City of Santa Fe

AGENDA

REGULAR MEETING OF THE GOVERNING BODY AUGUST 26, 2020 AT 4:00 PM ATTEND VIRTUALLY

SPECIAL PROCEDURES FOR GOVERNING BODY MEETING

Attendance: In response to the State's declaration of a Public Health Emergency, the Mayor's Proclamation of Emergency, and the ban on public gatherings of more than five (5) people, the Governing Body meeting will be conducted virtually.

Viewing: Members of the public may view the meeting through the Government Channel on Comcast Channel 28 and Comcast HD928 or may stream the meeting live on the City of Santa Fe's YouTube channel at https://www.youtube.com/user/cityofsantafe. The YouTube live stream can be accessed at this address from most smartphones, tablets, or computers.

The video recording of this and all past meetings of the Governing Body will also remain available for viewing at any time on the City's YouTube channel at https://www.youtube.com/user/cityofsantafe. Staff is available to help members of the public access pre-recorded Governing Body meetings on-line at any time during normal business hours. Please call 955-6521 for assistance.

Radio Broadcast: The meeting can be heard on radio station KSFR 101.1.

Agenda: The agenda for the meeting will be posted at https://www.santafenm.gov.

Written Comments: The public may submit written comments on any of the legislative items to be considered on the *Consent Agenda*, *Discussion Agenda*, *Public Hearings* or *Petitions From the Floor* through 1:00 p.m. the day of the meeting, via the virtual comment "button" at santafe.primegov.com/portal/search.

Public Comment: To provide live public comment during *Petitions from the Floor* or *Public Hearings*, you must join the Zoom meeting by internet or phone, as follows:
Internet: To join the Zoom meeting on the internet using a computer, laptop, smartphone, or tablet, use the following link: https://santafenm-gov.zoom.us/j/93072595859?pwd=V3pJTDhKU0tlZ0RmdFpZcnpPeTF3dz09. **Passcode: 331996**
Attendees should use the "Raise Hand" function to be recognized by the Mayor to speak at the appropriate time.
Phone: To join the Zoom meeting using a phone, use the following phone numbers and Webinar ID: **US: (346) 248-7799 or (669) 900-6833 or (253) 215-8782 or (312) 626-6799 or (929) 205-6099 or (301) 715-8592 – Webinar ID: 930 7259 5859 – Passcode: 331996.**

City of Santa Fe

AGENDA

REGULAR MEETING OF THE GOVERNING BODY AUGUST 26, 2020 AT 4:00 PM ATTEND VIRTUALLY

Phone attendees should press *9 to use the "Raise Hand" function to be recognized by the Mayor to speak at the appropriate time.

AFTERNOON SESSION - 4:00 P.M.

1. **CALL TO ORDER**
2. **PLEDGE OF ALLEGIANCE**
3. **SALUTE TO THE NEW MEXICO FLAG**
4. **INVOCATION**
5. **ROLL CALL**
6. **APPROVAL OF AGENDA**
7. **APPROVAL OF CONSENT CALENDAR**
8. **APPROVAL OF MINUTES**
   a) Regular Governing Body Meeting – August 12, 2020
9. **PRESENTATIONS**
10. **CONSENT CALENDAR**
    a. Request to Publish Notice of Public Hearing on September 30, 2020. **BILL NO. 2020-22** An Ordinance Amending the Table of Permitted Uses in Section 14-6.1(C) SFCC 1987 to Include Commissary Kitchens as a Permitted Use Requiring a Special Use Permit in C-1 Zoning Districts; and Amending Section 14-12.1 to Add the Definition of Commissary Kitchens. (Councilor Lindell and Councilor Villarreal) (Eli Isaacson, Land Use Department Director, eaisaacson@santafenm.gov, 955-6830)

    b. Request to Publish Notice of Public Hearing on September 30, 2020.

BILL NO. 2020-23: An Ordinance Amending Section 23-7.4 Relating to Golf Rates at the MRC. (Councilors Lindell and Vigil Coppler) (Jennifer Romero, MRC Manager, jcromero@santafenm.gov, 955-4465)

c. Request to Publish Notice of Public Hearing on September 30, 2020.
BILL NO. 2020-24: An Ordinance Creating New Section 7-1.11 and 14-13 SFCC 1987, Establishing a Fee Schedule for Services Provided by the Land Use Department; Repealing Section 7-3.3, Regarding the Permit Fee to Move a Building; Amending Section 14-8 to Allow the Land Use Director to Issue Certain Preliminary Permits at the Owner's Own Risk; Amending Section 14-9.5 to Clarify the Process for Constructing Public and Quasi-Public Improvements Prior to Commencement of Other Aspects of Development; Adding a Definition to Subsection 14-12.1 for "Site Restoration"; and Establishing an Effective Date. (Mayor Webber) (Eli Isaacson, Land Use Department Director, eaisaacson@santafenm.gov, 955-6830)

d. Request for Approval of the 2018 State Homeland Security Grant Program Sub-Grant Amendment to Extend the Period of Performance through September 30th, 2020; New Mexico Department of Homeland Security and Emergency Management. (Kyle Mason, Emergency Management Director, kamason@santafenm.gov, 955-6704)

e. CONSIDERATION OF RESOLUTION NO. 2020-____. (Councilor Cassutt-Sanchez)
A Resolution Endorsing the North Central Regional Transit District's FY2021 Budget Proposal; Approving the City of Santa Fe's FY2021 Regional Transit Plan; and Directing Staff to Submit the City's Regional Transit Plan for FY2021 to the North Central Regional Transit District Board of Directors for Consideration and Approval. (Thomas Martinez, Director of Operations and Maintenance, tamartinez@santafenm.gov, 955-2006)

f. Request for Approval of Liquor Hearing Officer's Recommendation to Approve the Request from Sierra Linda, LLC for a Transfer of Location Only of Inter-Local Liquor License #2766, with On-Premise Consumption Only and Patio Service, from 5300 Sequoia Road NW, Albuquerque, to Palace Prime, 142 W. Palace Avenue. (Yolanda Y. Vigil, City Clerk, yyvigil@santafenm.gov, 955-6521)

11. **DISCUSSION/ACTION ITEMS**

a. Request for Approval of Amendment #2 to Termination Agreement between the City of Santa Fe and Santa Fe Estates, Incorporating the Cure Proposal Submitted by SF Estates to Address the City's Objections. (Rich Brown, Director, Office of Economic Development, rdbrown@santafenm.gov, 955-6625 and Andrea Salazar, Assistant City Attorney, asalazar@santafenm.gov, 955-6303)

b. Request for Approval of Amendment #1 to the Building Lease Agreement Between the City of Santa Fe and the Food Depot, Inc. Lease Amendment Would Provide the Food Depot the Ability to Facilitate Improvements to the Leased Building and Rectify the Concerns Addressed with the Current Lease and Enter Into a Sub-Lease with Affordable Solar (Solar Provider), While Staying in Compliance with City of Santa Fe Lease Terms. (Rich Brown, Director, Office of Economic Development: rdbrown@santafenm.gov, 955-6625)

c. CONSIDERATION OF RESOLUTION NO. 2020-____. (Councilor Vigil Coppler, Councilor Cassutt-Sanchez, Councilor Villarreal, Councilor Rivera, Councilor Garcia and Councilor Lindell)
A Resolution Supporting the Ninth Annual Neighbor to Neighbor Fund Drive. (Jesse Guillen, Legislative Liaison, jbguillen@santafenm.gov, 955-6518)

d. Request for Approval of Lease Agreement Amendment #1 with the Santa Fe Recovery Center for Extended Use of the King Hall Dormitory Located at Midtown Santa Fe. (Sam Burnett, Public Works Property Maintenance Manager, jsburnett@santafenm.gov, 955-5933)

12. **MATTERS FROM THE CITY MANAGER**

13. **MATTERS FROM THE CITY ATTORNEY**

EXECUTIVE SESSION

In Accordance with the New Mexico Open Meetings Act, Specifically NMSA 1978, Section 10-15-1, Part (H)(7), Discussion of Pending or Threatened Litigation,

Including, but Not Limited to, Two Cases Filed in the First Judicial District Court, Both Captioned *Gail Gilbert v. City of Santa Fe*, Case Numbers D-101-CV-2020-00979 and D-101-CV-2019-02819. (Erin K. McSherry, City Attorney, ekmcsherry@santafenm.gov, 955-6512)

14. **MATTERS FROM THE CITY CLERK**

15. **COMMUNICATIONS FROM THE GOVERNING BODY**

EVENING SESSION - 6:00 P.M.

16. **PETITIONS FROM THE FLOOR**

17. **APPOINTMENTS**

a. Bicycle and Trails Advisory Committee

18. **PUBLIC HEARINGS**

a. CONSIDERATION OF BILL NO. 2020-13. ADOPTION OF ORDINANCE 2020-____. (Councilor Lindell)
An Ordinance Amending Section 5-13.3 to Correct a Reference Citation. (Jesse Guillen, Legislative Liaison, jbguillen@santafenm.gov, 955-6518)

b. CONSIDERATION OF BILL NO. 2020-20. ADOPTION OF ORDINANCE NO. 2020-____. (Mayor Webber)
An Ordinance Creating Efficiencies, Enhancing Effectiveness, and Eliminating Silos by Reorganizing Certain City Departments, Organizing the Economic Development Division, Office of Affordable Housing [~~Office~~], Planning and Land Use Department, Tourism Santa Fe Department, [~~Recreation Division,~~] and the Arts and Culture Department as Divisions of a Community Development Department; Organizing the Community Services Department, Police Department, Fire Department, Recreation Division, and Office of Emergency Management and Safety as Divisions of a Community Health and Safety Department; and Placing [~~the~~] Constituent and Council Relations [~~Department~~] Into the City Clerk's Office to Form an Office of Community Engagement; Amending Section 2.6-3; Replacing Section 2-8 SFCC 1987 with a New Section 2-8 SFCC 1987 that Establishes all City Departments; Reorganizing Existing Sections 2-8, 2-14, 2-15, 2-19, and 2-10 as Subsections of the New Section 2-8; Establishing in Ordinance the

Existing Information Technology and Telecommunications Department and [~~the~~] Constituent and Council Services [~~Department~~]; and Repealing the Sections of Chapter 2 that Establish Departments that are Either Becoming Divisions or no Longer Exist, Sections 2-9, 2-10, 2-11, 2-12, 2-13, 2-16, 2-19, 2-21, and 2-23 SFCC 1987; Amending Section 2-22 SFCC 1987 to Provide Contract Internal Audit Functions; [~~and~~] Amending Sections 26-1.6 and 26-3.5 Regarding the Office Of Affordable Housing; and Making Such Other Changes as are Necessary. (Jarel LaPan Hill, City Manager, jlapanhill@santafenm.gov, 955-6848, Erin K. McSherry, City Attorney, ekmcsherry@santafenm.gov, 955-6512 and Jesse Guillen, jbguillen@santafenm.gov, 505-955-6518)

19. **ADJOURN**

NOTE: New Mexico law requires the following administrative procedures be followed when conducting "quasi-judicial" hearings. In a "quasi-judicial" hearing all witnesses must be sworn in, under oath, prior to testimony and will be subject to reasonable cross-examination. Witnesses have the right to have an attorney present at the hearing.

Persons with disabilities in need of accommodations, contact the City Clerk's office at 955-6521, five (5) working days prior to meeting date.

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Governing Body
August 12, 2020

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11. Discussion/Action Items		
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MINUTES OF THE
REGULAR MEETING OF THE GOVERNING BODY
Wednesday, August 12, 2020
Virtual Meeting

AFTERNOON SESSION

1. CALL TO ORDER

A regular meeting of the Governing Body of the City of Santa Fe, New Mexico, was called to order by Mayor Alan Webber, on Wednesday, August 12, 2020, at approximately 4:00 p.m., at the Council Chambers at City Hall, 200 Lincoln Avenue, Santa Fe, New Mexico as a virtual meeting.

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Councilor Garcia.

3. SALUTE TO THE NEW MEXICO FLAG

The Salute to the New Mexico Flag was led by Councilor Lindell.

4. INVOCATION

The Invocation was led by Councilor Rivera.

Councilor Rivera remembered the two boys involved in the shooting event.

Councilor Villarreal recognized the three young men who were killed, including J B Wright, who was a joy to watch on the court almost had a bright future. She asked that people look at ways to support our youth and find ways to see them through difficult times.

Councilor Vigil Coppler echoed those sentiments. We have a responsibility to encourage other stakeholders to engage our youth and lead them in the right direction. She offered condolences to all of them.

She also noted the passing of Molly Whited and condolences to her family. She was a former City Councilor and had a wonderful sense of humor. She created Santa Fe Beautiful and its first Director. She was President of the Santa Fe Country

Club and an avid golfer. She was involved in many campaigns for candidates here and she will be greatly missed.

Mayor Webber remembered one of the First Responders who has tested positive. They all put their lives in danger and the pandemic does take a toll. He wished a speedy recovery for all of them.

The Governing Body observed a moment of silence for those remembered.

5. ROLL CALL

Roll call indicated the presence of a quorum remotely, as follows:

Members Present Remotely
Mayor Alan Webber
Councilor Roman "Tiger" Abeyta
Councilor Jamie Cassutt-Sanchez
Councilor Michael J. Garcia
Councilor Signe I. Lindell
Councilor Christopher M. Rivera
Councilor Carol Romero-Wirth
Councilor JoAnne Vigil Coppler
Councilor Renee D. Villarreal

Members Excused

Other Participants Attending Remotely
Jarel LaPan Hill, City Manager
Erin McSherry, City Attorney
Yolanda Y. Vigil, City Clerk
Eli Isaacson, Land Use Department Director
Sally Paez, Assistant City Attorney
Alex Ladd Affordable Housing Department Director
Noah Berke, Land Use Planner Manager
John Romero, Traffic Division Director/Engineer
Lee Logston, Land Use Case Manager
Carl Boaz, Council Stenographer

6. APPROVAL OF AGENDA

MOTION: Councilor Abeyta moved, seconded by Councilor Lindell, to approve the agenda as presented.

VOTE: The motion was approved on the following Roll Call vote:

For: Mayor Webber, Councilor Abeyta, Councilor Cassutt--Sanchez, Councilor Garcia, Councilor Lindell, Councilor Rivera, Councilor Romero-Wirth, Councilor Vigil Coppler and Councilor Villarreal.

Against: None.

7. APPROVAL OF CONSENT CALENDAR

Councilor Garcia asked for discussion on 10 (c) in order to recuse himself.

MOTION: Councilor Romero-Wirth moved, seconded by Councilor Vigil Coppler, to approve the Consent Calendar as amended with item 10(c) pulled for discussion.

VOTE: The motion was approved on the following Roll Call vote:

For: Mayor Webber, Councilor Abeyta, Councilor Cassutt--Sanchez, Councilor Garcia, Councilor Lindell, Councilor Rivera, Councilor Romero-Wirth, Councilor Vigil Coppler and Councilor Villarreal.

Against: None.

8. APPROVAL OF MINUTES:

Regular Governing Body Meeting - July 29, 2020

MOTION: Councilor Lindell moved, seconded by Councilor Vigil Coppler, to approve the minutes of the regular Governing Body meeting on July 29, 2020 as presented.

VOTE: The motion was approved on the following Roll Call vote:

For: Mayor Webber, Councilor Abeyta, Councilor Cassutt--Sanchez, Councilor Garcia, Councilor Lindell, Councilor Rivera, Councilor Romero-Wirth, Councilor Vigil Coppler and Councilor Villarreal.

Against: None.

9. PRESENTATIONS

There were no presentations.

10. CONSENT CALENDAR LISTING

a. Request for Approval to Complete a Grant Application, and to Execute a Grant Agreement for the FY2020 Small Urbanized Section 5307 Apportionment in the Total Amount of $1,750,904 for Transit Operating Expenses; Federal Transit Administration. (Thomas Martinez, Director of Operations, tamartinez@santafenm.gov, 955-2006)

b. Request for Approval to Execute a Grant Agreement for FY2020 Congestion Mitigation Air Quality Funding in the Total Amount of $71,773 for the Riderfinders Program; Federal Transit Administration. (Thomas Martinez, Director of Operations, tamartinez@santafenm.gov, 955-2006)

c. This item was pulled for discussion by Councilor Garcia.

d. Request for Approval of Professional Services Agreement with HEI, Inc. for Booster Station 3 and Booster Station 4 VFD/RTU Replacements in the Amount of $774,604 Plus NMGRT. (Jonathan Montoya, Source of Supply Manager, jmmontoya@santafenm.gov, 955-4373)

1. Request for a Budget Adjustment Resolution (BAR) for the Professional Services Agreement with HEI, Inc. in the Amount of $774,604.00 Plus NMGRT.

e. Approval of the Annual Report for the Santa Fe River Target Flows: Target Year Activity from April 2019 Through April 2020 and Anticipated Activity for the Santa Fe River Target Flow Year of April 2020 Through April 2021. Zoe Isaacson, River and Watershed Project Administrator, zrisaacson@santafenm.gov, 955-6853)

f. Request for Approval of Liquor Hearing Officer's Recommendation to Approve the Request from PM Wine, LLC, for the Following: (Yolanda Y. Vigil, City Clerk, yyvigil@santafenm.gov, 955-6521)

1. Waiver of the 300 Foot Location Restriction to Allow the Sale of Alcohol at PM Wine Distribution, 3138 Rufina Street, #A, which is Within 300 Feet of the Iglesia Renacer, 1225 Parkway Drive and La Petite Academy of Santa Fe, 1361 Rufina Circle.

2. Spirits and Wine Wholesaler Liquor License to be Located at PM Wine Distribution, 3138 Rufina Street, #A.

g. Request for Approval of Liquor Hearing Officer's Recommendation to Approve the Request from Sage Concept, LLC for a Transfer of Ownership and Change of Location of Inter-Local Liquor License #2791, with On-Premise Consumption Only and Patio Service from Cajun West Investments, LLC, dba Copeland's Famous New Orleans Restaurant, 10051 Coors Rd., NW, Albuquerque, 87114 to Sage Concept, LLC, dba Santa Fe Sage Inn Hotel, 725 Cerrillos Road. (Yolanda Y. Vigil, City Clerk, yyvigil@santafenm.gov, 955-6521)

CONSENT CALENDAR DISCUSSION

c. Request for Approval of State of New Mexico, Aging and Long-Term Services Department Intergovernmental Agreement (Grant) in the Amount of $304,000 for the Senior Volunteer Programs: Foster Grandparent Program, Senior Companion Program, and the Retired Senior Volunteer Program. (Melanie Montoya, Program Manager, mmmontoya@santafenm.gov, 955-4761).

Ms. Vigil read the caption for this matter. Councilor Garcia left the meeting room.

MOTION: Councilor Romero-Wirth moved, seconded by Councilor Abeyta, to approve the grant for the senior volunteer programs as presented.

VOTE: The motion was approved on the following Roll Call vote:

For: Mayor Webber, Councilor Abeyta, Councilor Cassutt--Sanchez, Councilor Lindell, Councilor Rivera, Councilor Romero-Wirth, Councilor Vigil Coppler and Councilor Villarreal.

Against: None.

Councilor Garcia was not present for the vote and returned to the meeting room after the vote was taken.

11. DISCUSSION/ACTION ITEMS

a. Request for Approval of Amendment No. 2 to Memorandum of Agreement between Santa Fe County and the City of Santa Fe for the Public Safety Radio Communications System Solutions Project. The Additional Recording Channels and Associated Software and Services Added by Amendment No. 2 in the Amount of $81,263.13 to be Split 50/50 between the County and the City - $40,631.56 Each. (Paul Babcock, Fire Chief, prbabcock@santafenm.gov, 955-3112)

Ms. Vigil read the caption for this item and noted that Fire Chief Paul Babcock was present.

MOTION: Councilor Romero-Wirth moved, seconded by Councilor Vigil Coppler, to approve the second amendment to the MOA with the City for paying the City's share for the digital radio system as requested.

Discussion on the Motion:

Councilor Rivera asked Chief Babcock about giving up some of the radio money for the new fire station. "Will we be able to cover the expense?"

Chief Babcock clarified that the Fire Department now has an analog radio system and are upgrading to digital and the recorder is an analog recorder. "We don't have the money for it at present. But Motorola cannot provide maintenance on the analog system any longer. John Romero is working to get the money back from the fire station."

Councilor Rivera asked if it is a complete upgrade or partial.

Chief Babcock said the quote is $1.1 million. Once the present radio system needs repair, we will have to throw it away.

Councilor Rivera asked if the system is for use by Police and Fire.

Chief Babcock said it is for both.

VOTE: The motion was approved on the following Roll Call vote:

For: Mayor Webber, Councilor Abeyta, Councilor Cassutt--Sanchez, Councilor Garcia, Councilor Lindell, Councilor Rivera, Councilor Romero-Wirth, Councilor Vigil Coppler and Councilor Villarreal.

Against: None.

b. Request for Approval to Publish Notice of Public Hearing on September 9, 2020:
An Ordinance Relating to the City of Santa Fe Economic Development Plan Ordinance, Article 11-11 SFCC 1987; Approving and Adopting a Local Economic Development Project Participation Agreement Between the City of Santa Fe and Savant X, Inc. for Design Development, and Construction of Tenant Improvements; and Lease Payments, Expansion of a Corporate Research Center, a Local Economic Development Project. (Mayor Webber and Councilor Vigil Coppler) (Fabian Trujillo, Office for Business Growth Manager, ftrujillo@santafenm.gov, 995-6912)

Ms. Vigil read the caption for this item.

Mr. Trujillo was present to answer any questions.

MOTION: Councilor Lindell moved, seconded by Councilor Villarreal, to approve the public notice for the September 9, 2020 public hearing for an ordinance to establish a partnership of the City with Savant X as presented.

Councilor Villarreal asked which committees will hear this and when.

Mr. Trujillo said it would be at Finance on August 30, and at EDAC on September 9 for a final recommendation to the Governing Body.

VOTE: The motion was approved on the following Roll Call vote:

For: Mayor Webber, Councilor Abeyta, Councilor Cassutt--Sanchez, Councilor Garcia, Councilor Lindell, Councilor Rivera, Councilor Romero-Wirth, Councilor Vigil Coppler and Councilor Villarreal.

Against: None.

12. **MATTERS FROM THE CITY MANAGER**

Manager LaPan Hill said she is preparing a report on the expenditures we have approved since April through the end of June for the Governing Body with an update for those approved after June.

She announced that the Bicentennial Pool is open, and it has gone remarkably well, following all procedures and precautions.

The School and Public Library WiFi hot spots are turned back on. Locations are shown on the website. As school starts, they are available for all students.

13. **MATTERS FROM THE CITY ATTORNEY**

Ms. McSherry recommended the Governing Body go into executive session for two purposes which she read from the agenda.

MOTION: Councilor Rivera moved, seconded by Councilor Vigil Coppler, to go into executive session to discuss the items listed on the agenda.

VOTE: The motion was approved on the following Roll Call vote:

For: Mayor Webber, Councilor Abeyta, Councilor Cassutt--Sanchez, Councilor Garcia, Councilor Lindell, Councilor Rivera, Councilor Romero-Wirth, Councilor Vigil Coppler and Councilor Villarreal.

Against: None.

EXECUTIVE SESSION

a. In Accordance with the New Mexico Open Meetings Act, Specifically NMSA 1978, Section 10-15-1, Part (H)(7), Discussion of Pending or Threatened Litigation, Including But Not Limited to, Joining Certain Amici Briefs and a Quarterly Litigation Update. (Erin K. McSherry, City Attorney, ekmcsherry@santafenm.gov, 955-6512)

b. In Accordance with the New Mexico Open Meetings Act, Specifically NMSA 1978, Section 10-15-1, Part (H)(8), Discussion of the Acquisition of the Santa Fe Estates Property. (Erin K. McSherry, City Attorney, ekmcsherry@santafenm.gov, 955-6512)

The Governing Body went into closed executive session at 4:30 pm.

The Governing Body ended the executive session at 5:23 pm and returned to the virtual meeting room.

Mayor Webber reconvened the meeting at 5:28

MOTION: Councilor Rivera moved, seconded by Councilor Villarreal, to return to open session, noting for the record that the only matters discussed

were those listed on the agenda and as recommended by the City Attorney.

VOTE: The motion was approved on the following Roll Call vote:

For: Mayor Webber, Councilor Abeyta, Councilor Cassutt--Sanchez, Councilor Garcia, Councilor Lindell, Councilor Rivera, Councilor Romero-Wirth, Councilor Vigil Coppler and Councilor Villarreal.

Against: None.

14. EXECUTIVE SESSION ACTION ITEMS

a. Approval to Join Other Local Governments in Support of the City of Philadelphia in Fulton v. City of Philadelphia in the U.S. Supreme Court, to Defend the Rights of Local Governments to Enforce Nondiscrimination Policies in City Services. (Erin K. McSherry, City Attorney; ekmcsherry@santafenm.gov, 955-6512)

Ms. Vigil read the caption for this item.

MOTION: Councilor Villarreal moved, seconded by Councilor Vigil Coppler, to approve the request to join other local governments in support of the City of Philadelphia as presented.

VOTE: The motion was approved on the following Roll Call vote:

For: Mayor Webber, Councilor Abeyta, Councilor Cassutt--Sanchez, Councilor Garcia, Councilor Lindell, Councilor Rivera, Councilor Romero-Wirth, Councilor Vigil Coppler and Councilor Villarreal.

Against: None.

b. Approval to Join the City of Chicago and County of Santa Clara in a Number of Amici Briefs Opposing a U.S. Health and Human Services Rule that Would Apply the Affordable Care Act's Section 1557's Discrimination Protections to Not Protect Gender Identity, Sexual Orientation, and Sex Stereotyping by Health Care Providers and Entities that Receive Federal Funding (85 Fed. Reg. 37,160); Weakens Protections for Access to Translation/Interpretation Services for Limited English Proficiency Speakers; and Limits the Scope of the Rule so that Health Insurers Would No Longer be Covered at All by Section 1557 in Cases Including, But Not

Limited to, Washington v. HHS, Case No. 2:20-cv-01105 (W.D. Wash.); New York, et al v. HHS, Case No. 1:20-cv-05583 (S.D.N.Y.); Whitman-Walker Clinic, et al v. HHS, Case No. 1:20-cv-01630 (D. D.C.); Tanya Asapansa Johnson Walker, et al v. Azar, Case No. 1:20-cv-02834 (E.D.N.Y.); and Boston Alliance of Gay, Lesbian, Bisexual, and Transgender Youth, et al v. HHS, Case No. 1:20-cv-11297 (D. Mass.) in a Local Government Amicus Brief Supporting a Motion for Preliminary Injunction/Summary Judgment. (Erin K. McSherry, City Attorney; ekmcsherry@santafenm.gov, 955-6512)

Ms. McSherry read the caption for this item.

MOTION: Councilor Cassutt-Sanchez moved, seconded by Councilor Lindell, to approve the request to join the City of Chicago and County of Santa Clara in a number of amici briefs as presented.

VOTE: The motion was approved on the following Roll Call vote:

For: Mayor Webber, Councilor Abeyta, Councilor Cassutt--Sanchez, Councilor Garcia, Councilor Lindell, Councilor Rivera, Councilor Romero-Wirth, Councilor Vigil Coppler and Councilor Villarreal.

Against: None.

15. MATTERS FROM THE CITY CLERK

There were no matters from the City Clerk.

16. COMMUNICATIONS FROM THE Governing Body

[A copy of the Bills and Resolutions Scheduled for Introduction is incorporated herewith to these minutes as Exhibit 1.]

Councilor Romero-Wirth announced that she and her husband celebrated their 30th anniversary yesterday.

Councilor Villarreal noted the Human Resources provided COVID testing with the County. She hoped it went well.

Councilor Rivera announced his youngest daughter is going to UNM now and having a new college experience during COVID. Her birthday is coming up this week.

Councilor Rivera introduced a Resolution accepting a municipal arterial program cooperative grant from the NMDOT identified as Control Number L500383 for the planning, design, and construction of Agua Fria Street and South Meadows Road intersection improvements.

He also introduced a Resolution adopting the 2022-2026 Infrastructure Capital Improvements Plan (ICIP).

Councilor Vigil Coppler commended the Finance Department Staff for their work for the audit just released. She was deeply concerned with the audit results and our response to it. We can't move forward until we recognize our mistakes and she applauded State Auditor, Brian Colon for offering to provide help and oversight on it. She said the City should welcome that oversight. "We need to do better and when we get an offer of assistance, we should take it. We can do better. This is a good deal. Our response should be more welcoming to the State Auditor." She also requested a copy of the audit.

Mayor Webber said the audit was made available.

Manager LaPan Hill noted it is on website but there are no bound copies.

Councilor Romero-Wirth said when she got that directive from Manager LaPan Hill, she copied it to her inbox.

Councilor Garcia explained the backdrop behind him is the Atalya Mountain hiking trail that is 6.5 miles to the top. He highly encouraged Councilors to hike it with a mask, kids, and dog. The orange box in the background is a free library so you can take a book and leave a book.

He reminded everyone that the census deadline is now September 30. He urged Councilors to ask people if they have taken the census. We need to get everyone counted.

Councilor Cassutt-Sanchez gave a happy birthday to her husband for tomorrow.

She introduced a Resolution endorsing the North Central Regional Transit District's FY2020 budget proposal; approving the City's FY2020 Regional Transit Plan; funding for the Mountain Trail 255 Route and directing Staff to submit the City's Regional Transit Plan for FY2020 to the North Central Regional Transit District Board of Directors for consideration and approval.

Mayor Webber introduced an Ordinance creating a new Section 20-7 to prohibit certain police activities including no-knock warrants and requiring the use of body-worn cameras during the execution of any search warrant. He seconded the comment about the census, noting that it only happens once every ten years and we stand to lose lots of money, depending on the amount of undercount.

Mayor Webber also recommended the NOVID app be downloaded onto your smart phone. It is a COVID tracking app. Thanks to Rich Brown who researched it. It is free and anonymous to let you know if you are in vicinity of someone who tested positive.

He gave a "Shout Out" to the Fiesta Council for their food drive this weekend for San Felipe Pueblo. It was their second and the- first one was for seniors in the City.

Communications from the Governing Body were concluded at 5:43 pm and a recess declared to reconvene at 6:00 pm.

EVENING SESSION - 6:04 P.M.

Mayor Webber reconvened the Governing Body at 6:04 pm with all Councilors present.

17. **PETITIONS FROM THE FLOOR**

There were no petitions from the floor.

18. **APPOINTMENTS**

There were no appointments.

19. **PUBLIC HEARINGS**

a. CONSIDERATION OF BILL NO. 2020-17. ADOPTION OF ORDINANCE 2020-18. (Mayor Webber, Councilor Lindell, Councilor Romero-Wirth and Councilor Villarreal)
An Ordinance Amending Section 14-11.4 of The Land Development Code to Adopt Civil Penalty Provisions, a Civil Fine Schedule, and Civil Citation

Procedures for Land Use Code Enforcement Actions; and to Permit the Land Use Director to Order a One-Year Waiting Period for Application for Short-Term Rental Permit by a Person who has Violated the Short-Term Rental Ordinance, Section 14-6.2(A)(5) SFCC 1987. (Eli Isaacson, Land Use Department Director, eaisaacson@santafenm.gov, 955-6830 and Sally Paez, Assistant City Attorney, sapaez@santafenm.gov, 955-6501)

Ms. Vigil read the caption for this hearing.

Mayor Webber explained the process for considering this item.

Director Isaacson and Ms. Paez were present.

Staff Report

Ms. Paez explained this legislation would adopt amendments to the Land Use Code and create a new procedure for imposing civil fines for violations with a process for doing that and an increasing fine schedule. The proposed ordinance has been heard at the Planning Commission twice with public hearings and they recommended adopting with one change. It was also heard at Quality of Life, Public Works/Utilities, and Finance Committees.

One amendment was proposed by Councilor Garcia to add Section B - that it would take effect 30 days after approval by the Governing Body. The amended recommendation from the Planning Commission would clarify the circumstances under which the Land Use Director could revoke permits, including Short-Term Rental Permits, based on violations of the Land Use Code or for public welfare reasons and would allow the Land Use Director to impose a one-year waiting period for a new application after violation of the Short-Term Rental (STR) Ordinance. A companion to the amendments is being reviewed for the STR Ordinance that is designed to work with the STR Ordinance.

Another provision is the schedule of fines- first fine of $100, then $250, then $500 for subsequent violations, a process for delivery of the notice, contents of the civil fine notice. It can be appealed to District Court. Fines paid go back into enforcing Land Use Code.

One amendment Mayor Webber proposed would add paragraph E 1, g to insert "material" before "misrepresentation." The Planning Commission did not want a minor infraction to be subject to fines. So they recommended to add that to the ordinance.

Public Hearing

There were no public comments.

Discussion by Governing Body

Councilor Lindell asked Director Isaacson if the Department needs 30 days to implement this amendment.

Director Isaacson said it will take some time to go through training and the Hearing process. So the 30 days would be helpful to us.

Councilor Vigil Coppler asked about the one-year waiting period on page11, line 19. She was curious about varying degrees of violations and asked which ones were the most serious that would receive the one-year waiting period.

Director Isaacson said the escalating penalties schedule starts with a warning and then the 100/250/500 penalties. The one-year wait is for an individual operating without proper education, incurring multiple citations. It is not just a fine for having no license but up to a year waiting period for infractions and not coming into compliance.

Councilor Vigil Coppler understood the goal is to get people to comply, so it comes from a place of concern. That is a good place to come from and a good way to encourage compliance. She was also glad they are to go through the training.

Councilor Romero-Wirth asked the City Attorney when it would go into effect if approved now.

Ms. McSherry said it would be five days after publication.

Councilor Romero-Wirth thought 30 days would be better instead of ten days.

Director Isaacson agreed. Functionally, we would not be ready until 30 days and the proposed amendment would give us that time. There are certainly people out there who are eligible now.

Councilor Romero-Wirth was glad to see we are at this moment of a final vote to add enforcement tools. When going door-to-door during the campaign she heard many people almost pleading for enforcement. So she

was thrilled to sponsor this bill to give us more tools for enforcement and be responsible to the community, especially District 1 and 2 neighborhoods.

Councilor Villarreal concurred with Councilor Romero-Wirth about its importance. It will help let people know we are serious about it.
Also thanks to the Staff. She appreciated their expertise on it.

Councilor Romero-Wirth said the Governing Body needs to deal with the amendments first.

First Amendment:

MOTION: Councilor Garcia moved, seconded by Councilor Vigil Coppler, to approve the amendment to add "Section B stating that the Ordinance would take effect 30 days after approval by the Governing Body."

Discussion on the Motion:

Councilor Lindell pointed out that neither amendment is in our packet.

Ms. Vigil said Councilor Garcia's amendment is in the packet and the other was distributed this afternoon.

Councilor Lindell would like for them to show up in Prime Gov.

Councilor Garcia said his amendment was on page 9 in the packet.

Ms. McSherry explained it would be better to have them earlier but later is not prohibited.

VOTE: The motion was approved on the following Roll Call vote:

For: Mayor Webber, Councilor Abeyta, Councilor Cassutt--Sanchez, Councilor Garcia, Councilor Lindell, Councilor Rivera, Councilor Romero-Wirth, Councilor Vigil Coppler and Councilor Villarreal.

Against: None.

Second Amendment:

MOTION: Mayor Webber moved, seconded by Councilor Villarreal, to amend the proposed ordinance by inserting "material" before "misrepresentation" on page 3, line 16.

VOTE: The motion was approved on the following Roll Call vote:

For: Mayor Webber, Councilor Abeyta, Councilor Cassutt--Sanchez, Councilor Garcia, Councilor Lindell, Councilor Rivera, Councilor Romero-Wirth, Councilor Vigil Coppler and Councilor Villarreal.

Against: None.

Mayor Webber commented on the emphasis on enforcement. It also affects our revenue. We have lost revenue without any enforcement mechanism. It is not punitive but fair. The report on STR last year was helpful. Thanks for work by Land Use Department to send out notices to STR owners on enforcement and on COVID measures. It is part of a much larger agenda and thanks to Councilor Lindell and Councilor Villarreal for working on this workable ordinance.

Motion as Amended:

MOTION: Councilor Romero-Wirth moved, seconded by Councilor Lindell, to approve Ordinance 2020-18 as amended twice.

VOTE: The motion was approved on the following Roll Call vote:

For: Mayor Webber, Councilor Abeyta, Councilor Cassutt--Sanchez, Councilor Garcia, Councilor Lindell, Councilor Rivera, Councilor Romero-Wirth, Councilor Vigil Coppler and Councilor Villarreal.

Against: None.

Councilor Garcia gave a shout out for the ordinance work. It now gives Santa Fe the tools to enforce the STR ordinance. He asked to be added as a cosponsor.

b. CONSIDERATION OF RESOLUTION NO. 2020-32. John Reeder, Agent, for GEO Park, LLC, Owner, Requests Approval of a General Plan Amendment to Amend the Existing General Plan Future Land Use Designation for Approximately 8.59 Acres from Institutional to Low Density Residential. The Project Site Consists of Two Parcels Located at 4000 and 4100 Geo Lane. (Lee Logston, Case Manager, lrlogston@santafenm.gov, 955-6136).

Ms. Vigil read the caption for this item. Mr. Logston was present.

She read the caption for the next case at the same time.

Mayor Webber walked through the process to be followed.

Disclosures

Councilor Romero-Wirth said she got a voice message asking her to call and she did not return the call. It would not affect her vote.

Councilor Rivera said he talked with Ms. Helen Chavez only on process to log in.

Councilor Garcia said he had a voice mail from Councilor Romero-Wirth and did not return it.

Staff Report:

Mr. Logston presented the case using a Power Point Presentation with sharing of his screen on 4000 and 4100 Geo Lane.

He described the properties at 4000 and 4100 Geo Lane and explained that there are two decisions to be made.

Decision 1 is whether to amend the General Plan as to whether housing is appropriate at this site. He shared the evaluation criteria per the Land Use Code.

Decision 2 is whether to amend Zoning to R-5 from R-1. Is it appropriate here? He also shared the evaluation criteria for rezoning.

He noted that both properties have been vacant for a long time. It was zoned R-1 pro forma at the time of annexation. It was a church-owned property at the time. This case has gone along for over a year. The conceptual plan was for 46-lot over a year ago and the General Plan Amendment was approved by the Planning Commission.

Then actual subdivision proposal was for a 46-lot development.

On February 6, 2020, the Planning Commission heard it again with a proposed 42-lot plat The Applicant was asked to do additional Traffic Impact Analysis (TIA) work.

On June 4, 2020, the Planning Commission heard the case again. Issues raised were appropriateness of the proposed density, traffic impacts, intersection safety, and guest houses. He showed the Applicant responses.

The Applicant made several changes to the proposal at that point. He reduced the density from R-6 to R-5. The TIA showed an adequate Level of Service for all roads. He submitted a detailed accident analysis for the area surrounding the property that showed the intersections not inherently dangerous, compared to similar intersections. He placed a five-year maximum age if manufactured homes are placed on any lots with required permanent foundations, exterior finish restrictions, etc. Guesthouses will be prohibited in the covenants. Over 900 feet of sidewalks are proposed and a lengthened left turn bay on Airport Road.

For General Plan Guidance, he listed five items and added that the SWAMP supports it. He showed examples of R-1, R-5, and R-6, R-12 to illustrate density.

The Planning Commission approved the GPA and Rezoning and recommended approval of both to the Governing Body.

Staff recommended also supported the GPA and rezoning amendment and it meets the requirements of the Code.

Applicant's Statement

Mr. John Reeder was present and sworn. He thanked the Governing Body for hearing this case which he described as all about Affordable Housing. There is lack of Affordable Housing and he thought it a good idea for this project as a place for entry-level homeowners.

He pointed out that there are lots of apartment buildings coming on-line but this allows people to own their own home and have some privacy that more people can reach. That is the essence of this proposal. He had pushback from neighbors on the density, so he reduced it to R-5, which he felt was reasonable.

"We will not allow an ADU in this development as a concern with traffic. We also did not seek a density bonus although we qualify. We would build 8 units under City criteria. We are not seeking extra density but enough to permit Affordable Housing to be on it. The surrounding properties are higher density. Our development will actually help the quality of the neighborhood.

The TIA is done and subsequently had more details that showed no impact with this subdivision.

He tried to accommodate the Buddhist Temple with offering of a 25' setback, and they preferred a wall so he will build a wall within a ten-f00t setback from the property line. as a privacy wall. He said they are happy with that.

He will extend sidewalks to Airport Road and add lighting. "So we tried to be responsive to neighbors. That is the gist of it."

Mr. Reeder had three sessions with the Planning Commission, so he had no questions for Staff.

Public Hearing

At 7:02 pm, there were seven people in the waiting room. Mayor Webber gave them each two minutes to speak.

Stefanie Beninato was sworn in. She said she was in support of this project. "We definitely need Affordable Housing, and these are ownable single-family homes which is better than rental units. People are more motivated to maintain their property." She was happy the owner responded to questions and it is lower density than surrounding properties. She was very happy the owner didn't try to buy his way out with "in lieu of" and will offer eight affordable houses in the development for his contribution.

Deborah Snyderman, 3810 KSK Lane, was sworn in. She said, "I sent each Councilor a letter. I hope you have read it... Lower density than the surrounding area is not true. KSK Lane where I have lived for 32 years. It is R-3. My home is closest to this development right on Buffalo Grass Road... I can only go on what was given to me at Buffalo Grass and Airport Road. If you have not seen that lovely development, you should probably look at it. There were 5 lots. My biggest concern is noise. I have to deal with parties with big blasting speakers that I hear going on. Who can I call when any of these things Mr. Reeder is promising are violated? As I understand, there is no way an HOA can guarantee that there will not be two homes per lot. It was explained to us that the Zoning [sic] Commission meeting that HOA's that don't have money to hire an attorney, there is no way they can stop the second home.

Helen Chavez, 214 Calle Lamar was sworn in. She said Zia Lane was her back yard. She has lived there for 25 to 30 years. "My concern is that turnoff from Airport Road to Zia Lane is not going to work. When they started

building that, I specifically went to talk to CD people that were planning it. They tried to fix it three times. They couldn't fix it. They said it is going to have to stay like this. There is no more room. There is no way that they can fix that U-turn going into Zia Lane. That's one issue that Reeder has to know. Another is when people start living there, and they start using Zia Lane for parking cars on the side of the road - there is not going to be enough parking up there because they will congest in parking for two cars per mobile home. That's not going to happen because it happens where I live off of West Meadow. He said, well, he could just call the police. There are better things that the police can do than to do that. I respect the police officers. I won't do that. Yesterday, I went... I was coming from work, and I went into Geo Lane and I stopped at that intersection to get into Geo Lane from Airport Road. Only 3½ cars. The fourth one tried to fit in, but he had to keep going because he would have been hit from the back of. I know that because I listen to my Junior. And he decided to take off - like squeeze out of there because he would have gotten hit. I notice that people make a lot of U-turns there, even though there is a No U-turn sign. Or they will come into Geo Lane, make a turn to your first left street and make a turn there or use that empty lot to go back onto Airport Road. That is very dangerous. I've gone it over and over on it for over a year.

There was no other public comment.

Discussion and Questions from the Governing Body

Councilor Abeyta asked, regarding traffic and access specifically, if the only access to and from this development is Geo Lane and Buffalo Grass Road.

Mr. Logston agreed. And they both dead ends eventually.

Councilor Abeyta assumed there is no connection east or west and only way in is from Airport Road. There is no connection to Paseo del Sol on the west or anything to the east.

Mr. Logston said that was correct. When West Meadows Subdivision was built, like many of the others, there were no other connections there.

