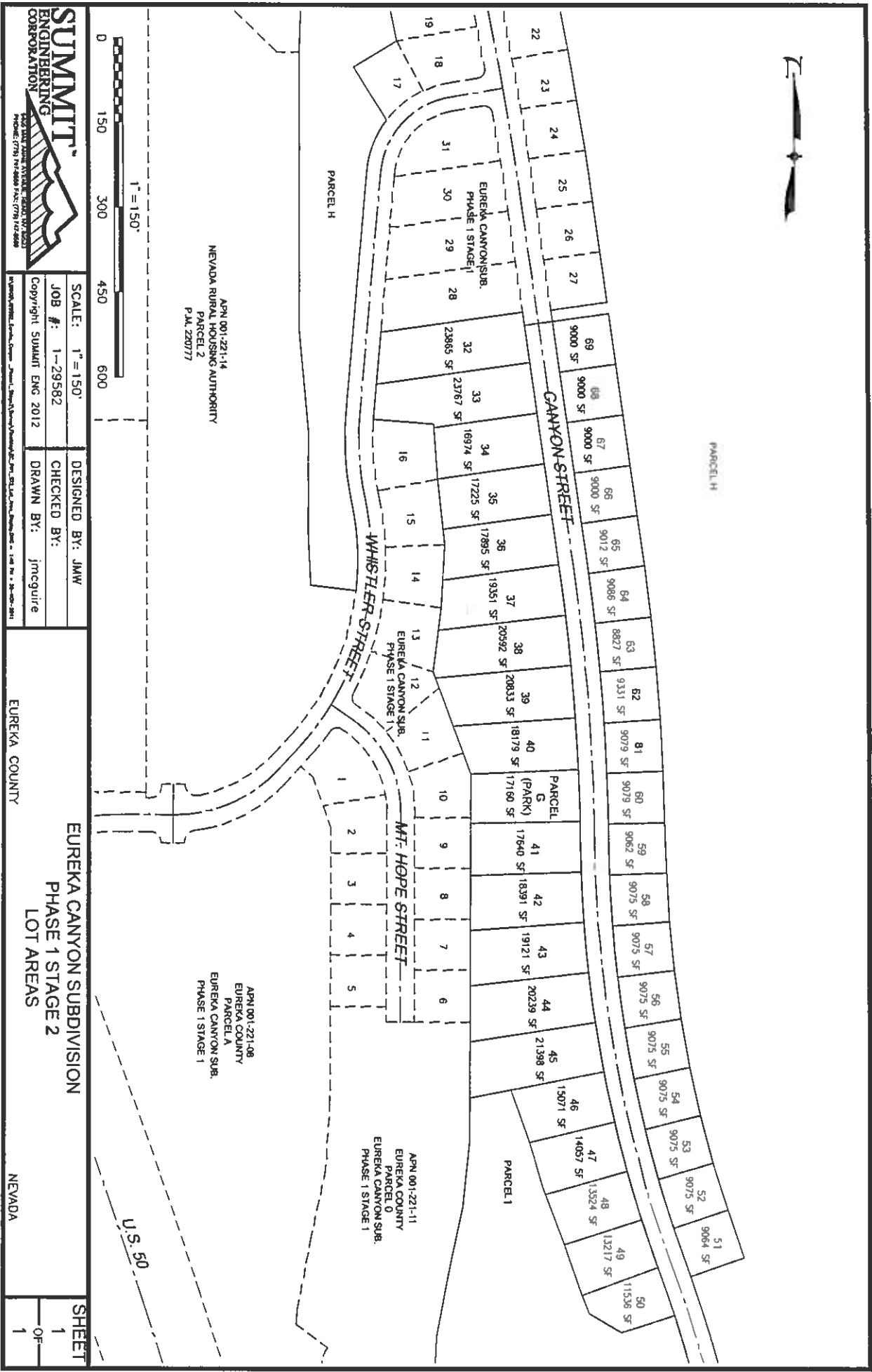
CANYON STREET  
(PUBLIC R.O.W.)

CANYON STREET  
(PUBLIC R.O.W.)

REFERENCE SHEET 5

COPY

COPY



**SUMMIT™**  
**ENGINEERING**  
**CORPORATION**

1045 East Avenue, Suite 100, Eureka, CA 95501  
 PHONE: (709) 94-4444 FAX: (709) 94-4444

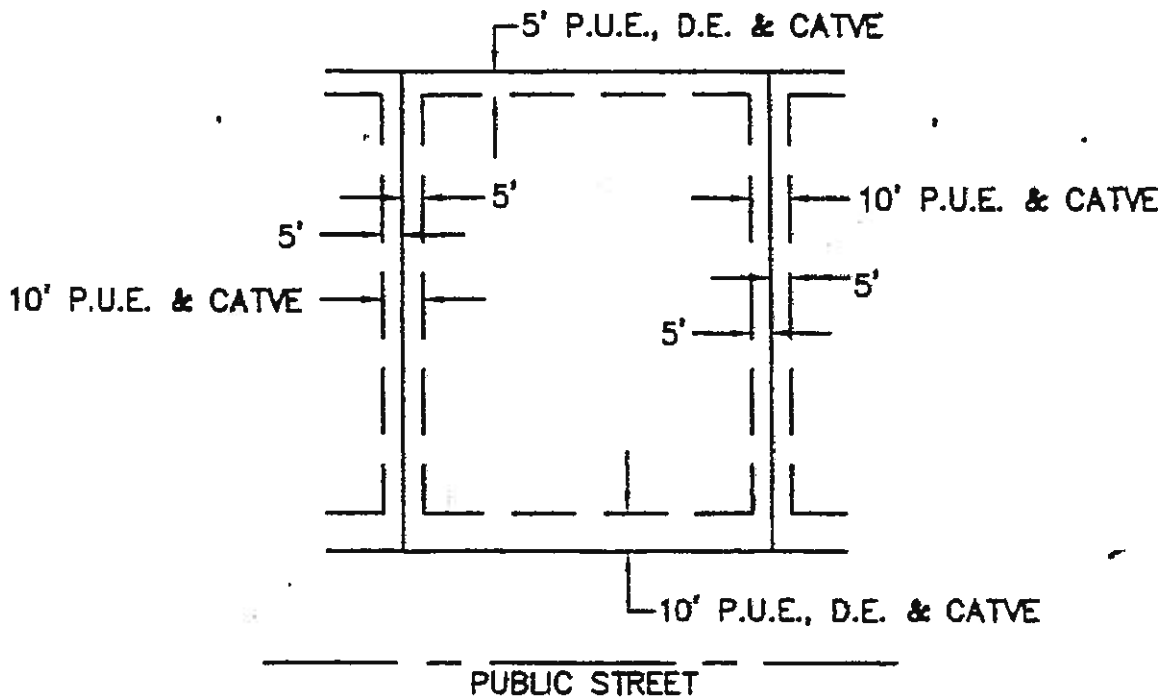
SCALE: 1" = 150'	DESIGNED BY: JMW
JOB #: 1-29582	CHECKED BY:
Copyright SUMMIT ENG 2012	DRAWN BY: jmcquire