Councilor Abeyta asked if a person can turn left at Airport Road

Mr. Logston said it is right only from Geo Lane, but from Buffalo Grass, in theory, you could turn left on Airport Road since there is no median there.

Councilor Abeyta asked John Romero how Airport Road compares with other such roads in the City for volume of traffic. He thought people living in that area had to use Airport Road more than others had to use a comparable road. He asked how Airport Road is classified. There is lot of traffic on Airport Road.

Director Romero said because of its volume, it is classified as a Principal Arterial. Cerrillos, St. Francis, St. Mikes and Rodeo Road up until it merges with Zia Road, are the other principal arterials.

Councilor Abeyta thought they were much longer than Airport Road.

Director Romero explained that principal arterials are the major roads that take you across the City. Airport is a main artery.

Councilor Abeyta wondered if going left on Airport is safe.

Mr. Logston said he was mistaken. Buffalo Grass is not left out on Airport.

Director Romero explained that a right and then a U-turn equals a left turn. It is the same with Geo Lane. to turn at Country Club.

Councilor Abeyta asked if the City ever enforces private covenants.

Mr. Logston said "Generally no. Private covenants cover lots of things. The City does not enforce actively private covenants, but parking and grading is enforced. We also have notes on the plat for deed restrictions and that can be reported to the City when there are violations."

Councilor Abeyta asked if Geo Lane is wide enough to allow parking.

Mr. Logston agreed. There is only one that is narrow at 42' and the rest are 50' ROW which allows parking on the street.

Councilor Abeyta asked where the nearest park is to this development.

Manager Berke said within Tierra Contenta, there is SWAN Park and a school field.

Councilor Abeyta asked if there is a way to get to Tierra Contenta without walking on Airport Road.

Manager Berke said a person could walk on Buffalo Grass. That is the closest way.

Councilor Abeyta surmised there is no designated trail there.

Manager Berke said there is an arroyo south onto Avenida Contenta from Buffalo Grass.

Director Romero said the City is working on a Tierra Contenta Trail that would connect from Buffalo Grass Road. The nearest Park is at Caesar Chavez Open Space and the only other City Park would be SWAN Park.

Manager Berke shared his park map, showing two parks at about 600-700 feet away.

Councilor Abeyta thought it was further than that.

Councilor Abeyta noted that we have eight mobile home parks on the south side and 1,242 mobile homes. He asked if that is accurate.

Mr. Logston didn't know. He was unprepared to address that data.

Director Isaacson didn't have it either.

Councilor Abeyta asked which schools the residents would attend.

Mr. Logston said Sweeney is to the east.

Director Isaacson pointed out that while looking at it, we should clarify the difference of a mobile home park from this development.

Manager Berke clarified that the City does not allow mobile home parks any longer, and manufactured homes would require a special use permit from the Board of Adjustment. A manufactured home could be put on a lot in that development. Manufactured homes have to be 1976 or newer and the State issues the special permit.

Councilor Vigil Coppler said the schools are Sweeney, Ortiz, and Capital.

Councilor Abeyta recalled we just approved apartments across from Sweeney a few months ago. He asked if the SFPS have given us any information on that.

Mr. Logston explained that, as part of the ENN process for any package application, the developer must notify the Schools and that even includes commercial developments.

Councilor Abeyta asked if the Schools provided anything back.

Mr. Logston said the City does not receive anything back. Our responsibility is to inform them. Then they figure out how to absorb the students from a development. The Schools also send a representative to our DRC meetings.

Councilor Abeyta asked how comfortable the Land Use Staff is on this.

Ms. Paez went back to the earlier question and said the City does not enforce the private covenants. That is done by the neighbors. That is something we could look at. But we would not issue a building permit for an ADU in places where they are prohibited by covenants. So that is a good way to enforce it.

Councilor Abeyta asked how enforceable the 5-year prohibition of manufactured homes is.

Mr. Logston said it is equally enforceable. The permit is like a car title.

Councilor Abeyta asked how people would know that later on.

Mr. Logston suggested it could go on the plat.

Councilor Rivera pointed out to Mr. Logston that he never heard anything about the Airport Road Overlay.

Mr. Logston said it was because this property is not in the overlay area.

Councilor Rivera thought it looked like most of the density is on the Geo Lane side and asked why.

Mr. Logston said Geo Lane is the wider ROW and has room for vehicles to pass each other. Buffalo Grass is 8' narrower. The entrance to Buffalo Grass is offset so there is no through road there.

Director Isaacson reminded the Governing Body that this case is not looking at the subdivision plat tonight. That comes later. This is just for the GPA and rezoning.

Mr. Logston showed the slides on the two decisions again.

Councilor Rivera said his concern with the GPA is the number of lots and increased traffic from them. He asked Director Romero about how it compares with others for accidents.

Director Romero said he could go road-by-road, but he was looking at a higher level at all the intersections throughout the City and ranked them from those with the highest number of crashes to the least.

On Airport Road, there were no medians for left turns and the City applied for Highway Safety money to put them in on Airport Road to mitigate the danger. The data on injury-related crashes was specifically most helpful.

Councilor Rivera saw that Airport Road is described as a principal road, but the compared roads are all six-lane roads. He asked if that makes a difference.

Director Romero said it does only for the intersections. The others have more traffic than Airport Road.

Councilor Rivera heard him say a U-turn is a safe way. He asked what the average speed is there.

Director Romero said the speeds were close to the speed limit in the places they measured it.

Councilor Rivera said it is 45 mph there and asked if it is safe to do a U-turn against that speed.

Director Romero thought it was safe. National studies have shown that U-turns are enormously safer, and the measurements substantiated that in the City. The safety analysis done on Airport Road resulted in two 3-year studies of crash data; first before improvements were made when there were 426 crashes, and down to 195 after the improvements. So it was a significant reduction. Injury crashes were 355 in those three years, and afterward was only 42. average or 14 per year. The studies were done in 2005-2007 and again in 2012 to 2015.

Councilor Rivera said a lot more apartments are being added which will affect those numbers. On Airport Road, most side streets are dead end streets. He asked if that was true for the others.

Director Romero didn't know.

Councilor Rivera asked how many more cars were projected in the TIA for this development.

Director Romero said it is about one vehicle per house in peak hours. He understood people questioned that level. But it was borne out in our studies.

Councilor Rivera knew a number of developments started out with HOAs that no longer are active. What happens in that instance?

Mr. Logston acknowledged that HOAs are only as good as the members involved. People need to invest in their community to keep them active.

Councilor Rivera that is the point he was making. here are lots of manufactured home divisions where they become rentals and renters doesn't care and the HOA disappears. It is the same thing with traffic between a TIA and driving the road every day.

When the Country Club Mobile Home Park residents drive out, there is no merge lane. That was his concern. He appreciated Mr. Reeder doing this proposal. But for him, it was safety and traffic.

Councilor Vigil Coppler wondered if in the future the right out and U-turns would be used in the future. People with such concerns usually petition for a stop light. Would a stop light help?

Director Romero explained that when the City receives a petition, we would need to have a TIA result that meets the standards for volume to justify it. He said he could guarantee they would not have enough traffic to justify a signal intersection there. The number of signals and spacing on the street is also a factor. They are already close in this area.

Councilor Vigil Coppler noted we can't forget the Teen Center and she didn't think they would have to cross Airport Road. The corner of the Country Club intersection is not where the kids are. That could become a place the kids could use.

Regarding ADLs, she recalled in our discussion over a couple of meetings, that the City could not approve them. So it is already written into the ordinance that the City could disallow ADLs.

Ms. Paez agreed to look for that provision.

Councilor Vigil Coppler pointed out, if that is correct, it would be a way the City could keep its eye on that development.

Councilor Lindell didn't think manufactured homes is what the City aspires to for healthy homes. She asked who reviews that.

Mr. Logston said the DRC team and others review what the Planning Commission has recommended.

Councilor Lindell said the condition that none would be over five years old is fine for now, but they continue to age. She asked why this couldn't be a stick-built development.

Mr. Logston said we are only talking about a division of land. It won't necessarily be manufactured homes. This Developer has put a number of conditions on it to do the best we can with that. He asked Mr. Reeder to address it.

Mr. Reeder clarified that the project has frequently been called a mobile home park which is not correct. Manufactured homes could be allowed, and we want it to be an option for first time buyers. We have talked with Mike Loftin about it and to work with us. We are striving for stick-built homes but want it to be as affordable as possible. We are not prohibiting them. But we will not allow ADUs.

Councilor Lindell surmised he is not developing but just selling lots.

Mr. Reeder said he will build the eight affordable units as stick-built homes. But, until we have our subdivision approved, we cannot tell you that. We do not want all of them to be manufactured homes. They can be approved in special financing.

Councilor Lindell was surprised when he said Habitat and Homewise have interest in it, that they did not provide a letter of support. She was concerned with it being almost all manufactured homes. It is hard to build equity with a manufactured home. She understood what the Council is being asked to look at tonight. She asked if it will not come back to Council.

Mr. Logston agreed. The final decision is at the Planning Commission.

Ms. Paez read from the ordinance about not superseding the covenants. She added that zoning is not differentiating manufactured vs stick-built homes. Because it is a State Statute, we are not allowed to exclude them, but a developer can in private covenants.

Director Ladd added that Affordable Housing homes must be bult to same standard as market rate homes. Secondly, buyers have to get standard financing and only those built on permanent financing would be able to get financing. So they will be conventionally financed and will accrue equity. Modular homes are often more durable and efficient.

Councilor Garcia thought manufactured homes on a permanent foundation are no longer considered manufactured homes.

He asked if there are other places that have U-turns for left turns.

Director Romero said it happens a lot along Airport Road and Cerrillos Road. It is a common practice of the City.

Councilor Garcia asked regarding safety measures to make sure our roads are safe, if it is more likely or less likely at a U-turn.

Director Romero said it is more likely while making a left turn. A lot of the U-turns are at signals, so they are protected, and the only danger is a right turner from a side street. But they are low speed crashes usually with no injuries.

Councilor Garcia asked Mr. Reeder, if the proposal goes through and a person buys a lot and puts a manufactured home on it and later sells it, whether the new buyer would be able to remove the manufactured home and build their own.

Mr. Reeder said the answer is essentially no. The home would be permanently anchored to the foundation so that would not happen. Theoretically, he supposed they could, but they would need to get a demolition permit approved.

Mr. Logston agreed. They could add on or completely level it to upgrade by building their own custom home.

Councilor Cassutt-Sanchez wanted to be clear on what we are approving. She asked about the different categories or types of homes overall.

Director Isaacson said manufactured homes often replace mobile homes. Modular homes have a different standard than traditional homes. He briefly reviewed the other types of homes.

Ms. Paez pointed out that this discussion is not relevant to rezoning and General Plan Amendment. There are Federal and State regulations on

manufactured homes. And that had to be approved by CID. The type of homes is beyond the scope of this consideration.

Councilor Cassutt-Sanchez asked what else could be developed here.

Mr. Logston said the services needed on Airport Road are not appropriate here. If not for residential, what else could go there? It could not be commercial. Airport Road is going to evolve over time. What is there today may not be there tomorrow. It takes a critical mass for some. There is a reason for no grocery store there. Not enough people to close a Smiths on Cerrillos to build one on Airport Road. So redevelopment will occur as time goes by.

Councilor Cassutt-Sanchez asked if traffic concerns would be a factor for not allowing other uses.

Mr. Logston said it is difficult to envision any other use than residential. So at what density is the consideration.

Councilor Cassutt-Sanchez asked for more information about the Homewise connection.

Mr. Reeder said his conversation with Mike Loftin was to come back when we have something approved. We don't have that yet. They agreed to work with us on getting people qualified for housing. He wants to see it as an actual subdivision before investing more in it.

Councilor Villarreal was not sure why the developer decided no open space and HOA aspects.

Mr. Logston said a quarter-acre was proposed first, less as a grass park and more as durable surface. The neighbors expressed skepticism on maintenance and the beauty of it. The Planning Commission doubted the City could maintain another park. So it seemed no one really wanted it.

Councilor Villarreal asked if every lot would get enlarged then.

Mr. Reeder explained that every lot next to the park could grow and another open space was proposed for the KSK Center, but they did not want that. So about half of the lots grew by a little bit but the rest did not.

Councilor Villarreal was not opposed to the GPA but had concerns related to rezoning. We could ask the final plan to come back to Governing Body as a condition because of our concerns on it.

Ms. Paez explained that has already been approved and they just have to submit a final plan that conforms to their approval. Most of the Council's concerns were raised there. She didn't know what the covenants would require as a higher standard. ADA is in there. We could ask the Applicant if he is willing to add something more.

Councilor Villarreal asked what the difference is of preliminary and final.

Ms. Paez replied it is very little - just spelling out the details. She mentioned the conditions of approval for it.

Manager Berke thought such a decision would set a precedent. The Governing Body has delegated that authority to the Planning Commission. The final must be consistent with preliminary and address the technical corrections. Would we set ourselves up for bringing all of them to Governing Body?

Councilor Villarreal thought the final is much more detailed.

Manager Berke agreed. It has square footages, setbacks, etc.

Councilor Villarreal understood the styles of houses will not be part of the final subdivision plat.

Manager Berke said the site plan must be reviewed and approved with lots more detail involved. The approved preliminary plan depends on the GPA and rezoning being approved.

Councilor Villarreal said it has been done this way in the past where Council has required it come back. All of her concerns were still floating out there.

Councilor Romero-Wirth went back to Airport Road left turns. The Applicant mentioned off-site improvements for a left turn lane. She asked if that was lengthening that turn lane. There is already a left turn lane, and this is to lengthen it.

Mr. Reeder agreed. They would lengthen it 25' to accommodate four cars instead of three.

Councilor Romero-Wirth asked Director Romero what value would be achieved by adding that length.

Director Romero said the study itself did not consider lengthening necessary but there were neighbor concerns. It would reduce left turn congestion. We could afford to give Geo Lane one more car length. So it would give room for a fourth car when needed.

Councilor Romero-Wirth saw one commenter wrote that school traffic was not considered.

Director Romero said that is not accurate. The TIA was done during the school year before COVID.

Councilor Romero-Wirth asked Director Romero what other area has the U-turn arrangement.

Director Romero mentioned the Lofts off Cerillos Road. There are many on Cerrillos Road, Mr. Chapman's development just past St. Michaels at Old Pecos Trail and others.

Councilor Garcia added there are locations on St. Francis around Columbia Street.

Councilor Romero-Wirth asked to see the criteria for decision 1 and 2 again and Mr. Logston showed the slide again.

Councilor Romero-Wirth asked about infrastructure.

Mr. Logston said water and sewer are there and the developer is willing to do over and above what is required with off-site sidewalks. The actual criteria are in the memo.

Mr. Reeder said it is germane to the housing shortage. "It took me three years to find a place. So housing does promote general health, safety, and welfare."

Councilor Romero-Wirth observed that the types of housing are not part of the criteria.

Mr. Logston said the criteria are spelled out in the General Plan and Chapter 14. It is most importantly consistent with prevailing zoning in the surrounding district. The SWAMP is not specific on this. There were not a lot of direct recommendations made for this area. It gets more specific to the east of this location.

Councilor Romero-Wirth read aloud the other criteria for rezoning.

Councilor Abeyta asked when the last time the GP was amended.

Mr. Logston said 1999 was the last adoption but since then, it has had several smaller amendments. The 2005 document was a mini update but never adopted.

Councilor Abeyta concluded that these criteria are 20 years old.

Mr. Logston agreed. It is not out of line. Certain goals are included. But if updated, it would be more specific.

Councilor Abeyta wondered if it would include parks and trails. There are none here.

Mr. Logston agreed in principle. Lots of the dead-end roads make moving people difficult and creation of trails.

Councilor Abeyta pointed out that this is the first and then there will be many around it and we don't have the infrastructure to deal with it. At some point, without infrastructure, we have added to the government's role in systemic racism for what happens to be available property. In Tierra Contenta, those things were included in the development. This development, plus many others, put pressure on us. There is a lot of open space on Airport Road near this property and we don't have any east and west connections and we have overcrowded schools there. Plus, there are no great amenities nearby.

Councilor Romero-Wirth asked if there are plans for trails in this area.

Director Romero said on the north side of Airport Road is the Acequia Trail. On the south side will be the Arroyo Chamiso Trail and that will connect at Las Acequias.

Councilor Rivera said Director Romero mentioned doing the TIA during school hours. We see traffic bunching up at South Meadows and synchronizing the signal intersections was suggested. He asked if they have done anything on that.

Director Romero said the congestion happens primarily in the morning and we did a timing plan and implemented it in May or June but have had no opportunity to do it while school is in session. But we believe it will mitigate the problem. We modeled the traffic with the existing timing plan, and it

showed the same congestion. So the new timing plan is based on the volumes pre COVID to see if it helps.

Councilor Rivera asked if there is actually enough room to turn at the U-turn location.

Director Romero said he did a turning template for typical vehicles. If designed for big trucks, it would need to be much wider.

Councilor Rivera thought it is more dangerous to make U- turns where a person is doing a right turn there.

Director Romero said the City could open up the medians, but crashes will go up.

Councilor Rivera agreed and had pushed for the medians.

Mayor Webber felt Ms. Snyderman raised an interesting question about deed restrictions and ADL restrictions about who a resident would call or what remedy there might be if the HOA rules are not being kept.

Ms. Paez said the HOA is established with documentation and falls outside the City's jurisdiction. It is a matter of keeping the HOA alive. It can be an issue. Regarding ADLs, we have an agreement to put it on the plat. But she didn't know what the answer is. We can put more things in the Code. But there is only so much we can do as a City.

Director Isaacson agreed and suggested we could put a flag on it with the staff.

Mayor Webber wondered, as we approve developments there along Airport Road, how we could maintain the level of service (LOS).

Director Romero noted the latest LOS shows adequate levels. It meets our standard. Left out on a four-lane road would make drivers have to wait a long time and then risk the traffic. To improve capacity would require adding lanes. It would involve significant property acquisition and building demolitions.

Mayor Webber asked Mr. Reeder what affordable site plan means.

Mr. Reeder said prices under $300,000 and some significantly under. Delays raise our costs. The immediate neighborhood cannot support a $400,000 house so we must be in the $300,000 ballpark.

Mayor Webber asked Mr. Reeder if he thought about planting streetscapes.

Mr. Reeder said he did, and the covenants will address landscaping. The subdivision plan calls for a tree in front of every lot. Not all of the landscaping plan is fleshed out yet, but the short answer is yes.

Councilor Rivera said he would support Councilor Villarreal's request for this to come back to Governing Body. He didn't know if there is an appetite for that, but it has been done before.

Councilor Villarreal asked if he meant that for rezoning.

Councilor Rivera said for the GPA.

Director Isaacson said the plan does not typically come back.

Ms. McSherry agreed. It is the Planning Commission's responsibility and she recommended against that. It essentially creates a new law without it being a new law.

Councilor Garcia asked what the purpose was in the past when it came back.

Councilor Villarreal said it was before her time on Council when the Governing Body wanted to review the final development plan to weigh in on the issues. It was about details like stucco on manufactured houses.

Director Isaacson said those things would be in the covenants or recorded on the plat. They are not under the Council's authority.

Ms. Paez said things like parking on the street are part of the subdivision plat and most of that is due to underlying zoning. So for the most part we would just follow the rules. Actual construction is governed by building codes.

Councilor Villarreal said we already put in no ADUs. Aren't there others that could be required for manufactured homes?

Ms. Paez explained that aesthetic requirements are all done through the covenants. That is more of a private decision. It is not what we would add.

Councilor Villarreal understood but noted there are things we would like to add like structural integrity of homes for people to live in a safe environment. Who makes that decision? It seems like the Planning Commission doesn't.

Ms. Paez clarified that is a CID responsibility.

Councilor Vigil Coppler agreed. In the building industry there are standards they must follow. If not on a permanent foundation, you can't get a loan. The developer is aware of those standards. She was not in favor of setting and requiring such things. We have staff and professionals to make recommendations to us. They follow the statutes and ordinances when they make those recommendations. There are other developments we approved in which we did not require them to come back to Council. We should rely on them. She was comfortable that the rezoning and GPA should be approved.

Mr. Reeder said that in addition to the covenants, we have also architectural standards for this development addressing things like rooflines, overhang, etc.

Closing Statement

Mr. Reeder stated he and his two partners bought the property to do affordable entry-level home ownership and felt this site was really appropriate with great infrastructure. Traffic may be the one concern, but this would elevate the value of this area. "That is our goal and urge you to support it."

Mayor Webber closed the public hearing.

MOTION: Councilor Romero-Wirth moved, seconded by Councilor Vigil Coppler, to approve Resolution N0. 2020-32 amending the existing General Plan Future Land Use Designation from Institutional to Low Density Residential for the parcels at 4000 and 4100 Geo Lane as presented and to adopt the findings of the Planning Commission.

VOTE: The motion was approved on the following 6-3 Roll Call vote:

For: Mayor Webber, Councilor Cassutt--Sanchez, Councilor Garcia, Councilor Romero-Wirth, Councilor Vigil Coppler and Councilor Villarreal.

Against: Councilor Abeyta, Councilor Lindell, and Councilor Rivera.

c. CONSIDERATION OF BILL NO. 2020-16: ADOPTION OF ORDINANCE NO. 2020-19.
John Reeder, Agent, for GEO Park, LLC, Owner, Requests a Rezoning from R-1 (Residential One Dwelling Unit Per Acre) to R-5 (Residential- Five Dwelling Units Per Acre). The Properties are Located at 4000 and 4100 Geo Lane and Total Approximately 8.59 Acres. (Lee Logston, Case Manager, lrlogston@santafenm.gov, 955-6136)

Ms. Vigil read the caption for this case with the previous case.

MOTION: Councilor Romero-Wirth moved, seconded by Councilor Vigil Coppler, to approve Bill No. 2020-16 rezoning the parcels at 4000 and 4100 Geo Lane and to adopt the findings of the Planning Commission in Section 2-B.

VOTE: The motion failed on the following 4-5 Roll Call vote:

For: Mayor Webber, Councilor Cassutt--Sanchez, Councilor Romero-Wirth, and Councilor Vigil Coppler.

Against: Councilor Abeyta, Councilor Garcia, Councilor Lindell, Councilor Rivera, and Councilor Villarreal.

Ms. Paez explained that another motion is required since this motion did not get approved. She asked for reasons for the denial to be stated in order for her to complete the Findings of Fact and Conclusions of Law. That is required in order to allow for an appeal. The reasoning behind the City's decision is needed to provide findings and which criteria are not met to provide the written decision.

Director Isaacson read the criteria that needed to be addressed.

Mr. Logston said that was a condensed version. Page 4 of the Staff Report had the actual criteria enumerated. The Governing Body would need to address in a motion to deny.

Manager Berke shared what the code says, and Ms. Paez listed the infrastructure components.

Manager Berke added that not adopting the Planning Commission findings means the Governing Body must identify its own findings.

Ms. Paez agreed and asked the members what they could identify.

Councilor Romero-Wirth suggested they could also make a motion to vote to reconsider.

Councilor Garcia asked if the Council could add to the motion to approve that it comes back to us.

Ms. McSherry clarified that it won't go back to the Planning Commission the Governing Body votes to deny the rezoning.

Councilor Garcia asked if Council could approve with caveat that it comes back to the Governing Body after approval by the Planning Commission.

Ms. McSherry explained that the rezoning does not go back to the Planning Commission.

Mayor Webber explained the caveat.

Councilor Romero-Wirth saw that the Governing Body is making up rules on the fly. Nothing requires this.

Ms. McSherry asked what is to come back.

Ms. Paez said it is the final plat that is required and approved by the Planning Commission. She suggested the language that could be in the motion. Or it could be recommended by the Governing Body to the Planning Commission.

Councilor Villarreal asked for clarification on the criteria that are consistent with the General Plan policies and if that included connectivity to trails and parks.

Mr. Logston said yes. The requirements of the General Plan include connectivity as part of it. But many previous decisions have left us with difficulty in getting connectivity. Being cut off from everything else - it is what it is, and we can only improve on what we have.

Manager Berke pointed out that the GPA amendment has already been approved. This is only on rezoning.

Ms. McSherry clarified that the GPA motion was already approved and could be reconsidered.

Ms. McSherry said right now, we have no decision. We don't have a final decision yet. A motion is needed to either approve or deny rezoning.

Councilor Lindell said she had never been asked to provide reasons for approving or denying any motion made in 8 years on Planning Commission or her time on the Council. She was not sure why we are asked to do that.

MOTION: Councilor Lindell moved, seconded by Councilor Abeyta, to deny Bill No. 2020-16 rezoning the parcels at 4000 and 4100 Geo Lane from R-1 to R-5.

Discussion on the Motion

Mr. Logston said he might be out of line, but Staff has no basis to draft FF/CL unless the Governing Body provides them.

Councilor Lindell observed we have had three hours of discussion on it. The ones she heard had to do with traffic and safety.

Councilor Garcia agreed. After going over the criteria, given that there are existing homeowners in the area, we don't think there is even infrastructure for those people to live in that area. We have to examine the criteria we were using.

Councilor Abeyta said his reason was that the access is nonconforming, and we cannot make it better by adding more lots.

VOTE: The motion failed on the following 4-5 Roll Call vote:

For: Councilor Abeyta, Councilor Lindell, Councilor Rivera, and Councilor Villarreal.

Against: Mayor Webber, Councilor Cassutt--Sanchez, Councilor Garcia, Councilor Romero-Wirth, and Councilor Vigil Coppler.

MOTION: Councilor Romero-Wirth moved, seconded by Councilor Vigil Coppler, to approve Bill No. 2020-16 rezoning the parcels at 4000 and 4100 Geo Lane and to adopt the findings of the Planning Commission in Section 2-B of the Staff Report.

VOTE: The motion was approved on the following 5-4 Roll Call vote:

For: Mayor Webber, Councilor Cassutt--Sanchez, Councilor Garcia, Councilor Romero-Wirth, and Councilor Vigil Coppler.

Against: Councilor Abeyta, Councilor Lindell, Councilor Rivera, and Councilor Villarreal.

Brief Recess

The Governing Body briefly recessed from 10:03 pm to 10:10 pm.

d. Land Use Appeal No. 2020-2175-APPL of Case No. 2020-1732-HDRB. Appeal by Christina Halaburka of the May 12, 2020 Decision of the Historic Districts Review Board to Deny a Request to Demolish Thirteen (13) Horizontal Feet of a Wall Located at 868 East Alameda, which has Been Designated as a Contributing Structure in the Downtown and Eastside Historic District, and to Remove the Upper Stuccoed Portion of the Remaining Wall and Replace with Coyote Fencing to a Height of Five (5) Feet. (Sally Paez, Assistant City Attorney, sapaez@santafenm.gov, 955-6501)

Ms. Vigil read the caption for this appeal.

Mayor Webber asked for disclosure of any ex parte communications regarding this Appeal. There were no disclosures.

Staff Report

Ms. Paez presented the case to the Governing Body and reminded them that this is a quasi-judicial matter to be considered as a de novo hearing.

She stated that the Appellant is represented by Delores Vigil and Rachel Zell. She used a PPT that showed the rock wall at the address. The wall was designated historic by the Historic Districts Review Board. The Applicant had proposed to demolish a portion of the wall on both sides of the driveway to increase its width. There are other aspects which are not a part of the appeal. A 13' long portion of the wall was proposed for demolition.

She read the code citation and noted that the wall does not meet the sight triangle or off-street parking requirements. She also mentioned that the

Applicant wanted a portion of the wall removed in order to have a second parking space at the location.

The Traffic Engineer recommended removing it to improve sight visibility that would meet an approved status for exiting out to East Alameda. She showed the part that was knocked down and the part that was damaged. She also showed drawings of the existing and the proposed wall demolition and explained the code references.

The Ordinance regarding nonconformities provides that such nonconformities are not to be reconstructed. She read the purpose of Historic Districts Ordinance and reported that this wall was found to be of critical importance to the site. She showed several other slides of the site and wall.

The slide showed the three demolition factors from the Code and said the Board determined those factors were not met and denied the demolition application. The Board agreed there was a safety issue with the sight triangle. Widening the drive would allow easier maneuvering.

The Decision Tree from the last page of the packet was shown.

Ms. Paez said there were two motion options - either grant the appeal and approve demolition of 13 feet of the wall or deny the appeal and affirm the decision of the Board.

Rachel Zell and Dolores Vigil were sworn in.

Ms. Dolores Vigil thanked Ms. Paez for her analysis. She said he tried to pull into that driveway many times and had a hard time leaving it. The truck knocked part of it down. So she could see how difficult it would be if restored to the way it was before. Alameda makes a big turn to the right and there is no way to slow traffic down. It is very dangerous.

She reported the Engineer said at least 13' needs to be removed. He had signed off on the site plan according to his recommendation to meet current standards. The wall was not very sound, and it crumbled into rubble when hit. The river rock is still there. We are trying to deal with what we have and still use the property. There were people present who were at the meeting.

The Board did not take into consideration the danger that is present there. It is a unique situation and she hoped the Governing Body would approve the appeal.

Ms. Zell said she has been in the driveway at that unit and helped the owner. In the last nine months there have been four accidents - the most recent was July 18 and others in March, April, and last December when people were pulling out of the driveway. A large truck bumped the wall and it fell down. She believed health and safety are most important. The wall will still be historic by keeping so much of it intact. The river rock will still be very evident without that 13'. Alameda has a sharp curve and if you go over into the place that fell down you can see cars coming with incredibly more visibility to see them.

And a parking space for the second unit would also be available There is no parking on the street. So just getting in and out of there is necessary. The majority of the wall would still be there.

Public Hearing

Stefanie Beninato, PO #1601, was sworn in. She said starting earlier is helpful.

"I am opposed to the appeal. Taking off 13' makes it asymmetrical. It was really convenient that the truck ran into it when they wanted that part demolished. I live on Don Diego with a very high wall and I cannot see over it. I have a 12' driveway width also. The code Ms. Paez cited was for demolition. There are stops on East Alameda so coming home from work there is on-street parking. No engineer said it was structurally unsound. If they could back into the driveway and pull out, you could get into the lane of traffic, so I urge you to support the Board. It is an important structure.

There were no other speakers from the public regarding this case.

Discussion and Questions from Governing Body

Councilor Lindell asked if circumstances have changed since the HDRB heard this case.

Ms. Paez was not aware of any changes but maybe an additional accident had occurred. This was heard in person as the last in-person case in City Hall.

Councilor Lindell asked if the application was filed before the truck hit it.

Ms. Paez said the Board designated it contributing after the truck hit it.

Councilor Lindell noted, "The Board voted unanimously, and they are the experts. It is a hard Board to serve on. It takes commitment and a lot of knowledge. When you buy property in this City you know, if it is historic, that you need to be a steward of it. I drive by it many times because I live near there. The historic little walls are part of our history and are very valuable. I'm not willing to trade in decades of history for a parking space. If that is what we want, we should get rid of the historic code. One of the reasons in this appeal was because it would be expensive to rebuild. That sounds ridiculous to me. It is very seldom we see appeals from HDRB with unanimous votes, but it is for this one. The Board works very hard for the City. I have looked at it. It does disassemble the symmetry of this structure."

Councilor Garcia pointed out that how the wall came down is not our concern but whether we should grant the appeal or not. Two of the three criteria were met but not the third - damage the character of the Historic District. So the request is to demolish the part that is unsafe. Where do they want the coyote fence?

Ms. Paez said something else was suggested by Mr. Lucero and she pointed out the location of it which is not by the driveway.

Councilor Garcia understood they originally wanted to remove most of the wall.

Ms. Roach clarified that they proposed it perpendicular to the house. The Applicant dropped the request to remove a portion of the top and the Board had approved that part of the request.

Councilor Garcia asked if they have to revert to the dangerous condition with no sight triangle.

Ms. Paez agreed.

Councilor Garcia didn't understand requiring them to put it back into noncompliance with the federal requirements.

Ms. Paez explained the reason is because it is legally nonconforming, and it must be retained despite not meeting the federal standard. We require the preservation of historic structures. If we had an order to remove it, that would rise to the level of removal.

Councilor Garcia thought we could allow the wall to be rebuilt even though not meeting federal requirements. It would deserve a story. And then

someone pulling out of that driveway would be in danger and could be in an accident. "I understand why the ancestors built these walls. Are we trying to keep our community looking cool or keeping our residents safe?"

Mayor Webber asked Councilors to use this time to ask questions and then at the time to vote, make comments then.

Councilor Cassutt-Sanchez saw there are two parking units there and asked if the second unit would already have been in place?

Ms. Paez said yes.

Councilor Cassutt-Sanchez saw that we don't have anyone from transportation engineering now and guessed it is clear the driveway does not meet the sight triangle requirements.

Ms. Roach pointed out that there are other examples of walls and driveways along Alameda that don't meet the sight guidelines. The question is whether to rebuild it or not.

Councilor Garcia asked Ms. Roach where those walls were required to be rebuilt. "Things have changed over the years. Have we ever forced a homeowner?"

Ms. Roach did not know. She did not have a full catalog of all cases available.

Councilor Garcia asked if nothing comes to mind.

Ms. Roach agreed

Councilor Villarreal asked where the tenants park now.

Ms. Zell said the tenants are in one unit. There is no second tenant. Now the new owner is trying to decide what to do about that.

Councilor Villarreal asked if before, there was one unit.

Ms. Zell said they had a young couple there before.

Ms. Dolores Vigil said as far as she had researched, it has always had two units.

Councilor Villarreal asked if the second one used parking on the street.

Councilor Lindell pointed out there is a lot of parking there on the opposite side of the street. They had a federal grant a few years ago and put in a nice walk along there. There are a lot of parking spaces.

Councilor Villarreal asked Ms. Roach if they could rebuild and modify the wall. "Was there consideration to rebuild it but modified so the corner was not as high?"

Ms. Roach commented there was discussion at the meeting of various options to create more visibility. The Board heard that the applicant was not in favor of that.

Councilor Villarreal asked Ms. Vigil if the applicant consider that option.

Ms. Dolores Vigil said yes. We went through the discussion and it fell by the wayside. Taking away the height on the west part was the consideration.

Councilor Villarreal asked Ms. Roach if that would help.

Ms. Roach asked if she was asking to take away all of it.

Councilor Villarreal said she meant just at the corner. It was part of the discussion to reduce the height and to increase the width. "It is hard for me to make that assessment. I believe there are other options than removing 13'." She wondered how that could be considered.

Ms. Roach agreed that option was dropped over the discussion.

Ms. Paez added that Member Katz felt that did not meet the exception criteria. That motion was withdrawn, and they started over. She didn't believe reducing the height would put it into compliance with the code.

Ms. Roach said in other cases, walls have been proposed up to three feet to keep the visibility.

Director Isaacson added that what the City has done in the past is limit the wall up to 3 feet within five feet of the driveway and either make a transition down from its normal height with a slope.

Ms. Paez said the reference for that is Chapter 14- 7.1, which she read.

Councilor Villarreal wondered, pending the vote, depending if we denied the appeal, if the Applicants could propose something different.

Ms. Roach agreed they could in a new application.

Councilor Romero-Wirth pointed out that it is not just a matter of space but maneuverability to get a car in and out

Councilor Romero-Wirth reasoned that it is not just a matter of visibility. "I drove by it today and it is a lot tighter than the picture shows. It is very small. You have to pull out quite a bit. I don't even know how you would pull out with a lower wall."

Motion to waive the meeting deadline ordinance:

At 11:19, Mayor Webber asked if the Governing Body wanted to go beyond 11:30 pm.

Motion by Councilor Lindell?? / Councilor Garcia
unanimous except for Councilor Villarreal.

MOTION: Councilor Lindell moved, seconded by Councilor Garcia, to waive the rules and continue with the meeting past 11:30 pm.

VOTE: The motion was approved on the following Roll Call vote:

For: Mayor Webber, Councilor Abeyta, Councilor Cassutt--Sanchez, Councilor Garcia, Councilor Lindell, Councilor Rivera, Councilor Romero-Wirth, and Councilor Vigil Coppler.

Against: Councilor Villarreal

Discussion of the Governing Body Continued:

Councilor Abeyta asked how long this wall has been there.

Ms. Zell said it was built about 1950 or 1960.

Councilor Abeyta asked if there was a history of accidents over the years or if we are just assuming there will be many.

Ms. Zell said the previous owner was aware of many other accidents there.

Councilor Romero-Wirth understood they tried for removal of the wall and then it was hit by a contractor and then the H Board had a hearing about the application to demolish.

Ms. Paez said that was correct.

Councilor Romero-Wirth asked if there was anything more to mention about the contractor hitting the wall.

Ms. Paez said there may have been a gas meter also damaged but she had no other information about it.

Ms. Zell said she wasn't there when the truck hit the wall. It was a large semi and a gas meter was hit and it closed down Alameda for over an hour and since then the meter was moved back further on the property.

Councilor Romero-Wirth asked if the gas meter was inside the wall and the wall fell on it or if the construction truck was angling out of there.

Ms. Zell said the driver went forward and then back and hit the mailbox and corner of the wall.

Councilor Romero-Wirth recalled someone said the wall was crumbling.

Ms. Dolores Vigil said she mentioned that. The picture taken after the accident looked like the wall crumbled. The historian said he was not surprised when noting what it was made of.

There were no other questions or comments.

Staff Summary

Ms. Paez said she was not compelled to add anything else.

Closing Statement

Ms. Vigil stated that the way the wall was constructed long ago did not follow sight guidelines and that should supersede the historic ordinance. Even if lowered, it does not make it easier to get in and out of the property. "I looked at it and talked with other architects and found this is the only way to remedy the situation."

Mayor Webber closed the public hearing.

Discussion or Action

MOTION: Councilor Lindell moved, seconded by Councilor Rivera, to deny the appeal and affirm the decision of the Historic Districts Review Board.

Discussion on the Motion

Councilor Vigil Coppler remarked, "Councilor Lindell said the Historic Board makes these decisions and we should respect what they do. But we do have due process and it is our role here to be a judicial body de novo. Not everyone gets it right. Somebody else always has something to say. We are not City Council when deliberating. We are not a rubber stamp. I take the role seriously. The H Board doesn't always get it right. And some have been on it most of their lives. We just need to differentiate on our roles. And the appellants depend on us to hear it de novo. AT BTAC, we talked about respect. I have run on this street often and was always concerned about people backing onto the street into me. This is a chance to fix it right. This is nonconforming. The wall was knocked down. The Board is requiring them to rebuild it nonconforming. If it was one of your kids riding a bike and a driver killed them ... we need to consider the safety of our people. BTAC has many examples of that. It is important for public safety and the driveway should be fixed the right way. If we can make it safer not only for the people, there but for others going by ... I think that's where we should start here. We could go either way. But the right-of-way belongs to the pedestrian, the bicyclist, and the cars going by. I am not in favor of rebuilding back to a nonconforming unsafe driveway. It is frightening to be on that street, and I suggest that we should err on the side of public safety. So, I vote against this motion for that reason."

Councilor Garcia said, "Our role today is as judge and jury, to decide if demolition will not damage the character of the Historic District because the HDRB determined that the other two criteria does not. Will demolishing the portion that has already been reduced to rubble damage the character? There is nothing symmetrical about this wall in the first place. So, if we took off the 15', it is not going to be symmetrical. But that is what makes Santa Fe architecture so great because it is not perfect. We should look at it as not damaging the character of the historic district. I looked at the rest of the wall with the two neighbors. It won't take away from either side. One side has a coyote fence and the other has an adobe wall. It will fit in perfectly. There is no reason to say it damages the Historic District - No basis whatsoever.

But most importantly, and as Councilor Vigil Coppler said, we need to ensure safety. I wish I had asked the City Attorney this while we were asking questions, because we can find a way to make this homeowner rebuild this wall to meet federal compliance. If an accident happens and the

homeowner is found at fault because the wall was out of compliance, the homeowner could turn around and sue the City because they were forced to rebuild it to be unsafe. It would just continue to have accidents there. just so it could be symmetric." He didn't think that was the intent of the Historic Board's decision because it was determined to be unsafe. That was part of Decision 2 – to prevent a hardship and injury to the public welfare. By forcing the homeowner to build it back like it was will only perpetuate that.

Councilor Romero-Wirth said, "Councilor Garcia is right to bring us back to the decision tree. What we want to do is to approve the demolition by going to with 14-10.3B, which says that a legally nonconforming structure that is not a five in such a way as to eliminate or reduce the degree or extent of nonconformity, including the demolition or removal of a nonconforming feature for any reason, shall not be reconstructed except in conformance with Chapter 14. The reason that wall was nonconforming is because it doesn't meet the federal required sight visibility. And therefore, I think this provision applies and it addresses the safety concerns that Councilor Vigil Coppler and Councilor Garcia have suggested are overarching over important reasons why you would not want to rebuild the wall. So, in my mind, rather than going into should the demolition be approved and then making sure it meets all three exceptions and then getting down to approving the demolition – the easier path would just be to apply 14-10.3b. That's what I would do if I were a judge and had sole authority to act."

Mayor Webber said, "Bad cases make bad law." He thought the wall was charming and historical and poses a public safety challenge as it existed previously. He was surprised no compromise was brought up to provide both safety and continuity.

He pointed out that it does have architectural merit and historic qualities, but the Appellant has not chosen to bring a compromise to us. Apparently, that is a path still open to provide a solution that is safer and attractive.

Ms. Paez recommended denial of the appeal with the added condition the applicant may bring forth a new application with additional plans for a new consideration by the Historic Board. It would clarify that even though it was denied, it does not foreclose the opportunity for a new application to be considered.

Councilor Romero-Wirth observed that even if the sight line is fixed, you can't back a car out of there. You won't be able to angle the car to get onto the street. So it is unusable space.

Mayor Webber recalled it was noted the property was like that for years without any need for a second parking space that was not there previously. He understood the appellant is trying for the outcome they want. He was disappointed a solution wasn't brought to us.

Councilor Cassutt-Sanchez was in favor of a middle ground to ensure proper traffic engineering was part of the solution. It must still meet sight requirements.

Mayor Webber said the Governing Body heard that Mr. Katz had suggested 5 feet and that suggestion went awry. So, the HDRB had already latched on to the denial for demolishing.

Councilor Garcia heard that testimony differently. The offer of taking down 2' was made but was withdrawn quickly. Regarding the middle ground, she didn't know if the quick rescinding ... He understood there had to be a 15' line of sight and that would impact the architecture. So, would they have to take down more wall? There is more to the story than we are getting. There should be a better way.

Councilor Villarreal felt putting a second car in there is of secondary importance. They should look at other places so she would propose a friendly amendment to the motion with the intention that we would allow a new application - as Ms. Paez said, that they could propose another solution for the wall.

Ms. Paez said that is fine. They could bring forth something else.

Ms. McSherry said the proper way is to first withdraw the motion on the floor and make a new motion.

Motion Withdrawn

Councilor Lindell withdrew her motion. Councilor Rivera withdrew his second to the motion.

MOTION: Councilor Lindell moved, seconded by Councilor Rivera, to deny the appeal and allowing the Applicant, should they choose, to submit a new application for modified design for this wall.

Discussion on the Motion:

Councilor Garcia wanted the modified plan to meet federal requirements.

Councilor Lindell said Councilor Villarreal made a good point. The Governing Body could put all kinds of conditions on the approval but up and down that street are many driveways like this one.

VOTE: The motion was approved on the following 7-2 Roll Call vote:

For: Mayor Webber, Councilor Abeyta, Councilor Cassutt--Sanchez, Councilor Lindell, Councilor Rivera, Councilor Romero-Wirth, and Councilor Villarreal.

Against: Councilor Garcia, Councilor Vigil Coppler

e. CONSIDERATION OF BILL 2020-11. ADOPTION OF ORDINANCE NO. 2020-____. (Mayor Webber, Councilor Cassutt-Sanchez, Councilor Abeyta, Councilor Lindell, and Councilor Vigil Coppler)
An Ordinance Relating to the City of Santa Fe Economic Development Plan Ordinance, Article 11-11 SFCC 1987; Approving and Adopting an Amended Local Economic Development Project Participation Agreement Between the City of Santa Fe and Descartes Labs, Inc. for Design, Development and Construction of Tenant Improvements; and Lease Payments for Expansion of a New World Headquarters Facility, a Local Economic Development Project. (Fabian Trujillo, Office for Business Growth Manager, ftrujillo@santafenm.gov, 955-6912) (Postponed July 8, 2020 and July 29, 2020) Postponed to October 14

f. CONSIDERATION OF BILL 2020-12. ADOPTION OF ORDINANCE NO. 2020-____. (Mayor Webber, Councilor Cassutt-Sanchez, Councilor Abeyta, Councilor Lindell, and Councilor Vigil Coppler)
An Ordinance Relating to the City of Santa Fe Economic Development Plan Ordinance, Article 11-11 SFCC 1987; Approving and Adopting a Local Economic Development Project Participation Agreement Between the City of Santa Fe and Descartes Labs, Inc. for an Economic Development Loan Project for Lease Payments to Provide Assistance for the Negative Financial Impacts of COVID-19. (Fabian Trujillo, Office for Business Growth Manager, ftrujillo@santafenm.gov, 955-6912) (Postponed July 8, 2020 and July 29, 2020) Postponed to October 14.

20. **ADJOURNMENT**

Having completed the agenda and with no further business to come before the Governing Body, the meeting was adjourned at 12:03 p.m.

Approved by:

_____
Mayor Alan Webber

ATTESTED TO:

_____
Yolanda Y. Vigil, City Clerk

Respectfully submitted by:

Carl G Boaz
Carl G. Boaz, Council Stenographer

CITY COUNCIL MEETING
EXECUTIVE SESSION
August 12, 2020

The Governing Body of the City of Santa Fe met in an executive session duly called on August 12, 2020 beginning at 4:32 p.m.

The following was discussed:

a. In Accordance with the New Mexico Open Meetings Act, Specifically NMSA 1978, Section 10-15-1, Part (H)(8), Discussion of the Acquisition of the Santa Fe Estates Property.

b. In Accordance with the New Mexico Open Meetings Act, Specifically NMSA 1978, Section 10-15-1, Part (H)(7), Discussion of Pending or Threatened Litigation, Including But Not Limited to, Joining Certain Amici Briefs and a Quarterly Litigation Update.

PRESENT
Mayor Webber (Attended Virtually)
Councilor Abeyta (Attended Virtually)
Councilor Cassutt-Sanchez (Attended Virtually)
Councilor Garcia (Attended Virtually)
Councilor Lindell (Attended Virtually)
Councilor Rivera (Attended Virtually)
Councilor Romero-Wirth (Attended Virtually)
Councilor Vigil Coppler (Attended Virtually)
Councilor Villarreal (Attended Virtually)

STAFF PRESENT
Jarel LaPan Hill, City Manager (Attended Virtually)
Erin K. McSherry, City Attorney (Attended Virtually)
Yolanda Y. Vigil, City Clerk (Attended Virtually)
Rich Brown, Economic Development Director (Attended Virtually) (Left at 5:09 p.m.)
Marcos Martinez, Assistant City Attorney (Attended Virtually) (Left at 5:09 p.m.)
Andrea Salazar, Assistant City Attorney (Attended Virtually) (Left at 5:09 p.m.)
Bradley Fleutsch, Planning and Investment Officer (Attended Virtually) (Left at 5:09 p.m.)

OTHERS PRESENT

Matthew McQueen, Contract Attorney (Attended Virtually) (Left at 5:09 p.m.)

There being no further business to discuss, the executive session adjourned at 5:21 p.m.

Yolanda Y. Vigil, City Clerk

City of Santa Fe New Mexico
Memorandum

Date: July 30, 2020

To: Governing Bod y, Planning Commission, Public Works and Utilities Committee, Quality of Life Committee

From: Elias Is aacson, AICP ESI
Planning and Land Use Director

RE: Commissary Kitchens Bill

ITEM AND ISSUE:

The proposed Bill adds a definition for "Commissary Kitchen" to the Santa Fe City Code (SFCC) Section 14-12.1 and amends the Permitted Use Table in SFCC Section 14-6.1 (Table 14-6.1-1) to include commissary kitchens as a permitted use, while also requiring a special use permit in a C-1 zoning district if the commissary kitchen would be located within 200' of a residentially zoned property.

BACKGROUND AND SUMMARY:

This Bill is a result of a community request to allow commissary kitchens in C-1 districts.

ACTION REQUESTED:

Approve the Bill as presented.

ATTACHMENTS:

Bill

Fiscal Impact Report

CITY OF SANTA FE, NEW MEXICO

BILL NO. 2020-__

INTRODUCED BY:

Councilor Signe I. Lindell

Councilor Renee Villarreal

AN ORDINANCE

AMENDING THE TABLE OF PERMITTED USES IN SECTION 14-6.1(C) SFCC 1987 TO INCLUDE COMMISSARY KITCHENS AS A PERMITTED USE REQUIRING A SPECIAL USE PERMIT IN C-1 ZONING DISTRICTS; AND AMENDING SECTION 14-12.1 TO ADD THE DEFINITION OF COMMISSARY KITCHENS.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE:

Section 1. Table 14-6.1-1 of the Land Development Code (being Ord. No. 2012-37, § 2, as amended) is amended to add the following permitted uses:

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]

CATEGORY Specific Use	RR	R-1 - R-6	R-7 - R-9	R7 - I	RC-5, RC-8	R-10 - R-29	MHP	RAC	AC**	C-1	C-2	C-4	HZ	BCD	I-1	I-2	BIP	SC-1	SC-2	SC-3	MU ***	Use-Specific Regs
COMMERCIAL																						
Food and Beverages																						
Bar, cocktail lounge, nightclub, no outdoor entertainment								S 3,10	S[3]		P*			P	P	P		P*	P*	P*	P[2]	
Bar, cocktail lounge, nightclub, with outdoor entertainment								S 3,10	S[3]		P*			P*	P*	P*		P*	P*	P*	P* [2]	
Restaurant – full service, with or without incidental alcohol service								S 3,10	S[3]		P			P	P	P	S	P	P	P	P	
Restaurant with bar, cocktail lounge or nightclub comprising more than 25% of total serving area								S 3,10	S[3]		P*			P*	P	P		P*	P*	P*	P* [2]	
Restaurant – Fast service/take-out, no drive-through/drive-up								S 3,10		P[4]	P	P[4]		P	P	P	S	P	P	P	P	
Restaurant – with drive-through/drive-up											P*			P*	P*	P*	S	P*	P*	P*	P* [2]	
Commissary kitchen										P*												

Section 2. Section 14-12.1 of SFCC 1987 (being Ord. No. 2011-37, § 15 as amended) is amended to add the following definitions:

14-12.1 DEFINITIONS

COMMISSARY KITCHEN

A food preparation facility leased by or licensed to food service providers or food product manufacturers for commercial production of meals and food products; loading and unloading of supplies, ingredients, food, and products produced at the facility; and for related services, including, but not limited to, storage of food and ingredients, education and training, the promotion of food service providers, food manufacturers, and food and products produced by them; leasing of food preparation equipment for use off-site; consumption of food and beverages at the facility not open to the general public; and sale and promotion of food products produced at the facility.

APPROVED AS TO FORM:

ERIN K. McSHERRY, CITY ATTORNEY

FIR No. 3264

FISCAL IMPACT REPORT

General Information:

(Check) Bill: X Resolution: _____

Short Title(s): Commissary Kitchens

Sponsor(s): Councilors Lindell and Villarreal

Revie wing Department(s): Land Use

Staff Completing FIR: Elias Isaacson Date: 7/2/20 Phone: 955-6730

Revie wed by City Attorney: _____ Date: Aug 3, 2020

Revie wed by Finance Director: Mary McCoy Date: Aug 4, 2020

Summary:
The purpose of the text amendment (bill) is to add a definitio n for "COMMISSARY KITCHEN" to Section 14-12.1 and to update the Permitted Use Table to allow COMMISSARRY KITCHENS in C- 1 zoning districts. The asterisks next to the "P" in the permitted uses table indicates that Commissary Kitchens within 200 feet of a residential zone will require a Special Use Permit.

Departments Affected:
Land Use Department

Consequences of Not Enacting Legislation:
Commissary Kitchens would not be allowed in C- 1 zoning districts.

Conflict, Duplication, Companionship, or Relationship to Other Legislation:
None identified.

Performance and Administrative Implications:
The mo st positive impact is allowing these commercial business to operate in the C-1 zone. There is little negative impact to the surrounding neighborhoods. A Special Use Permit will be required for Commissary Kitchens within 200 feet of a residential district.

Fiscal Implications:
There are no direct fiscal impacts to this legislation.

Fiscal Impact

X Check here if no fiscal impact

Expenditures

Expenditure Type	FYE __	FYE __	FYE __	Require BAR (Y/N)	Recurring (R) or Non-recurring (NR)	Fund	3-Year Total Cost
Personnel and Benefits*	$	$	$				
Capital Outlay	$	$	$				
Contractual/ Professional Services	$	$	$				
Operating	$	$	$				$
Total:	$	$	$				$

* This includes all staff time associated with executing the job functions of the proposed legislation.

Expenditure Narrative:

Revenue

Revenue Type	FYE __	FYE __	FYE __	Recurring (R) or Non-recurring (NR)	Fund
General Fund	$	$	$		
Special Revenue	$	$	$		
CIP	$	$	$		
Enterprise	$	$	$		
Internal Service	$	$	$		
Trust and Agency	$	$	$		
Federal	$	$	$		
Other	$	$	$		
Total	$	$	$		

Revenue Narrative:

ACTION SHEET
PUBLIC WORKS AND UTILITES COMMITTEE MEETING OF 08/24/2020

ISSUE NO. 8J

Consideration of Bill No. 2020-__: An Ordinance Amending the Table of Permitted Uses in Section 1-6.1(C) SFCC 1987 to Include Commissary Kitchens as a Permitted Use Requiring a Special Use Permit in C-1 Zoning Districts; and Amending Section 14-12.1 to Add the Definition of Commissary Kitchens. (Councilors Lindell and Villarreal) (Eli Isaacson, Land Use Department Director, esisaacson@santafenm.gov, 955-6730)

COMMITTEE REVIEW

Planning Commission:	8/20/2020
Governing Body (Request to Publish):	8/26/2020
Quality of Life Committee:	9/02/2020
Governing Body (Public Hearing):	9/30/2020

PUBLIC WORKS AND UTILITES COMMITTEE ACTION: Pulled off Consent Agenda by Councilor Vigil Coppler. Bill Approved Unanimously to forward to 08/26/2020 Governing Body

SPECIAL CONDITIONS OR AMENDMENTS:

STAFF FOLLOW UP:

VOTE:	FOR	AGAINST	ABSTAIN
COUNCILOR RIVERA, CHAIR	X		
COUNCILOR GARCIA	X		
COUNCILOR ABEYTA	X		
COUNCILOR LINDELL	X		
COUNCILOR VIGIL COPPLER	X		

ACTION SHEET
ITEM FROM FINANCE COMMITTEE MEETING OF 08/17/2020
FOR CITY COUNCIL MEETING OF 08/26/20

b) Consideration of a Bill No. 2020-__: An Ordinance Amending Section Section 23-7.4 Relating to Golf Rates at the MRC. (Councilors Lindell and Vigil Coppler) (Jennifer Romero, MRC Manager, jcromero@santafenm.gov, 955-4465)

COMMITTEE REVIEW:
Quality of Life Committee (scheduled): 8/5/20
Finance Committee (scheduled): 8/17/20
City Council (request to publish): 8/26/20
City Council (public hearing): 9/30/20

FINANCE COMMITTEE ACTION:
Approved on Consent

FUNDING SOURCE:

SPECIAL CONDITIONS OR AMENDMENTS-

VOTE	FOR	AGAINST	ABSTAIN
CHAIRPERSON ABEYTA	X		
COUNCILOR LINDELL	X		
COUNCILOR ROMERO-WIRTH	X		
COUNCILOR VILLARREAL	X		
COUNCILOR CASSUTT-SANCHEZ	X		

3-19-18

ACTION SHEET
ITEM FROM QUALITY OF LIFE COMMITTEE MEETING OF 08/05/2020
FOR CITY COUNCIL MEETING OF 08/26/2020

ISSUE:
Consideration of a Bill #2020-__: An Ordinance Amending Section Section 23-7.4 Relating to Golf Rates at the MRC. (Councilors Lindell and Vigil Coppler) (Jennifer Romero, MRC Manager, jcromero@santafenm.gov, 955-4465)

COMMITTEE REVIEW:
Quality of Life Committee (scheduled): 8/5/20
Finance Committee (scheduled): 8/17/20
City Council (request to publish): 8/26/20
City Council (public hearing): 9/30/20

QUALITY OF LIFE COMMITTEE ACTION: Approved on consent

SPECIAL CONDITIONS OR AMENDMENTS:

SEND TO:
Finance and Governing Body

VOTE	FOR	AGAINST	ABSTAIN
CHAIRPERSON ROMERO-WIRTH	X		
COUNCILOR VILLARREAL	X		
COUNCILOR RIVERA	X		
COUNCILOR GARCIA	X		
COUNCILOR CASSUTT-SANCHEZ	X		

City of Santa Fe, New Mexico

DATE: July 17, 2020

TO: Public Works Committee
Finance Committee
Governing Body

VIA: _____
John P. Muñoz, Parks & Recreation Department Director

FROM: Jennifer Romero, MRC Manager

RE: Request approval of Greens Fee/Golf Cart Fee Rate Implementation – Effective August 1, 2020

SUMMARY:

Effective August 1, 2020, per the recommendation of the Marty Sanchez Links de Santa Fe (MSLDSF) Advisory Board, a Sub-committee of Parks and Recreation Advisory Committee (PARC), requests your approval to implement a greens fee & golf cart fee rate increase as follows:

Fee Type	NM Resident Current Fee	NM Resident Proposed Fee	Increase Amount	Increase %	Out of State Current Rate	Proposed Rate	Increase Amount	Increase %
18 hole walking	$30.00	$32.00	$2.00	6.67	$35.00	$40.00	$5.00	14.29
18 hole with cart	$48.00	$50.00	$2.00	4.17	$53.00	$55.00	$2.00	3.77
18 hole senior walking	$25.00	$27.00	$2.00	8.00	$28.00	$30.00	$2.00	7.14
18 hole senior with cart	$36.00	$38.00	$2.00	5.56	$42.00	$44.00	$2.00	4.76
9 hole walking	$23.00	$25.00	$2.00	8.70	$28.00	$30.00	$2.00	7.14
9 hole with cart	$34.00	$37.00	$3.00	8.82	$40.00	$42.00	$2.00	5.00
9 hole senior walking	$20.00	$22.00	$2.00	10.00	$25.00	$27.00	$2.00	8.00
9 hole senior with cart	$28.00	$30.00	$2.00	7.14	$32.00	$34.00	$2.00	6.25
G-28 walking	$16.00	$17.00	$1.00	6.25	$22.00	$23.00	$1.00	4.55
G-28 senior walking	$13.00	$14.00	$1.00	7.69	$20.00	$21.00	$1.00	5.00
18 hole junior walking	$14.00	$15.00	$1.00	7.14	$14.00	$15.00	$1.00	7.14
9 hole junior walking	$10.00	$11.00	$1.00	10.00	$10.00	$11.00	$1.00	10.00
G-28 junior walking	$9.00	$10.00	$1.00	11.11	$9.00	$10.00	$1.00	11.11
Weekday tournament (Tuesday-Thursday)	$44.00	$46.00	$2.00	4.55	$44.00	$46.00	$2.00	4.55
Weekend tournament (Friday-Monday)	$46.00	$48.00	$2.00	4.35	$46.00	$48.00	$2.00	4.35
5 round volume discount	$135.00	$150.00	$15.00	11.11	$165.00	$190.00	$25.00	15.15
10 round volume discount	$250.00	$280.00	$30.00	12.00	$300.00	$360.00	$60.00	20.00
20 round volume discount	$460.00	$520.00	$60.00	13.04	$560.00	$700.00	$140.00	25.00
30 round volume discount	$630.00	$750.00	$120.00	19.05	$780.00	$990.00	$210.00	26.92
Cart Fee for 18 holes	$18.00	$20.00	$2.00	11.11	$18.00	$20.00	$2.00	11.11
Cart Fee for 9 holes	$11.00	$12.00	$1.00	9.09	$11.00	$12.00	$1.00	9.09

Currently, our rates are significantly lower than our competitors. A Golf Course Competitor Rate Comparison spreadsheet is attached for review; reference Exhibit B. As a result of the impacts of COVID-19, in an effort to offset the overall maintenance expense and cost of reclaimed water infrastructure, and to increase revenue generated by the MRC, we request your review and approval of the proposed greens fee rate and golf cart rate increase; reference Exhibit A, FY20/21 Proposed Rate Increase spreadsheet.

Initially, we completed a 3-year average of rounds/revenue generated. However, because we transitioned point of sale systems from Jonas to Teensap in 2018, the "Fee Type" rates outlined could not be broken out. As a result, 2019 rounds and cart sale, were used to make projections.

If rounds and cart sales remain the same as 2019, we project to generate $1,547,340 in revenue (an increase of: $232,332.85. However, given COVID-19, a more realistic increase is projected to be approximately $116,166; if rounds increase by 3%, we project an increase of $211,384 in revenue and if rounds decrease by 3%, we project a decrease in revenue of $41,186.

A 3% increase or decrease is used as an example because it is within a realistic possibility of growth or downturn. The 3% column shown on Exhibit A is calculated by taking the rounds in 2019 and increasing them by 3% them multiplying that number by the proposed new rate for the particular round profile.

Given the COVID-19 circumstances, the MSL Golf Course Advisory Sub-committee, and Parks & Recreation Commission (PARC) were unable have a recorded meeting. As a result, we are requesting that the proposal be submitted as part of the revenue generating ideas for the new fiscal year 20/21 budget.

New Mexico Golf Limited (NMGL), the Pro-shop contractor is in agreement with this request.

ACTION RECOMMENDED:

We kindly request your review and approval of the rate increase and forwarding to the Finance Committee and Governing Body Committee for review and approval.

Attachments: Exhibit A: FY20/21 Proposed Rate Increase spreadsheet
Exhibit B: Golf Course Competitor Rate Comparison Spreadsheet
Legislative Request Form
FIR Template

Cc: MRC File
Julio "Alo" Broadsky, Head Golf Professional
Jesse Guillen, Legislative Liaison

CITY OF SANTA FE, NEW MEXICO

BILL NO. 2020-__

Councilor Signe I. Lindell

Councilor Joanne Vigil Coppler

AN ORDINANCE

AMENDING SECTION 23-7.4 RELATING TO GOLF RATES AT THE MRC.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE:

Section 1. Subsection 23-7.4 SFCC 1987 (being Ord. No. 2013-26) is amended to read:

23-7.4 MRC Golf Rates.

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]

A.

Type	NM Resident Rate	Out of State Rate
18 hole walking	[~~$30~~] $35	[~~$35~~] $40
18 hole with cart	[~~$48~~] $50	[~~$53~~] $55
18 hole senior walking	[~~$25~~] $27	[~~$28~~] $30
18 hole senior with cart	[~~$36~~] $38	[~~$42~~] $44
9 hole walking	[~~$23~~] $25	[~~$28~~] $27
9 hole with cart	[~~$34~~] $37	[~~$40~~] $42
9 hole senior walking	[~~$20~~] $22	[~~$25~~] $27
9 hole senior with cart	[~~$28~~] $30	[~~$32~~] $34
G-28 walking	[~~$16~~] $17	[~~$22~~] $23
G-28 with cart	[~~$27~~] $28	[~~$32~~] $33
G-28 senior walking	[~~$13~~] $14	[~~$20~~] $21
G-28 senior with cart	[~~$20~~] $23	[~~$26~~] $29
18 hole junior walking	[~~$14~~] $15	[~~$14~~] $15
9 hole junior walking	[~~$10~~] $11	[~~$10~~] $11
G-28 junior walking	[~~$9~~] $10	[~~$9~~] $10
Weekday tournament (Tuesday-Thursday)	[~~$44~~] $46	[~~$44~~] $46
Weekend tournament (Friday-Monday	[~~$46~~] $48	[~~$46~~] $48
5 round volume discount	[~~$135~~] $150	[~~$165~~] $190
10 round volume discount	[~~$250~~] $280	[~~$300~~] $360
20 round volume discount	[~~$460~~] $520	[~~$560~~] $700
30 round volume discount	[~~$630~~] $750	[~~$780~~] $990

B. Hometown Hero Rate. All active military and retired military, city and county law enforcement officers, city and county fire department members, and corrections officers working within Santa Fe County may receive the senior rate as noted in subsection A above. Players seeking the senior rate must show military or law enforcement ID. The hometown hero rate is only valid Monday-Friday after 10 a.m. and Saturday-Sunday after 1 p.m.

C. In order to maximize revenues, be competitive with area golf courses, and respond to market conditions, the city manager may, upon review by the city finance director, authorize in writing an increase or decrease of twenty-five percent (25%) to the rates described in paragraph A above. Such rate change shall be published in a local daily newspaper. Such rate change shall apply to the general public [~~and shall not be available to a particular group or individual~~]. The city manager may also occasionally authorize special, short-term promotional rates.

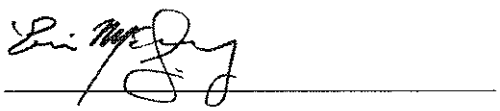
D. Gross receipts tax shall be paid on all greens fees set forth in paragraphs A through C above. The sum of the rate and gross receipts tax shall be rounded to the next highest quarter.

E. Juniors under the age of eighteen (18) and associated with a high school golf team or a golf program [~~will be allowed to hit~~] may each hit two (2) large buckets of range balls [~~each,~~] after 3:30 p.m., free of charge while participating in a scheduled season.

F. Once each fiscal year, the city may sponsor a benefit tournament to support children and youth recreation programs at the genoveva chavez community center and the MRC. [~~The applicable tournament rates will not be paid from the~~] Tournament revenues[~~, but~~] will be incorporated into the annual MRC rate analysis and proposed rate structure to cover the tournament fees that would have been applicable.

PASSED, APPROVED, and ADOPTED this ___ day of _____, 2020.

APPROVED AS TO FORM:



ERIN K. McSHERRY, CITY ATTORNEY

Legislation/2020/Bills/Golf Course Rate Change

FY20/21 PROPOSED RATE INCREASE (GREENS FEE/CART FEE)

Fee Type	NM Resident Current Fee	NM Resident Proposed Fee	Increase Amount	Increase %	Out of State Current Rate	Proposed Rate	Increase Amount	Increase %	2018 Rounds/Individual Sales 6/1 thru 12/31	2019 Rounds/Individual Sales	3% increase in rounds	2018/19 Rounds average	2019 Revenue	Revenue Projections: same amount of rounds in 2020 as 2019	Revenue Projections: 3% increase in rounds in 2020	Revenue Projections: 3% decrease in rounds in 2020
18 hole walking	$30.00	$32.00	$2.00	6.67	$35.00	$40.00	$5.00	14.29	91	76	78	84	$2,077.00	$3,040.00	$3,120.00	$2,960.00
18 hole with cart	$48.00	$50.00	$2.00	4.17	$53.00	$55.00	$2.00	3.77	1080	1233	1270	1157	$29,935.00	$34,524.00	$35,560.00	$33,516.00
18 hole senior walking	$25.00	$27.00	$2.00	8.00	$28.00	$30.00	$2.00	7.14	3078	4614	5998	3846	$138,420.90	$147,648.96	$191,936.00	$113,568.00
18 hole senior with cart	$36.00	$38.00	$2.00	5.56	$42.00	$44.00	$2.00	4.76	1650	2073	2695	1861	$47,678.31	$51,824.25	$67,375.00	$39,875.00
9 hole walking	$23.00	$25.00	$2.00	8.70	$28.00	$30.00	$2.00	7.14	10793	15382	15844	13088	$276,879.06	$307,643.40	$316,880.00	$298,680.00
9 hole with cart	$34.00	$37.00	$3.00	8.82	$40.00	$42.00	$2.00	5.00	5461	6911	7118	6186	$124,394.94	$138,216.60	$142,360.00	$134,200.00
9 hole senior walking	$20.00	$22.00	$2.00	10.00	$25.00	$27.00	$2.00	8.00	11027	14130	18369	12579	$184,945.76	$213,221.70	$277,188.21	$164,013.21
9 hole senior with cart	$28.00	$30.00	$2.00	7.14	$32.00	$34.00	$2.00	6.25	8227	10835	14086	9531	$108,607.50	$119,401.70	$155,227.72	$91,851.70
G-28 walking	$16.00	$17.00	$1.00	6.25	$22.00	$23.00	$1.00	4.55		1733	1785		$27,728.00	$29,461.00	$30,345.00	$28,577.00
G-28 senior walking	$13.00	$14.00	$1.00	7.69	$20.00	$21.00	$1.00	5.00		4395	4527		$57,135.00	$61,530.00	$63,378.00	$59,682.00
18 hole junior walking	$14.00	$15.00	$1.00	7.14	$14.00	$15.00	$1.00	7.14		297	306		$4,158.00	$4,455.00	$4,590.00	$4,320.00
9 hole junior walking	$10.00	$11.00	$1.00	10.00	$10.00	$11.00	$1.00	10.00		134	147		$1,340.00	$1,474.00	$1,617.00	$4,598.00
G-28 junior walking	$9.00	$10.00	$1.00	11.11	$9.00	$10.00	$1.00	11.11		95	98		$855.00	$980.00	$980.00	$920.00
Weekday tournament (Tuesday-Thursday)	$44.00	$46.00	$2.00	4.55	$44.00	$46.00	$2.00	4.55								
Weekend tournament (Friday-Monday)	$46.00	$48.00	$2.00	4.35	$46.00	$48.00	$2.00	4.35								
5 round volume discount	$135.00	$150.00	$15.00	11.11	$165.00	$190.00	$25.00	15.15		9	9.25		$1,157.13	$1,350.00	$1,387.50	$1,312.50
10 round volume discount	$250.00	$280.00	$30.00	12.00	$300.00	$360.00	$60.00	20.00		2	2.1		$476.20	$560.00	$588.00	$532.00
20 round volume discount	$460.00	$520.00	$60.00	13.04	$560.00	$700.00	$140.00	25.00		7	7.2		$3,066.70	$3,640.00	$3,744.00	$3,536.00
30 round volume discount	$630.00	$750.00	$120.00	19.05	$780.00	$990.00	$210.00	26.92		21	22		$12,600.00	$15,750.00	$16,500.00	$15,000.00
Cart Fee for 18 holes	$18.00	$20.00	$2.00	11.11	$18.00	$20.00	$2.00	11.11		14130	14554		$184,945.76	$282,600.00	$291,080.00	$274,120.00
Cart Fee for 9 holes	$11.00	$12.00	$1.00	9.09	$11.00	$12.00	$1.00	9.09		10835	11160		$108,607.50	$130,020.00	$133,920.00	$126,120.00
Total													$1,315,007.76	$1,547,340.61	$1,737,776.43	$1,397,381.41
Increase/Decrease from 2019														$232,332.85	$422,768.67	$82,373.65
Increase factoring in COVID-19														$116,166.43	$211,384.34	$41,186.83

GOLF COURSE	Weekday rates	Weekend rates	Cart fee
Marty Sanchez Links de Santa Fe	Mon - Fri	Sat- Sun	
	$ 30.00	Same as wkday	$ 18.00
After 2 PM	$ 23.00	Same as wkday	$ 11.00
(505) 955-4400 ext. 4			
Santa Fe Country Club	Tues - Thurs	Fri - Sun	
	$ 31.00	$ 43.00	$ 19.00
After 2 PM	$ 25.00	$ 30.00	$ 10.00
(505)471-2626			
Paa-Ko Ridge	$ 200.00	$200	Includes Cart and Range Balls
After 2 PM	$95	$95	
(505)281-6000			
Towa Golf Resort	$ 69.00	$ 69.00	$18
After 2 PM	$ 49.00	$ 49.00	
(505)455-9000			
Black Mesa	Mon - Fri	Sat- Sun	
	$ 82.00	$ 87.00	Included
After 2 PM	$ 52.00	$ 52.00	
(505)747-8946			
Pueblo de Cochiti	$ 59.00	$ 69.00	Included
After 2 PM	$ 39.00	$ 49.00	

GOLF COURSE COMPETITOR RATE COMPARISON 2020

Exhibit "B"

Los Alamos Golf Course	$ 31.50	$ 34.50	$ 15.00
(505)662-8139			
Taos Country Club	Mon-Thurs	Fri-Sun	
	$ 71.00	$ 82.00	$ 20.00
After 2 PM	$ 44.00	$ 50.00	
(575) 758-7300			
Arroyo Del Oso	Mon-Thurs	Fri-Sun	
	$ 26.00	$ 32.50	Includes Cart
After 2 PM	$ 21.00	$ 24.50	
(505) 884-7505			

Comments	Tournament Rates
*Seniors- $18	Tues-Thurs: $44.00
	Fri-Mon: $46.00
*Seniors-no rate	Mon-Sun:65.00
*Seniors -no rate	
Rates apply Mon-Thurs only	
*Seniors-$55 only Sun-Thur	
	Rates Vary-$75-95
*Seniors-$10 Less	Monday-Thursday $59
	Friday-Sun $69
*Seniors-(M-Th) $47 *Seniors- (F-Sun) $57 Less	Mon-Thur: $55-$72
	Fri-Sun: $60-$120

*Seniors-(M-Th) $3 Less	
*Seniors-no rate	
*Seniors weekdays $19 Senior weekends $32.50	

Type	NM Resident Rate	FY20/21 NM Resident proposed rate	Out of State Rate	FY20/21 Out of State proposed rate
18 hole walking	$30.00	$32.00	$35.00	$40.00
18 hole with cart	$48.00	$50.00	$53.00	$55.00
18 hole senior walking	$25.00	$27.00	$28.00	$30.00
18 hole senior with cart	$36.00	$38.00	$42.00	$44.00
9 hole walking	$23.00	$25.00	$28.00	$30.00
9 hole with cart	$34.00	$37.00	$40.00	$42.00
9 hole senior walking	$20.00	$22.00	$25.00	$27.00
9 hole senior with cart	$28.00	$30.00	$32.00	$34.00
G-28 walking	$16.00	$17.00	$22.00	$23.00
G-28 with cart	$27.00	$28.00	$32.00	$33.00
G-28 senior walking	$13.00	$14.00	$20.00	$21.00
G-28 senior with cart	$20.00	$23.00	$26.00	$29.00
18 hole junior walking	$14.00	$15.00	$14.00	$15.00
9 hole junior walking	$10.00	$11.00	$10.00	$11.00
G-28 junior walking	$9.00	$10.00	$9.00	$10.00
Weekday tournament (Tuesday-Thursday)	$44.00	$46.00	$44.00	$46.00
Weekend tournament (Friday-Monday)	$46.00	$48.00	$46.00	$48.00
5 round volume discount	$135.00	$150.00	$165.00	$190.00
10 round volume discount	$250.00	$280.00	$300.00	$360.00
20 round volume discount	$460.00	$520.00	$560.00	$700.00
30 round volume discount	$630.00	$750.00	$780.00	$990.00
Cart Fee for 18 holes	$18.00	$20.00	$18.00	$20.00

Cart Fee for 9 holes	$11.00	$12.00	$11.00	$12.00

FIR No. 3265

FISCAL IMPACT REPORT

General Information:

(Check) Bill: X Resolution: _____

Short Title(s): **AN ORDINANCE AMENDING SECTION 23.7.4 RELATING TO GOLF RATES AT THE MRC TO INCREASE GREENS FEES AND GOLF CART FEES**

Sponsor(s): Councilor Lindell and Vigil Coppler

Reviewing Department(s): Parks & Recreation Department

Staff Completing FIR: Jennifer Romero Date: 07/17/20 Phone: 955-4465

Reviewed by City Attorney: _____ Date: 7/31/2020

Reviewed by Finance Director: Mary McCoy Date: 08.11.20

Summary:
This Bill is intended to increase greens fee and golf cart rates offered at the Marty Sanchez Links de Santa Fe golf course. The proposed rates are comparable to the rates charged at other golf courses in the area.

Departments Affected By:
Parks & Recreation

Consequences of Not Enacting Legislation:
If the City does not implement a rate increase, it will continue to see a decline in revenue.

Conflict, Duplication, Companionship, or Relationship to Other Legislation:
None identified.

Performance and Administrative Implications:
Implementing a rate increase will generate revenue for the facility which has been diminished as a result of COVID-19. It will also provide revenues for investment in effluent water infrastructure.

Fiscal Implications:
Please refer to attached "2020 Rate Increase Spreadsheet".

Fiscal Impact

_____ Check here if no fiscal impact

Expenditures

Expenditure Type	FYE __	FYE __	FYE __	Require BAR (Y/N)	Recurring (R) or Non-recurring (NR)	Fund	3-Year Total Cost
Personnel and Benefits*	$	$	$				
Capital Outlay	$	$	$				
Contractual/ Professional Services	$	$	$				
Operating	$	$	$				$
Total:	$	$	$				$

* This includes all staff time associated with executing the job functions of the proposed legislation.

Expenditure Narrative:

Revenue

Revenue Type	FYE 20-21	FYE 21-22	FYE 22-23	Recurring (R) or Non-recurring (NR)	Fund
General Fund	$	$	$		
Special Revenue	$	$	$		
CIP	$	$	$		
Enterprise	$116,166	$211,384	$	R	530
Internal Service	$	$	$		
Trust and Agency	$	$	$		
Federal	$	$	$		
Other	$	$	$		
Total	$	$	$		

Revenue Narrative:

The proposed rate restructuring is consistent with rates offered by other, nearby golf courses and will allow MSL to increase its revenue by approximately 102,582 per year, with a projected increase of 3% from 2019 actual revenue received in fee types outlined in Exhibit "A"

City of Santa Fe, New Mexico

200 Lincoln Avenue, P.O. Box 909, Santa Fe, N.M. 87504-0909
www.santafenm.gov

Alan Webber, Mayor

Councilors:
Signe I. Lindell, Mayor Pro Tem, District 1
Renee Villarreal, District 1
Michael J. Garcia, District 2
Carol Romero-Wirth, District 2
Roman "Tiger" Abeyta, District 3
Chris Rivera, District 3
Jamie Cassutt-Sanchez, District 4
JoAnne Vigil Coppler, District 4

DATE: August 7, 2020

TO: Planning Commission, Public Works and Utilities Committee, Finance Committee, and Governing Body

From: Elias Isaacson, Planning & Land Use Director
Jason M. Kluck, Assistant Planning & Land Use Director

Re: Land Use Fees

EXECUTIVE SUMMARY:

This primary objective of this proposal is to adopt new Sections 7-1.11 and 14-13 SFCC 1987, which would create a comprehensive schedule of all fees assessed by the Land Use Department for services provided to the public. The proposal includes related amendments to Section 7-3.3, which would remove the permit fee to move a building; amendments to Section 14-8, which would allow the Land Use Director to issue certain preliminary permits at the owner's risk; and amendments to Section 14-9.5, which would clarify the process for construction of public and quasi-public improvements prior to other aspects of development. Finally, the proposal would add a definition to Subsection 14-12.1 for "Site Restoration," which is needed to clarify other aspects of the proposal.

All proposed fees correlate with existing services provided by the Department, many of which are currently provided at no charge. The proposed new fees would offset the cost of providing these services. Some fees, such as the fee for "Exception to Historic Overlay", are proposed for reduction to more accurately reflect the actual staff time associated with evaluating the request. There are no new operating expenses associated with the proposed fee adjustment because staff members currently collect fees, and processing the new fees would require a nominal amount of additional staff time.

Mayor Webber is the legislative sponsor of these amendments. Under Section 14-3.3(A)(4), all amendments to the Land Use Code require a public hearing, review, and recommendation from the Planning Commission prior to consideration by the Governing Body.

(Elias Isaacson Planning and Land Use Director, esisaacson@santafenm.gov, 955-6370; and Jason Kluck, Assistant Planning and Land Use Director, jmkluck@santafenm.gov, 955-6729)

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EVALUATION CRITERIA:

Section 14-3.3, "Amendments to Text of Chapter 14," outlines the process for amending the text of the Land Use Code. To make a positive recommendation to the Governing Body, the Planning Commission must find that a text amendment meets the six criteria set forth in Section 14-3.3(B). The criteria are set forth below.

(1) compliance with law;
(2) consistency with the general plan;
(3) ***consistency with other policies adopted by the governing body;***
(4) consistency with the purpose and intent of Chapter 14 and of the section being amended;
(5) consideration of how the amendment relates to other provisions of the Santa Fe City Code and the avoidance of unintended consequences; and
(6) consistency with any approved neighborhood conservation overlay districts.

RECOMMENDATION:

Because the proposal meets the above six criteria (where applicable), Staff recommends that the Planning Commission recommend approval to the Governing Body of the proposed ordinance amendments. Adopting new Sections 7-1.11 and 14-13 SFCC 1987 would create a comprehensive schedule of all fees assessed by the Land Use Department for services provided to the public. Adopting amendments related to Section 7-3.3 would remove the permit fee to move a building. Amendments to Section 14-8 would allow the Land Use Director to issue certain preliminary permits at the owner's risk. Amendments to Section 14-9.5 would clarify the process for construction of public and quasi-public improvements prior to other aspects of development. Finally, adoption of the proposal would add a definition to Subsection 14-12.1 for "Site Restoration," which is needed to clarify other aspects of the proposal.

ATTACHMENTS:

1. Proposed Text Amendments, including updated Fees Table
2. Fiscal Impact Report

CITY OF SANTA FE, NEW MEXICO

BILL NO. 2020-__

INTRODUCED BY:

Mayor Alan Webber

AN ORDINANCE

CREATING NEW SECTIONS 7-1.11 AND 14-13 SFCC, ESTABLISHING A FEE SCHEDULE FOR SERVICES PROVIDED BY THE LAND USE DEPARTMENT; REPEALING SECTION 7-3.3, REGARDING THE PERMIT FEE TO MOVE A BUILDING; AMENDING SECTION 14-8 TO ALLOW THE LAND USE DIRETOR TO ISSUE CERTAIN PRELIMINARY PERMITS AT THE OWNER'S OWN RISK; AMENDING SECTION 14-9.5 TO CLARIFY THE PROCESS FOR CONSTRUCTING PUBLIC AND QUASI-PUBLIC IMPROVEMENTS PRIOR TO COMMENEMENT OF OTHER ASPECTS OF DEVELOPMENT; ADDING A DEFINTITION TO SUBSECTION 14-12.1 FOR "SITE RESTORATION"; AND ESTABLISHING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE:

Section 1. Section 7-1.3 of SFCC 1987 (being Ord. No. 2008-1 § 6) is amended to read:

7-1.3 Schedule of fees, charges, and expenses.

A. The governing body shall establish [~~by resolution~~] a schedule of fees for

underscored material = new [~~bracketed material~~] = delete

permits and other matters pertaining to this chapter. The schedule of fees shall be posted in the land use department and may be altered or amended only by the governing body after a noticed public hearing. No permit or approval required under this chapter shall be issued or granted unless and until such fees have been paid in full. The schedule of fees adopted by the governing body replaces fees adopted by the state of New Mexico construction industries division as set forth in the New Mexico Administrative Code.

B. The fees shall be reviewed as set forth in subsection 11-2.5 SFCC 1987.

Section 2. [NEW MATERIAL] A new Section 7-1.11 of SFCC 1987 is hereby adopted to read:

7-1.11 Permit Fees.

Fees for permits and other matters associated with Chapter 7 SFCC 1987 are established in Table 7-1.11-1 below.

Table 7-1.11-1

FEE TYPE	FEE	UNIT
BUILDING PERMIT ACTIVITIES		
Mandatory Pre-Submittal Building Permit Meeting - Large Projects with Multiple Subject Matter Experts (1.5 hours)	$500.00	Per Meeting
Optional Pre-Submittal Building Permit Meeting - Small Projects with 1 or 2 Subject Matter Experts (1 hour)	$150.00	Per Meeting
Pre-Submittal Building Permit Plan Review Consultations and Residential Master Model Review	$60.00	Per Hour
Green Building Code - Early Consultation	$60.00	Per Consultation
Green Building Code - Building Permit Review (Residential)	$100.00	Per Permit
PV Solar (Commercial or Residential)	$100.00	Per Permit
Permit Revisions/Corrections Review (1st Revision review per station free, and not subject to fee)	$60.00	Per Hour
Building Permit Extension	$100.00	Per Six Month Extension
Building Permit Revision (change information and reissue permit board)	$120.00	Per Revision
PRIMARY BUILDING PERMIT ADMINISTRATIVE FEES		
Administrative Fee	$40.00	Each Permit
Construction Valuation of (rounded to nearest full dollar):		
$1 to $500	$25.00	

Administrative Fee	$40.00	Each Permit
Construction Valuation of:		
$1 to $500	$25.00	
$501 to $2,000	$25.35 for the first $500 plus $3.05 for each additional $100 or fraction thereof, up to and including $2000	
$2,001 to $25,000	$69.25 for the first $2001 plus $14 for each additional $1000 or fraction thereof, up to and including $25,000	
$25,001 to $50,000	$391.75 for the first $25,001 plus $10.10 for each additional $1000 or fraction thereof, up to and including $50,000	
$50,001 to $100,000	$643.75 for the first $50,001 plus $7 for each additional $1000 or fraction thereof, up to and including $100,000	
$100,001 to $275,000	$993.75 for the first $100,001 plus $5.93 for each additional $1000 or fraction thereof, up to and including $275,000	
$275,001 to $500,000	$1,830.00 for the first $275,001 plus $7.30 for each additional $1000 or fraction thereof, up to and including $500,000	
$500,001 to $1,000,000	$3518.37 for the first $500,000 plus $5.60 for each additional $1000 or fraction thereof, up to and including $1,000,000	
$1,000,001 and up	$5,893.37 for the first $1,000,001 plus $4.40 for each additional $1,000 or fraction thereof	

Signage Permit	$0.40/sq. ft. plus $45.00 review fee	Square Feet
Residential Plan Review	50% of Permit Fee	
Commercial Plan Review	75% of Permit Fee	
Plan Amendment Review Fee	$60/Hr (minimum 2 hours)	Hour
Demolition Permit Fee (Residential)	$40.00	Permit
Demolition Permit Fee (Commercial)	$60.00	Permit
Building Without a Permit	Double the original permit fee	Permit
Expedited Plan Review	Cost of preapproved third party plan review + 20% service charge for administration and other required review	Permit
ELECTRICAL PERMIT FEES		
Issuance of Electrical Permit (Commercial & Residential)	$40.00	Permit
Meter Loop New thru 100 AMP (Residential)	$45.00	Permit
150-200 AMP/panel thru 200 AMP (Residential)	$72.00	Permit
Over 200 AMP/Panel thru 320 AMP (Residential)	$99.00	Permit
Over 320 AMP/Panel thru 400 AMP (Residential)	$225.00	Permit
Over 400 AMP/Panel (Residential)	$360.00	Permit
Over 200 AMP/Panel thru 400 AMP (Commercial)	$225.00	Permit
Over 400 AMP/Panel thru 600 AMP (Commercial)	$270.00	Permit
Over 600 AMP/Panel thru 800 AMP (Commercial)	$360.00	Permit
Over 800 AMP/Panel thru 1000 AMP (Commercial)	$450.00	Permit
Over 1000 AMP/Panel thru 2000 AMP (Commercial)	$630.00	Permit
Over 2000 AMP/Panel (Commercial)	$900.00	Permit
Temporary Power Pole (Commercial & Residential)	$27.00	Permit
Mobile Home Service	$27.00	Permit
Customer-Owned Power Distribution	$45.00	Permit
Each Pole	$6.00	Permit
Per 100 feet of Underground Wiring	$6.00	Permit
Service Change Only/No outlets	$27.00	Permit
Low Voltage	$20.00	Unit
MECHANICAL PERMIT FEES		
Issuance of Mechanical Permit (Commercial & Residential)	$40.00	Permit
Ventilation System	$10.00	Permit
Central Furnace	$10.00	Permit
Wall Heater	$10.00	Permit

Refrigeration System	$10.00	Permit
Duct Work System	$10.00	Permit
Solar Space Heating System	$20.00	Permit
Combination Unit HVAC	$10.00	Permit
Chiller	$10.00	Permit
Cooling Tower	$10.00	Permit
Commercial Kitchen Hood	$10.00	Permit
Commercial Duct System	$10.00	Permit
Medical Gas System	$10.00	Permit
Mini Split Installation	$10.00	Permit
Gas Fireplace	$5.00	Permit
Temporary Gas	$10.00	Permit
Temporary Heat	$10.00	Permit
Repairs or Additions, Heating Appliance, Refrigeration Unit, Cooling System	$8.50	Permit
Boiler Replacement or Repair	$8.50	Permit
PLUMBING PERMIT FEES		
Issuance of Plumbing/Gas Permit (Commercial & Residential)	$50.00	Permit
Exhaust Fan	$5.00	Permit
Water Distribution System	$5.00	Permit
Building Sewer	$5.00	Permit
Water Heater	$5.00	Permit
Each Swimming Pool	$50.00	Permit
Industrial Waste Interceptor/Trap & Vent	$10.00	Permit
Water Conditioner	$8.50	Permit
Evaporative Cooler	$10.00	Permit
Vacuum Breaker or Back Flow Device	$5.00	Permit
Gas Piping System	$5.00	Permit
Gas Appliance	$5.00	Permit
Gas Pipe Outlet	$4.00	Permit
Domestic Hot Water Solar Heating System	$10.00	Permit
Solar Space Heating System	$10.00	Permit
Sewage Ejector/Grinder	$5.00	Permit
Grease Trap/Interceptor	$5.00	Permit
Water Service Line	$5.00	Permit
Gas Yard Line	$5.00	Permit
Chilled Water Distribution System	$10.00	Permit
Roof Drainage System	$10.00	Permit
Hot Water Solar Potable System	$10.00	Permit

Gray Water System	$10.00	Permit
Sewer Yard Line	$10.00	Permit
Sewer Lateral	$10.00	Permit
Sewer Connection	$40.00	Permit
Line	$10.00	Permit
Lawn Sprinkler System	$13.00	Permit
Temporary Gas	$10.00	Permit
Temporary Heat	$10.00	Permit

Section 3. Section 7-3.3 of SFCC 1987 (being Ord. No. 1983-26 § 3, as amended) is hereby repealed.