EUREKA COUNTY

**EUREKA CANYON SUBDIVISION**  
**PHASE 1 STAGE 2**  
**LOT AREAS**

NEVADA

**SHEET**  
 1  
 OF  
 1



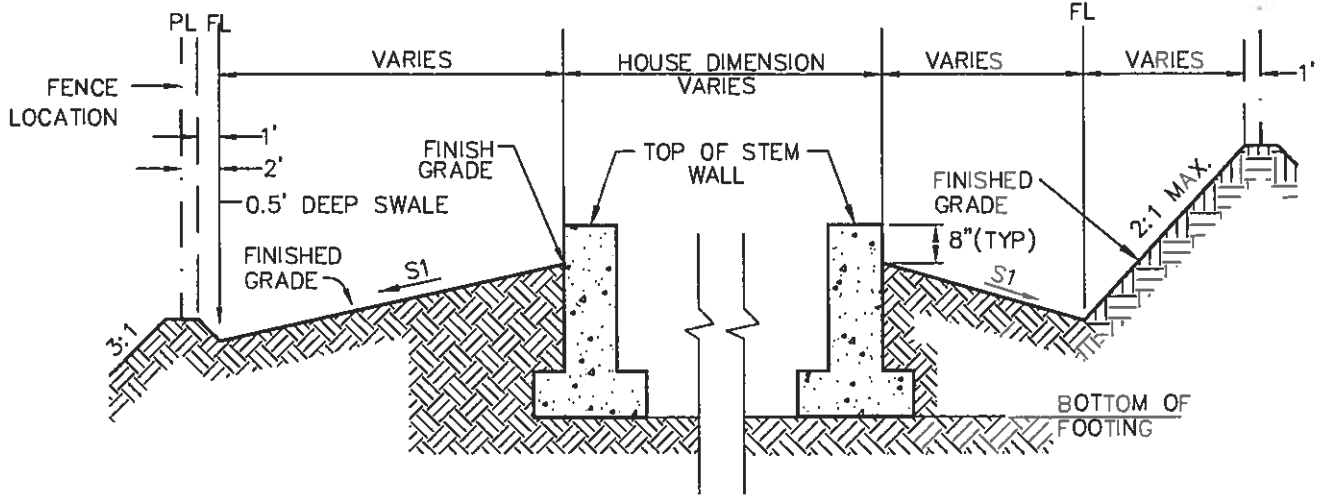
**TYPICAL LOT EASEMENTS**  
(NOT TO SCALE)

TOTAL AREA = 151.27± ACRES  
TOTAL NUMBER LOTS = 31  
TOTAL LOT AREA = 7.95± ACRES  
TOTAL PARCELS = 6  
TOTAL PARCELS AREA = 139.40± ACRES  
TOTAL RIGHT OF WAY AREA = 3.93± ACRES

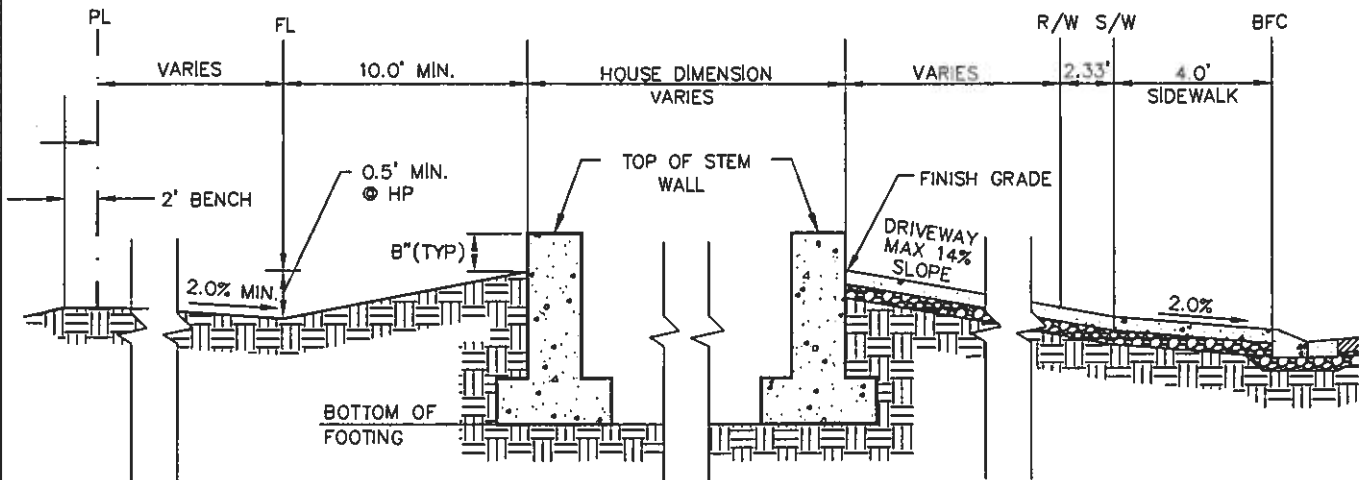


S1 = SIDE YARD SLOPE (5% MIN, 21% MAX.) PER F.H.A. STANDARDS.

FENCE LOCATION



### TYPICAL GRADING BETWEEN LOTS



### TYPICAL REAR - FRONT GRADING OF LOTS

TYPICAL LOT  
CROSS SECTIONS FOR  
EUREKA CANYON SUBDIVISION

N.T.S.

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SHEET  
7

OF  
9