Section 4. Subsection 14-3.17(D) of SFCC 1987 (being Ord. No. 2011-37 § 3) is amended to read:

(D) **Process to File an Appeal**

(1) Filing Appeal; Form; Verification

The appellant shall file two copies of the written appeal with the *land use director*. The appeal shall be filed on a form provided for that purpose and shall be verified, signed by the appellant under oath and notarized.

(2) Receipt; Service of Appeal

The *land use director* shall initial and enter the date and time of filing on both copies of the appeal and return one copy to the appellant. Within three days of the filing date, the appellant shall hand deliver a copy of the appeal to any appellee or deliver it by first-class certified mail.

(3) Appeal Fee

(a) An appeal fee shall be paid at the time of filing an appeal.

(b) The *governing body* [~~shall establish by resolution a schedule of fees for appeals~~] has established a fee schedule for appeals as set forth in Table 14-13.1-1 SFCC 1987. The *land use director* may waive or reduce the

appeal fee if the *land use director* determines that the appellant would qualify for the *city's* utility fee poverty exemption set forth in Section 15-1.3 SFCC 1987 (Utility Billing - Poverty Exemption).

(4) Multiple Appeals and Multiple Jurisdictions

(a) An appellant may not appeal any single *final action* more than once.

(b) Every appeal requires an independent basis. *Final actions* may not be appealed solely on the basis of alleged mistakes in prior stages of the same project, whether or not the prior *final actions* were appealed.

(c) More than one appellant may file an appeal of a *final action*, and appellants may combine their appeals and share the appeal fee proportionally. All appeals of any single *final action* shall be consolidated for hearing purposes.

(d) Any review by the *governing body* of a planning commission decision under Section 14-2.2(A)(3) shall be combined with the hearing on an appeal of that decision.

(e) In the case of an appeal that includes *final actions* that fall under the jurisdiction of more than one *land use board*, the *land use director* shall determine the appropriate *land use board* to hear any particular issue on appeal, except as otherwise provided in this section.

(5) Withdrawal

An appellant may withdraw the appeal at any time. A withdrawal does not affect any related appeal. At any time after an appeal has been filed, an appellant and appellee may agree to settle any matters raised in the appeal and the appellant may withdraw the appeal; provided that such settlement complies with applicable code

requirements, including any conditions of approval of the *final action* being appealed.

(6) Conformity of Appeal

The *land use director* shall promptly review all appeals for conformity with the requirements of Section 14-3.17. Upon determining that an appeal does not conform to the requirements, the *land use director* shall refer the matter to the *city* attorney for review.

(a) If the *city* attorney concurs with the *land use director* 's determination, the *city* attorney's written recommendation shall be forwarded to the *governing body* for discussion. The *governing body* may accept the *city* attorney's written recommendation and the decision is final and may be appealed to district court. If the *governing body* does not accept the *city* attorney's recommendation, the appeal shall be heard as set forth in Chapter 14.

(b) If the *city* attorney does not concur with the *land use director* 's determination, the appeal shall be heard as set forth Chapter 14.

(7) District Court Appeals

An appeal of a *final action* of the *governing body* or a *land use board*, or of an action of the *city* manager, the *city* attorney or the *land use director* that is only subject to appeal to district court, shall be to the first judicial district court pursuant to Section 39-3.1.1 NMSA 1978, Rule 1-074, NMRA or Rule 1-075, NMRA, as amended, or other relevant statute or court rule.

Section 5. [NEW MATERIAL] A new Section 14-13 of SFCC 1987 is hereby adopted to read:

Fees for permits and other matters associated with Chapter 14 SFCC 1987 are established in Table 14-13.1-1 below:

FEE TYPE	FEE	UNIT
CURRENT PLANNING ACTIVITIES		
Pre-application Meeting	$100.00	Per Meeting
Code Interpretation, Formal Issuance (PZ Letter/Zoning Statement)	$150.00	Per Request
Zoning Compliance Letter/Form	$150.00	Per Letter/Form
Zoning Verification Letter	$75.00	Per Letter
Certificate of Compliance – Lot of Record (Administrative)	$150.00	Per Certificate
Certificate of Compliance - Lot of Record (Planning Commission)	$300.00	Per Certificate
Certificate of Compliance - Residential Condominium	$150.00	Per Statement
Administrative Development Plan Approval	$300.00	Per Request
ENN - Staff Attendance and Documentation of Meeting	$150.00	Per Meeting
Variance - Planning Commission - Without Development Plan or Plat	$750.00	Per Variance
Variance - Board of Adjustment	$300.00	Per Variance
Waiver - Planning Commission	$500.00	Per Waiver
Waiver - City Council (Utility Undergrounding)	$1,500.00	Per Waiver
Waiver - PW Director (Intersection Visibility)	$100.00	Per Waiver
Special or Conditional Use Permit	$1,000.00	Per Permit
Appeal (of LU Director Admin. Decision)	$200.00	Per Appeal
Appeal (of Land Use Board Decision)	$200.00	Per Appeal
Alternate Means of Compliance – (LU Director)	$150.00	Per Request
Alternate Means of Compliance - (Land Use Board)	$500.00	Per Request
Administrative Waiver - (Land Use Board)	$500.00	Per Request
Administrative Waiver – (Land Use Director)	$150.00	Per Request
Setback Affidavit	$150.00	Per Request
Innovative Road Standard	$300.00	Per Request
Applicant-requested Postponement of Land Use Board Hearing	$500.00	Per Postponement
Other Land Use Development Review (per hour)	$75.00	Per Hour
Code Amendment	$1,000.00	Each
Lot Splits	$400.00	Per Split
Lot Line Adjustment	$200.00	Each
Lot Consolidation	$200.00	Each
Dedication, Easement & Vacation Plats	$350.00	Each
Plan/Plat Amendment Administrative	$300.00	Each
Plan/Plat Amendment Planning Commission	$500.00	Each
Lease Agreement	$400.00	Each
License Agreement	$400.00	Each

License/Lease Agreement Renewal Fee	$75.00	Each
Large Public Notice Poster	$30.00	Each
Medium Public Notice Poster (Administrative Decision)	$25.00	Each
Small Public Notice Poster (Escarpment)	$10.00	Each
Annexation Application under 1 acre	$1,000.00	
Annexation Application 1-9.99 acres (first five acres)	$2,000.00	First Five Acres
Annexation Application (each additional acre after five)	$200.00	Each Additional Acre
Annexation Application 10-24.99 acres (first ten acres)	$3,000.00	First Ten Acres
Annexation Application 25 acres or more	$100.00	Each Additional Acre
General Plan Amendment Application 1-9.99 acres (first five acres)	$1,000.00	First Five Acres
General Plan Amendment Application (each additional acre after five)	$200.00	Each Additional Acre
General Plan Amendment Application 10 acres and above	$2,000.00	First Ten Acres
General Plan Amendment Application (each additional acre after ten)	$100.00	Each Additional Acre
Rezoning Application 1-9.99 acres (first five acres)	$1,000.00	First Five Acres
Rezoning Application (each additional acre after five)	$200.00	Each Additional Acre
Rezoning Application 10 acres or more	$2,000.00	First Ten Acres
Rezoning Application (each additional acre after ten)	$100.00	Each Additional Acre
ELECTRICAL FACILITIES		
Administratively Approved Application	$500.00	Application
Transmission Line	$2,000.00	Application
Distribution Line	$1,000.00	Application
Substation or Switching Station	$2,000.00	Application
DEVELOPMENT PLAN APPLICATION AND TELECOMMUNICATIONS REVIEW FEES (BASED ON COST OF DEVELOPMENT)		
$0-$999	$350.00	
$1,000-$4,999	$600.00	

$0-$999	$350.00	
$5,000-$49,999	$1,100.00	
$50,000-$149,999	$1,500.00	
$150,000-$499,999	$2,500.00	
$500,000-$999,999	$5,000.00	
$1,000,000-$1,999,999	$7,000.00	
$2,000,000 and above	$10,000.00	
Each Additional Million after $2 Million	$1,000.00	
SUBDIVISIONS		
Subdivision Application 3-5 lots Prelim Plat	$400.00	Per plat
Subdivision Application 3-5 lots Final Plat	$400.00	Per plat
Subdivision Application 6+ lots Prelim Plat	$150.00	Per Lot After (5)
Subdivision Application 6+ lots Final Plat	$150.00	Per Lot After (5)
Family Transfer (6 lot max)	$150.00	Per Plat
TECHNICAL REVIEW ACTIVITIES		
Floodplain Determination Letter	$50.00	Per Request
Escarpment Pre-Submittal Meeting - New Construction	$75.00	Per Request
Escarpment Pre-Submittal Meeting - Addition/Remodel	$50.00	Per Request
Escarpment Pre-Submittal Meeting - Other (small e.g., fence, shed, etc.)	$25.00	Per Request
Escarpment - Site Visit	$75.00	Per Site visit
Escarpment - Alternate Siting	$500.00	Per Request
Prairie Dog Relocation Administration	$150.00	Per Request
Letter of Credit Initial Processing (includes closeout)	$300.00	Per Financial Guarantee
Letter of Credit Draw-Down Approval	$75.00	Per Drawdown
Cash Escrow Initial Processing (includes closeout)	$300.00	Per Escrow
Cash Escrow Draw-Down Approval	$75.00	Per Drawdown
Pre-Construction Meeting per the Infrastructure Completion Policy	$500.00	Meeting
Pre-application Advisory Inspections for G&D, Landscaping or ADA	$100.00	Per Inspection Request
Alternate Means of Compliance - Landscape Requirements	$75.00	Per Requirement (varied)
Alternate Means of Compliance - Grading and Drainage Requirements	$150.00	Per Requirement (varied)

GRADING PLAN REVIEW FEES		
50 cubic yards or less	$14.00	
51 to 100 cubic yards	$27.00	
101 to 1,000 cubic yards	$45.00	
1,001 to 10,000 cubic yards	$55.00	
10,001 to 100,000 cubic yards	$55.00 for the first 10,000 cubic yards, plus $27.00 for each additional 10,000 cubic yards or fraction thereof	
100,001 to 200,000 cubic yards	$295.00 for the first 100,000 cubic yards, plus $14.50 for each additional 10,000 cubic yards or fraction thereof	
200,001 cubic yards or more	$442.00 for the first 200,000 cubic yards, plus $8.50 for each additional 10,000 cubic yards or a fraction thereof	
GRADING PERMIT FEES		
50 cubic yards or less	$14.00	
51 to 100 cubic yards	$27.00	
101 to 1,000 cubic yards	$45 for the first 100 cubic yards, plus $19.25 for each additional 100 cubic yards or fraction thereof	
1,001 to 10,000 cubic yards	$214 for the first 1,000 cubic yards, plus $15.95 for each additional 1,000 cubic yards or fraction thereof	
10,001-100,000 cubic yards	$357 for the first 10,000 cubic yards, plus $72.00 for each additional	
100,001 cubic yards or more	$1,010 for the first 100,000 cubic yards, plus $40.50 for each additional 10,000 cubic yards or a fraction thereof	

WATER BUDGET ACTIVITIES		
Review Alternate Development Water Budget Proposal	$150.00	Per Request
HISTORIC AND ARCHAEOLOGICAL ACTIVITIES		
Historic Districts Pre-Application Meeting/Site Visit	$75.00	Per Request
Historic Districts Application Fee for Administrative Approval	$100.00	Per Request
Archaeological Review Application Fee for Public Hearing	$100.00	Per Request
Appeal to Archaeological Review Committee	$100.00	Per Appeal
Exception (if required)	$250.00	Each
Archaeological Clearance Permits (Existing)	$10.00	Per Construction Permit
Clearing & Grubbing or Limited Grading at Owner's Risk Permit (Must Also Submit Financial Guarantee Based on Engineer's Estimate)	150% of Grading Permit Fee	
Emergency Grading at Owner's Risk Permit (Must Also Submit Financial Guarantee of $2000.00 Per Acre or as stipulated by the City Engineer after review of the terrain conditions and the extent of required grading)	150% of Grading Permit Fee	
Construction of Public and Quasi-Public Infrastructure without an Agreement to Construct (Must Also Submit Financial Guarantee Based on Engineer's Estimate for Site Restoration and for 10% of the construction valuation, which shall be held until the end of the warranty period)	150% of Grading Permit Fee	
Medium Notice Poster	$25.00	Each
BUILDING CODE INSPECTION ACTIVITIES		
Home Occupation	Home Occupation	Home Occupation
Special Event Permit, Temporary Structures	$100.00	Per Permit
Noise Permit	$25.00	Per Permit
Itinerant Vendors	$150.00	Per Permit
Certificates of Occupancy Reissue (not for building permit)	$75.00	Per Certificate
Re-Inspection Fee (minimum 2 hours)	$60.00	Per Hour
Additional Inspection Fee (minimum 2 hours)	$60.00	Per Hour
After Hours Inspections Fee	$85.00	Per Hour
CODE ENFORCEMENT ACTIVITIES		
Temporary Use Permit (including filming of motion pictures)	$125.00	Per Permit
Short-Term Rental Application Fee	$100.00	Per Application
Short-Term Rental Renewal Late Fee	$50.00	Per Permit or Registration

Short-Term Rental Residential Permit Fee	$290.00	Per Permit Per Year
Short-Term Rental Business License Fee	$35.00	Annually
Short-Term Rental Resort Unit/Non-Residential/Commercial Registration Fee	$65.00	Per Registration Per Year
Short-Term Rental Renewal Late Fee	$50.00	Per Permit or Registration
HDRB Application Fee for Public Hearing (0.5% of Proposed Construction Cost)	$250 (min) - $2000 (max.)	Per Request
Medium Notice Poster	$25.00	Each

Section 6. Subsection 14-8.2(D)(2) of the Land Development Code (being Ord. No. 2011-37 § 10) is amended to read:

14-8.2 TERRAIN AND STORMWATER MANAGEMENT

(D) **Standards for All Grading**

(2) Grading

(a) *Grading* for *buildings* is limited to fifteen (15) feet beyond the outer edge of the *building* foundation, patio, *wall*, driveway, road, parking area or other constructed facility except as necessary:

(i) for the construction of stormwater runoff management measures in compliance with this Section 14-8.2; or

(ii) to accommodate required horizontal to vertical measurements for *cut* and *fill slopes*.

(b) Natural *slopes* thirty percent or greater shall remain undisturbed, except for arroyo crossings and for no more than three isolated occurrences of *sloped* areas where each individual disturbance shall not exceed one thousand (1,000) square feet, as approved by the *city engineer*. The *city engineer* may waive this provision, in writing, stating the reasons and basis for such approval, if evidence is provided by the *applicant* showing that

strict enforcement of this provision would prohibit access to the *lot* or placement of utilities. This provision applies solely to the construction of roads, driveways and utility placement and is not intended to allow *development* on natural *slopes* exceeding thirty percent. The other provisions of the escarpment overlay district ordinance and the terrain and stormwater management regulations shall remain in effect.

(c) Phasing for *grading* and clearing may be required by the *city engineer* on all sites where construction will not begin immediately after clearing and *grading*;

(d) A construction *permit* for *grading* for driveway construction shall not be issued unless the *city engineer* has first determined that the driveway provides access to a buildable area as defined in Subsection 14-8.2(D)(3) and that the *permit* complies with the requirements of Section 14-5.6 (Escarpment Overlay District); and

(e) All *grading* completed on the site shall conform to the approved *grading* plan.

(f) The *land use director* may grant an *application* submitted to the building division of the land use department for a preliminary clearing and grubbing *permit* or a limited *grading permit*, allowing for work authorized under such *permit* solely at the risk of the *owner* while an *application* for an associated *permit* for comprehensive grading and drainage or landscape and utilities is pending.

(g) Under emergency circumstances, the *land use director* may issue a *grading* at *owner*'s risk *permit* prior to the submission of an *application*. A *permit* issued under this subparagraph shall expire twelve (12) months after

issuance with no allowance for extensions.

Section 7. Subsection 14-9.5(B) of the Land Development Code (being Ord. No. 2013-16 § 60, as amended) is amended as follows:

14-9.5 INFRASTRUCTURE DEDICATION, COMPLETION, AND GUARANTEES

(B) Infrastructure Completion or Agreement to Construct Improvements Required

The developer must complete *public improvements* [~~or~~] *and quasi-public* [~~*infrastructure*~~] *improvements* required for any *development* [~~shall be completed by the developer~~] in accordance with plans approved by the *city* and must pass inspection prior to commencing other aspects of the *development*, or the developer must enter into an agreement with the *city* to construct improvements as described in Subsection 14-9.5(C). If the developer seeks to construct *public improvements and quasi-public improvements* without entering into an agreement to construct, the developer must first submit a financial guarantee based on an engineer's estimate for the cost of *site restoration* plus ten percent (10%) of the construction valuation, which shall be held until the end of the twelve-month warranty period. The *infrastructure* must be completed or the agreement to construct improvements must be executed prior to the earliest of the following:

(1) recording the *plat* for *development* that requires a subdivision *plat* other than a *plat* for a *family* transfer subdivision, a summary procedure *lot* split or a *resubdivision*;

(2) recording or filing in *city* archives an approved *development* plan;

(3) issuance of a construction *permit* for any construction other than the *infrastructure*, for *development* for which a *plat* for an inheritance or *family* transfer subdivision, a summary procedure *lot* split or a *resubdivision* is required; and

(4) issuance of a construction *permit* for any construction other than the *infrastructure*, for *development* for which no subdivision *plat* or *development* plan is required.

Section 8. Section 14-12.1 of the Land Development Code (being Ord. No.

2011-37, § 15, as amended) is amended to add the following definition:

SITE RESTORATION

The process of renewing, reclamation, and salvage of site features and ecosystems that have been altered, degraded, damaged, or destroyed by unauthorized or illegal activity to pre-development conditions or to other modified conditions as approved by the *city engineer*.

Section 9. Effective Date. This ordinance shall take effect on January 1, 2021.

APPROVED AS TO FORM:

ERIN K. McSHERRY, CITY ATTORNEY

Legislation/2020/Bills/Land Use Fees

FIR No. 3183

FISCAL IMPACT REPORT

General Information:

(Check) Bill: X Resolution: _____

Short Title(s): Land Use Fees

Sponsor(s): Mayor Webber

Revie wing Department(s): Land Use Department

Staff Completing FIR: Eli Isaacson Date: 7/3/20 Phone: 955-6830

Revie wed by City Attorney: [signature] Date: Aug 10, 2020

Revie wed by Finance Director: Mary McCoy Date: Aug 11, 2020

Summary:
The proposed Bill would adopt a comprehensive schedule of all fees assessed by the Land Use Department for services provided to the public.

Departments Affected:
Land Use Department.

Consequences of Not Enacting Legislation:
Not enacting the proposed Bill could result in a lack of awareness by the public of all applicable fees for a proposed project or activity, which are currently found in numerous separate resolutions.

Conflict, Duplication, Companionship, or Relationship to Other Legislation:
This Bill relates to another proposed Bill that ma ke s changes to the Short Term Rental regulations in Chapter 14.

Performance and Administrative Implications:
Adoption of this Bill would ensure the City is properly compensated for the services it provides the public.

Fiscal Implications:
The projected new revenue would be generated from adjustments to fees collected by the Land Use Department. All proposed fees correlate with existing services provided, the ma jority of which are provided currently for no charge. The proposed new fees would offset the co st of providing these services. In one instance, Exception to Historic Overlay, the fee is proposed to be reduced by $100/request to reflect mo re closely the actual staff time associated with evaluating the request. There are no expenses associated with the proposed fee adjustment because staff me mbers currently collect fees, and processing the new fees would require a nominal amount of additional staff time.

Fiscal Impact.

_____ Check here if no fiscal impact

Expenditures

Expenditure Type	FYE __	FYE __	FYE __	Require BAR (Y/N)	Recurring (R) or Non-recurring (NR)	Fund	3-Year Total Cost
Personnel and Benefits*	$	$	$				
Capital Outlay	$	$	$				
Contractual/ Professional Services	$	$	$				
Operating	$	$	$				$
Total:	$	$	$				$

* This includes all staff time associated with executing the job functions of the proposed legislation.

Expenditure Narrative:

Revenue

Revenue Type	FYE 21	FYE 22	FYE 23	Recurring (R) or Non-recurring (NR)	Fund
General Fund	$551,725	$551,725	5$51,725	R	11001
Special Revenue	$	$	$		
CIP	$	$	$		
Enterprise	$	$	$		
Internal Service	$	$	$		
Trust and Agency	$	$	$		
Federal	$	$	$		
Other	$	$	$		
Total	$	$	$		

Revenue Narrative:

The estimated increase in fees as a result of the adoption of this Bill would be $551,725.

ACTION SHEET
ITEM FROM FINANCE COMMITTEE MEETING OF 08/17/2020
FOR CITY COUNCIL MEETING OF 08/26/20

a) Request for the Approval of the 2018 State Homeland Security Grant Program Sub-Grant Amendment to extend the Period of Performance through September 30th, 2020;New Mexico Department of Homeland Security and Emergency Management; Kyle Mason, kamason@santafenm.gov, 505-955-6704

FINANCE COMMITTEE ACTION:
Approved on Discussion

FUNDING SOURCE:

SPECIAL CONDITIONS OR AMENDMENTS-

VOTE	FOR	AGAINST	ABSTAIN
CHAIRPERSON ABEYTA	X		
COUNCILOR LINDELL	X		
COUNCILOR ROMERO-WIRTH	X		
COUNCILOR VILLARREAL	X		
COUNCILOR CASSUTT-SANCHEZ	X		

3-19-18

ACTION SHEET
ITEM FROM QUALITY OF LIFE COMMITTEE MEETING OF 08/19/2020
FOR CITY COUNCIL MEETING OF 08/26/2020

ISSUE:
Request for the Approval of the 2018 State Homeland Security Grant Program Sub-Grant Amendment to extend the Period of Performance through September 30th, 2020; New Mexico Department of Homeland Security and Emergency Management. (Kyle Mason, kamason@santafenm.gov, 505-955-6704)

COMMITTEE REVIEW:
Finance Committee (scheduled): 8/17/2020
Quality of Life Committee (scheduled): 8/19/2020
Governing Body (scheduled): 8/26/2020

QUALITY OF LIFE COMMITTEE ACTION: approved on consent

SPECIAL CONDITIONS OR AMENDMENTS:

SEND TO:
Governing Body

VOTE	FOR	AGAINST	ABSTAIN
CHAIRPERSON ROMERO-WIRTH	X		
COUNCILOR VILLARREAL	X		
COUNCILOR RIVERA	X		
COUNCILOR GARCIA	X		
COUNCILOR CASSUTT-SANCHEZ	X		

City of Santa Fe, New Mexico

memo

Date: July 9, 2020

To: Quality of Life Committee

Finance Committee

Governing Body

From: Kyle Mason, Emergency Management Director

Subject: Extension of 2018 State Homeland Security Grant Program Sub-grant Agreement

Attached is the revised sub-grant agreement extending the performance period for this grant through September 30, 2020. This will allow the City to expend some of the remaining $66,697.12 for Homeland Security-related improvements to our Police Department's Intelligence Center. Please sign each copy of this amended sub-grant agreement and I will forward to the New Mexico Department of Homeland Security and Emergency Management to officially extend the grant's performance period.

Please let me know if you have any additional questions or need any clarification. I may be reached via email (kamason@santafenm.gov) or at extension 6704.

State of New Mexico
DEPARTMENT OF HOMELAND SECURITY & EMERGENCY MANAGEMENT
P.O. Box 27111
Santa Fe, NM 87502

SUB-RECIPIENT GRANT AGREEMENT AMENDMENT 1

2018 State Homeland Security Grant Program (SHGP)

2018 Federal Grant No.: EMW-2018-SS-00056-S01 CFDA No.: 97.067

1. SUB-GRANT NO.	2. SUB-RECIPIENT NAME	3. FIDUCIARY NAME
EMW-2018-SS-00056-S01-01	City of Santa Fe	City of Santa Fe

4. STATE DFA VENDOR NUMBER	5. EIN NUMBER	6. DUNS NUMBER	7. CAGE CODE
0000054360	85-6000168	069420818	4C987

8. SUB- RECIPIENT PHYSICAL ADDRESS	9. SUB-RECIPIENT REMIT ADDRESS
200 Lincoln Ave. Santa Fe, NM 87501	200 Lincoln Ave. Santa Fe, NM 87501

10. DHSEM CONTACT NAME:	11. CONTACT DESK PHONE:	505-476-9614
Victoria L. Romero	CONTACT EMAIL ADDRESS:	DHSEM.Grants@state.nm.us

THIS AMENDMENT EXTENDS THE PERFORMANCE PERIOD END DATE TO SEPTEMBER 30, 2020. ALL OTHER TERMS AND CONDITIONS IN THE ORIGINAL SUB GRANT AGREEMENT REMAIN THE SAME.

12a. PERFORMANCE PERIOD START DATE	January 1, 2019	12b. PERFORMANCE PERIOD END DATE	September 30, 2020

13a. SHSGP FEDERAL AWARD	13b. SHSGP TOTAL SUB-RECIPIENT AWARD
$ 120,464.00	$ 120,464.00

	14a. NAME OF PROJECT AWARD	14b. AMOUNT AWARDED
1	PLANNING	$ 0.00
2	EQUIPMENT	$ 66,934.00
3	TRAINING	$ 53,530.00
4	EXERCISE	$ 0.00
5		$
6		$
7		$
8		$
	TOTAL AMOUNT OF PROJECTS	$ 120,464.00

State of New Mexico
DEPARTMENT OF HOMELAND SECURITY & EMERGENCY MANAGEMENT
P.O. Box 27111
Santa Fe, NM 87502

SUB-RECIPIENT GRANT AGREEMENT AMENDMENT 1
2018 State Homeland Security Grant Program
2018 Federal Grant No. EMW-2018-SS-00056-S01 CFDA No. 97.067

The acceptance of a grant from the United States and the State of New Mexico creates a legal duty and obligation on the part of the sub-grantee **City of Santa Fe** to use the funds or property made available in accordance with the conditions of the grant as administered by and through the New Mexico Department of Homeland Security and Emergency Management.

SIGNATURE OF ACCEPTANCE

JURISDICTION SIGNATURES			
Signature of Emergency Management Program Manager		**DATE**	
KAM		7/27/2020	
Printed Name:	Kyle Mason		
Contact Number:	505-955-6704	**e-Mail Address:**	kamason@santafenm.gov
Signature of Jurisdiction Chief Financial Officer		**DATE**	
Printed Name:			
Contact Number:		**e-Mail Address:**	
Signature of Jurisdiction Signatory Official		**DATE**	
Printed Name:			
Contact Number:		**e-Mail Address:**	
NM DHSEM SIGNATURES			
Signature of DHSEM Grant Manager		**DATE**	
Print Name: *Juanita Abeyta*			
Signature of DHSEM Cabinet Secretary Designate		**DATE**	
Print Name: *Bianca Ortiz Wertheim*			

Please print two (2) originals, sign both and mail to:
Grants Management Unit, P.O. Box 27111, Santa Fe, NM 87502

CITY OF SANTA FE:

_____
ALAN WEBBER, MAYOR

ATTEST:

_____
YOLANDA Y. VIGIL, CITY CLERK

CITY ATTORNEY'S OFFICE:

Marcos Martinez
Marcos Martinez (Jul 10, 2020 11:51 MDT)

_____
SENIOR ASSISTANT CITY ATTORNEY

APPROVED:

_____
MARY MCCOY, FINANCE DIRECTOR

Business Unit/Line Item:

22852.560700
22852.560200
22852.560500
22852.570800
22852.570500

CITY OF SANTA FE PROCUREMENT CHECKLIST

Contractor Name: US Department of Homeland Security

Procurement Title: 2018 State Homeland Security Grant Program

Procurement Method: State Price Agreement ☐ *Cooperative* ☐ *Sole Source* ☐ *Other* ☒ Grant

Exempt ☐ *Request For Proposal* (RFP) ☐ *Invitation To Bid (ITB)* ☐ *Contract under 60K* ☐ *Contract over 60K* ☒

Department Requesting Emergency Management Staff Name Kyle Mason

Procurement Requirements:

A procurement file shall be maintained for all contracts, regardless of the method of procurement. The procurement file shall contain the basis on which the award is made, all submitted bids, all evaluation materials, score sheets, quotations and all other documentation related to or prepared in conjunction with evaluation, negotiation, and the award process. The procurement shall contain a written determination from the Requesting Department, signed by the purchasing officer, setting forth the reasoning for the contract award decision before submitting to the Committees. .

REQUIRED DOCUMENTS FOR APPROVAL BY PURCHASING*

YES	N/A	
☒	☐	Approved Procurement Checklist (by Purchasing)
☒	☐	Memo addressed to City Manager (under 60K) Committees/City Council (over 60K)
☐	☒	State Price Agreement
☐	☒	RFP
☐	☒	Evaluation Committee Report
☐	☒	ITB
☐	☒	Bib Tab
☐	☒	Quotes (3 valid current quotes)
☐	☒	Cooperative Agreement
☐	☒	Sole Source Request and Determination Form
☐	☒	Contractors Exempt Letter
☐	☒	Purchasing Officers approval for exempt procurement
☐	☒	BAR
☐	☒	FIR
☒	☐	Executed Contract, Agreement or Amendment
☐	☒	Current Business Registration and CRS numbers on contract or agreement
☒	☐	Summary of Contracts and Agreements form
☐	☒	Certificate of Insurance
☒	☐	All documentation presented to Committees
☐	☒	Other: _____

Kyle Mason	Emergency Management Director	7/9/2020
Department Rep Printed Name (attesting that all information included)	Title	Date
Fran Dunaway Jul 12, 2020 15:14 MDT)		
Purchasing Officer (attesting that all information is reviewed)	Title	Date

Include all other substantive documents and records of communication that pertain to the procurement and any resulting contract.

*

City of Santa Fe

Real Estate Summary of Contracts, Agreements, Amendments & Leases

Section to be completed by department

1. Munis Contract # **18-1367**

Contractor: **US DEPT OF HOMELAND SECURITY**

Description: **2018 State Homeland Security Grant Program (SHSGP). MUNIS Grant # F2038. 2212850 / 560700; 560200; 560050; 570500; 570800**

Contract ☐ Agreement ☐ Lease / Rent ☐ Amendment ☉

Term Start Date: **12/1/2019** Term End Date: **6/30/2020**

☑ Approved by Council Date: _____

Contract / Lease:

Amendment # **1** to the Original Contract / Lease # _____

Increase/(Decrease) Amount $ _____

Extend Termination Date to: **September 30, 2020**

☐ Approved by Council Date: _____

Amendment is for: Extension of Period or Performance

2. **HISTORY of Contract, Amendments & Lease / Rent - Please Elaborate** (option: attach spreadsheet if multiple amendments)

3. **Procurement History:** _____

Purchasing Officer Review: _____ Date: _____

Comment & Exceptions: _____

4. **Funding Source:** **US DEPT OF HOMELAND SECURITY** **Org / Object:** **See Description Above**

Alexis Lotero

Budget Officer Approval: _____ Date: _____

Comment & Exceptions: _____

Staff Contact who completed this form: **Kyle Mason** Phone # **6704**

Email: **kamason@santafenm.gov**

To be recorded by City Clerk:

Clerk # _____

Date of Execution: _____

DEC 24 AM10:37

ITEM # 18-1367

State of New Mexico
DEPARTMENT OF HOMELAND SECURITY & EMERGENCY MANAGEMENT
P.O. Box 27111
Santa Fe, NM 87502

SUB-RECIPIENT GRANT AGREEMENT
2018 State Homeland Security Grant Program (SHSGP)
2018 Federal Grant No.: EMW-2018-SS-00056-S01 CFDA No.: 97.067

1. SUB-GRANT NO.	2. SUB-RECIPIENT NAME	3. FIDUCIARY NAME
EMW-2018-SS-00056-S01-City of Santa Fe	City of Santa Fe	City of Santa Fe

4. STATE DFA VENDOR NUMBER	5. EIN NUMBER	6. DUNS NUMBER	7. CAGE CODE
0000054360	85-6000168	069420818	4C987

8. SUB- RECIPIENT PHYSICAL ADDRESS	9. SUB-RECIPIENT REMIT ADDRESS
200 Lincoln Avenue Santa Fe, NM 87501	200 Lincoln Avenue Santa Fe, NM 87501

10. DHSEM CONTACT NAME:	11. CONTACT DESK PHONE:	505476-9614
Victoria Romero	CONTACT EMAIL ADDRESS:	DHSEM.Grants@state.nm.us

12a. PERFORMANCE PERIOD START DATE	January 1, 2019	12b. PERFORMANCE PERIOD END DATE	June 30, 2020

13a. SHSGP FEDERAL AWARD	13b. SHSGP TOTAL SUB-RECIPIENT AWARD
$ 120,464.00	$ 120,464.00

	14a. NAME OF PROJECT AWARD	14b. AMOUNT AWARDED
1	PLANNING	$ 0.00
2	EQUIPMENT	$ 66,934.00
3	TRAINING	$ 53,530.00
4	EXERCISE	$ 0.00
5		$
6		$
	TOTAL AMOUNT OF PROJECTS	$ 120,464.00

See attached Project Worksheet for required Project Scope of Work Details.
This Project Worksheet attachment is incorporated into the terms and conditions of this agreement.

15. RECITALS, GRANT REQUIREMENTS, ASSURANCES AND AGREEMENTS

RECITALS

WHEREAS, the New Mexico Department of Homeland Security and Emergency Management **(DHSEM)** has been designated by the United States Department of Homeland Security **(DHS)** to serve as grantee, and is thereby authorized to issue this agreement to the applicant, sub-recipient, and sub-grantee, **City of Santa Fe.**

WHEREAS, funding has been obligated from the **DHS** pursuant to a request by the applicant, sub-recipient, and sub-grantee, **City of Santa Fe.**

NOW, THEREFORE it is mutually understood and agreed between the grantee, DHSEM, and sub-grantee, **City of Santa Fe** as follows:

ARTICLE 1: CONTRACT DOCUMENTS

The following additional contract documents are fully incorporated into this agreement and thereby constitute additional terms and conditions of this agreement:

This Agreement:
Attachment I Required Reimbursement Checklist
2018 Homeland Security Grant Program Application
2018 Homeland Security Grant Program Notice of Funding Opportunity (DHS-18-GPD-067-00-01)
2018 SHSGP NOFO Appendix A, B, C & D.
2018 SHSGP Project Award Approved Worksheet

ARTICLE 2: SCOPE OF WORK

As authorized by the Robert T. Stafford Disaster Relief and Emergency Assistance Act (the Stafford Act), as amended (42 U.S.C Sections 5121 et. seq.), and Section 662 of the Post Katrina Emergency Reform Act of 2006, as amended (6 U.S.C. Section 762), **City of Santa Fe** shall use SHSGP funds to assist in preparing for all-hazards. Specifically, these funds shall be utilized by **City of Santa Fe** to pay for the eligible expenditures per approved projects previously identified in the SHSGP grant application, and approved by the DHSEM Cabinet Secretary. All work performed pursuant to this agreement must comply with the approved SHSGP application, as applicable. All work must be completed within the performance period, between **January 1, 2019** and **June 30, 2020. City of Santa Fe** shall not sub-grant any part of this award to any other entity or organization. Within the first reporting quarter, all awards require confirmation that expenditures in the budget category toward this project will be made. If not, DHSEM may execute a de-obligation of Federal funds, without recourse by **City of Santa Fe**

ARTICLE 3: PROJECT IMPLEMENTATION

Approved projects must commence within the first reporting quarter. If a project cannot commence and be operational within the first reporting quarter of the approved award date, the sub–grantee must submit a written statement to DHSEM, signed by the sub-recipient signatory officials, justifying the delay in implementation, the expected starting date, and a formal request to extend the project start date past the first reporting quarter. At the sole discretion of DHSEM, the grant award is subject to cancellation and funds may be de–obligated and reallocated to other projects.

ARTICLE 4 : REPORTING REQUIREMENTS

The sub recipient, **City of Santa Fe** shall submit timely quarterly Financial Progress Reports and a quarterly Performance Progress Report to the DHSEM Grant Specialist. Use of outdated forms will not be accepted. ***Quarterly reports are due: July 30, October 30, January 30, and April 30, within the period of performance beginning after the conclusion of the first quarter of grant activity.*** Final reports are due 45 days after the end of Period of Performance. Financial Progress Reports shall describe and show the status of the funds, encumbrances, receipts of program income, cash or in-kind contributions to the project, and whether or not a local match is required. The Final Narrative Report is a summary report, evaluating project activities and measuring performance against project goals and objectives for the entire performance period, and is required in addition to the last quarterly report. The Final Narrative will suffice as the Final Performance Progress Report.

The applicant must immediately report in writing to the DHSEM Grant Specialist any alleged acts or allegations of fraud or misappropriation of funds for work authorized under this Sub-Grant Agreement. This requirement extends further to an obligation by the sub-recipient to report any legal action, lawsuit, bankruptcy, or other action that may jeopardize the successful completion of any authorized project.

ARTICLE 5: REIMBURSEMENTS

Submission of a request for reimbursement must be accompanied by both the Quarterly Financial Progress and Performance Progress reports. If there is no reimbursement requests for a given quarter all reports must still be submitted. Reimbursement shall be based upon authorized and allowable expenditures consistent with the project narrative, grant guidelines, and the submission of timely Financial and Performance Progress Reports. Payments may be withheld by DHSEM pending correction of deficiencies. Reimbursement of expenditures shall be requested at least quarterly for expenditures within the performance period. Expenditures must be supported with source documentation (e.g. copies of proof of payment, invoices, receipts, timesheets with name/wage/hours, cost allocation, warrants, etc.). Grant staff will not process reimbursement if quarterly performance and fiscal reports are not timely submitted.

Contracts: All sole–source procurements, single vendor response to a competitive bid, and contracts require DHSEM pre–approval prior to implementation. Requests for reimbursement for contractual services must be accompanied by the relevant contract.
Local Match: Local matching funds must clearly support the source, the amount, and the timing of all matching contributions.
Equipment: Allowable equipment categories are listed on the web-based Authorized Equipment List (AEL). Screenshots of the AEL number and description are required to be submitted along with the Request for Approval.
Travel: All reimbursable travel must be pre-approved by DHSEM 30 days prior to travel date.
Per Diem: Reimbursements for local jurisdictions cannot exceed the rates of the New Mexico Mileage and Per Diem Act.
Training: Requires DHSEM pre–approval 30 days prior to registering or participating in training opportunities.
Exercise: Requires submission of an After–Action Report/Improvement Plan within 60 days after conduct of exercise.
Food and Beverages: Per National Preparedness Directorate (NPD) allowances, food and/or beverage expenses provided by recipients are allowable costs if:

- The food and/or beverages are provided to participants at training sessions, meetings, or conferences that are allowable activities under the NPD program guidelines; and
- Expenses incurred for food and/or beverages, and provided at training sessions, meetings, or conferences, satisfy the following tests:
    - The cost of the food and/or beverages provided is considered to be reasonable;
    - The food and/or beverages provided are subject of a work-related event and work continues after meals are served;
    - Participation by all participants is mandatory; and

- The food and/or beverages provided are not related directly to amusement and/or social event. (Any event where alcohol is being served is considered a social event; therefore, costs associated with the event are not allowed).

Non-reimbursable Expenses:

- Transfer of funds between any programs. Contracts, single vendor response to a competitive bid, sole source contracts, and ***procurements greater than $60,000.00*** not pre-approved by DHSEM.
- Training and related travel costs not pre-approved by DHSEM.
- Construction and renovation.
- Indirect costs
- Supplanting (using federal funds to purchase items previously budgeted for with state or local funds).
- Maintenance and/or wear and tear costs of general use vehicles and emergency response apparatus.
- Equipment purchased for an exercise cannot be used for permanent installation and/or beyond the scope of an exercise.
- Weapons and ammunition.
- Entertainment and sporting events
- Personal items such as laundry, personal hygiene items, magazines, in-room movies, personal travel, personal phone calls.
- Travel insurance, visa, and passport charges.
- Lodging costs in excess of State per diem, as appropriate.
- Food reimbursements when travel does not exceed 24 hours.
- Alcoholic beverages
- Late fees or interest charges.
- Lobbying, political contributions, legislative liaison activities.
- Organized fund–raising, including salaries of persons while engaged in these activities.
- Land acquisition.
- Expenditures not supported with appropriate documentation when submitted for reimbursement. Only properly documented expenditures will be processed for payment. Unsupported expenditures will be returned to the jurisdiction for resubmission.
- Non-Personnel expenses not pre-approved by DHSEM via Request for Approval.

ARTICLE 6: PERFORMANCE MEASURES

Quarterly Progress Reports shall demonstrate performance and progress relative to acceptable performance on applicable critical tasks in Exercises using approved scenarios:

1. Progress in achieving project timelines and milestones.
2. Percent measurable progress toward completion of project.
3. How funds have been expended during reporting period, and explaining expenditures related to the project.

ARTICLE 7: SUB-RECIPIENT MONITORING POLICY

Periodic monitoring is required to ensure that program goals, objectives, timelines, budgets and other related program criteria are being met. DHSEM reserves the right to periodically monitor, review, and conduct analysis of financial, programmatic, and administrative policies, procedures, and practices. This monitoring may include review of accounting for receipts and expenditures, cash management, maintaining adequate financial records, means of allocating and tracking costs, contracting, procurement, records management, payroll, means of allocating staff costs, property and equipment management system, progress of project activities, etc.. Monitoring may include desk and field audits.

ARTICLE 8: PROCUREMENT

When procuring property and services under this agreement, the sub-recipient will follow 2 CFR 200.318 through 2 CFR 200.326. The sub-recipient must use its own documented procurement procedures which reflect applicable State, local, and tribal laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in 2 CFR 200. As such, the sub-recipient must use one of the methods of procurement identified in 2 CFR 200.320. The sub-recipient may request that its procurement system be reviewed by FEMA or DHSEM to determine whether its system meets standards in order for its system to be compliant.

Contractors that develop or draft specifications, requirements, Statements of Work, and/or Requests for Proposals (RFP) for a proposed procurement shall be excluded from bidding or submitting a proposal to compete for the award of such procurement. Local bidder's preference is not allowed for federally funded procurements. Procurement transactions shall be conducted to provide maximum open and free competition. **Each sole–source procurement, single vendor response to a competitive bid, and all purchases require prior approval of DHSEM.**

ARTICLE 9: CONTRACTS

Any contract entered into during this grant period shall comply with Local, State and Federal government contracting regulations. Contracts for professional and consultant services must include local, State and Federal government required contract language, a project budget, and require pre-approval by DHSEM prior to implementation. Contract deliverables must meet the intent of the grant application and grant requirements. Justification is required for compensation for individual consultant services, which must be reasonable and consistent with the amount paid for similar services in the market place. Detailed invoices and time and effort reports are required for consultants.

ARTICLE 10: AUDIT REQUIREMENTS

As the Federal grant recipient, the State of New Mexico requires a sub–recipient expending $750,000.00 or more in Federal funds in the organization's fiscal year to conduct an organization–wide audit ***in accordance with 2 CFR 200 Subpart F***. **City of Santa Fe** will permit the State of New Mexico Grant and Program officials and auditors to have access to the sub-recipient's and third-party contractors' records and financial statements as necessary for the State of New Mexico to comply with ***2 CFR 200 Subpart F***. Copies of audit findings must be submitted to DHSEM within 30 days after **City of Santa Fe** receives its audit report, or within a 9–month period of the grant closeout date, whichever is earlier, in accordance with 2 AAC 45.010. Include the Federal agency name, program, grant number, and year; the CFDA title and number; and the name of the pass-through agency.

ARTICLE 11: PROPERTY AND EQUIPMENT MANGEMENT

The sub-recipient will follow the property standards articulated in 2 CFR 200.310 through 2 CFR 200.326. The sub-recipient shall maintain an effective property management system; safeguards to prevent loss, damage or theft; maintenance procedures to keep equipment in good condition; and disposition procedures. A Property Inventory Report shall be submitted to DHSEM annually each January 30 with the Financial Progress Report during the performance period, and continued submission is required annually until final disposition of the equipment. The sub-recipient shall, when practical, prominently display the following on any equipment purchased with award funds: **Purchased with funds provided by the U.S. Department of Homeland Security.** No equipment purchased with these grant funds may be assigned to other entities or organizations without the expressed approval in writing from DHSEM, prior to the jurisdiction's encumbrance or expenditure for that equipment.

ARTICLE 12: NEPA/EHP COMPLIANCE

The sub-recipient must provide information to DHSEM to assist with the legally-required environmental planning

and historic preservation (EHP) review and to ensure compliance with the applicable EHP laws and Executive Orders (EO). These EHP requirements include but are not limited to National Environmental Policy Act, National Historic Preservation Act, Endangered Species Act, E 11988 Floodplain Management, EO 11990 Protection of Wetlands, and EO 12898 Environmental Justice. The recipient must comply with all Federal, State and Local EHP requirements and obtain applicable permits and clearances.

Recipients shall not undertake any activity from the project that would result in ground disturbance, facility modification, or relates to the use of sonar equipment without the prior approval of FEMA. These include but are not limited to communications towers, physical security enhancements involving ground disturbance, new construction, and modifications to buildings that are 50 years old or older, and exercises. Recipient must comply with all mitigation or treatment measures required for the project as the result of FEMA's EHP review. An EHP Screening Form will not need to be provided for those exercises that are planned to take place at previously approved facilities, such as, fire and police academies, search and rescue training facilities, and explosive testing centers. Any type of exercise that requires any type of land, water, or vegetation disturbance or building of temporary structures must undergo an EHP review.

Any change to an approved project description will require re-evaluation for compliance with EHP requirements before the project can proceed. If ground disturbing activities occur during project implementation, the recipient must ensure monitoring of ground disturbance and if any potential archeological resources are discovered, the recipient will immediately cease construction in that area and notify FEMA and the appropriate State Historic Preservation Office. Initiation of these activities prior to completion of FEMA's EHP review will result in a non-compliance finding and may result in ineligibility of grant funding.

ARTICLE 13: PUBLICATIONS

Publications created with funding under this grant shall prominently contain the following statement: **This Document was prepared under a sub-grant from DHS, and DHSEM. Points of view or opinions expressed in this document are those of the authors and do not necessarily represent the official position or policies of the U.S. Department of Homeland Security or the State of New Mexico.**

ARTICLE 14: RECORDKEEPING

The sub-recipient will follow the record retention and access standards articulated in 2 CFR 200.333 through 2 CFR 200.337. The grant financial and administrative records shall be maintained for a period of three (3) years following the date of the closure of the grant award, or audit if required. Time and effort, personnel and payroll records for all individuals reimbursed under the award must be maintained. Property and equipment records shall be maintained for a period of three (3) years following the final disposition, replacement or transfer of the property and equipment.

ARTICLE 15: CHANGES TO AWARD

All change requests must be submitted either in writing or electronically to the designated DHSEM Grant Specialist for review and possible approval. All change requests must be accompanied by a justification narrative and a budget and spending plan. All change requests must be consistent with the scope of the project and grant guidelines. Change requests will be considered only if reporting requirements are current, and all other terms and conditions of this agreement have otherwise been met at the time the request. If approved by DHSEM, changes in the programmatic activities, purpose of the project, key personnel specified on the grant award, contractual services for activities central to the purposes of the award, requests for additional funding, change in project site, or release of special conditions, will result in an amendment to this award.

ARTICLE 16: OTHER GENERAL PROVISIONS

A. The performance period for this grant award is **January 1, 2019 through June 30, 2020.** Further, all

personnel related grant activity must be completed between **January 1, 2019 and June 30, 2020**. Funds may not be obligated outside of these time periods. An obligation occurs when funds are encumbered, as with a purchase order and/or commitment of salaries and benefits. **All obligated and encumbered funds *must be liquidated* within 45 days of the end of the performance period when the *Final Progress and Financial Reports* are due.**

B. The 2018 SAFECOM guidance, in coordination with stakeholders and Federal partners, and the 2014 National Emergency Communications Plan, targets funding priorities to address:

- Governance and Leadership,
- Statewide Planning for Emergency Communications,
- Emergency Communications Training and Exercises,
- Activities that Enhance Operational Coordination, and
- Standards Based Technology and Equipment.

To support these priorities, grantees should target funding toward standards-based equipment that enables the sub-recipients to:

a. Sustain and maintain current Land Mobile Radios (LMR) capabilities
b. Use Project 25 (P25)-compliant LMR equipment for mission critical voice communications
c. Meet NMDoIT, FCC and FirstNet spectrum and authority to operate requirements
d. Transition towards Next Generation 911 (NG911) capabilities
e. Support standards that allow for alerts and warnings across different systems
f. Sustain backup solutions (e.g., backup power, portable repeaters, satellite phones, HF radios)
g. Secure equipment, information, and capabilities from physical and virtual threats

C. Deployable / Shareable Assets - All assets supported in part or entirely with FY2018 SHSGP funding must be readily deployable to support emergency or disaster operations per existing Interstate Mutual Aid System (IMAS) and/or Emergency Management Assistance Compact (EMAC) and other mutual aid agreements.

D. All assets supported in part of entirely with FY2018 SHSGP funding that may not be physically deployable but support national response capabilities, such as interoperable communications systems and equipment, is considered shareable assets. Access to and use of these assets must be made readily available upon the request of the DHSEM.

E. The sub-recipient shall comply with the requirements and restrictions of the DHS Federal NOFO and the FY2018 State Homeland Security Grant Program Guidance, State Guidelines. By signing this obligating award document, the sub-recipient certifies it has read, understood and accepted these documents as binding.

F. The signatures of the signatory officials on this award certifies that all financial expenditures, including all supporting documentation submitted for reimbursement, have been incurred by the jurisdiction, and are eligible and allowable expenditures consistent with the grant guidelines for this project. The sub-recipient shall follow the financial management requirements imposed on them by DHSEM, which includes the requirements of U.S. Department of Homeland Security.

G. The signature of the signatory officials on this award attests to **City of Santa Fe** understanding, acceptance, and compliance with Lobbying; Debarment, Suspension and other responsibility matters; Drug-free Workplace; Conflict of Interest, and Non-Supplanting certifications. Federal funds will not be used to supplant State or local funds. Federal funds must be used to supplement existing funds to augment program activities, and not replace those funds which have been appropriated in the budget for the same purpose. **Potential supplanting may be the subject of application and pre-award, post-award monitoring, and audit.**

H. **City of Santa Fe** shall ensure the **accounting system** used allows for separation of fund sources. These grant funds cannot be commingled with funds from other federal, state or local agencies, and each award is

accounted for separately.

I. **City of Santa Fe** shall comply with **Federal Civil Rights Laws and Regulations**: *Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendments of 1972, Age Discrimination Act of 1975, and Americans with Disabilities Act of 1991.* **City of Santa Fe** will take reasonable steps to ensure Limited English Proficient (LEP) persons have meaningful access to its programs and activities. *Executive Order 13347 Individuals with Disabilities in Emergency Preparedness* requires government to support safety and security for individuals with disabilities in situations involving disasters, including earthquakes, tornadoes, fires, floods, hurricanes, and acts of terrorism.

J. **City of Santa Fe** certifies that it has an **Affirmative Action Plan/Equal Employment Opportunity Plan (EEOP)** (for USDHS/DOJ grants). An EEOP is not required for recipients of less than $25,000.00 or fewer than 50 employees.

K. **City of Santa Fe** certifies that its employees are eligible to work in the U.S. as verified by Form I–9, Immigration & Naturalization Service Employment Eligibility.

L. It is the responsibility of **City of Santa Fe** as the recipient of these federal funds to fully understand and comply with the requirements of:

- **Assurances, Administrative Requirements, Cost Principles, and Audit Requirements,** OMB Standard Form 4248 Assurances -Non-Construction Programs, OMB Standard Form 4240 Assurances - Construction Programs, 2 C.F.R. Part 200, 2 C.F.R. Part 3002
- **Whistleblower Protection Act,**
  - 10 U.S.C Section 2409
  - 10 U.S.C. Section 2324
  - 41 U. S. C. Sections 4304 41 U. S. C. Sections 4310
- **Use of DHS Seal, Logo and Flags** - All recipients must obtain permission from their financial assistance office, prior to using the DHS seal(s), logos, crests or reproductions of flags or likenesses of DHS agency officials, including use of the United States Coast Guard seal, logo, crests or reproductions of flags.
- **USA Patriot Act of 2001,** 18 U.S.C. Sections175 175c
- **Universal Identifier and System of Award Management (SAM),** 2 C.F.R. Part 25, Appendix A
- **Reporting of Matters Related to Recipient Integrity and Performance,** 2 C.F.R. Part 200, Append ix, XII
- **Rehabilitation Act of 1973, 29 U.S.C. Section 794**
- **Trafficking Victims Protection Act of 2000,** Section 106(g) 22 U.S.C. section 7104, 2 CFR Section 1 75.15, **Terrorist Financing**
- **2018 SAFECOM Guidance** https://www.dhs.gov/safecom
- **Reporting Sub-Awards and Executive Compensation**
- **Procurement of Recovered Materials, Solid Waste Disposal Act, Resource Conservation Recovery Act**
- **Environmental Protection Agency (EPA) 40 C. F.R. Part 247**
- **Patents and Intellectual Property Rights**
  - Bayh-Dole Act. Pub. L. No. 96-517, as amended, and codified in 35 U.S.C. section 200 et seq.
  - 37 C.F.R. Part 401
  - 37 C.F.R. Section 401.14
- **DHS HSGP Notice of Funding Opportunity Requirements** - All of the instructions, guidance, limitations, and other conditions set forth in the Notice of Funding Opportunity (NOFO) for this program are incorporated here by reference in the terms and conditions of your award. All recipients must comply with any such requirements set forth in the program NOFO.
- **Non-supplanting Requirement** - All recipients who receive awards made under programs that prohibit supplanting by law must ensure that Federal funds do not replace (supplant) funds that have been budgeted for the same purpose through non-Federal sources.
- **Lobbying Prohibitions, 31 U.S.C. Section 1352**

- **Limited English Proficiency (Civil Rights Act of 1964, Title VI**
- **Hotel and Motel Fire Safety Act of 1990**
- **Federal Fire Prevention and Control Act of 1974, as amended,** 15 U.S.C. Section 2225
- **Fly America Act of 1974,** 49 U.S.C. Section 41102, 49 U.S.C. Section 40118
- **Best Practices for Collection and Use of Personally Identifiable Information (PII) -** DHS defines personally identifiable information (PII) as any information that permits the identity of an individual to be directly or indirectly inferred, including any information that is linked or linkable to that individual. All recipients who collect PII are required to have a publically-available privacy policy that describes standards on the usage and maintenance of PII they collect. Award recipients may also find as a useful resource the DHS Privacy Impact Assessments: Privacy Guidance and Privacy template respectively.
- **Americans with Disabilities Act of 1990,** 42 U. S. C. Sections 12101, 12213,
- **Age Discrimination Act of 1975, Title 42 U.S. Code section 6101 et,**
- **Activities Conducted Abroad -** All recipients must ensure that project activities carried on outside the United States are coordinated as necessary with appropriate government authorities and that appropriate licenses, permits, or approvals are obtained.
- **Acknowledgment of Federal Funding from DHS -** All recipients must acknowledge their use of federal funding when issuing statements, press releases, requests for proposals, bid invitations, and other documents describing projects or programs funded in whole or in part with Federal funds.
- **Federal Leadership on Reducing Text Messaging while Driving**
- **Federal Debt Status**
- **False Claims Act and Program Fraud Civil Remedies,** 31 U. S. C. Section 3729, 31 U. S.C. Section 3801-3812
- **Energy Policy and Conservation Act, 42 U.S.C. Section 6201**
- **Education Amendments of 1972 (Equal Opportunity in Education Act),** 20 U.S.C. section 1681 et seq, 6 C.F.R. Part 17 and 44 C.F.R. Part 19
- **Duplication of Benefits,** 2 C.F. R. Part 200, Subpart E
- **Drug-Free Workplace Regulations,** 41 U.S. C. section 701 et seq, 2 C.F.R Part 3001,
- **Debarment and Suspension,** Executive Orders, 12549 and 12689, and 2 C.F.R. Part 180,
- **Copyright,** 17 U.S.C. sections 401 or 402
- **Civil Rights Act of 1968,** Title VIII of the Civil Rights Act of 1968, 42 U.S.C. section 3601 et seq, 24 C.F.R. Part 100, 24 C.F.R Section 100.201
- **Civil Rights Act of 1964 - Title VI,** 42 U.S.C. Section 2000d et seq, 6 C.F.R. Part 21, 44 C.F.R. Part 7
- **DHS Specific Acknowledgements and Assurances**
    - All recipients, sub-recipients, successors, transferees, and assignees must acknowledge and agree to comply with applicable provisions governing DHS access to records, accounts, documents, information, facilities, and staff.
    - Recipients must cooperate with any compliance reviews or compliance investigations conducted by DHS.
    - Recipients must give DHS access to and the right to examine and copy, records, accounts, and other documents and sources of information related to the award and permit access to facilities, personnel, and other individuals and information as may be necessary, as required by DHS regulations and other applicable laws or program guidance.
    - Recipients must submit timely, complete, and accurate reports to the appropriate DHS officials and maintain appropriate backup documentation to support the reports.
    - Recipients must comply with all other special reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance.
    - If, during the past three years, the recipient has been accused of discrimination on the grounds of race, color, national origin (including limited English proficiency), sex, age, disability, religion, or familial status, the recipient must provide a list of all such proceedings, pending or completed, including outcome and copies of settlement agreements to the DHS financial assistance office and the DHS Office of Civil Rights and Civil Liberties (CRCL) by e-mail at crcl@hg.dhs.gov or by mail at **U.S. Department of Homeland Security Office for Civil Rights and Civil Liberties Building 410, Mail**

Stop #0190 Washington, D.C. 20528.

- In the event any court or administrative agency makes a finding of discrimination on grounds of race, color, national origin (including limited English proficiency), sex, age, disability, religion, or familial status against the recipient, or the recipient settles a case or matter alleging such discrimination, recipients must forward a copy of the complaint and findings to the DHS financial assistance office and the CRCL office by e-mail or mail at the addresses listed above.
- The United States has the right to seek judicial enforcement of these obligations.

- **Disposition of Equipment Acquired Under the Federal Award,** 2 C.F.R. Section 200.313,
- **National Environmental Policy Act,** National Environmental Policy Act (NEPA), Council on Environmental Quality (CEO) Regulations for Implementing the Procedural Provisions of NEPA
- **Nondiscrimination in Matters Pertaining to Faith-based Organizations,** 6 C. F. R. Part 19

ARTICLE 17: PENALTY FOR NON COMPLIANCE

For the reasons listed below, special conditions may be imposed, reimbursements may be partially or wholly withheld, the award may be wholly or partly suspended or terminated, or future awards, reimbursements and award modifications may be withheld. DHSEM may institute the following, but is not limited to, withholding authority to proceed to the next phase of a project, requiring additional or more detailed financial reports, additional project monitoring, and/or establish additional prior approvals. DHSEM shall notify the sub-recipient of its decision in writing stating the nature and the reason for imposing the conditions/restrictions, the corrective action required and timeline to remove them, and the method of requesting reconsideration of the imposed conditions/restrictions. The sub-recipient must respond within 5 days of receipt of notification.

(a) Unwillingness or inability to attain project goals
(b) Unwillingness or inability to adhere to Article 19, Special Conditions.
(c) Failure or inability to adhere to grant guidelines and federal compliance requirements
(d) Improper procedures regarding contracts and procurements
(e) Inability to submit reliable and/or timely reports
(f) Management systems which do not meet federal required management standards
(g) Failure or inability to adhere to the terms and conditions of this agreement

ARTICLE 18: TERMINATION

For Cause: If performance is not occurring as agreed, the award may be reduced or terminated without compensation for reduction or termination costs. DHSEM will provide notice of five (5) days to the sub-recipient stating the reasons for the action, steps taken to correct the problems, and the commencement date of the reduction or termination. DHSEM will reimburse the sub-recipient only for acceptable work or deliverables, necessary and allowable costs incurred through the date of reduction or termination. Final payment may be withheld at the discretion of DHSEM until completion of a final DHSEM review. Any equipment purchased under a terminated grant may revert to DHSEM at the option of DHSEM.

For Convenience: This Agreement may be terminated without cause by either of the parties upon written notice delivered to the other party at least 30 days prior to the intended date of termination. A termination pursuant to this provision does not nullify a party's obligations for performance or liabilities for failure to perform already incurred prior to the date of termination. Any project may be terminated upon convenience, in whole or in part, for the convenience of the Government. DHS and the DHSEM, by written notice, may terminate this grant, in whole or in part, when it is in the Government's interest. Allowable costs obligated and/or incurred through the date of termination shall be reimbursed. Any equipment purchased under a terminated grant may revert to DHSEM at the option of DHSEM.

This space has been intentionally left blank.

ARTICLE 19: SPECIAL CONDITIONS

**** Grant funds cannot be expended until these conditions have been met.***

1) **SHSGP Notice of Funding Opportunity Requirements** - All of the instructions, guidance, limitations, and other conditions set forth in the Notice of Funding Opportunity (NOFO) for this program are incorporated here by reference in the terms and conditions of your award. All recipients must comply with any such requirements set forth in the program NOFO.
2) The grant award amount is a funding allocation, and is not to be interpreted as expenditure authorizations or approvals. Pre-approval from DHSEM's Local Preparedness Program, Preparedness Unit, and Administrative Service Bureau (ASB) is required for **all** purchases regardless of any application review.
3) All awarded projects must be planned for, conducted, budgeted and expended within the designated performance period. Furthermore, at least 25% of the grant award **must** be expended in the first quarter for each project; some exceptions and/or extenuating circumstances may apply.
4) All sub-recipients must complete a National Incident Management System (NIMS) Assessment on or before September 30 of each year. All funded beneficiaries, to include but not limited to, first response agencies and special teams must also complete a NIMS Assessment. Continuing working on NIMS implementation objectives throughout the performance period of the grant and thereafter.
5) All sub-recipients must complete and/or revise their Threat Hazard Identification Risk Assessment (THIRA) every 2 years on or before May 30 of each year dependent on last revision date.
6) All sub-recipients must complete and/or revise their local and/or regional Tactical Communication Interoperable Plan (TCIP) every year.
7) All sub-recipients must have a fully promulgated All Hazards Emergency Operations Plan (EOP).
8) All Whole Community Preparedness sub-recipients must have a coordinating body to serve as their Citizen Corps Whole Community Council, with membership that includes, but is not limited to: representatives from emergency management, homeland security, law enforcement, fire service, EMS, public health, hospitals, HCCs, or their designee, elected officials, the private sector especially privately owned critical infrastructure, private nonprofits, nongovernmental organizations including faith-based, community-based, and voluntary organizations and advocacy groups.
9) All sub-recipients are required to conduct one exercise to test the capabilities of equipment purchased with past or current federal preparedness grants. All AAR/IP and/or AAR/IP input forms must be sent to the DHSEM exercise Officer no later than 60 days after the exercise.
10) All SHSGP performance activities will be monitored by the Local Preparedness Program on a quarterly basis or as needed to ensure sub-recipients are conducting progressive activities to ensure project completion within the specified performance period.
11) Quarterly financial and progress reports are due on April 30, July 30, October 30, January 30 within the Period of Performance. Final reports are due 45 days after the end of Period of Performance.
12) All equipment must be purchased and deployed in accordance set forth in the FY2018 SHSGP NOFO. *All assets supported in part or entirely with FY2018 SHSGP funding must be readily deployable to support emergency or disaster operations per existing EMAC agreements.*
13) All Budget Revisions must be reviewed and approved by the Local Preparedness Program to ensure that the proposed project meets all federal and state eligibility requirements. Budget Revisions **must** meet the original scope of the project.
14) If a revision of the project(s) scope of work is requested, it must be pre-approved by the Local Preparedness Program, before the jurisdiction can proceed with the Request for Approval (RFA) processes. If the revision is approved, the Local Preparedness Program may request additional documentation to proceed with recommendation to DHSEM Leadership for final approval.
15) The beneficiary of this award is solely responsible for all expenditures that are incurred outside of the award performance period.
16) All expenditures that are incurred above and beyond the amount of this sub-grant agreement are the sole responsibility of the sub-recipient of this award.
17) The FEMA approved National Environmental Protection Agency-Environmental Historic Preservation (NEPA/EHP) form must be submitted prior to any ground disturbance, modification to buildings, etc.
18) Procurement from Minority Owned and Women Owned Business is encouraged, and must be tracked and reported to DHSEM on the quarterly reports.
19) Annual external audit reports must be submitted to DHSEM within 30 days of receipt by sub-recipients.
20) All Contracts for goods and services, to include the project scope of work, must be reviewed and approved the Local Preparedness Program (LPP) and Administrative Services Bureau (ASB) before execution, to include signing of contract between parties.

21) All requests for Sub-grant award extensions must be received at DHSEM **prior to** the 90-day grant award termination date. Requests for sub-grant award extensions will **only** be considered for documented extenuating circumstances and will be reviewed by the Local Preparedness Program on a case-by-case basis.

22) Upon completion of all awarded projects, any remaining funds will be de-obligated and reverted back to NMDHSEM.

This space has been intentionally left blank.

State of New Mexico
DEPARTMENT OF HOMELAND SECURITY & EMERGENCY MANAGEMENT
P.O. Box 27111
Santa Fe, NM 87502

SUB-RECIPIENT GRANT AGREEMENT
2018 State Homeland Security Grant Program
2018 Federal Grant No. EMW-2018-SS-00056-S01 CFDA No. 97.042

The acceptance of a grant from the United States and the State of New Mexico creates a legal duty and obligation on the part of the sub-grantee City of Santa Fe to use the funds or property made available in accordance with the conditions of the grant as administered by and through the New Mexico Department of Homeland Security and Emergency Management.

SIGNATURE OF ACCEPTANCE

JURISDICTION SIGNATURES	
Signature of Emergency Management Program Manager	**DATE**
	11/9/18
Printed Name: David Silver	
505 955 6537	dmsilver@santafenm.gov
Signature of Jurisdiction Chief Financial Officer	**DATE**
Printed Name: Mary McCoy	
505-955-6171	mtmccoy@santafenm.gov
Signature of Jurisdiction Signatory Official	**DATE**
	12/17/18
Printed Name: ALAN WEBBER	
(505) 955-6590	mayor@santafenm.gov
NM DHSEM SIGNATURES	
Signature of DHSEM Grants Unit Manager	**DATE**
Print Name: *Juanita Abeyta*	1/11/19
Signature of DHSEM Chief Financial Officer	**DATE**
Print Name: *Sarah J. Peterson*	01/16/2019
Signature of DHSEM Cabinet Secretary	**DATE**
Print Name: ~~*M. Jay Mitchell*~~ Jackie White	1/23/19

Please print two (2) originals, sign both and mail to:
Grants Management Unit, P.O. Box 27111, Santa Fe, NM 87502

Attachment I
Required Reimbursement Checklist

Please Note: **DHSEM reserves the right to update this check list throughout the life of the grant to ensure compliance with applicable federal and state rules and regulations.** ***Please only check the categories that apply to the reimbursement you are currently requesting.***

EQUIPMENT

- ☐ Have all invoices been included?
- ☐ Has AEL # been identified for each purchase?
- ☐ If service/warranty expenses are listed, are they only for the performance period of the grant?
- ☐ Has proof of payment been included? (e.g. canceled check, Electronic Funds Transfer (EFT) confirmation, or P-Card back up documentation which will include receipt with vendor, copy of credit card statement showing expense charged, and payment to credit card Company for that statement)
- ☐ If EHP form needed – has copy of it and approval from DHS/FEMA been included?

CONSULTANTS/CONTRACTORS

- ☐ Does the amount billed by consultant add up correctly?
- ☐ Has all appropriate documentation to denote hours worked been properly signed?
- ☐ Have copies of all planning materials and work product (e.g. meeting documents, copies of plans) been included? (If a meeting was held by recipient or contractor/consultant of recipient, an agenda and signup sheet with meeting date must be included).
- ☐ Has the invoice from consultant/contractor been included?
- ☐ Has proof of payment been included? (e.g. canceled check, Electronic Funds Transfer (EFT) confirmation, or P-Card back up documentation which will include receipt with vendor, copy of credit card statement showing expense charged, and payment to credit card Company for that statement).

SALARY POSITIONS (Note: this applies to positions billed under M&A)

- ☐ Have the following been provided: signed time sheet by employee and supervisor and proof that employee was paid for time worked (statement of earnings, copy of payroll check or payroll register)?
- ☐ Has a time period summary sheet been included for total claimed amount?
- ☐ Has a general ledger payroll report been included for total claimed amount? Ensure this report includes both employee and employer payroll information (i.e. benefits/contributions).
- ☐ Does the back-up documentation include a copy of the check stub per employee for the time period covered?
- ☐ Does the back-up documentation provided match the time period for which reimbursement is being requested?

TRAINING

- ☐ Is the course DHS/FEMA approved? Is there a course or catalog number? If not, has DHSEM approved the non-DHS training request form? Is supporting documentation included your reimbursement request?
- ☐ Have sign-in sheets, rosters and agenda been provided?
- ☐ If billing for overtime and/or backfill, has a spreadsheet been provided that lists attendee names, department, # of hours spent at training, hourly rate and total amount paid to each attendee? Have print outs from entity's financial system been provided as proof attendees were paid? For backfill, has a clear delineation/cross reference been provided showing who was backfilling who?
- ☐ Have the names on the sign-in sheets been cross-referenced with the names of the individuals for whom training reimbursement costs are being sought?
- ☐ Has any expenditures occurred in support of the training (e.g., printing costs, costs related to administering the training, planning, scheduling, facilities, materials and supplies, reproduction of materials, and equipment)? If so, receipts and proof of payment must be submitted. (e.g. system generated ledger, canceled check, Electronic Funds Transfer (EFT) confirmation, or P-Card back up documentation which will include receipt with vendor, copy of credit card statement showing expense charged, and payment to credit card Company for that statement).

MATCHING FUNDS (IF APPLICABLE)

- ☐ Contributions are from Non Federal funding sources.
- ☐ Contributions are from cash or in-kind contributions which may include training investments.
- ☐ Contributions are not from salary, overtime or other operational costs unrelated to training.

FY2018 HSGP PROJECT AWARD APPROVED BUDGET WORKSHEET

NAME OF JURISDICTION: CITY OF SANTA FE

PROJECT NUMBER	PROJECT NAME	LINE ITEM	ITEM DESCRIPTION	QUANTITY	UNIT COST	TOTAL COST	PROJECT AWARD
1	SFPD - SPECIAL OPERATIONS						
	DHS TYPE 2 SWAT OPERATOR COURSE	1	REGISTRATION / TRAVEL / PER DIEM	4	$ 9,800.00	$ 39,200.00	
	FBI HAZARDOUS SCHOOL	2	REGISTRATION / TRAVEL / PER DIEM	2	$ 7,165.00	$ 14,330.00	$ 53,530.00
2	SFPD INTELLIGENCE CENTER	1	IBM i2 ANALYSIST NOTEBOOK	3	$ 8,800.00	$ 26,400.00	
		2	CELLEBRITE UFED 4PC ULTIMATE	1	$ 9,085.00	$ 9,085.00	
		3	CELLEBRITE UFED TOUCH 2 ULTIMATE	1	$ 10,584.00	$ 10,584.00	
		4	BOUNDLESS SUCURITY SYSTEM CAMERA	1	$ 20,865.00	$ 20,865.00	
							$ 66,934.00
							$ 120,464.00
				TOTAL PROJECT FEDERAL AWARD		$ 120,464.00	

INITIALS

DS The grant approved award amount is a funding allocation, and is not to be interpreted as expenditure authorizations or approvals. Pre-approval from DHSEM's Local Preparedness Program, Training and Exercise Preparedness Unit and Adminsitrative Service Bureau (ASB) is required for all purchases regardless of any application review.

DS All budget revisions must be reviewed and approved by the Preparedness Bureau Chief, Local Preparedness Program Manager and/or their designee to ensure that the posposed budget revision meets all federal and state eligibility requirements. Budget revisions must meet the original approved Scope of Work within the approved application budget worksheet.

SUB-RECIPIENT DESIGNEE SIGNATURE — DATE: 1/28/2019

LOCAL PROGRAMS MANAGER — DATE: 28 JAN 2019

CITY OF SANTA FE:

ALAN WEBBER, MAYOR

ATTEST:

YOLANDA Y. VIGIL, CITY CLERK
Re mtg. 12/12/18

APPROVED AS TO FORM:

ERIN MCSHERRY, CITY ATTORNEY

APPROVED:

MARY MCCOY, FINANCE DIRECTOR

Business Unit/Line Item:
21748.490610
22852.560700
22852.560200
22852.560500
22852.570800
22852.570500

ACTION SHEET
ITEM FROM FINANCE COMMITTEE MEETING OF 08/17/2020
FOR CITY COUNCIL MEETING OF 08/26/20

Consideration of Resolution No. 2020-__: A Resolution Endorsing the North Central Regional Transit District's FY2021 Budget Proposal; Approving the City of Santa Fe's FY2021 Regional Transit Plan; and Directing Staff to Submit the City's Regional Transit Plan for FY2021 to the North Central Regional Transit District Board of Directors for Consideration and Approval. (Councilor Cassutt-Sanchez) (Thomas Martinez, Director of Operations and Maintenance, tamartinez@santafenm.gov, 955-2006)

COMMITTEE REVIEW:

Finance Committee (Scheduled)	08/17/2020
Governing Body (Scheduled)	08/26/2020

FINANCE COMMITTEE ACTION:
Approved on Consent –add Councilor Villarreal as co-sponsor

FUNDING SOURCE:

SPECIAL CONDITIONS OR AMENDMENTS- add Councilor Villarreal as co-sponsor

VOTE	FOR	AGAINST	ABSTAIN
CHAIRPERSON ABEYTA	X		
COUNCILOR LINDELL	X		
COUNCILOR ROMERO-WIRTH	X		
COUNCILOR VILLARREAL	X		
COUNCILOR CASSUTT-SANCHEZ	X		

3-19-18

City of Santa Fe New Mexico
Memorandum

Date: August 10, 2020

To: Finance Committee, Public Works and Utilities Committee, Governing Body

Via: John Romero, Acting Public Works Director

From: Thomas Martinez, Director of Operations and Maintenance

RE: 2021 NCRTD Transit Plan

ITEM AND ISSUE:

North Central Regional Transit District (NCRTD): Approval of Resolution endorsing the NCRTD's FY2020 Budget and the City of Santa Fe's FY2021 Regional Transit Plan including a reimbursement to the City up to a FY 20 total of $778,776 for Transit Services.

BACKGROUND AND SUMMARY:

The North Central Regional Transit District (NCRTD) of which the City of Santa Fe is a member via a City of Santa Fe Resolution 2008-87 has identified funding in their FY 2020 budget proposal to keep the following transit services routes, operated b y the City, funded and running through FY 2020.

1. Santa Fe Trails Route 22, serving the New Mexico 599 Rail Runner station as well as Rancho Viejo and Santa Fe Community College;
2. Santa Fe Trails Routes 2 and 4, serving inbound and outbound Rail Runner trains at South Capitol station;
3. Santa Fe Pick-Up Historic District Shuttle operations, providing shuttle service to and from the Rail Runner station at the Railyard and downtown destinations; and
4. Additional enhanced or "special service" provided to:
    a. accommodate visitors and residents alike;
    b. meet increased demand for Rail Runner transfers;
    c. Folk Art Market, Spanish Market, and Indian Market weekends; and
    d. annual community celebrations of Zozobra and the Canyon Road Farolito Walk; and

Via the attached Resolution 2020 -_ introduced b y Councilor Jamie Cassutt-Sanchez who sits on and is an active member of the NCRTD Board allows for the following:

- Endorses the NCRTD's FY2020 Budget Proposal;

- Approves the City of Santa Fe's FY2021 Regional Transit Plan;
- Directs staff to submit the City's Regional Transit Plan for FY 2021 to the NCRTD Board of Directors for consideration and approval; and
- Operationalizes the reimbursement to the City from NCRTD up to a FY 2020 total of $778,776 for above said transit services.

ACTION REQUESTED:

Approve the Resolution as presented.

CITY OF SANTA FE, NEW MEXICO

RESOLUTION NO. 2020-__

INTRODUCED BY:

Councilor Jamie Cassutt-Sanchez

A RESOLUTION

ENDORSING THE NORTH CENTRAL REGIONAL TRANSIT DISTRICT'S FY2021 BUDGET PROPOSAL; APPROVING THE CITY OF SANTA FE'S FY2021 REGIONAL TRANSIT PLAN; AND DIRECTING STAFF TO SUBMIT THE CITY'S REGIONAL TRANSIT PLAN FOR FY2021 TO THE NORTH CENTRAL REGIONAL TRANSIT DISTRICT BOARD OF DIRECTORS FOR CONSIDERATION AND APPROVAL.

WHEREAS, the North Central Regional Transit District ("NCRTD") was created in 2004 by agreement between the City of Espanola, Los Alamos County, Pojoaque Pueblo, Rio Arriba County, San Ildefonso Pueblo, San Juan Pueblo, Santa Clara Pueblo, the City of Santa Fe, Santa Fe County, and Tesuque Pueblo; and

WHEREAS, NCRTD Resolution 2008-14 states that "in order to create a truly effective and efficient regional transit system that cooperatively and equitably serves north central New Mexico, the NCRTD believes that the City of Santa Fe should be a member of the District"; and

WHEREAS, as a result of City of Santa Fe Resolution 2008-87, the City of Santa Fe joined the NCRTD and soon thereafter expanded City delivered transit services to provide connecting

transportation to and from the Rail Runner, through funding made available by the NCRTD; and

WHEREAS, the City's expanded services include:

1. Santa Fe Trails Route 22, serving the New Mexico 599 Rail Runner station as well as Rancho Viejo and Santa Fe Community College;

2. Santa Fe Trails Routes 2 and 4, serving inbound and outbound Rail Runner trains at South Capitol station;

3. Santa Fe Pick-Up Historic District Shuttle operations, providing shuttle service to and from the Rail Runner station at the Railyard and downtown destinations; and

4. Additional enhanced or "special service" provided to:

   a. accommodate visitors and residents alike;

   b. meet increased demand for Rail Runner transfers;

   c. Folk Art Market, Spanish Market, and Indian Market weekends; and

   d. annual community celebrations of Zozobra and the Canyon Road Farolito Walk; and

WHEREAS, the existing services provided by Santa Fe Trails have been deemed to meet the definition of regional services as adopted by the NCRTD Board and incorporated into its financial policies as amended on November 4, 2011 by Board Resolution No. 2011-10; and

WHEREAS, the NCRTD has identified funding in their FY 2020 budget proposal to keep the aforementioned regional services, operated by the City, funded and running through FY 2020; and

WHEREAS, the NCRTD will reimburse the City for said regional transit services, upon receipt of invoices for service delivered, up to a FY 2020 total of $778,776 subject to budgetary restricts identified in its adopted FY 2020 Budget.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF SANTA FE that the Governing Body hereby endorses the proposed FY2020 NCRTD budget that continues to fund regional transit services provided by the City of Santa Fe on behalf of

the NCRTD, and that the aforementioned expanded services are approved as the City of Santa Fe Regional Transit Plan for FY 2020, and upon approval by the NCRTD Board of Directors, is incorporated in the NCRTD service plan.

BE IT FURTHER RESOLVED that the City Manager is directed to submit the City of Santa Fe Regional Transit Plan for FY2020 to the NCRTD Board of Directors for consideration and approval.

PASSED, APPROVED, and ADOPTED this ___ day of _____, 2020.

_____

ALAN WEBBER, MAYOR

ATTEST:

_____

YOLANDA Y. VIGIL, CITY CLERK

APPROVED AS TO FORM:

_____

ERIN K. McSHERRY, CITY ATTORNEY

Legislation/Resolutions/NCRTD Transit Plan

FIR No. 3274

FISCAL IMPACT REPORT

General Information:

(Check) Bill: _____ Resolution: X

Short Title(s): **NCRTD Transit Plan**

Sponsor(s): Councilor Cassutt-Sanchez

Reviewing Department(s): Public Works – Transit Division

Staff Completing FIR: Thomas Martinez Date: 8/7/20 Phone:

Reviewed by City Attorney: _____ Date: Aug 13, 2020

Reviewed by Finance Director: Mary McCoy Date: Aug 13, 2020

Summary:
The proposed Resolution endorses the FY2021 North Central Regional Transit District's budget allocation to the City of Santa Fe in the amount of up to $1,051,855, and approves the FY2021 City of Santa Fe Regional Transit Plan.

Departments Affected:
Public Works - Transit

Consequences of Not Enacting Legislation:
The NCRTD Board of Directors would not be informed as to the plan regarding the expenditure of regional transit tax revenues allocated for FY2021 to deliver regional transit service in and around City of Santa Fe. Approval of a transit plan is required in order for the City to seek reimbursement from NCRTD for services provided.

Conflict, Duplication, Companionship, or Relationship to Other Legislation:
None identified.

Performance and Administrative Implications:
Approval of the FY2021 NCRTD service plan for the City of Santa Fe will allow continued operation of a number of transit services, currently in operation, that are funded through the regional transit tax dispersed by the NCRTD.

Approval of the FY2021 NCRTD service plan for the City of Santa Fe will allow continued operation of a number of transit services, currently in operation, that are funded through the regional transit tax dispersed by the NCRTD.

Fiscal Impact

_____ Check here if no fiscal impact

Expenditures

Expenditure Type	FYE __2021	FYE __	FYE __	Require BAR (Y/N)	Recurring (R) or Non-recurring (NR)	Fund	3-Year Total Cost
Personnel and Benefits*	$	$	$				
Capital Outlay	$	$	$				
Contractual/ Professional Services	$	$	$				
Operating	$	$	$				$
Total:	$	$	$				$

* This includes all staff time associated with executing the job functions of the proposed legislation.

Expenditure Narrative:

Revenue

Revenue Type	FYE 21	FYE __	FYE __	Recurring (R) or Non-recurring (NR)	Fund
General Fund	$	$	$		
Special Revenue	$	$	$		
CIP	$	$	$		
Enterprise	$	$	$		
Internal Service	$	$	$		
Trust and Agency	$	$	$		
Federal	$	$	$		
Other	$778,766	$	$	NR	
Total	$778,766	$	$		

Revenue Narrative:

Regional Transit GRT

ACTION SHEET
PUBLIC WORKS AND UTILITES COMMITTEE MEETING OF 08/24/2020

ISSUE NO. 8H

Consideration of Resolution No. 2020-__: A Resolution Endorsing the North Central Regional Transit District's FY2021 Budget Proposal; Approving the City of Santa Fe's FY2021 Regional Transit Plan; and Directing Staff to Submit the City's Regional Transit Plan for FY2021 to the North Central Regional Transit District Board of Directors for Consideration and Approval. (Councilor Cassutt-Sanchez) (Thomas Martinez, Director of Operations and Maintenance, tamartinez@santafenm.gov, 955-2006)

COMMITTEE REVIEW

Finance Committee (Scheduled)	08/17/2020
Governing Body (Scheduled)	08/26/2020

PUBLIC WORKS AND UTILITES COMMITTEE ACTION: Approved on Consent Agenda to forward to 8/26/2020 Governing Body.

SPECIAL CONDITIONS OR AMENDMENTS:

STAFF FOLLOW UP:

VOTE:	FOR	AGAINST	ABSTAIN
COUNCILOR RIVERA, CHAIR	X		
COUNCILOR GARCIA	X		
COUNCILOR ABEYTA	X		
COUNCILOR LINDELL	X		
COUNCILOR VIGIL COPPLER	X		

CITY OF SANTA FE
LIQUOR LICENSE HEARING OFFICER

Recommended
Findings of Fact and Conclusions of Law

Application No.: 1164773 (NMRLD/AGD)
Name of Applicant: Sierra Linda, LLC
Doing Business As: Palace Prime
Proposed Location: 142 W. Palace Ave. Santa Fe, NM 87501

THIS MATTER came before the Liquor License Hearing Officer for public hearing on August 19, 2020 at 4:00 PM by video hearing, on the application of Sierra Linda, LLC (Applicant). The Hearing Officer recommends that the Governing Body adopt the following findings of fact and conclusions of law.

The Applicant requests local option district approval of the following:

Transfer of location of inter-local dispenser liquor license No. 2766.

After reviewing the record, conducting a public hearing and having provided an opportunity to be heard from city staff, the Applicant and any interested persons, the Hearing Officer hereby FINDS:

FINDINGS OF FACT

1. Staff submitted a packet containing the following:
    a. August 17, 2020 memo from City Clerk Yolanda Y. Vigil
    b. July 6, 2020 letter from New Mexico Regulation and Licensing Department, Alcohol and Gaming Division (NMRLD/AGD) Hearing Officer Desirae Griego to the City of Santa Fe granting preliminary approval and forwarding the application to the City for local option district approval or disapproval and April 3, 2020 letter from ABC Director Andrew Vallejos re: COVID procedures.
    c. NMRLD/AGD Application No. 1164773
    d. February 21, 2020 zoning verification from Land Use Planner Senior Lee Logston confirming that on-premises consumption of alcohol with patio service is a permitted use.
    e. Site plan
    f. Notices of Public Hearing (*Santa Fe New Mexican*, City of Santa Fe website, letter to Applicant from City Clerk)
    g. August 19, 2020 memo from Ordinance Enforcement Specialist Jason Sena finding no anticipated substantial change in litter or noise as a result of the request
    h. Vicinity map

i. Santa Fe Land Development Code Table of Permitted Uses and zoning district map
j. City of Santa Fe Liquor License Request Supplemental Information

2. City Clerk Yolanda Vigil presented the application.
3. Applicant was offered the opportunity to present testimony or evidence.
4. No members of the public appeared to testify.
5. Notice of the Application, including the date, time and place of the hearing, the name and address of the licensee, the action proposed to be taken by the department, the location of the licensee's premises and such other information as may be required by the department was published in the Santa Fe New Mexican, which is a newspaper of general circulation within the territorial limits of the governing body, on July 20, 2020 and July 27, 2020 and on the City's website.
6. The Application is for a new business in a location that previously served liquor.
7. The business is expected to be open from 4PM to 11PM and serve 100-150 persons per day (75 driving, 50 walking).
8. Traffic is not expected to increase.
9. The Traffic Engineering Division has concluded that approval will not create unacceptable traffic impacts.
10. There will be a fully enclosed outdoor seating area.
11. The proposed location will not cause a substantial change in litter or noise.
12. The proposed location is not within an area where sale of alcoholic beverages is prohibited by the laws of New Mexico.
13. Issuance or transfer will not be in violation of a zoning or other ordinance of the governing body.
14. Issuance or transfer will not be detrimental to the public health, safety or morals of the residents of the local option district.
15. The hearing was recorded and a copy of the recording is made a part of the record.

CONCLUSIONS OF LAW

Under the circumstances and given the evidence and testimony submitted during the hearing, the Hearing Officer CONCLUDES:

1. Notice of the Application was properly given by publication, mail and posting on the website pursuant to Section 60-6B-4(D).
2. The governing body may disapprove a transfer or issuance only if individuals opposing the transfer or issuance provide positive evidence showing that the transfer or issuance would be detrimental to the health, safety or morals of the community. This evidence must be based on authentic, relevant facts related to s specific prospective licensee and specific location. *The Southland Corporation v. Manzagol*, 1994-NMSC-099, 118 N.M. 423
3. The Applicant does not have the burden to prove that the transfer would not be detrimental to the health, safety or morals of the residents of the local option district. *Dick v. City of Portales*, 1994-NMSC-092, 118 N.M. 541.

4. The Application meets the requirements of §60-6B-4(F)(2).

CONDITIONS OF APPROVAL

1. Applicant is required to comply with all Fire, Building and Land Use Code requirements. Additionally, as a condition of doing business in the city, Applicant is required to comply with all applicable City of Santa Fe ordinances.

WHEREFORE, the Liquor License Hearing Officer recommends to the Governing Body that the Application be APPROVED.

Christopher L. Graeser

Date: 08/20/2020

Christopher L. Graeser

City of Santa Fe, New Mexico

memo

DATE: August 17, 2020

TO: Chris Graeser, Liquor Hearing Officer

FROM: Yolanda Y. Vigil, City Clerk

ITEM & ISSUE

Request from Sierra Linda, LLC for a transfer of location only of Inter-Local Dispenser Liquor License No. 2766, with on-premise consumption only and patio service.

BACKGROUND AND SUMMARY

The applicant has requested a transfer of location only of Inter-Local Liquor License No. 2766, with on-premise consumption only and patio service, from 5300 Sequoia Road NW, Albuquerque, to Palace Prime, 142 W. Palace Avenue. This license is currently in voluntary suspension.

This location is not within 300 feet of a church or school. Attached are staff reports regarding litter, noise and traffic. Staff does not anticipate a substantial change in litter and noise or any unacceptable traffic impacts due to the approval of this request.

The applicant has not completed construction therefore, as a condition of approval, the applicant will be required to obtain all necessary permits and licenses and comply with all Fire and Building Code requirements.

Additionally, as a condition of doing business in the city, staff is recommending that it be noted that the applicant is required to comply with all of the city's ordinances.

ACTION REQUESTED

Consideration of the above request.

Attachments:
- Alcoholic Beverage Control Application
- Notice of Public Hearing and Publications
- Website Notice of Public Hearing
- Applicant's Proof of Publication
- Certified Letter to Applicant
- Staff Reports

New Mexico Regulation and Licensing Department
ALCOHOLIC BEVERAGE CONTROL DIVISION
PO Box 25101 • Santa Fe, New Mexico 87504-5101
(505) 476-4875 • Fax (505) 476-4595 • www.rld.state.nm.us/abc

Michelle Lujan Grisham
Governor

Marguerite Salazar
Superintendent

Andrew Vallejos
Director

July 6, 2020

Certified Mail No.: 9171 9690 0935 0155 1530 54

City of Santa Fe
% Yolanda Vigil, Clerk
PO Box 909
Santa Fe, NM 87504-0909

Lic. No. /Appl. No.:	**License No. 2766 / Application No. 1164773**
Name of Applicant:	Sierra Linda, LLC
Doing Business As:	Palace Prime
Proposed Location:	142 W. Palace Ave, Santa Fe, New Mexico 87501

Greetings:

The Director of the Alcoholic Beverage Control has reviewed the referenced Application and granted **Preliminary Approval.** It is being forwarded to you for Local Option District approval or disapproval of the Liquor License Application.

While the law states that "within forty-five **(45)** days after receipt of a Notice from the Alcoholic Beverage Control, the governing body shall hold a Public Hearing in the question of whether the department should approve the proposed issuance or transfer", we recognize the potential for conflict between the requirement for publication of 30 day notice and the 45 day hearing requirement. Should the Local Governing Body be unable to meet one of these requirements, please send a Request for Waiver/Extension by email to the assigned ABC Hearing Officer listed on page 2.

Notice of the Public Hearing required by the Liquor Control Act **shall be given by the governing body by publishing a notice** of the date, time, and place of the hearing **twice during the 30 days prior to the hearing** in a newspaper of general circulation within the territorial limits of the governing body. **The first notice must be published at least thirty (30) days before the hearing. Both publications must occur before a hearing can be conducted.** The notice shall include:

(A) Name and address of the Applicant/Licensee;
(B) The action proposed to be taken by the Alcoholic Beverage Control;
(C) The location of the licensed premises.

In addition, if the Local Option District has a website, **the Notice shall also be published on the website.**

The governing body is required to send notice by certified mail to the Applicant of the date, time, and place of the Public Hearing. The governing body may designate a Hearing Officer to conduct the hearing. **A record shall be made** of the hearing.

THE APPLICANT IS SEEKING A TRANSFER OF LOCATION OF INTER-LOCAL DISPENSER LIQUOR LICENSE NO. 2766. THE APPLICANT IS REQUESTING PATIO SERVICE.

Alcoholic Beverage Control
(505) 476-4875

Within thirty (30) days after the Public Hearing, the governing body shall notify the Alcoholic Beverage Control of their decision to approve or disapprove the issuance or transfer of the license by signing the enclosed original Page 1 of the Application. The original Page 1 of the Application must be returned together with the notices of publication. **If the Governing Body fails to either approve or disapprove the issuance or transfer of the license within thirty days after the Public Hearing, the Director may issue the license.**

If the Governing Body disapproves the issuance or transfer of the license, it shall notify the Alcoholic Beverage Control within thirty (30) days setting forth the reasons for the disapproval. A copy of the Minutes of the Public Hearing shall be submitted to the Alcoholic Beverage Control with the Notice of Disapproval (*Page 1 of the Application, noting disapproval*).

Respectfully,

Desirae D. Griego
Admin Law Judge | Hearing Officer
NM Regulation & Licensing Department
Alcoholic Beverage Control Division
Phone: (505) 476-4552 Fax: (505) 476-4595
Email: Desirae.Griego@state.nm.us

Enclosures:

1. Original Page 1 of the Application (*must be signed and returned w/notices of publication*)
2. Copy of Page 2 of the Application
3. Copy of the Zoning Statement
4. Copy of Proposed Floor Plan

Michelle Lujan Grisham
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Superintendent

Andrew Vallejos
Director

New Mexico Regulation and Licensing Department
ALCOHOLIC BEVERAGE CONTROL
PO Box 25101 • Santa Fe, New Mexico 87504-5101
Phone (505) 476-4875 • Fax (505) 476-4595 • www.rld.state.nm.us/abc

April 3, 2020

Dear Local Governing Body,

The New Mexico Regulation and Licensing Department, Alcoholic Beverage Control Division (ABC) understands the difficulties that the current COVID-19 pandemic has created for governing bodies to hold public hearings. However, the New Mexico Liquor Control Act requires that after preliminary approval is granted, the application shall go to the Local Option District's (LOD) local governing body for approval.

With that in mind, when a local governing body receives a liquor license application from ABC, that governing body has a few options:

1) Hold a hearing on the license application within the statutory time frame of forty-five (45) days, as required by the Liquor Control Act, and comply with all other statutory and regulatory procedures and notify ABC of your decision within thirty (30) days of the hearing;
2) Request from ABC an extension of time, past the forty-five (45) days, designating how much additional time will be needed to conduct the hearing in compliance with all statutory and regulatory procedures, after the extension is granted and the hearing is held notify ABC of your decision within thirty (30) days of the hearing;
3) Return the application to ABC with neither an approval nor disapproval of the application. ABC will then proceed with the processing of the application pursuant to 60-6B-4(G).

ABC has no preference in the option you choose, please notify us of your decision, via email to the ABC Hearing Officer who sent the application to you, and we will continue with the application process in accordance with your decision.

Sincerely,

Andrew Vallejos
ABC Director

Alcoholic Beverage Control
(505) 476-4875

ARCHIVED

APR 23 2021

New Mexico Regulation and Licensing Department | Alcohol and Gaming Division | Page
PO Box 25101 Santa Fe, NM 87504-5101 | Phone: (505) 476-4875 Fax: (505) 476-4595

AGD USE ONLY: Payment| Application Fee $ 200 Received on: 4-23-2020 Receipt No. 2288404 GRACE

Application Number: 1164773 Local Option District: CONTINUE

TRANSFER OF DISPENSER-TYPE LIQUOR LICENSE APPLICATION

$200.00 Application Fee, non-refundable.

License No. 2766 Type of License: Inter-Local Transfer

Check appropriate boxes:

Application is for: ☐Transfer of Ownership ☐Transfer of Ownership and Location ☑Transfer of Location Only

Record Owner of Existing License: Sierra Linda, LLC

Current D/B/A Name: In voluntary suspension status

Current Premises Address: 5300 SEQUOIA ROAD, NW, SUITE P, ALBUQUERQUE, NM

Current LOD: City of Albuquerque Is License moving out of Local Option District? ☑Yes ☐No

APPLICANT IS: ☐Individual ☑Limited Liability Company ☐Corporation ☐ Partnership (General/Limited)

NAME of Individual/Company: Sierra Linda, LLC

ADDRESS (including city, state, zip) HC 74 Box 26-A, Pecos, NM 87552-9795

COPY TO: New Mexico Liquor Licenses, LLC 2539 Wyoming Blvd NE, Albuquerque, NM 87112

D/B/A Name to be used: lessee agent DBA: Palace ~~Restaurant~~ Prime **Business Phone #:** TBD

Email Address (required): leonardg21@gmail.com

Physical location where license is to be used: (Include Street # / Highway # / State Road, City, State, and Zip Code)
142 W. Palace Ave, Santa Fe, New Mexico 87501

County of: Santa Fe

Mailing Address: HC 74 Box 26-A, Pecos, NM 87552-9795

Are alcoholic beverages currently being dispensed at the proposed location? ☐ Yes ☑ No If Yes, License # / Type:

Agent/Contact Person: KYLA STOKER NEW MEXICO Liquor License LLC **Phone#:** 505-980-5614 **Email:** KYLA @ new mexicoliquor license.com

I, (print name) Leonard Griego, as (title) Member being first duly sworn upon oath deposes and says: that he/she is the applicant or is authorized by the applicant to make this application; that he/she has read the same; knows the contents therein contained are true. Applicant(s) agree(s) that if any statements or representations herein are found to be false, the Director may refuse to issue or renew the license or may cause the license to be revoked at any time.

Sign before a Notary Public:

Signature of Applicant: [signature] Date: 4/14/2020

NOTARY PUBLIC USE ONLY: (State of New Mexico, County of San Miguel)

SUBSCRIBED AND SWORN TO before me this 14 day of April, 20 20

By: Official Seal GARY D CHAVEZ Notary Public State of New Mexico My Comm. Expires 12-19-23 Notary Public: Gary D. Chavez SEAL

My Commission Expires: 12/19/2023

FOR LOCAL OPTION DISTRICT USE ONLY: Local Governing Body of: City, County, Village

Public Hearing held on , 20 . Check one: ☐Approved ☐Disapproved

Signature and Title of City/County Official:

FOR ALCOHOL AND GAMING DIVISION USE ONLY: ☐ Approved ☐ Disapproved

Signed by Director: Date:

PREMISES LOCATION, OWNERSHIP, AND DESCRIPTION

NMSA 60-6B-10

1. The land and building which is proposed to be the licensed premises is: (check one)

☐ Owned by Applicant, copy of deed/document attached ☑ Leased by Applicant, copy of lease/document attached

☐ Other (provide details): _____

2. If the land and building are not owned by Applicant, indicate the following:

A. Owner(s): Palace LLC

B. Date and Term of Lease: 02/01/2019 to 01/31/2029 (10 year term)

3. Premises location is Zoned (*example C-1, see Zoning Statement*): BCD Business- Capitol District

☑ **Zoning Statement attached**, which must be obtained from the Local Government, listing the proposed location by address, Type of Zone, state whether alcoholic beverages are allowed at proposed location, and if applicable, whether packaged sales, patio service and/or manufacturing is allowable. If there is no zoning in the proposed location, attach Statement from the local government, indicating there is no zoning.

4. Distance* from nearest Church: (*Property line of church to closest point of licensed premises –shortest distance*)

Name of Church: Empire Church of God Miles/feet: 528 FT

Address/location of Church: 308 W San Francisco St, Santa Fe NM 87501

5. Distance* from nearest School: (*Property line of school to closest point of licensed premises—shortest distance*)

Name of School Wood-Gormley Elementary School Miles/feet 5280 FT

Address/location of School: 141 E Booth St, Santa Fe NM 87505

6. Distance from military installation *(*Property line of military installation to closest point of licensed premises-shortest distance.*)

Name of Military Installation, *circle one:* (Kirtland Air Force Base (Albuquerque)), White Sands Missile Range (Las Cruces), Holloman Air Force Base (Alamogordo), Cannon Air Force Base (Clovis)

Miles: 69

7. Attach Detailed Floor Plan, must include the Total Square Footage of premises; List nearest cross street; Show which direction is North; Show each level (floor) where alcoholic beverages will be sold or consumed, exterior walls, doors, and interior walls; Patio Area with type of barrier used; Highlight Bonded Areas. The floor plan should be no larger than 8½ x 11 inches and **must be labeled** with designated areas highlighted, which will reflect the proposed Licensed Premises.

8. Type of Operation: ☐ Hotel ☐ Lounge ☐ Package Grocery ☑ Restaurant ☐ Racetrack

☐ Small Brewer ☐ Craft Distiller ☐ Winery ☐ Wholesaler

☐ Other (specify): _____

***NOTE:** If the distance is beyond 300 feet, but less than 400 feet, a Registered Engineer or Licensed Surveyor must complete a Survey Certificate showing the exact distance.

City of Santa Fe, New Mexico

200 Lincoln Avenue, P.O. Box 909, Santa Fe, N.M. 87504-0909
www.santafenm.gov

Alan Webber, Mayor

Councilors:
Signe I. Lindell, Mayor Pro Tem, District 1
Renee Villarreal, District 1
Michael J. Garcia, District 2
Carol Romero-Wirth, District 2
Roman "Tiger" Abeyta, District 3
Chris Rivera, District 3
Jamie Cassutt-Sanchez, District 4
JoAnne Vigil Coppler, District 4

February 21, 2020

Palace Prime
128 Grant Avenue, Ste. 217
Santa Fe, NM 87501
Paula Cassis 505-819-9122

APR 2 3 2020

RE: Zoning Verification for 142 W Palace Avenue, Santa Fe, NM 87501

Att: Randy Edwards

This letter provides zoning verification on the above referenced property. According to the Official Zoning Map, this property is zoned BCD Business-Capitol District, Marcy Street Subdistrict and within the Downtown and Eastside Historic District.

14-4.3 (E) BCD Business-Capitol District

(1) Purpose

In recognition of the fact that the economic health of the city depends on the economic viability of the BCD, the purpose of the BCD is to provide for a mixture of land uses, including residential uses, designed to promote the district's economic well being while preserving the unique architecture, townscape and aesthetics that foster a strong tourist industry and sustain the quality of life, sense of community and historical identity in the district and the city.

BCD Zoning permits bars, restaurants, lounges, retail sales of alcoholic beverages, wholesaling, distribution, and manufacturing. On-premises consumption of alcohol is a permitted use within this zone, with Patio Service permitted.

For additional information, please reference City of Santa Fe Chapter 14 SFCC regarding these districts (Chapter 14-4 – Zoning Districts/14-6 Permitted Uses) *http://clerkshq.com/default.ashx?clientsite=Santafe-nm*. All uses are subject to compliance with applicable development standards such as parking, lot coverage, etc...

Note: The information provided in this letter is solely derived from the Official Zoning Map and the minimum requirements set forth in Chapter 14, SFCC 1987. This letter intends to provide advice regarding zoning regulations. It is not the intent to state that the subject property complies with zoning requirements. Occupancy is determined based on zoning compliance at the time of building permit or certificate of occupancy, whichever applies. Additionally, it is not the intent to interfere with or to abrogate or annul any official document including conditions or safeguards made a part of the subject property at the time of any public hearings. Applicants are advised to pursue an independent search of official documents.

If you have any further questions, please contact me at lrlogston@santafenm.gov or 505-955-6136.

Lee Logston, AICP
Senior Land Use Planner
City of Santa Fe, New Mexico

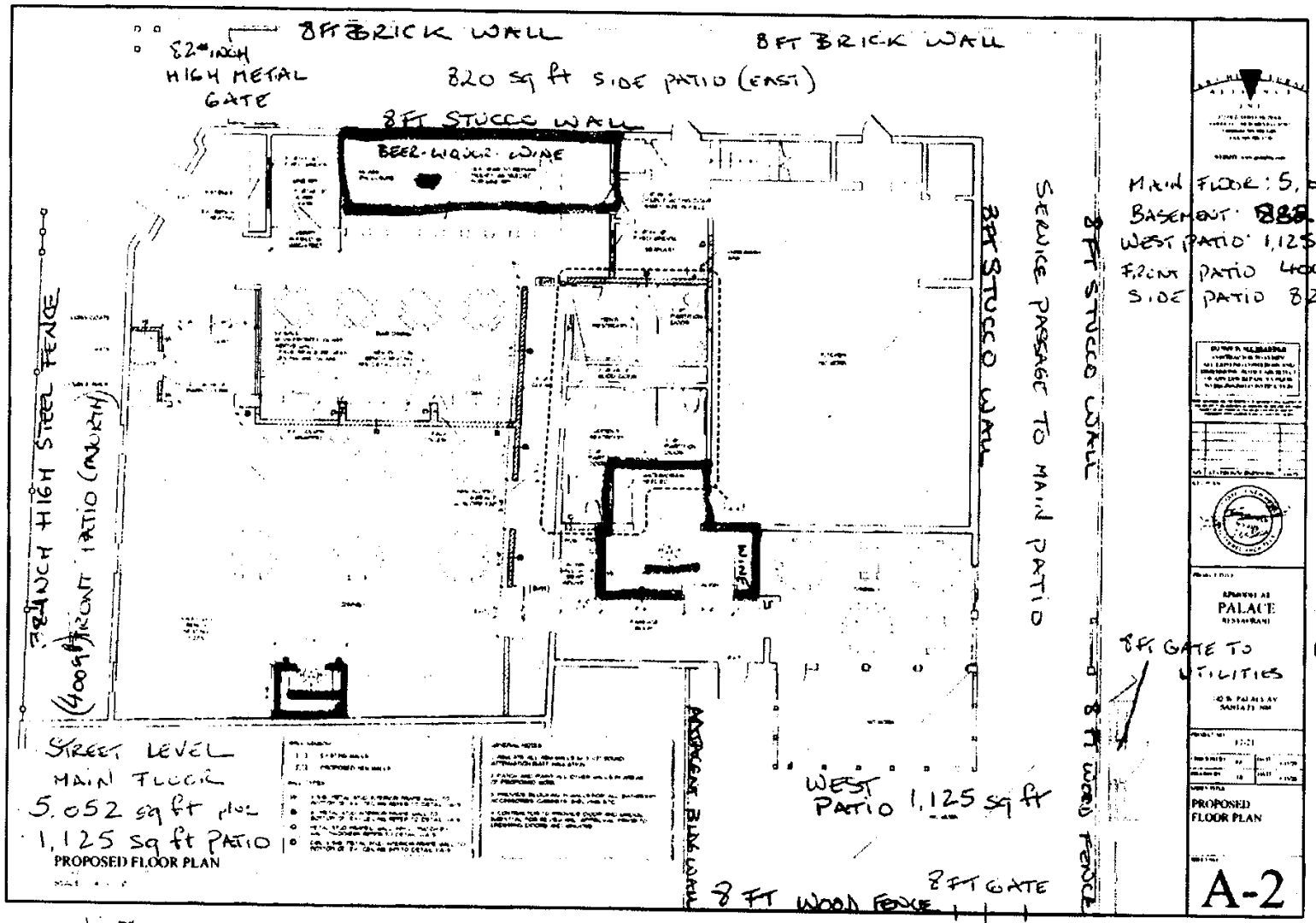
CONSUMPTION AREA

WINE - BEER - LIQUOR STORAGE

SERVICE AREAS

KITCHEN + PREP

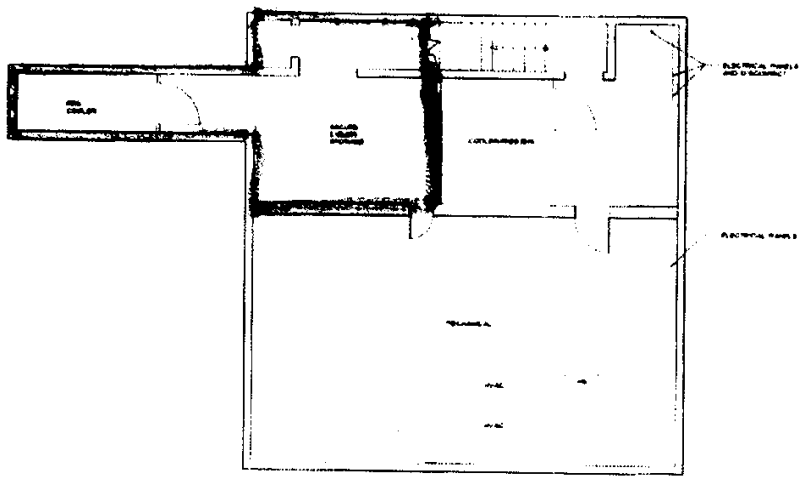
NORTH



PALACE AVENUE

BURRO ALLEY

TO ALLEY - LOCKED WITH INTERIOR PANIC BAR



(X) EXISTING BASEMENT PLAN 822 sq ft

APR 23 2021

PALACE
RESTAURANT

PALACE PRIME

EXISTING BASEMENT PLAN

A-1.1

CITY OF SANTA FE

NOTICE OF PUBLIC HEARING

Notice is hereby given that the City of Santa Fe Liquor Hearing Officer will hold a public hearing at 4:00 p.m. on Wednesday, August 19, 2020.

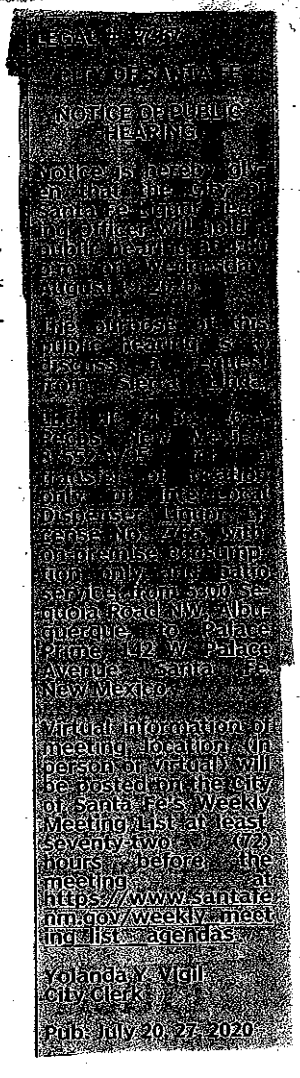
The purpose of this public hearing is to discuss a request from Sierra Linda, LLC, HC 74 Box 26-A, Pecos, New Mexico 87552-9795 for a transfer of location only of Inter-Local Dispenser Liquor License No. 2766, with on-premise consumption only and patio service, from 5300 Sequoia Road NW, Albuquerque, to Palace Prime, 142 W. Palace Avenue, Santa Fe, New Mexico.

Virtual meeting information will be posted on the City of Santa Fe's Weekly Meeting List at least seventy-two (72) hours before the meeting at https://www.santafenm.gov/weekly_meeting_list_agendas.

Yolanda Y. Vigil
City Clerk

Received by The Santa Fe New Mexican
Date: July 16, 2020
To Be Published: July 20, 2020 &
July 27, 2020

By _____
The Santa Fe New Mexican (Signature)


LEGAL # 27367
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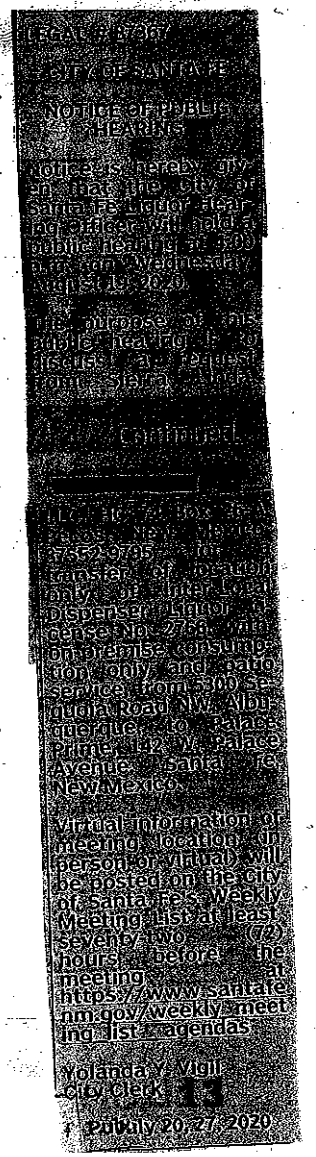
Yolanda Y. Vigil
City Clerk
Pub: July 20, 27, 2020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Yolanda Y. Vigil
City Clerk
Pub: July 20, 27, 2020

August 19, 2020 at 4:00 P.M. - LIQUOR HEARING OFFICER
ATTEND VIRTUALLY
https://www.youtube.com/user/cityofsantafe
Request from Sierra Linda, LLC, HC 74 Box 26-A, Pecos, New Mexico 87552-9795 for a Transfer of Ownership of Location Only of Inter-Local Dispenser Liquor License No. 2766, with On-Premise Consumption Only and Patio Service, from 5300 Sequoia Road NW, Albuquerque to Sierra Linda, LLC, dba Palace Prime, 142 W. Palace Avenue, Santa Fe.

SANTA FE NEW MEXICAN

202 E. Marcy
PO Box 2048
Santa Fe, NM 87504
Phone: 505-983-3303
FAX: 505-984-1785

Ad Proof/ Order Confirmation/ Invoice

BR FOOD AND BEVERAGE, LLC DBA PALACE PRIME,
128 GRANT AVE, STE 217
SANTA FE NM 87501

505-819-9122
Paula@palaceprimesf.com

Account Number 33401

Order Number	0000281486		
Ordered By	via email		
Ad Cost	$108.80	**Sales Rep**	smoya
Tax Amount	$9.18	**Order Taken by:**	smoya
Total Amount	$117.98	**Payment**	$0.00
Amount Due	$117.98		
PO Number			

Ad Number	0000281486-01
Product	Santa Fe New Mexican-SFNM Daily
Placement	Legals - Legal Notices
Classification	Legal Notices-Legals Classified
Ad Type	Legal
Ad Size	: 1.0 X 76 Li
Color	<NONE>

Run Dates

7/20/2020, 7/27/2020

SANTA FE NEW MEXICAN

Ad Proof / Order Confirmation / Invoice

Account Number
33401

Ad Order Number
0000281486

BR FOOD AND BEVERAGE, LLC DBA PALACE

LEGAL # 87367

CITY OF SANTA FE

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Yolanda Y. Vigil
City Clerk

Pub: July 20, 27, 2020

City of Santa Fe, New Mexico

200 Lincoln Avenue, P.O. Box 909, Santa Fe, N.M. 87504-0909
www.santafenm.gov

Alan Webber, Mayor

Councilors:
Signe I. Lindell, Mayor Pro Tem, District 1
Renee Villarreal, District 1
Michael J. Garcia, District 2
Carol Romero-Wirth, District 2
Roman "Tiger" Abeyta, District 3
Chris Rivera, District 3
Jamie Cassutt-Sanchez, District 4
JoAnne Vigil Coppler, District 4

Certified Mail No.: 7018 1830 0001 2613 0658

August 13, 2020

Leonard Griego
Sierra Linda, LLC
HC 74 Box 26-A
Pecos, New Mexico 87112

RE: Request from Sierra Linda, LLC for a transfer of transfer of location only of Inter-Local Dispenser Liquor License No. 2766, with on-premise consumption only and patio service, to be located at Palace Prime, 142 W. Palace Avenue, Santa Fe.

Dear Mr. Griego:

The public hearing before the City of Santa Fe Liquor Hearing Officer for the above referenced request has been set for Wednesday, August 19, 2020, at 4:00 p.m. This will be a virtual meeting and we will contact you with details for attendance. This letter and the enclosed copy of the notice of public hearing serves as a reminder of that hearing.

The City of Santa Fe's Governing Body will consider the Liquor Hearing Officer's recommendation at their August 26, 2020 meeting.

Should you have any questions, or require anything further from our office, do not hesitate to call me at 955-6521.

Sincerely,

Yolanda Y. Vigil
City Clerk

gfc

Enclosure

City of Santa Fe, New Mexico

200 Lincoln Avenue, P.O. Box 909, Santa Fe, N.M. 87504-0909
www.santafenm.gov

Alan Webber, Mayor

Councilors:
Signe I. Lindell, Mayor Pro Tem, District 1
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Roman "Tiger" Abeyta, District 3
Chris Rivera, District 3
Jamie Cassutt-Sanchez, District 4
JoAnne Vigil Coppler, District 4

DATE: August 19, 2020

TO: Liquor Hearing Officer
Governing Body

VIA: Jarel LaPan Hill
Jarel LaPan Hill, City Manager

Elias Isaacson
Eli Isaacson, Director, Land Use Department

FROM: Jason Sena, Ordinance Enforcement Specialist

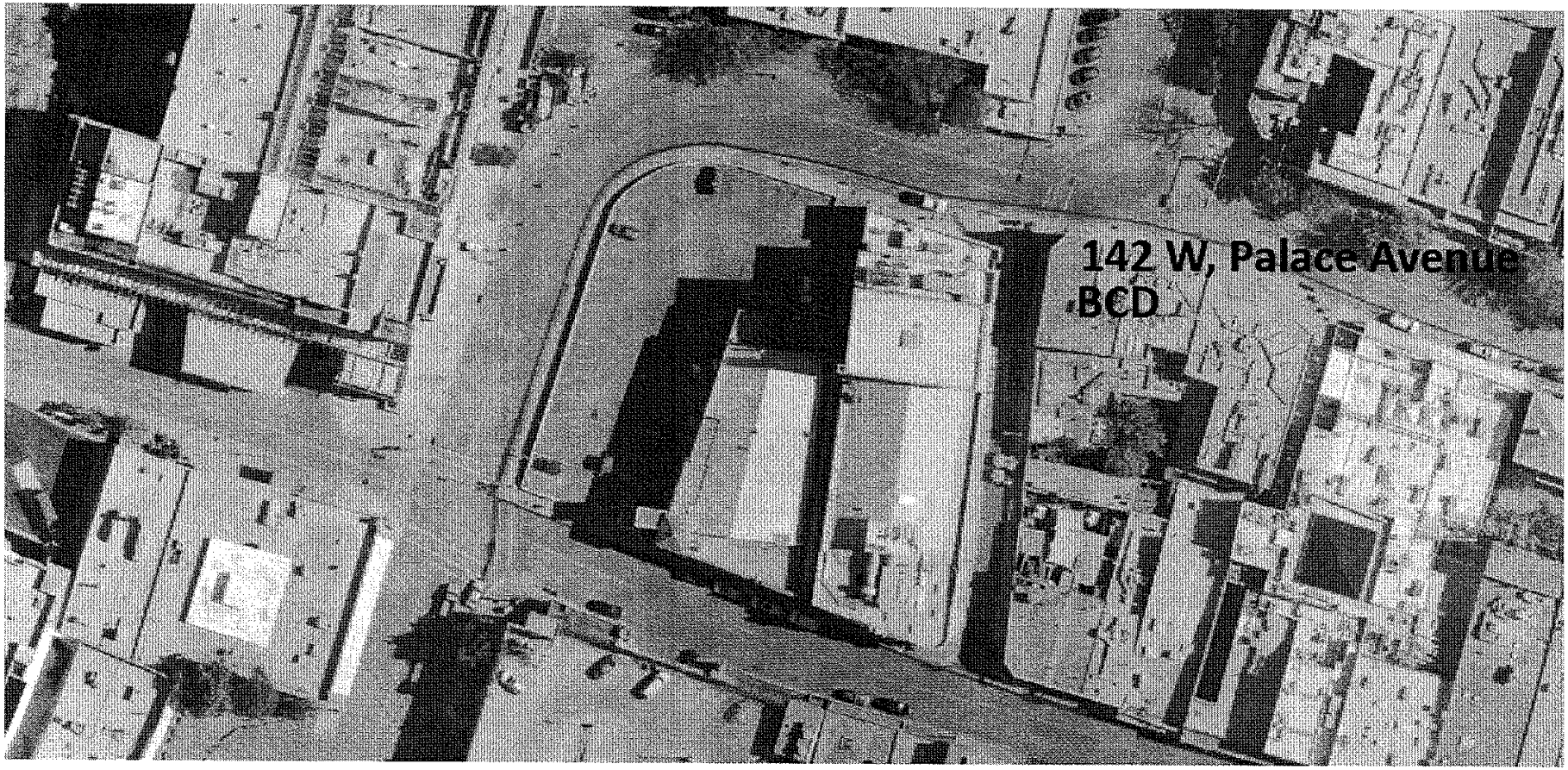
ITEM & ISSUE

Litter and noise impact assessment, due to a request from Sierra Linda, LLC, for the following:

Pursuant to §60-6B-10 NMSA 1978, request from Sierra Linda, LLC, HC 74 Box 26-A, Pecos, New Mexico 87552-9795 for a transfer of location of Inter-Local Dispenser Liquor License No. 2766, with on premise consumption only and patio service, from 5300 Sequoia Road NW, Albuquerque, to Palace Prime,142 W. Palace Avenue, Santa Fe.

BACKGROUND

It is not anticipated that there will be a substantial change in litter and noise because of this request.


142 W, Palace Avenue
BCD

CATEGORY Specific Use	RR	R-1 - R-6	R-7 - R-9	R-7 - 1	RC-5, RC-6	R-10 - R-29	MHP	RAC	ACTT	C-1	C-2	C-4	HZ	aCD	I-1	I-2	BIP	SC-1
Bar, cocktail lounge, nightclub, no outdoor entertainment								S [3,10]	S [3]		P*			P	P	P		P*
Bar, cocktail lounge, nightclub, with outdoor entertainment								S [3,10]	S [3]		P*			P*	P*	P*		P*
Restaurant - full service, with or without incidental alcohol service								S [3,10]	S [3]		P			P	P	P	S	P
Restaurant with bar, cocktail lounge or nightclub comprising more than 25% of total serving area.								S [3,10]	S* [3]		P*			P*	P	P		P*
Restaurant - Fast service/take-out, no drive-through/drive-up								S [3,10]		P [4]	P	P [4]		P	P	P	S	P
Restaurant - With drive-through/drive-up											P*			P*	P*	P*	S	P*

City of Santa Fe

Liquor License Request
Supplemental Information

John Romero, Traffic Engineer
Phone: 955-6638
jjromero1@santafenm.gov

Complete this form and return to cityclerks@santafenm.gov or City Clerk's Office, Room 215, 200 Lincoln Avenue.

1. Name of Applicant: BR FOOD AND BEVERAGE, LLC
   D/B/A Name to be used: dba PALACE PRIME
   Physical location where license is to be used: 142 W. PALACE AVE. SANTA FE
   Applicant Telephone Number: 505-819-9122

2. Type of liquor license request:
   __ New license (indicate type: _____)
   X Transfer of location (indicate type: INTERLOCAL DISPENSER LICENSE No. 2766)
   __ Transfer of ownership (indicate type: _____)
   __ Transfer of ownership and location (indicate type: _____)

3. Is this an existing business?
   ___Yes
   X No

4. Does the location where this license will be located currently sell liquor?
   X Yes
   ___No

5. If the answer to questions #3 is yes, indicate the current hours of operation of the business.

   _____

   If the hours of operation will change due to the sale of liquor, indicate the revised hours.

   _____

6. If this is a new business, indicate the anticipated hours of operation of the business.
   4PM - 11 PM

7. If the answer to question #3 is yes, indicate the anticipated change in business volume due to the sale of liquor:
   __ Business is expected to increase (number of customers per day: _____)
   __ Business is expected to decrease (number of customers per day: _____)
   __ Business is expected to remain the same

8. If the answer to questions #3 is no, indicate the number of customers anticipated per day at the business.
   100 - 150

9. Estimate the number of customers per day who currently drive (or will drive) to the business versus the number who walk:
   75 Number of customers who drive
   50 Number of customers who walk

10. Has liquor ever been sold at this location?
   X Yes
   ___No

11. If the answer to question #10 is yes, indicate the name of the establishment and the year(s) that the liquor sales occurred.
   THE PALACE RESTAURANT - Approx 1963-2019

12. Indicate which of the following statements best reflects your opinion regarding traffic impacts if this request is approved:
   __ Traffic can be expected to increase on adjacent streets.
   X Traffic will not increase on adjacent streets.

13. Is an outdoor seating/patio area included in the licensed premise?
   X Yes
   ___No

14. If the answer to question #13 is yes, is the outdoor area fully enclosed?
   X Yes
   ___No

Name of person completing this form: CHARLES DALE
Telephone number: 505-614-4164
Date: 8.11.2020

(For City Use Only)

Based upon the information provided above, staff has the following comments:

X It does not appear that the approval of this request will create any unacceptable traffic impacts.

___It appears that the approval of this request will create unacceptable traffic impacts (see comments below).

___Other comments: _____

By: John Romero
Title: Engineering Division Director
Date: 08-13-20

City of Santa Fe, New Mexico

memo

DATE: August 26, 2020
TO: Santa Fe Governing Body

FROM: Rich Brown, Economic Development Director RB

VIA: Andréa Salazar, Assistant City Attorney AS

RE: Second Amendment to the Termination Agreement between the City of Santa Fe and Santa Fe Estates

ATTACHMENTS: Termination Agreement, First Amendment to the Termination Agreement, City's Letter of Objection, Santa Fe Estates Letter to Cure, City's Letter Accepting the Cure

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ITEM & ISSUE

Request approval of the Second Amendment to the Termination Agreement by and between the City of Santa Fe and Santa Fe Estates, Inc., to memorialize Santa Fe Estates cure to the City of Santa Fe's objections submitted during the due diligence period. This Amendment is coming to the Governing Body without going through the committee process due to the timelines under the First Amendment to the Termination Agreement.

BACKGROUND & SUMMARY

In 1930, the City of Santa Fe and John Dempsey entered into a contract effective January 25, 1930 (the "1930 Agreement"), under which the City conveyed lands in the City's Northwest Quadrant to Mr. Dempsey and he agreed to develop and sell those lands so that he and the City would share the net proceeds from those sales after payment of development costs. Mr. Dempsey later assigned his rights to Santa Fe Estates, Incorporated, as permitted by the 1930 Agreement.

The basic structure of the 1930 Agreement is that Santa Fe Estates was required to clear title to the lands, and thereafter, develop the lands for sale to purchasers, including installations and extensions of utilities, platting and landscaping, and construction of roadways. Proceeds from the sales were required to be divided equally between the City and Santa Fe Estates, after deduction of development and sales costs previously incurred, and after deduction of any additional development costs incurred by Santa Fe Estates. The amount owed by Santa Fe Estates to the City under the 1930's Agreement is the "Tentative Liability". To date, that amount is calculated as $3,016,171.

During the due diligence period the City's staff reviewed accounting statements, billing documents, environmental assessments, archeological reports, litigation files, and audit letters to assess not only the physical property but the billing details of the land sales. During this period the City objected to the shortfall that the City was receiving to terminate the 1930s Agreement that began this contractual relationship and negotiated a cure, to provide the City 248.03 acres of property that has already been master planned and approximately 30 acre feet of water to terminate the 1930s Memorandum of Agreement. That outcome is valued as approximately $4.5 million in land and $750K in water rights.

The closing date for the transfer of the property and water rights must be on or before September 10, 2020.

RECOMMENDATION
Approval of attached Second Amendment to the Termination Agreement

ATTACHMENTS
1. Termination Agreement dated January 6, 2020
2. First Amendment to the Termination Agreement dated June 24, 2020
3. City of Santa Fe's Objection Letter date July 20, 2020
4. Santa Fe Estates revised Cure Letter dated August 14, 2020
5. City of Santa Fe's Acceptance of Revised Cure Proposal dated August 14, 2020

SECOND AMENDMENT
TO
TERMINATION AGREEMENT

This Second Amendment to Termination Agreement (this "Amendment") is made as of August ____, 2020 by and between the City of Santa Fe, a New Mexico municipal corporation, (the "City") and Santa Fe Estates Incorporated, a New Mexico corporation, ("Santa Fe Estates").

RECITALS

This Amendment in based on the following facts, understandings, and intentions.

A. The City and Santa Fe Estates previously entered into that certain Termination Agreement dated January 6, 2020 (the "Termination Agreement") Item # 19-0926.

B. The City and Santa Fe Estates amended the Termination Agreement pursuant to that certain First Amendment to Termination Agreement (the "First Amendment") dated "June 24th, 2020" [handwritten date at the top of the document] and executed by Santa Fe Estates on July 10, 2020 and by the City on August 5, 2020, Item # 20-0334.

C. The First Amendment provided for extended review, objection, and cure periods under the Termination Agreement.

D. Pursuant to the Termination Agreement, the City objected that value of the property to be transferred to the City was not equivalent to the existing "Tentative Liability." The Tentative Liability is a bookkeeping technique used to describe the City's outstanding share of net proceeds from development activities under the 1930 Agreement.

E. In order to resolve the City's objections, Santa Fe Estates has agreed to transfer additional property (in the form of water rights) to the City, which requires this Amendment.

AGREEMENT

Now, therefore, the City and Santa Fe Estates amend the Termination Agreement as follows:

1. Tentative Liability. The parties acknowledge and agree, for the purposes of this Amendment, that the Tentative Liability is **$3,016,171**.

2. Valuation of Northwest Quadrant Property. Notwithstanding Paragraph 6 of the Termination Agreement, the parties acknowledge and agree, for the purposes of this Amendment, that one-half the value the Northwest Quadrant Property is **$2,266,170**.

3. Shortfall Amount. The parties acknowledge and agree, for the purposes of this Amendment, that the difference between the Tentative Liability and one-half of the value of the Northwest Quadrant Property is **$750,001** (the "Shortfall Amount").

4. Water Rights. In order to make up the Shortfall Amount, Santa Fe Estates has agreed to convey to the City at Closing via special warranty deed **30.00 acre feet** of consumptive use surface rights comprising a portion of the total amount of water rights permitted for use under State Engineer Permit No. SD-06551 into RG-20516 *et al.* Said water rights are currently vested in Promesa del Futuro, LLC, a New Mexico limited liability company wholly owned by Santa Fe Estates. Further, Promesa del Futuro has already transferred said water rights to the City's permit, RG 20516 et al. (The 30.00 acre foot amount was arrived at by dividing the Shortfall Amount by the purchase price of said water rights, $24,999.62 per acre foot.) At Closing, Santa Fe Estates will provide an Office of the New Mexico State Engineer ("OSE") Change of Ownership form to the City. The City shall execute the form and file it with the OSE after Closing.

5. Proceeds from Sale of Tract in Northwest Quadrant. Pursuant to Paragraph 12 of the Termination Agreement, Santa Fe Estates was to pay to the City at Closing $133,220.27 as one-half of the net proceeds from the sale of a tract in the Northwest Quadrant. The parties acknowledge and agree, for the purposes of this Amendment, that the value of the net proceeds otherwise payable to the City from a sale of that tract is reflected in the Tentative Liability, and the City will receive that value in kind through the transfer of properties and/or water rights as stated in the foregoing paragraphs. As such, Paragraphs 12 and 17(c) of the Termination Agreement are hereby deleted and of no further effect, and there will not be a cash payment from Santa Fe Estates to the City at Closing.

6. Closing. As provided in the First Amendment, Closing under the Termination Agreement shall occur no later than **September 10, 2020**, or on such other date to which the parties may otherwise agree. The parties shall work together in good faith and in frequent communication to facilitate Closing in a careful and timely fashion.

7. Terms. Any defined terms referenced herein but not defined herein, but which are defined in the Termination Agreement, shall have the meaning ascribed to them in the Termination Agreement. The Termination Agreement remains in full force and effect except as amended by this Amendment. To the extent that any terms in the Termination Agreement are inconsistent with the terms of this Amendment, the terms of this Amendment shall control.

[Signatures and attestations on following page.]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the later date of the parties' signatures below.

Santa Fe Estates, Incorporated,
a New Mexico corporation

By: _____ Date: _____
John Joseph Dempsey McNeill, President

ACKNOWLEDGMENT

State of New Mexico)
) ss
County of San Juan)

This instrument was acknowledged before me on _____, by John Joseph Dempsey McNeill.

My commission expires:

_____
Notary

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the later date of the parties' signatures below.

The City of Santa Fe,
a New Mexico municipal corporation

By: _____ Date: _____
Alan Webber, Mayor

Attested:

_____
Yolanda Y. Vigil, City Clerk

Approved as to form:

Andréa Salazar for
Erin K. McSherry, City Attorney

Approved:

_____
Mary T. McCoy, Finance Director

ACKNOWLEDGMENT

State of New Mexico)
) ss
County of Santa Fe)

This instrument was acknowledged before me on _____, by Alan Webber.

My commission expires:

_____
Notary

FIRST AMENDMENT
TO
TERMINATION AGREEMENT

This First Amendment to Termination Agreement (this "Amendment") is made as of June 24th, 2020 by and between the City of Santa Fe New Mexico, a New Mexico municipal corporation, (the "City") and Santa Fe Estates Incorporated, a New Mexico corporation, ("Santa Fe Estates").

RECITALS

This Amendment in based on the following facts, understandings, and intentions.

A. The City and Santa Fe Estates previously entered into that certain Termination Agreement dated January 6, 2020 (the "Termination Agreement").

B. The Termination Agreement provides various periods for due diligence review, objection, and cure.

C. The parties believe that it would be mutually beneficial to extend the review, objection, and cure periods.

AGREEMENT

Now, therefore, the City and Santa Fe Estates amend the Termination Agreement as follows:

1. Review Period. The "Review Period" provided for in the Termination Agreement is hereby extended to **July 20, 2020** at 5:00pm Mountain Time. The period within which the City may object to any matter or matters arising from its reviews and investigations during the Review Period ends on **July 20, 2020** at 5:00pm Mountain Time (the "Objection Deadline"). If the City objects to any matter or matters raised during its review, it shall give notice to Santa Fe Estates by the Objection Deadline.

2. Cure Period. Santa Fe Estates shall have until **August 4, 2020** at 5:00pm Mountain Time (the "Cure Deadline") to give notice to the City of its intent to cure any or all matters to which the City has objected by the Objection Deadline. Santa Fe Estates shall not, however, be obligated to cure any matter objected to by the City.

3. Accept/Waive. In accordance with paragraph 4 of the Termination Agreement, the City shall have until **August 14, 2020** at 5:00pm Mountain Time (the "Decision Deadline") to either accept any cure and/or waive any objection (and proceed to Closing), or not accept any cure and/or not waive any objection (and terminate the Termination Agreement).

either accept any cure and/or waive any objection (and proceed to Closing), or not accept any cure and/or not waive any objection (and terminate the Termination Agreement).

4. Closing. If the Termination Agreement is not terminated, Closing under the Termination Agreement shall occur no later than **September 10, 2020**.

5. Communication. The parties shall work together in good faith, with full disclosure, and in frequent communication for the periods and purposes described above.

6. Terms. Any defined terms referenced herein but not defined herein, but which are defined in the Termination Agreement, shall have the meaning ascribed to them in the Termination Agreement. The Termination Agreement remains in full force and effect except as amended by this Amendment. To the extent that any terms in the Termination Agreement are inconsistent with the terms of this Amendment, the terms of this Amendment shall control.

[Signatures and attestations on following page.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the later date of the parties' signatures below.

SANTA FE ESTATES INCORPORATED

By: _____ Date: 7/10, 2020
John D. McNeill, President

ACKNOWLEDGMENT

STATE OF NEW MEXICO)
) ss.
COUNTY OF San Juan)

This instrument was acknowledged before me this 10 day of July, 2020 by John D. McNeill.

Seal: OFFICIAL SEAL
Isaish Urioste
NOTARY PUBLIC State of New Mexico
My Commission Expires 3/28/2023

_____
Notary Public

My Commission Expires:

3/28/2023

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the later date of the parties' signatures below.

THE CITY OF SANTA FE

By: _____ Date: 8/5/2020, 2020
Alan M. Webber, Mayor

Attested:
Yolanda Y. Vigil
Yolanda Y. Vigil, City Clerk
GB 06/24/2020 GC

Approved as to form:

Andrea Salazar
Andrea Salazar (Jul 2, 2020 12:26 MDT)
Erin K. McSherry, City Attorney

Approved:

Mary McCoy
Mary T. McCoy, Finance Director

ACKNOWLEDGMENT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

This instrument was acknowledged before me this ___ day of _____, 2020 by Alan M. Webber.

Seal:

_____
Notary Public

My Commission Expires:

_____

ITEM # 19-0926

TERMINATION AGREEMENT

THIS AGREEMENT is made as of the 6th day of January, 2020, by and between THE CITY OF SANTA FE, NEW MEXICO, a New Mexico municipal corporation (the "City") and SANTA FE ESTATES INCORPORATED, a New Mexico corporation ("Santa Fe Estates"), collectively, the "Parties".

Recitals

A. The City and Santa Fe Estates are parties to a certain contract memorialized in a Memorandum of Agreement entered into on January 25, 1930, as amended by an agreement entered into on August 30, 1978 (collectively, the "1930 Agreement"). The 1930 Agreement is attached hereto as **Exhibit A**.

B. The 1930 Agreement provides, among other things, that certain real property located in the Santa Fe Grant would be owned, developed, and sold by Santa Fe Estates. Since the inception of the 1930 Agreement, portions of that real property referenced in the 1930 Agreement have been developed and sold by Santa Fe Estates pursuant to the 1930 Agreement. The remaining property subject to the 1930 Agreement is described in **Exhibit B**, attached hereto, and is hereinafter referred to as the "Northwest Quadrant Property." Due to certain changed conditions, certain expectations and purposes of the parties which were premises of the 1930 Agreement are no longer realizable by the Parties.

C. The Parties accordingly seek by their mutual execution, to terminate the 1930 Agreement, extinguish the obligations of the parties under the 1930 Agreement, provide for Santa Fe Estates to return and convey the Northwest Quadrant Property to the City, and to state certain other agreements of the Parties.

Agreement

THEREFORE, in consideration of the premises and the mutual agreements hereinafter stated, the Parties agree as follows.

1. Termination of the 1930 Agreement. The parties agree that, effective on and upon the Closing, the 1930 Agreement shall terminate, and neither the City nor Santa Fe Estates shall have any further obligation to the other under the terms of the 1930 Agreement, it being the agreement and intention of the Parties that all matters and obligations of both Parties under the 1930 Agreement of whatsoever nature, whether accrued or not, contingent or absolute, liquidated or unliquidated, shall be terminated, satisfied, resolved, and extinguished by this Agreement upon the Closing.

2. Return of Property. The Parties agree that, at the Closing, and subject to the satisfaction of the conditions hereinafter stated, Santa Fe Estates shall return and convey the Northwest Quadrant Property totaling approximately 248.03 acres to the City, by delivery to the City of a special warranty deed, in the form attached as **Exhibit C**.

3. Access to Northwest Quadrant Property and Availability of Information. Commencing with the date on which the City has received in full all of the Information as herein described, and continuing through 90 days thereafter or as may be extended at the City's sole option and discretion for one (1) additional 30-day period by notice to Santa Fe Estates on or before the conclusion of the 90-day period (the "Review Period"), the City shall have access to the Northwest Quadrant Property at mutually agreed times

for purposes of the investigations hereinafter described, and Santa Fe Estates shall deliver or otherwise make available to the City within 15 days after the date first set forth above the following documents (collectively, the Information) in the possession and control of Santa Fe Estates relating to the Northwest Quadrant Property, including but not limited to:

(a) Plats of survey, aerial surveys, development plans, maps, drawings, schematics, engineering reports, studies, and related documents, including but not limited to Phase I assessments and studies; and

(b) To the extent Santa Fe Estates is permitted to do so, homeowner association governing documents, meeting minutes, association financial, and account statements.

Santa Fe Estates shall make any part or all of these documents reasonably available to the City and its representatives for copying, or may copy the documents and provide the copies to the City or its representatives. In instances when Santa Fe Estates copies documents for the City, the City will reimburse Santa Fe Estates for any actual cost incurred in paying third parties to perform the copying or, if Santa Fe Estates copies the documents, at a rate of ten cents per page. During the Review Period, the City and its representatives may, with respect to any portion or all of the Northwest Quadrant Property conduct surveys, make photographs and other similar recordings, and conduct environmental studies and analyses, all at its sole cost and expense, but agrees that it shall do so at mutually agreeable times and in a manner that are not disruptive to persons and other activities conducted on the Northwest Quadrant Property or on adjacent or nearby properties, and further agrees that if any such investigations involve excavation or drilling, or any other disturbance of the Northwest Quadrant Property or any other property or any improvements thereon, that the City shall restore all such excavation, drilling or other disturbance, including any improvements, to the condition before the excavation, drilling or other disturbance occurred.

4. Review of Information Furnished and Right to Object. The City shall have up to 20 days from the end of the Review Period to give notice to Santa Fe Estates of any objections the City has to any matter or matters arising from its reviews and investigation. The City may elect to accelerate the expiration of the Review Period or provide notice to Santa Fe Estates prior to the end of the Review Period. If the City objects in such a notice to Santa Fe Estates as to any matter or matters, Santa Fe Estates shall have the option, but not the obligation, to elect by giving notice to the City within ten days of the close of the 20-day period described in the preceding sentence that it will cure the matter or some or all of the matters identified in the City's notice and to describe in reasonable detail how it will do so. If Santa Fe Estates gives this notice and the City does not object to the stated cure or cures by giving notice within ten (10) days after the notice by Santa Fe Estates of its intent to cure, then the matter or matters identified in the City's notice to Santa Fe Estates shall be removed as a condition to Closing and Santa Fe Estates shall have the obligation to cure the matters as stated in its notice to the City. If Santa Fe Estates does not elect by notice to the City of its intent to cure all of the matters to which the City has objected, or if Santa Fe Estates gives the notice but the City objects to the described cure of one or more matters described in the notice, then the City may elect to terminate this Agreement by giving notice to Santa Fe Estates within the ten-day period stated in the preceding sentence. If the City does not elect to terminate for any of the reasons stated in the preceding sentence, it shall be deemed to have waived the objections stated in its notice to Santa Fe Estates.

5. Permitted Encumbrances. For purposes of this Agreement, the Permitted Encumbrances are (a) all assessments by governmental agencies and bodies, special district, and homeowner associations that are applicable to a political subdivision of the State, such as the City, with respect to the Northwest Quadrant Property for the current and future years, (b) all matters of record or otherwise affecting the Northwest Quadrant Property at Closing that are not objected to in accordance with paragraph 4, and (c) any matter affecting the Northwest Quadrant to which the City objected in accordance with paragraph 4,

but which is waived or is to be cured by Santa Fe Estates after Closing as stated in its notice of intent to cure given in accordance with paragraph 4.

6. Valuation of Northwest Quadrant Property. The Parties acknowledge and agree that the value of the Northwest Quadrant Property, exclusive of that certain lot of approximately two acres which is depicted in a plat of survey attached hereto and made a part of hereof as **Exhibit D** (this lot hereinafter being referred to as the "Tract 2") is $2,355,000, as reflected in the appraisal attached hereto and made a part hereof as **Exhibit E**. The parties acknowledge and agree that the value of Tract 2 is $100,000.

7. Matters Relating to Declaration of Covenants, Conditions, Restrictions and Easements for Las Estrellas, and Las Estrellas Master Association, Inc. Santa Fe Estates is the Declarant named in the Declaration of Covenants, Conditions, Restrictions and Easements for Santa Fe Estates, filed for record on November 5, 2003, in Book 2701, pages 875 – 903, records of the Santa Fe County Clerk's Office, as amended by First Amendment to Declaration of Covenants, Conditions, Restrictions and Easements for Santa Fe Estates, filed for record on June 17, 2004, as Instrument No. 133,3331 in the records of the Santa Fe County Clerk's Office (the "Master Declaration"). Santa Fe Estates is the Declarant identified in the Amended and Restated Bylaws of Las Estrellas Master Association, Inc. (the "Master Association Bylaws") of Las Estrellas Master Association, Inc. (the "Master Association"), a New Mexico nonprofit corporation organized pursuant to the Master Declaration. Santa Fe Estates shall, before the Closing, (a) assign without recourse its rights and delegate its duties as Declarant under the Master Declaration, in accordance with the terms of the Master Declaration, to a person identified by the City, (b) relinquish its role as Declarant under the Master Association Bylaws, , (c) deliver to the person identified in clause (a) such instruments as are necessary to convey to that person all monies and accounts in the possession and control of Santa Fe Estates and belonging to the Master Association, and (d) deliver to the person identified in clause (a) all accounting records, minute books and other books and records in the possession of Santa Fe Estates and belonging to the Master Association.

8. Matters Relating to Las Estrellas Residential Tracts Declaration of Covenants, Conditions and Restrictions, and Las Estrellas Residential Association, Inc. Santa Fe Estates is the Declarant named in the Santa Fe Estates Residential Tracts Declaration of Covenants, Conditions and Restrictions, filed for record on November 6, 2003, in Book 2702, pages 831 – 858, records of Santa Fe County Clerk's Office, , as amended by the First Amendment to Santa Fe Estates Residential Tracts Declaration of Covenants, Conditions and Restrictions, filed for record on June 17, 2004, as Instrument No. 133,3332 in the records of the Santa Fe County Clerk's Office (the "Residential Declaration"). Santa Fe Estates is the Declarant identified in the Amended and Restated Bylaws (the "Residential Association Bylaws") of Las Estrellas Residential Association, Inc., a New Mexico nonprofit corporation organized in accordance with the Residential Declaration (the "Residential Association"). Santa Fe Estates shall, before the Closing, (a) assign without recourse its rights and delegate its duties as Declarant under the Residential Declaration, in accordance with the terms of the Residential Declaration, to a person identified by the City, (b) relinquish its role as Declarant under the Residential Association Bylaws, (c) deliver to the person identified in clause (a) such instruments as are necessary to convey to that person all monies and accounts in the possession and control of Santa Fe Estates and belonging to the Residential Association, and (d) deliver to the person identified in clause (a) all accounting records, minute books and other books and records in the possession of Santa Fe Estates and belonging to the Residential Association.

9. Express Terms of the 1997 Agreement. The City and Santa Fe Estates are parties to that certain agreement entered into as of November 14, 1997, by and among the City, Santa Fe Estates and the New Mexico State Highway Department (the "1997 Agreement"). Paragraph 10 of the 1997 Agreement provides that, following the installation of necessary water improvements for the irrigation of certain landscaping, Santa Fe Estates will construct certain landscaping and the cost of that landscaping will be deducted from proceeds of tract sales to which the City would otherwise be entitled under the 1930 Agreement. In view of the objectives of this Agreement, upon Closing, the City hereby releases, terminates,

and discharges Santa Fe Estates from any remaining obligation of Santa Fe Estates under paragraph 10 of the 1997 Agreement.

10. Previous Activities; Master Plan. In the course of the previous activities by Santa Fe Estates related to the properties that were or are subject to the 1930 Agreement, Santa Fe Estates has prepared, submitted, and obtained approvals of a Santa Fe Estates Master Plan and amendments to the Master Plan (the "Master Plan") which govern the development of those properties and now governs development of the Northwest Quadrant Property; discussed plans and contemplated developments; entered into agreements and undertakings with the City and other persons to construct or maintain infrastructure improvements; construct water transmission and distribution systems, and provide other improvements, and performed other acts relating to the development and sale of those properties; and is the Declarant under the declarations of covenants and restrictions referenced in paragraphs 7 and 8. In view of the objectives of this Agreement, upon Closing, the City hereby releases, terminates, and discharges Santa Fe Estates from any remaining obligation it may have to the City under the Master Plan, and under all plans and contemplated developments, agreements, undertakings, and declarations referenced in the preceding sentence.

11. Conduct of Business Pending Closing. Santa Fe Estates has generally discontinued active sales and development activity within and relating to the Northwest Quadrant Property as of the date first set forth above. Santa Fe Estates otherwise shall continue to conduct its business in the ordinary course insofar as it relates to the Northwest Quadrant Property as it has done prior to the date first set forth above, including the maintenance and administration of the Northwest Quadrant Property, administration of the activities of the Master Association and the Residential Association, and similar activities. The Parties acknowledge that Santa Fe Estates may be presented, before the Closing, with offers to purchase property within the Northwest Quadrant Property. Santa Fe Estates may, but is not required to, accept such offers or negotiate sales of any such property before the Closing. Acceptance of such an offer or execution of any related purchase agreement is subject to the consent of the City. If the sale under any such agreement occurs before the Closing, the net proceeds from the sale shall be divided evenly between Santa Fe Estates and the City as described in the preceding paragraph, and Santa Fe Estates shall pay to the City its share at the Closing. If the sale under any such agreement has not occurred as of the date of the Closing and if the City has accepted the purchase agreement, then it shall be assigned to and assumed by the City, and Santa Fe Estates shall be reimbursed for its actual costs it incurred in negotiating or performing under the sales agreement.

12. Proceeds from Sale of Tract in Northwest Quadrant. On or about February 22, 2018, Santa Fe Estates sold approximately 19.9728 acres of property in the Northwest Quadrant described as Lots 1 through 23 as shown on the Final Subdivision Plat for Arbolitos at Las Estrellas, filed on March 8, 2018, in Book 830, Pages 44-47, in the records of the Santa Fe County Clerk. Santa Fe Estates realized $266,440.53 on this sale, after costs of sale. Santa Fe Estates shall pay to the City at Closing one-half of net proceeds from this sale, or $133,220.27, pursuant to the 1930 Agreement.

13. Conditions to Obligations of the City. The City's obligations at Closing stated in paragraph 16 are subject to the satisfaction or waiver of the following conditions:

(a) The City shall have obtained all necessary approvals of this Agreement and the consummation of the transactions required to be completed before Closing as described in this Agreement;

(b) The City shall not have made any timely objection in accordance with paragraph 4, or if it has done so, the objection has been waived or Santa Fe Estates shall have elected to cure the objection or objections in accordance with paragraph 4;

(c) Santa Fe Estates shall have performed and complied in all material respects with all of its obligations under this Agreement that are to be performed or complied with by it prior to or on the Closing;

(d) No litigation or proceeding is pending or threatened which, if completed, would enjoin or prevent the Closing or would materially and adversely affect the City's ownership or use of the Northwest Quadrant Property; and

(e) No change shall have occurred which materially and adversely affects the City's ownership or use of the Northwest Quadrant Property.

14. Conditions to Obligations of Santa Fe Estates. The obligations of Santa Fe Estates at Closing stated in paragraph 17 are subject to the satisfaction or waiver of the following conditions:

(a) The City shall have obtained all necessary approvals of this Agreement and the consummation of the transactions required to be completed before Closing as described in this Agreement;

(b) The City shall have performed and complied in all material respects with all of its obligations under this Agreement that are to be performed by it prior to or on the Closing; and

(c) No litigation or proceeding is pending or threatened which, if completed, would enjoin or prevent the Closing or would materially and adversely affect the ability of Santa Fe Estates to realize its objectives under this Agreement.

15. The Closing. The Closing shall be at 10:00 a.m. on the second Wednesday after all conditions stated in paragraphs 13 and 14 have been satisfied, waived, or deemed to have been waived, or some other time as the Parties may mutually agree on in writing. If that day falls on a federal or New Mexico State holiday, the Closing shall occur on the next business day thereafter. The Closing shall occur at Southwestern Title & Escrow, Inc., Santa Fe, New Mexico.

16. Obligations of the City at the Closing. If all of the conditions to the obligations of the City stated in paragraph 13 have been satisfied or waived on or before the Closing, the City shall execute, deliver, and do the following at the Closing:

(a) The City shall execute and deliver the completed "Closing Memorandum" in the form attached hereto as **Exhibit F**;

(b) The City shall identify the person/entity that will be assigned the rights of Declarant under the Master Declaration and Residential Declaration pursuant to paragraphs 7 and 8, and provide that information to Santa Fe Estates prior to closing;

(c) The City shall draft letters to the State of New Mexico Taxation and Revenue Department and the Santa Fe County Assessor's Office requesting the property be taken off of the tax records; and

(d) The City shall execute where required, and deliver, any further monies, agreements, instruments, or documents required by it to be delivered in accordance with this Agreement.

17. Obligations of Santa Fe Estates at the Closing. If all of the conditions to the obligations of Santa Fe Estates at the Closing are satisfied or waived on or before the Closing, Santa Fe Estates shall execute, deliver, and do the following.

(a) Santa Fe Estates shall execute, acknowledge, and deliver the Special Warranty Deed in substantially the same form as **Exhibit C**;

(b) Santa Fe Estates shall provide a receipt to the City that all 2019 ad valorem taxes have been paid to the Santa Fe County Treasurer;

(c) Santa Fe Estates shall deliver to the City the sum of money stated in paragraph 12, in the form of a check;

(d) Santa Fe Estates will provide the City, if it has not provided such documents beforehand, originals of the documents that constitute the Information in paragraph 3;

(e) Santa Fe Estates shall perform the acts, execute, acknowledge, and deliver the instruments, monies, and documents relating to the Master Association required by it to be performed, executed, acknowledged, and delivered in accordance with paragraphs 7 prior to closing;

(f) Santa Fe Estates shall perform the acts, execute, acknowledge, and deliver the instruments, monies and documents relating to the Residential Association required by it to be performed, executed, acknowledged, and delivered in accordance with paragraph 8 prior to closing;

(g) Santa Fe Estates shall execute and deliver the completed Closing Memorandum in the form attached hereto and made a part hereof as **Exhibit F**; and

(h) Santa Fe Estates shall execute where required, and deliver, any further monies, agreements, instruments or documents required by it to be delivered in accordance with this Agreement.

18. Proration and Assessments. Any utility charges and other similar amounts shall be prorated as of the day of Closing. Assessments by any governmental body or agency for the current year applicable to subdivisions of the State and all homeowner associations and special districts, shall be prorated to the day of Closing based upon rates for the previous year if not known at the day of Closing. The Parties acknowledge and agree that the City, as a municipal corporation, does no pay ad valorem property taxes, and therefore that in no case shall the City pay any prorated costs for ad valorem taxes at Closing, both Parties understand their duties with regard to ad valorem taxes pursuant to paragraphs 17 and 18.

19. Costs of Agreements and Closing. Except as otherwise provided herein, each Party shall pay its own costs of negotiating and finalizing this Agreement, conducting reviews and investigations in preparation for Closing, and completing the Closing. The Parties shall share equally in the costs and fees for recording instruments to be recorded under this Agreement, and the fee of the title company for acting as a closing and escrow agent in connection with the Closing.

20. Additional Performance. Each Party agrees to deliver such instruments and documents and do such other acts that are reasonably necessary at and following the Closing to effect the purposes of this Agreement.

21. Mutual Release and Indemnity. Santa Fe Estates shall indemnify and hold harmless the City, its officers, employees, and representatives from and against all claims and liabilities known to Santa Fe Estates respecting the Northwest Quadrant Property but not known to the City, and not disclosed herein

or in any document delivered under this Agreement. The City hereby releases and holds harmless Santa Fe Estates and its directors, officers, shareholders, employees, and representatives from and against any and all liabilities arising from (a) the City's ownership, development, operation, and sale of the Northwest Quadrant Property from and after the Closing, and from and against any claims by third parties relating to any changes to the Master Plan after Closing, and (b) any investigations conducted in accordance with paragraph 3.

22. Termination. This Agreement shall terminate prior to Closing on the first to occur of any of the following.

(a) By notice given by the City to Santa Fe Estates if (1) any of the conditions stated in paragraph 14 of this Agreement have become incapable of fulfillment on or before January 31, 2020, (2) the City has given notice to Santa Fe Estates of the condition or conditions, (3) Santa Fe Estates has failed to fulfill the condition or conditions within ten days of that notice, and (4) the City is not then in material breach of this Agreement;

(b) By notice given by Santa Fe Estates to the City if (1) any of the conditions stated in paragraph 15 of this Agreement have become incapable of fulfillment on or before January 31, 2020, (2) Santa Fe Estates has given notice to the City of the condition or conditions, (3) the City has failed to fulfill the condition or conditions within ten days of that notice, and (4) Santa Fe Estates is not then in material breach of this Agreement;

(c) Santa Fe Estates shall have determined that the potential tax effects of the transactions contemplated herein prevent it from realizing its objectives in entering into this Agreement or otherwise materially and adversely affect it or its shareholders;

(d) The Closing shall not have occurred by February 28, 2020; or

(e) The mutual agreement of the Parties.

23. Notices. Notices will be effective (a) on the third day following mailing by certified U.S. Mail, or (b) on the day of personal delivery by a party or courier, in each case to the party at its address below, or (c) upon delivery by email or telephonic facsimile if the method of transmission generates a confirmation of successful transmission, if transmitted to the address stated below:

[insert addresses]

A Party may change its address for notice purposes by notice to the other party given in accordance with this paragraph.

24. Governing Law; Jurisdiction. The validity, interpretation, and performance of this Agreement shall be determined in accordance with the laws of the State of New Mexico. Each Party hereby acknowledges and agrees that personal jurisdiction and venue are only proper in any court of general jurisdiction in and for Santa Fe County New Mexico, in accordance with NMSA 1978, Section 38-3-1(G).

25. Miscellaneous. This Agreement contains the entire agreement between the Parties with respect to its subject matter and supersedes all negotiations, prior discussions, agreements, letters of intent, and understandings, written or oral, relating to the subject matter of this Agreement. The exhibits and schedules attached to this Agreement and the other documents delivered or to be delivered pursuant to this Agreement are made a part of this Agreement. If any provision of this Agreement is held to be unenforceable, invalid, or void to any extent for any reason, that provision will remain in force and effect to the maximum extent allowable, and the enforceability and validity of the remaining provisions of this Agreement will not be affected. The headings, subheadings, and captions in this Agreement and in its exhibits and schedules are for reference purposes only and are not intended to affect the meaning or interpretation of this Agreement. Neither this Agreement nor any term hereof may be amended, modified, supplemented, waived, discharged, or terminated other than by a written instrument signed by the Parties.

26. Successors and Assigns. This Agreement shall bind each Party and its respective successors and assigns, and either Party may assign its rights or delegate its duties under this Agreement, except that in any such instance the party making the assignment or delegation shall remain liable for its obligations hereunder.

27. The City shall record this Agreement, or a memorandum of agreement with the Santa Fe County Clerk's Office within a reasonable time after its execution.

28. This Agreement may be executed in two (2) counterparts, each of which shall be deemed an original, but both of which together shall constitute one and the same instrument.

IN WITNESS OF THE FOREGOING, the Parties have executed and delivered this Agreement as of the date first set forth above.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the later date of the parties' signatures below.

SANTA FE ESTATES INCORPORATED

By: _____ Date: 12-30, 2019
John D. McNeill, President

ACKNOWLEDGMENT

STATE OF NEW MEXICO)
) ss.
COUNTY OF San Juan)

This instrument was acknowledged before me this 30 day of December, 2019 by John D. McNeill.

Seal: OFFICIAL SEAL
MARISSA R GARCIA
NOTARY PUBLIC - STATE OF NEW MEXICO
My commission expires: 04-05-23

_____
Notary Public

My Commission Expires:

April 05, 2023

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the later date of the parties' signatures below.

THE CITY OF SANTA FE

By: _____ Date: Dec 17, _____, 2019
Alan M. Webber, Mayor

Attested:

Yolanda Y. Vigil, City Clerk
ccmtg 12/11/19

Approved as to form:

Erin K. McSherry, City Attorney

Approved:

Mary T. McCoy, Finance Director

ACKNOWLEDGMENT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

This instrument was acknowledged before me this 17th day of December, 2019 by Alan M. Webber.

Seal:

Notary Public

My Commission Expires:

February 13, 2020

OFFICIAL SEAL
Geralyn F. Cardenas
NOTARY PUBLIC
STATE OF NEW MEXICO
My Commission Expires: 02-13-2020

Index to Exhibits

Exhibit A	Memorandum of Agreement, January 25, 1930; August 30, 1978; November 14, 1997
Exhibit B	Description of Northwest Quadrant Property
Exhibit C	Form of Special Warranty Deed
Exhibit D	Plat of Survey – Tract 2
Exhibit E	Appraisal of Northwest Quadrant Property
Exhibit F	Form of Closing Memorandum

MEMORANDUM OF AGREEMENT

This Agreement made and entered into this 25 day of January, 1930 by and between the City of Santa Fe, a municipal corporation, party of the first part, and John J. Dempsey, party of the second part,

WITNESSETH:

WHEREAS, the party of the first part is the owner of certain lands lying at the northerly end of the Santa Fe Grant; and

WHEREAS, it is the desire of said party of the first part to have said land developed so that revenue may be derived from the sale thereof and that the same may be placed upon the tax rolls; and

WHEREAS, it is the desire of the party of the second part to clear title to said lands and develop the same so that a sale thereof may be made;

NOW THEREFORE THIS AGREEMENT WITNESSETH: That the party of the second part approximately two thousand acres of land lying at the northerly end of the Santa Fe Grant, said land being more particularly described as follows, to-wit:

> Bounded on the North by North boundary of Santa Fe Grant excepting such land as is or will be deeded to John J. Dempsey. Bounded on the South by South boundary of sections 13 and 14, Township 17 North, Range 9 East and North boundary of land owned by School of American Research. Bounded on the east by Bishop's Lodge Road. Bounded on the west by a north and south line extended through the centers of sections 2, 11 and 14 of Township 17 North, Range 9 East.

upon the following conditions, to-wit:

1. Party of the second part covenants and agrees to endeavor to obtain a contract with the New Mexico Power Company for the furnishing of light, power and water to said lands, at prevailing city rates. Said contract, if obtained, to contemplate as to water supply, two trunk or main lines traversing said property; extensions thereof and laterals therefrom to be made, prior to a sale of the particular land to be served, as development demands.

2. The party of the second part further covenants and agrees to file a suit for the purpose of clearing title to said two thousand acres and so much more of the property of the city lying at the northerly end of the Santa Fe Grant as the City of Santa Fe may deem proper; and to pay toward the cost of said proceeding, the sum of $750.00. It being understood that said suit shall be filed as soon after the above described property is deeded to the party of the second part as may be reasonably possible. It is further understood by and between the parties hereto that if any substantial part of said acreage be lost in said suit to quiet title the party of the second part shall have the option of terminating this agreement upon a reconveyance to the first party of the lands to be conveyed under the terms hereof, but that the party of the first part, in the event of such termination, shall not be liable to second party for any monies or costs advanced or expended, and that said suit shall be deemed to have been successful unless a substantial portion of said acreage be lost.

540-Da

3. The said party of the second part further covenants and agrees to offer to the estate of A. B. Renehan the sum of One Thousand Dollars for a quitclaim deed to that portion of the property above described included within the boundaries of the Aoque Lovato Land Grant for the purpose of disposing of an interest in said property now claimed by the said A. B. Renehan Estate, and that in the event said A.B. Renehan Estate refuses said offer the said second party will pay said $1000.00 to the first party to be used by first party in clearing said property of said claim.

4. Said second party covenants and agrees to have said land above described platted and landscaped as an addition to the City of Santa Fe with proper streets,

parkways, etc. Said streets to be dedicated to the City of Santa Fe as official streets of said city and not to be considered as a sale of said lands as hereinafter specified.

5. Said party of the second part in connection with said development of said lands covenants and agrees to sell said property by tracts in such quantities and for such amounts as in his opinion may be proper for the best development of said proposed Addition. It being understood by and between the parties hereto that the disposition of said land by said second party shall be limited to bona fide sales at a reasonable market value and that none of said property shall be sold on a basis of less than $100.00 per acre without the consent of the party of the first part. It is further understood and agreed that insofar as is reasonably possible, the sales of said land by the second party shall be restricted to purchasers desiring the same for use and occupation, rather than for speculative purposes; but that this provision shall not be construed as a covenant running with the land, nor shall it effect the title of any purchaser thereof.

6. That the proceeds to be derived from the sale of said property shall be accounted for by said second every three months and shall be divided as follows:

(a) Development expenses incurred by the second party including the installation of water, light and power, laying out of the addition, street expenses, taxes and expenses incident to the sale of acreage such as maintenance of an office in Santa Fe and Real estate commission payments for sales at the usual rates, shall in all cases be deducted from the proceeds of said sales prior to any division of such proceeds. It being understood that the above expenses do not include any cost for financing said project or for the incorporation of a company for the purpose of handling said development or for corporate expenses such as salaries and office expenses in connection with said corporation. It being further understood that the initial cost of development shall not exceed Twenty Five Thousand Dollars over and above the cost of making water, light and power available to said land.

(b) The proceeds from said sale after the deduction of the items specified in sub-paragraph (a) hereof shall be construed as net proceeds and shall be divided fifty percent to each of the parties hereto.

(c) It is further understood and agreed that additional expenses for items specified in sub-paragraph (a) hereof for future development over and above the initial expense shall be deducted from the proceeds of sale, after the same are made, prior to the division of the net proceeds.

7. After the successful completion of the suit to quiet title above specified the party of the second part will be given ninety days within which to complete contract with the power company for the construction of water, light and power lines to said lands. It being understood that said contract, when executed shall contain a provision that said water, light and power lines shall be completed within ninety days from the execution of said contract with said power company. Provided, however, that in the event of unavoidable delay the party of the second part may be given such additional time as may be deemed necessary by the party of the first part. It being understood between the parties hereto that this agreement is contingent upon the successful outcome of the suit to quiet title above specified and the execution of the contract by the party of the second part with the New Mexico Power Company for the construction of said water, light and power lines as above specified. It is further understood that the contract of said second party with the New Mexico Power Company, if obtained, will contain a provision that the water lines so to be constructed shall be available to all of the lands above described and to any other lands then owned by the party of the second party parties hereto but that the same shall not be available to any other lands without the consent of the party of the second part, and party of the second part agrees that no such permission shall be granted by second party without a payment by the owners of said additional lands to which said lines are made available of their reasonable proportionate part of the cost thereof and that in such event fifty per cent of such payment shall accrue to the party of the first part. It is

further understood and agreed that in the event said suit be not successful or se ond party be unable to enter into a contract with the New Mexico Power Company as above specified he will deed back to the first party property covered by this agreement.

8. It is understood by and between the parties hereto that the party of the second part will make every reasonable effort to dispose of said lands at the best price obtainable for the interests of all parties concerned.

9. It is further understood and agreed by and between the parties hereto that buildings to be constructed upon said lands shall conform to what is known as the new-old Santa Fe Spanish or Indian Style of architecture.

10. It is further understood and agreed that the party of the second part may, if he so desires, transfer all of the rights and privileges hereby conferred upon him to any corporation he may designate, and may likewise transfer to any such corporation all of his right, title and interest in and to the property to be conveyed under the terms hereof; and that if such corporation shall thereupon promptly assume in writing all of the obligations hereby imposed on said second party, and shall file an executed copy of such assumption with the party of the first part, such transfer shall not be construed to be a "sale" within the meaning of this contract.

11. It is further understood and agreed by and between the parties hereto that in the event the State of New Mexico decides to construct a highway through any portion of the property above specified that the right of way therefor shall be granted without expense to the party of the first part.

IN WITNESS WHEREOF, the said party of the first part has caused this instrument to be executed by its duly authorized officers, and its corporate seal to be hereunto affixed and the party of the second part has hereunto set his hand on the day and year first above written.

City of Santa Fe,
By J. C. McConvery, Mayor

Attest: Joe P. Conklin,
City Clerk

John J. Dempsey
Party of the Second Part

STATE OF NEW MEXICO
SS
COUNTY OF SANTA FE

On this 25th day of January, 1930, before me appeared J. C. McConvery to me personally known, who being by me duly sworn did say that he is the mayor of the City of Santa Fe, a municipal corporation, and that the seal affixed to said instrument is the corporate seal of said municipal corporation, and that said instrument was signed and sealed in behalf of said municipal corporation by authority of its City Council, and the said J. C. McConvery acknowledged said instrument to be the free act and deed of said municipal corporation.

In Witness Whereof I have hereunto set my hand and notarial seal on this the day and year in this certificate first above written.

(Seal)
My commission expires 1/5/32

Adeline Muralter
Notary Public

STATE OF NEW MEXICO
SS
COUNTY OF SANTA FE

On this 25 day of January 1930 before me personally appeared John J. Dempsey, to me personally known, to be the person described in and who executed the above

and foregoing instrument and acknowledged to me that he executed the same as his free act and deed.

In Witness Whereof, I have hereunto set my hand and notarial seal on this the day and year in this certificate first above written.

Adeline Muralter
Notary Public

(Seal)
My commission expires 1/5/32

RECORDED: in Book X Miscellaneous Deeds at Page 535 on April 13, 1932 at 9:00 o'clock A.M.

John J. Dempsey and Katherine T. Dempsey, his wife	:	ASSIGNMENT
	:	
	:	DATED: June 2, 1930
T O	:	
	:	FILED: April 13, 1932 at 9:00 o'clock A.M.
Santa Fe Estates Incorporated, a corporation duly organized and existing under and by virtue of the laws of the State of New Mexico	:	RECORDED: in Book X Miscellaneous Deeds at Page 537
	:	CONSIDERATION: $10.00

GRANTING CLAUSE: Transfer, set over and assign.

DESCRIPTION: * * * all of the rights, titles and interests acquired by the parties of the first part and each of them under and by virtue of that certain contract dated January 25th, 1930, between the City of Santa Fe, a municipal corporation, as party of the first part and John J. Dempsey, party of the second part, a copy whereof is attached hereto.

This assignment is made subject to all of the unfulfilled obligations imposed by said contract upon the said John J. Dempsey, except, only, in connection with the obligation to account to the City of Santa Fe for monies paid to the parties of the first part herein by R. C. Riley and Charles Fahy for the right to connect with the pipe line referred to in said contract the obligation of the party of the second part herein shall be so limited that it shall be required merely to restrict its charge for expense of the pipe line acquired under the contract between the New Mexico Power Company and the said John J. Dempsey, to the actual cost to it of said pipe line in its accounting with the city of Santa Fe under the provisions of the contract hereby assigned; all of which said obligations the party of the second part hereby assumes and agrees to perform.

SIGNED BY: John J. Dempsey
Katherine T. Dempsey

ACKNOWLEDGED BY: John J. Dempsey and Katherine T. Dempsey, on June 11, 1930, in the County of Suffolk, State of New York, before Russell F. Sammis, Notary Public. Suff. Co. N.Y. Seal and date of expiration of commission not shown.

(Following above acknowledgment is certificate of Clerk of the County of Suffolk and also Clerk of the Supreme Court for said County as to authorization of said Russell F. Sammis as Notary Public on the date such acknowledgment was taken.)

ASSUMPTION OF CONTRACT

WHEREAS, the City of Santa Fe, a municipal corporation, entered into a contract and agreement with John J. Dempsey, under date of January 25th 1930, pursuant to the terms whereof said City conveyed to said Dempsey approximately two thousand acres of land lying in the northerly end of the Santa Fe Grant and the said Dempsey agreed to endeavor to obtain a contract with the New Mexico Power Company, a corporation, for the furnishing of light, power and water to said lands at prevailing city rates, to file and prosecute to conclusion a suit for the clearing a suit for the clearing of the title to said lands, to obtain by purchase a quitclaim deed to certain interests in said lands from the A. B. Renehan Estate, to have said lands platted and landscaped as an addition to the City of Santa Fe with proper streets and parkways and to dedicate said Streets to said city and to attempt in good faith to sell said lands at their reasonable market value and for not less than $100.00 per acre; and

WHEREAS, by said contract it was further provided that after deducting said development expenses, taxes and expenses of the sale of said land from the proceeds of the sales thereof, one half of the remaining proceeds thereof should be paid over to the City of Santa Fe; and

WHEREAS, by said contract it was further provided that no one except the parties to said contract, their successors and assigns should be permitted to attach to the water line to be installed on said property pursuant to said contract without the payment of the reasonable compensation for such privileges and that the proceeds of all monies so received should be credited and divided in the same manner as the proceeds of the sale of said lands;

WHEREAS, said contract further provides that the said Dempsey might assign all rights thereunder and convey all his title in said land to a corporation to be formed and that such transfer should not be considered as a sale of said land within the meaning of said contract, provided that such corporation should assume in writing all of the provisions thereof; and

WHEREAS, pursuant thereto, the said Dempsey has assigned all of his rights in said contract and all of his title in said property to Santa Fe Estates Incorporated, a corporation, duly organized and existing under and by virtue of the laws of the State of New Mexico, contingent upon the assumption by said corporation of all the obligations of said contract; and

WHEREAS said Dempsey prior to said transfer entered into a contract with the New Mexico Power Company for the installation of pipe lines on said property at a total cost of $32,500.00, which said cost under the terms of said contract would be deducted from the proceeds of the sale of said lands before any monies therefrom would be payable under said contract to said City of Santa Fe; and

WHEREAS, said Dempsey further entered into a contract with Messrs. Riley & Fahy under the terms whereof they would have the right to connect with said pipe line upon the payment of the sum of $10,833.34 upon which certain payments have been made; and

WHEREAS, said Dempsey has personally assumed the burden of collecting the remainder of said $10,833.34 from said Riley and Fahy thus entitling the City of Santa Fe to have the full amount thereof immediately credited against the aforesaid cost of said pipe lines in the accountings hereafter to be had pursuant to said contract between said city and said Dempsey.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS: That the undersigned, Santa Fe Estates, Incorporated, for and in consideration of the premises has assumed and does hereby assume and agree to be bound and to perform all of the obligations, covenants and provisions of said contract between the said city of Santa Fe and said Dempsey; and

In further consideration of the premises and in consideration of the release by the City of Santa Fe of any and all claims by said City against either the said

BOOK E CONTRACTS
Page 100 Cont'd.

Dempsey or this corporation to any portion of the monies so collected and to be collected by said Dempsey from said Riley and Fahy, this corporation does hereby agree that the sum of $10,833.34 shall be credited by this corporation in its accounting with the City of Santa Fe against the said $32,500.00 cost of the installation of said pipe line.

In Witness Whereof said corporation has caused these presents to be executed by its Vice President and Secretary and its corporate seal to be hereunto affixed on this the 21st day of June, 1930.

Santa Fe Estates Incorporated
By Carl H. Gilbert
Vice-President

(Seal)
Geo. C. Gormly,
Secretary

STATE OF NEW MEXICO
ss
COUNTY OF SANTA FE

On this 23rd day of June, 1930, before me personally appeared Carl H. Gilbert, to me personally known who, being by me duly sworn, did say that he is the Vice-President of Santa Fe Estates Incorporated and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors and said Carl H. Gilbert acknowledged said instrument to be the free act and deed of said corporation.

In Witness Whereof I have hereunto set my hand and seal the day and year hereinabove first written.

Adeline Muralter
Notary Public

(Seal)
My Commission Expires Jan. 5, 1932.

RECORDED: in Book E Contracts at Page 100 on April 13, 1932 at 9:00 o'clock A.M.

AGREEMENT

Exhibit A

Page A7 of A11

This agreement is made and entered into this 30th day of August, 1978 by and between the City of Santa Fe, New Mexico, a municipality hereafter called City and Santa Fe Estates Incorporated, a New Mexico Corporation hereafter called Santa Fe Estates.

Whereas Santa Fe Estates is the owner in fee of certain property located in the northerly portion of the City of Santa Fe shown on Exhibit A (consisting of two pages) attached hereto and made a part hereof in which the City has an economic interest pursuant to an agreement dated January 25, 1930, which agreement was the subject of litigation between the parties in District Court Cause No. 45880, Santa Fe County, New Mexico.

Whereas the parties are desirous of ending their contractual relationship established by the 1930 Agreement as construed and declared by the Court in Cause No. 45880, and

Whereas it is the parties mutual intent that all property owned by Santa Fe Estates be split between the parties in a manner which will reflect the parties economic interest in the lands of Santa Fe Estates, and

Whereas the parties have, after full and complete negotiations prior to the execution of this agreement, determined that in order to equitably divide the economic interest each party has in the land owned by Santa Fe Estates so as to discharge the various rights and obligations of the parties under the 1930 Agreement, the land of Santa Fe Estates should be appraised by a competent and mutually acceptable appraiser and the land then be divided on the basis of that appraisal so that each party shall receive so much of the land of Santa Fe Estates as will equal fifty percent (50%) of the appraised value of all the land.

Now therefore, in consideration of their mutual agreement and covenants, the sufficiency of which is hereby acknowledged, the parties agree that all of the land of Santa Fe Estates remaining at the time of the division shall be divided between the parties hereto under the following terms and conditions subject only to the following condition precedent.

1. Condition Precedent. Santa Fe Estates is presently preparing an application to the Internal Revenue Service of the United States of America for an advance ruling to determine if the division contemplated herein would constitute a nontaxable transaction. Santa Fe Estates shall diligently pursue such determination. If the Internal Revenue Service shall issue its advance ruling that the proposed division is not a taxable transaction, then this agreement shall continue in full force and effect and the division of the lands of Santa Fe Estates pursuant to the terms and conditions contained herein shall be carried out. In the event however, that the Internal Revenue Service does not give an advance ruling within one year from date or if it determines that the proposed division is a taxable transaction, then in either event Santa Fe Estates at its sole option may elect to terminate this agreement and all rights and obligations hereunder shall be null and void except those specifically surviving pursuant to Paragraphs 4 and 6 hereof. In the event this agreement is terminated, the parties shall continue their contractual relationship under the 1930 Agreement as construed and declared by court decree in Cause No. 45880.

2. Appraisal. The parties select as an appraiser Heinz Hippauf, who shall be directed to appraise the land at its fair market value. In making the appraisal Heinz Hippauf shall appraise each separate tract as shown on Exhibit A consisting of

46 tracts. The appraisals shall be based on the zoning indicated on the particular tracts as shown on Exhibit A.

3. Procedure for Division. Following the appraisal, the parties shall, by a flip of a coin, determine which of the two parties shall choose first. The party choosing first shall then be entitled to pick one of any of the separate tracts shown on Exhibit A and the appraised value of that tract shall be credited to that party's one-half interest in the full appraised value of all of the land of Santa Fe Estates. Following the initial selection the other party shall be entitled to select two separate tracts and the appraised value of the two tracts shall be credited to that party's one-half interest. The parties shall then alternate, each choosing two separate tracts until one party has received one-half of the appraised value of all the land of Santa Fe Estates. If at that time one or more tracts remain unclaimed, those tracts shall go to the party who has not chosen tracts equaling fifty percent of the appraised value. In the event the last tract to be selected must be divided in order to achieve the fifty-fifty division contemplated herein, the parties shall divide that tract on a percentage basis to ensure that each party has an equal fifty percent of the total appraised value. In the event the parties cannot agree on the division of this last tract, then the appraiser, Heinz Hippauf, shall make the division in a manner to achieve a fifty-fifty division. His decision shall be final and binding on both parties.

4. Division of Expenses. All development expenses incurred by Santa Fe Estates in rezoning, appraising and preparing the division of the land shall be shared by the parties equally. In addition, City acknowledges receipt from Santa Fe Estates of the sum of $ 972.83 representing one-half of the

cost of the City Planning Department's efforts in preparation of portions of Exhibit A attached hereto. This clause shall survive the condition precedent set forth above.

5. Sales Prior to Division. Santa Fe Estates shall, prior to the division occurring, continue to develop and sell its lands located east of the New Taos Highway. Santa Fe Estates agrees it shall not sell any of its lands west of the New Taos Highway unless and until this agreement is fulfilled by the division contemplated herein, or, this agreement is terminated as a result of the condition precedent set forth above. The parties further agree that all sales occurring prior to the division, shall be governed by the terms of the 1930 Agreement.

6. Management Fees and Real Estate Commissions. The parties acknowledge that Santa Fe Estates has traditionally deducted as a cost of development prior to a division of the net proceeds under the 1930 Agreement a six percent (6%) real estate commission and ten percent (10%) management fee on each sale. The parties now agree that as to any sale made by Santa Fe Estates after June 1, 1978, Santa Fe Estates shall deduct a seven percent (7%) real estate commission and a seven percent (7%) management fee prior to the division of net proceeds. This clause shall survive the condition precedent set forth above.

7. Conveyance After Selection. After the selection specified in Paragraph 3, Santa Fe Estates shall convey to the City by special warranty deed the tracts selected by the City. By virtue of such conveyance the 1930 Agreement shall be fully satisfied and discharged and the parties will execute appropriate releases to each other acknowledging full satisfaction of the 1930 Agreement.

8. City's Authority to Perform. City represents to Santa Fe Estates that it has been advised by its City Attorney that it has the power and authority to enter into this agreement and carry out its terms. Santa Fe Estates in executing this agreement and carrying out its terms has relied on such representation.

9. Modification by Written Agreement. The parties agree that all of the terms and conditions of the parties concerning the proposed satisfaction of the 1930 Agreement are contained herein and that this agreement may not be altered in any manner except by written agreement duly executed by both parties.

CITY OF SANTA FE,
NEW MEXICO

By: _____

attest:

_____
City Clerk

SANTA FE ESTATES, INCORPORATED

By: _____

attest

_____
Secretary

LEGAL DESCRIPTIONS

"TRACT NPR1"

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT NPR1", CONTAINING 179.5337 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 11 AND PROJECTED SECTION 12 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPLE MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "LOT SPLIT NORTH PART REMAINDER TRACT FOR SANTA FE ESTATES", PREPARED BY JAMES B. SANCHEZ, NMPS,12655, ON DECEMBER 19, 2016, HAVING PROJECT No. 170911-12 SFE LS AND RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN PLAT BOOK 830 ON PAGES 002 - 003.

"TRACT NPR3"

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT NPR3", CONTAINING 17.1781 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 12 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPLE MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "BOUNDARY SURVEY OF RESIDUAL PARCELS WITHIN THE "NORTH PART REMAINDER TRACT OF THE SANTA FE ESTATES SUBDIVISION, BEING TRACT NPR3, TRACT NPR4, TRACT NPR5, TRACT NPR6 AND TRACT NPR7", PREPARED BY JAMES B. SANCHEZ, NMPS, 12655, ON JULY 5, 2018, HAVING PROJECT No. 170911-12 SFE RES AND RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN PLAT BOOK ____ ON PAGES _____.

"TRACT NPR4"

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT NPR4", CONTAINING 3.4258 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 12 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPLE MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "BOUNDARY SURVEY OF RESIDUAL PARCELS WITHIN THE "NORTH PART REMAINDER TRACT OF THE SANTA FE ESTATES SUBDIVISION, BEING TRACT NPR3, TRACT NPR4, TRACT NPR5, TRACT NPR6 AND TRACT NPR7", PREPARED BY JAMES B. SANCHEZ, NMPS, 12655, ON JULY 5, 2018, HAVING PROJECT No. 170911-12 SFE RES AND RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN PLAT BOOK ____ ON PAGES _____.

"TRACT NPR5"

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT NPR5", CONTAINING 1.1715 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 12 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPLE MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "BOUNDARY SURVEY OF RESIDUAL PARCELS WITHIN THE "NORTH PART REMAINDER TRACT OF THE SANTA FE ESTATES SUBDIVISION, BEING TRACT NPR3, TRACT NPR4, TRACT NPR5, TRACT NPR6 AND TRACT NPR7", PREPARED BY JAMES B. SANCHEZ, NMPS, 12655, ON JULY 5, 2018, HAVING PROJECT No. 170911-12 SFE RES AND RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN PLAT BOOK ____ ON PAGES _____.

Exhibit B

Page B1 of B5

"TRACT NPR6"

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT NPR6", CONTAINING 0.8608 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 12 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPLE MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "BOUNDARY SURVEY OF RESIDUAL PARCELS WITHIN THE "NORTH PART REMAINDER TRACT OF THE SANTA FE ESTATES SUBDIVISION, BEING TRACT NPR3, TRACT NPR4, TRACT NPR5, TRACT NPR6 AND TRACT NPR7". PREPARED BY JAMES B. SANCHEZ, NMPS, 12655, ON JULY 5, 2018, HAVING PROJECT No. 170911-12 SFE RES AND RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN PLAT BOOK _____ ON PAGES _____.

"TRACT NPR7"

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT NPR7", CONTAINING 24.2737 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 12 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPLE MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "BOUNDARY SURVEY OF RESIDUAL PARCELS WITHIN THE "NORTH PART REMAINDER TRACT OF THE SANTA FE ESTATES SUBDIVISION, BEING TRACT NPR3, TRACT NPR4, TRACT NPR5, TRACT NPR6 AND TRACT NPR7", PREPARED BY JAMES B. SANCHEZ, NMPS, 12655, ON JULY 5, 2018, HAVING PROJECT No. 170911-12 SFE RES AND RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN PLAT BOOK _____ ON PAGES _____.

"TRACT 2"

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT 2", CONTAINING 2.050 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 12 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPLE MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "LOT LINE ADJUSTMENT FOR SANTA FE ESTATES INC., ", PREPARED BY JAMES J. MEDRANO, NMPS, 5217, ON MARCH 1, 1995, HAVING PROJECT No. L-436 RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN PLAT BOOK 321 ON PAGE 039.

"TRACT 5B"

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT 5B", CONTAINING 9.827 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 11 AND PROJECTED SECTION 12 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPLE MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "LOT SPLIT OF THE NORTH PART REMAINDER TRACT", PREPARED BY DEAN SHRADER, NMPS, 12451, HAVING PROJECT No. 02004-5B-LS AND RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN PLAT BOOK 732 ON PAGES 031-033.

Exhibit B

Page B2 of B5

LEGAL DESCRIPTIONS

"TRACT 6A"

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT 6A", CONTAINING 19.736 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 11 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPLE MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "LOT SPLIT OF THE SOUTHWEST PART REMAINDER TRACT, LAS ESTRELLAS SUBDIVISION, TRACT 5C, TRACT 5D, TRACT 5E & TRACT 6A", PREPARED BY DEAN SHRADER, NMPS, 12451, AND RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN PLAT BOOK 665 ON PAGES 047-048.

"TRACT 5E"

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT 5E", CONTAINING 8.831 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 12 AND PROJECTED SECTION 13 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPLE MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "LOT SPLIT OF THE SOUTHWEST PART REMAINDER TRACT, LAS ESTRELLAS SUBDIVISION, TRACT 5C, TRACT 5D, TRACT 5E & TRACT 6A", PREPARED BY DEAN SHRADER, NMPS, 12451, AND RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN PLAT BOOK 665 ON PAGES 047-048.

"TRACT 8B-1"

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT 8B-1", CONTAINING 24.44 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 12 AND PROJECTED SECTION 13 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPLE MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "DIVISION PLAT OF TRACT 8B-1", PREPARED BY EDWARD M. TRUJILLO, NMPS, 12352, AND RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN PLAT BOOK 787 ON PAGE 023.

"TRACT 8B-1A"

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT 8B-1A", CONTAINING 1.85 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 12 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPLE MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "DIVISION PLAT OF TRACT 8B-1", PREPARED BY EDWARD M. TRUJILLO, NMPS, 12352, AND RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN PLAT BOOK 787 ON PAGE 023.

Exhibit B

Page B3 of B5

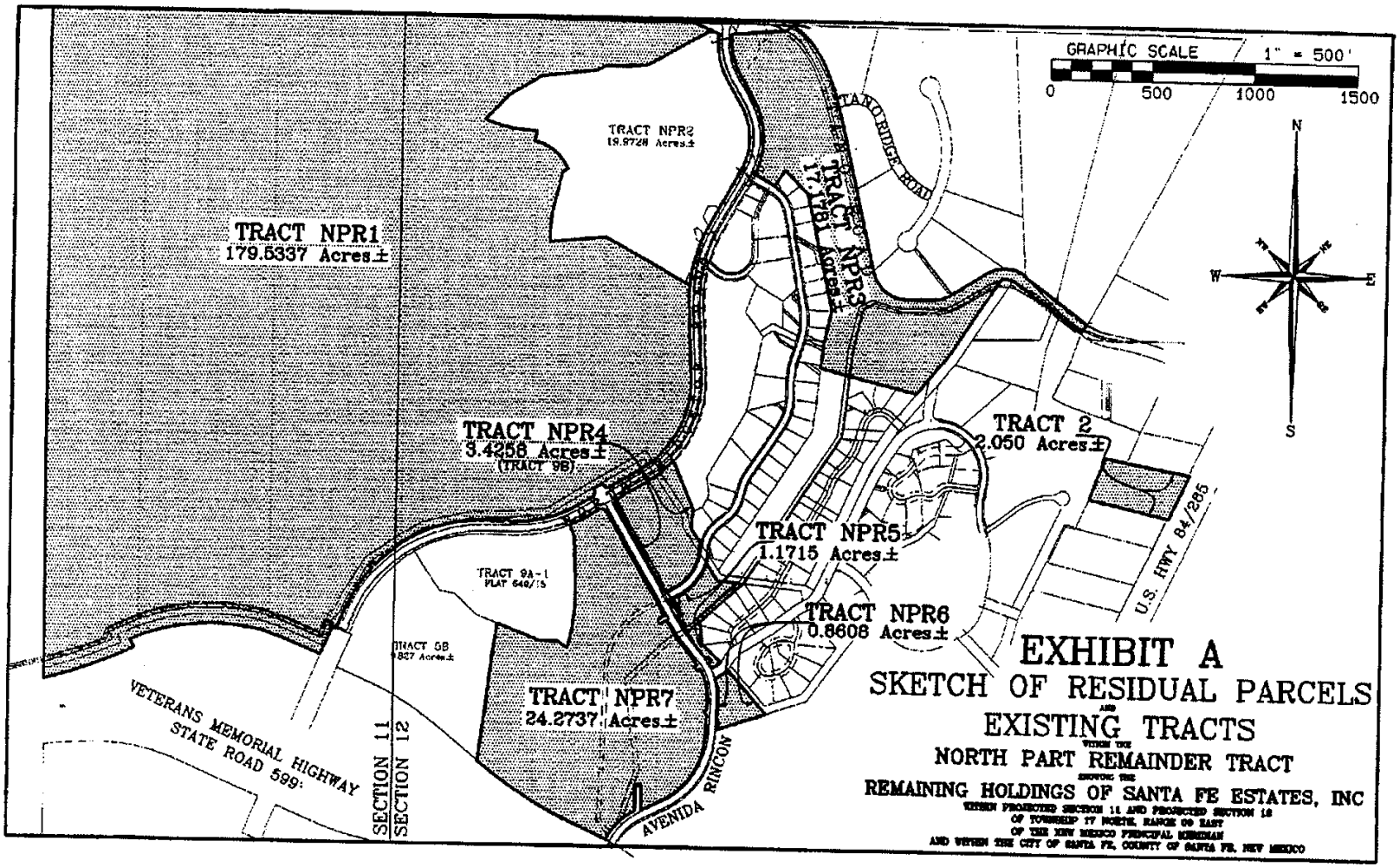


Exhibit B

Page B4 of B5

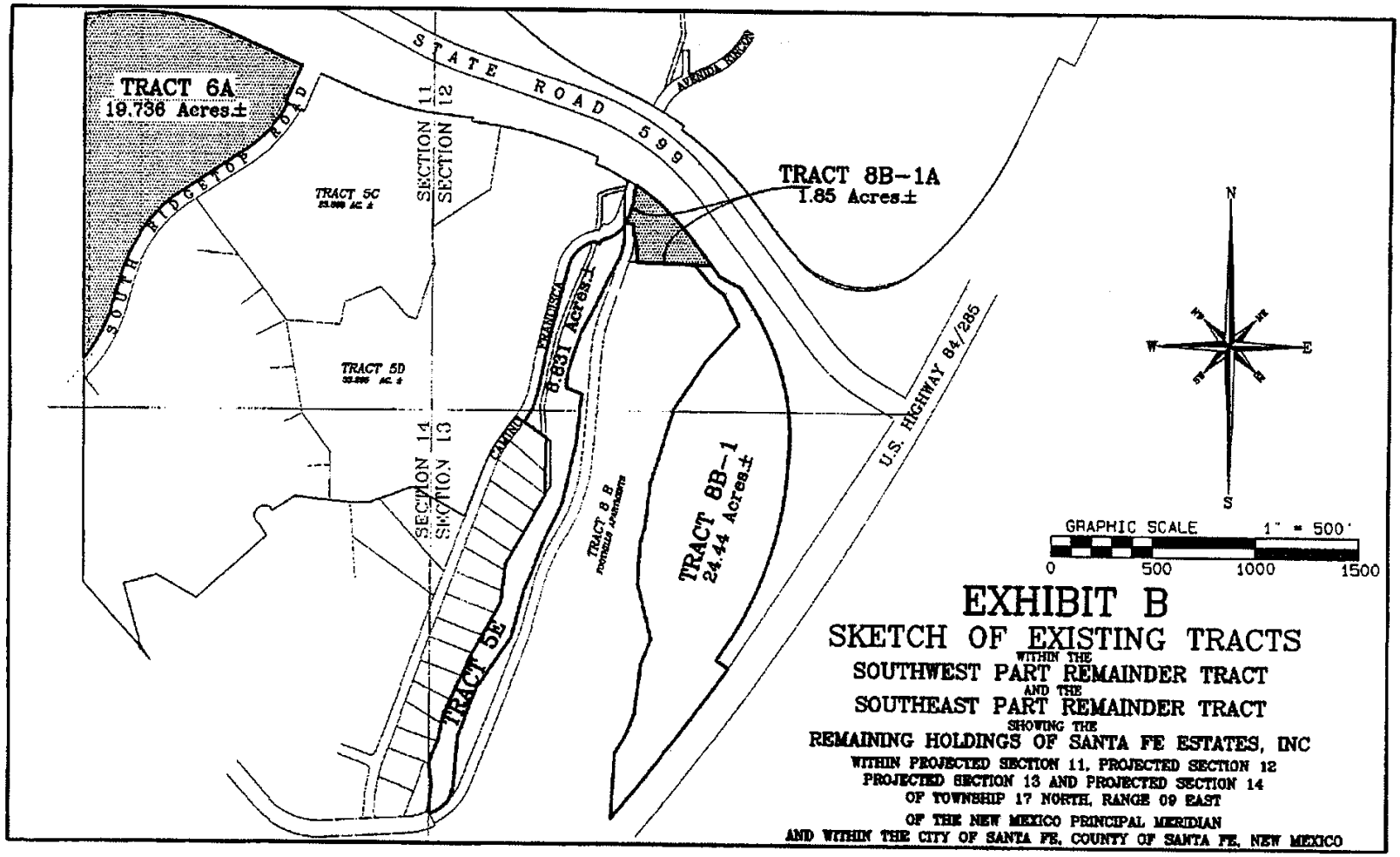


Exhibit B

Page B5 of B5

EXHIBIT C
Form of Special Warranty Deed

Subject to Completion and Correction

SPECIAL WARRANTY DEED

SANTA FE ESTATES, INCORPORATED, a New Mexico corporation, for consideration paid, grants to THE CITY OF SANTA FE, NEW MEXICO, a New Mexico municipal corporation, the address of which is _____, Santa Fe, New Mexico 87501, the following described real estate in Santa Fe County, New Mexico:

"TRACT NPR1"

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT NPRI", CONTAINING 179.5337 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 11 AND PROJECTED SECTION 12 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPAL MERIDIAN, AND SITUATE IN THE CITY AND COUNTY OF SANTA FE NEW MEXICO, AS SHOWN ON " LOT SPLIT NORTH PART REMAINDER TRACT FOR SANTA FE ESTATES," PREPARED BY JAMES B. SANCHEZ, NMPS,12655, ON DECEMBER 19, 2016, HAVING PROJECT No. 170911-12 SFE LS AND RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN PLAT BOOK 830 ON PAGES 002 - 003.

"TRACT NPR3"

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT NPR3," CONTAINING 17.1781 ACRES MORE OR LESS AND REING SITUATE WITHIN PROJECTED SECTION 12 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPAL MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "BOUNDARY SURVEY OF RESIDUAL PARCELS WITHIN THE "NORTH PART REMAINDER TRACT OF THE SANTA FE ESTATES SUBDIVISION, BEING TRACT NPR3, TRACT NPR4, TRACT NPR5, TRACT NPR6 AND TRACT NPR7," PREPARED BY JAMES B. SANCHEZ, NMPS, 12655, ON JULY 5, 2018, HAVING PROJECT No. 170911 – 12 SFE RES AND RECORDED ON THE OFFICE OF THE SANTA FE COUNTY CLERK IN PLAT BOOK ____ ON PAGES _____.

"TRACT NPR4"

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT NPR4", CONTAINING 3.4258 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 12 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPAL MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "BOUNDARY SURVEY OF RESIDUAL PARCELS WITHIN THE

"NORTH PART REMAINDER TRACT OF THE SANTA FE ESTATES SUBDIVISION, BEING TRACT NPR3, TRACT NPR4, TRACT NPR5, TRACT NPR6 AND TRACT NPR7", PREPARED BY JAMES B. SANCHEZ, NMPS, 12655, ON JULY 5, 2018, HAVING PROJECT No. 170911 - 12 SFE RES AND RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN PLAT BOOK ____ ON PAGES _____.

"TRACT NPR5"

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT NPR5", CONTAINING 1.715 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 12 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPAL MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "BOUNDARY SURVEY OF RESIDUAL PARCELS WITHIN THE "NORTH PART REMAINDER TRACT OF THE SANTA FE ESTATES SUBDIVISION, BEING TRACT NPR3, TRACT NPR4, TRACT NPR5, TRACT NPR6 AND TRACT NPR7", PREPARED BY JAMES B. SANCHEZ, NMPS, 12655, ON JULY 5, 2018, HAVING PROJECT No. 170911 - 12 SFE RES AND RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN PLAT BOOK ____ ON PAGES _____.

"TRACT NPR6"

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT NPR6", CONTAINING 0.8608 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 12 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPAL MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "BOUNDARY SURVEY OF RESIDUAL PARCELS WITHIN THE "NORTH PART REMAINDER TRACT OF THE SANTA FE ESTATES SUBDIVISION, BEING TRACT NPR3, TRACT NPR4, TRACT NPR5, TRACT NPR6 AND TRACT NPR7", PREPARED BY JAMES B. SANCHEZ, NMPS, 12655, ON JULY 5, 2018, HAVING PROJECT No. 170911 - 12 SFE RES AND RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN PLAT BOOK ____ ON PAGES _____.

"TRACT NPR7"

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT NPR7", CONTAINING 24.2737 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 12 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPAL MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "BOUNDARY SURVEY OF RESIDUAL PARCELS WITHIN THE "NORTH PART REMAINDER TRACT OF THE SANTA FE ESTATES SUBDIVISION, BEING TRACT NPR3, TRACT NPR4, TRACT NPR5, TRACT NPR6 AND TRACT NPR7", PREPARED BY JAMES B. SANCHEZ, NMPS, 12655, ON JULY 5, 2018, HAVING PROJECT No. 170911 - 12 SFE RES AND RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN PLAT BOOK ____ ON PAGES _____.

"TRACT 2"

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT 2", CONTAINING 2.050 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 12 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPAL MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "LOT LINE ADJUSTMENT FOR SANTA FE ESTATES INC.," PREPARED BY JAMES J. MEDRANO, NMPS, 5217, ON MARCH 1, 1995, HAVING PROJECT No. L – 436 RECORDED IN THE OFFICE OF HE SANTA FE COUNTY CLERK, IN PLAT BOOK 321 ON PAGE 039.

"TRACT 6A"

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT 6A", CONTAINING 19.736 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 11 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPAL MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "LOT SPLIT OF THE SOUTHWEST PART REMAINDER TRACT, LAS ESTRELLAS SUBDIVISION, TRACT 5C, TRACT RD, TRACT 5E & TRACT 6A", PREPARED BY DEAN SHRADER, NMPS, 12451, AND RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN PLAT BOOK 665 ON PAGES 047 – 048.

"TRACT 8B-1A"

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT 8B-1A", CONTAINING 1.85 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 12 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPAL MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "DIVISION PLAT OF TRACT 8B-1", PREPARED BY EDWARD M. TRUJILLO, NMPS, 12352, AND RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN PLAT BOOK 787 ON PAGE 023.

SUBJECT TO all liens, encumbrances, covenants, restrictions, and easements of record;

and as to TRACT NPR1, TRACT NPR3, TRACT NPR4, TRACT NPR5, TRACT NPR6, TRACT NPR7, TRACT 6A and TRACT 8B-1A, specifically subject to the Santa Fe Estates Residential Tracts Declaration of Covenants, Conditions and Restrictions, filed for record on November 6, 2003, in Book 2702, pages 831 – 858, records of Santa Fe County Clerk's Office, as amended by the First Amendment to Santa Fe Estates Residential Tracts Declaration of Covenants, Conditions and Restrictions, filed for record on June 17, 2004, as Instrument No. 133,3332 in the records of the Santa Fe County Clerk's Office;

with special warranty covenants.

Dated: _____

SANTA FE ESTATES, INCORPORATED,
a New Mexico corporation

By _____
John J. D. McNeill, President

ACKNOWLEDGMENT

STATE OF NEW MEXICO)
:ss.
COUNTY OF SANTA FE)

This instrument was acknowledged before me this ___ day of _____, 2019, by John J. D. McNeill, as President of SANTA FE ESTATES, INCORPORATED, and New Mexico corporation, on behalf of the corporation.

_____
Notary Public
My Commission Expires: _____

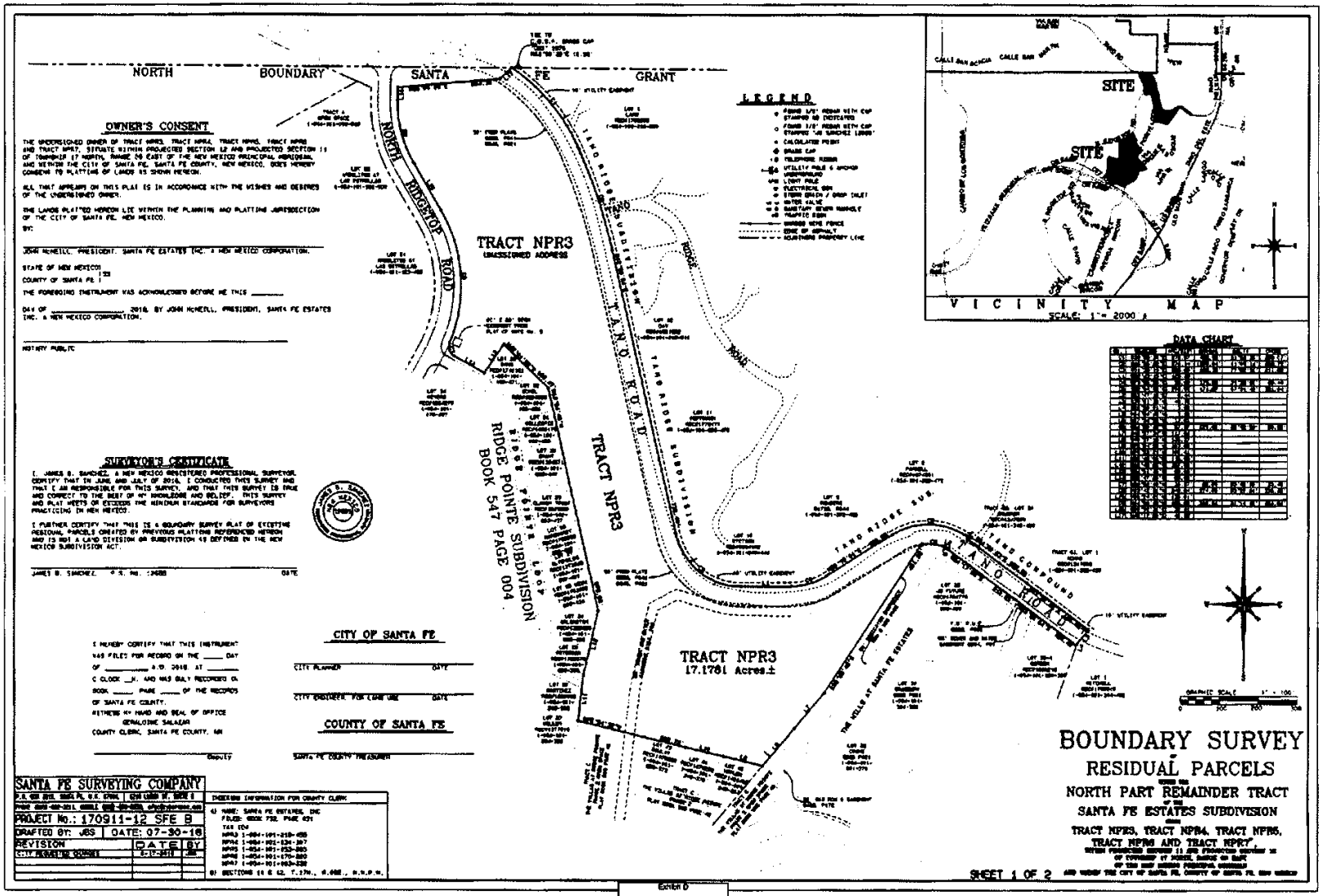
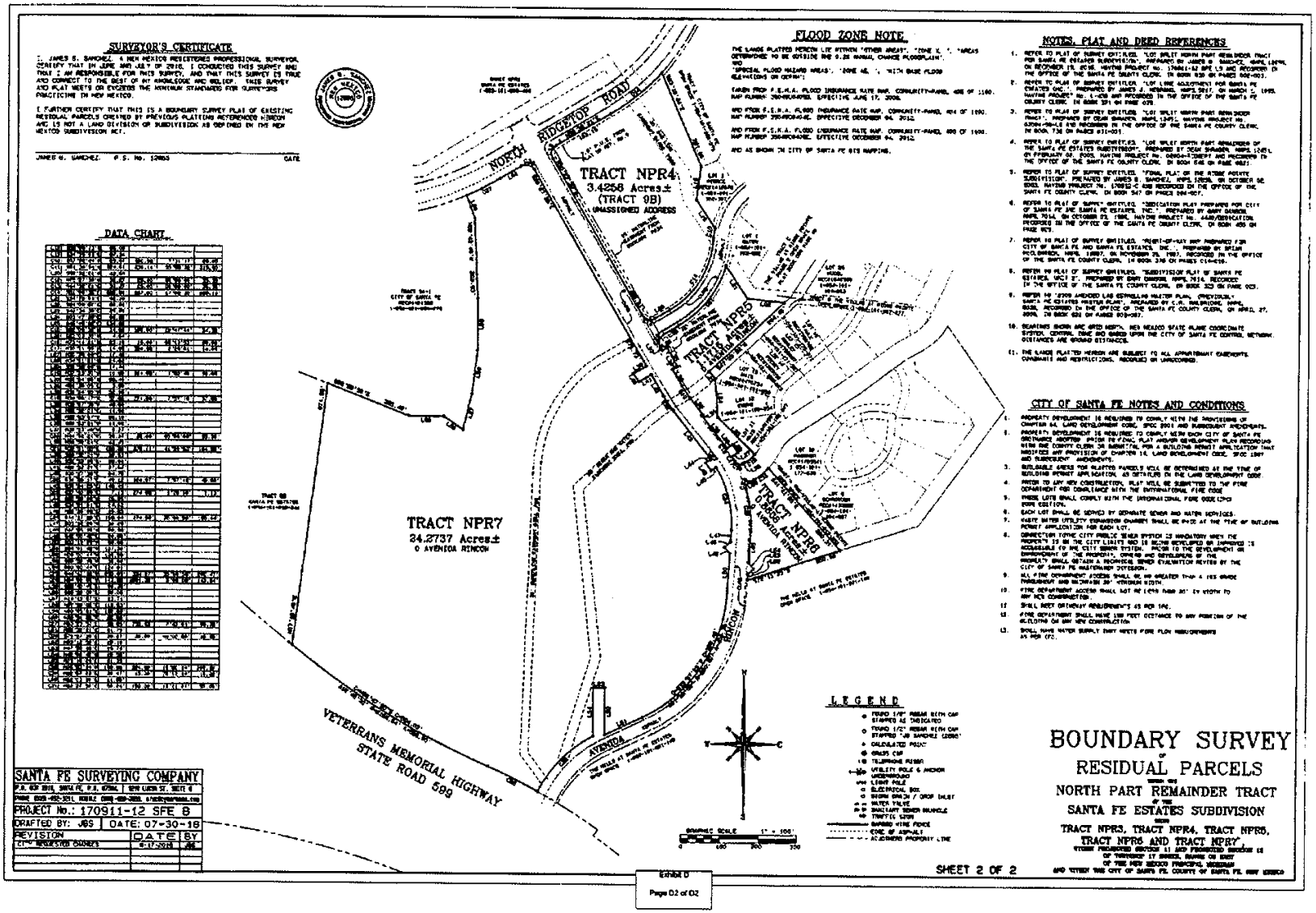


Exhibit D
Page 01 of 02


SURVEYOR'S CERTIFICATE
I, JAMES B. SANCHEZ, A NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR, CERTIFY THAT IN JUNE AND JULY OF 2018, I CONDUCTED THIS SURVEY AND THAT I AM RESPONSIBLE FOR THIS SURVEY, AND THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. THIS SURVEY AND PLAT MEETS OR EXCEEDS THE MINIMUM STANDARDS FOR SURVEYING PRACTICING IN NEW MEXICO.
I FURTHER CERTIFY THAT THIS IS A BOUNDARY SURVEY PLAT OF EXISTING RESIDUAL PARCELS CREATED BY PREVIOUS PLATTING AS DESCRIBED HEREON AND IS NOT A LAND DIVISION OR SUBDIVISION AS DEFINED BY THE NEW MEXICO SUBDIVISION ACT.
JAMES B. SANCHEZ N.M. P.S. No. 12983 DATE
DATA CHART
FLOOD ZONE NOTE
NOTES, PLAT AND DEED REFERENCES
CITY OF SANTA FE NOTES AND CONDITIONS
LEGEND
TRACT NPR4
3.4258 Acres±
(TRACT 9B)
UNASSIGNED ADDRESS
TRACT NPR5
TRACT NPR6
TRACT NPR7
24.2737 Acres±
0 AVENIDA RINCON
RIDGETOP ROAD
NORTH
AVENIDA RINCON
VETERANS MEMORIAL HIGHWAY
STATE ROAD 599
SANTA FE SURVEYING COMPANY
PROJECT No.: 170911-12 SFE B
DRAFTED BY: JBS DATE: 07-30-18
REVISION DATE BY
BOUNDARY SURVEY
OF
RESIDUAL PARCELS
WITHIN AND
NORTH PART REMAINDER TRACT
OF THE
SANTA FE ESTATES SUBDIVISION
AND
TRACT NPR3, TRACT NPR4, TRACT NPR5, TRACT NPR6 AND TRACT NPR7
SHEET 2 OF 2
Exhibit D
Page 02 of 02

OLCOTT
APPRAISAL, INC.

October 16, 2019

Santa Fe Estates, Inc.
c/o David D. Gurule
PO Box 22865
Santa Fe, New Mexico 87502

Re: Las Estrellas, Remaining Unsold Land
Approximately 248 Acres Bulk Land
Vicinity of Hwy 599 and Ridgetop Road
Santa Fe, New Mexico

Dear Dave,

On March 9, 2018, I issued an appraisal report that included a value opinion for the remaining bulk acreage at Las Estrellas.

On October 8, 2019, you requested my opinion regarding current market conditions and how they might influence the value of the Las Estrellas bulk acreage.

Based on my new research and analysis (supporting information retaining in my work file), I conclude that there have been no substantial changes to the market that would influence value. This is evidenced by lack of sales of large bulk residential acreage over the last year to year and a half. Other evidence supports that overall market conditions have remained flat for vacant land, especially for larger parcels.

Thus, I would not anticipate a substantially different value for the Las Estrellas land if reappraised today under current market conditions.

I trust this correspondence meets your immediate needs, but please do not hesitate to call if I may be of further assistance.

Respectfully,

Ginny Olcott, MAI
Olcott Appraisal, Inc.

Exhibit E

Part 1

P.O. Box 32352 Santa Fe, New Mexico 87594 | T (505) 466-4770 | F (505) 466-4928 | E ginny@olcott.org

OLCOTT
APPRAISAL, INC.

OPINION OF MARKET VALUE

APPRAISAL REPORT

LAS ESTRELLAS
REMAINING UNSOLD LAND

Approximately 248.03 Acres Bulk Land
Vicinity of Hwy 599 and Ridgetop Road
Santa Fe, New Mexico

SANTA FE ESTATES, INC.
C/O DAVID D GURULE
PO BOX 22865
SANTA FE, NEW MEXICO 87502

Effective Date of Appraisal	August 9, 2018 Reflecting As Is Condition

PREPARED BY GINNY OLCOTT, MAI

Exhibit E

Part 2

P.O. BOX 32352 SANTA FE, NEW MEXICO 87594 | T (505 466-4770 | E GINNY@OLCOTT.ORG

OLCOTT
APPRAISAL, INC.

August 10, 2018

Santa Fe Estates, Inc.
c/o David D. Gurule
PO Box 22865
Santa Fe, New Mexico 87502

Re: Las Estrellas, Remaining Unsold Land
Approximately 248 Acres Bulk Land
Vicinity of Hwy 599 and Ridgetop Road
Santa Fe, New Mexico

Dear Dave,

I have appraised the referenced property for the purpose of providing a supported opinion of current market value reflecting as is condition, that being bulk land designated for predominately low-density single family residential uses plus open space; land is subject to an older master plan which guides general maximum density and number of units at each conceptual tract. Property rights appraised are those of fee simple estate, subject to easements and restrictions of record. The effective date of appraisal is August 9, 2018, representing as is condition and date of site visit and photographs.

The attached appraisal is intended to conform to the Uniform Standards of Professional Appraisal Practice (USPAP) for appraisal assignments. Supporting documentation is included in the report to the extent practical, with other documentation retained in my file.

Based on this appraisal, the opinion of market value of the property, subject to assumptions and conditions of the assignment herein defined, may be stated as follows

LAS ESTRELLAS BULK ACREAGE
APPROX. 248.03 ACRES UNDEVELOPED. RAW LAND
MIXED DENSITY RESIDENTIAL MASTER PLANNED DEVELOPMENT
AS IS VALUE. FEE SIMPLE ESTATE
AS OF AUGUST 9. 2018 $ 2,355,000

P.O. Box 32352 Santa Fe, New Mexico 87594 | T (505 466 -4770 | E ginny@olcott.org

This appraisal is made subject to the following specific assumptions and conditions.

- The appraisal assumes there are no detrimental conditions resulting from any easements, deed restrictions or other title issues. Conveyable and immediately marketable title assumed.
- The appraisal assumes there are no unusual title conditions that would impair value or marketability. Expert legal opinion to confirm this assumption is recommended.
- Land is appraised in bulk subject to an approved and recorded masterplan, with no consideration given to phased development or to periodic sale of development tracts.
- The appraised property consists of the areas referenced as Exhibit A: Sketch of Residual Parcels and Existing Tracts within the North Tracts and Exhibit B: Sketch of Existing Tracts within the Southwest Part Remainder Tract and the Southeast Part Remainder Tract. Both exhibits prepared in 2018 by James Sanchez, Santa Fe Surveying Co. These sketch exhibits are included at the Addenda. These exhibit sketches identify overall land area, but do not correlate these lands to the conceptual tracts as outlined in the 1996 masterplan. That is, the masterplan breaks down the bulk acreage into smaller conceptual development tracts, each assigned a maximum density and land use, under the approved masterplan. Also included is a substantial amount of open space.
- Some portions of the subject land, were it to be developed, would be required to be reserved for affordable housing under the City's HOP or other similar program. However, with final densities yet to be determined, the number of required affordable units is also undetermined. Specific consideration of the affordable housing requirement is not considered in this appraisal.
- No approvals or entitlements exist for any of the land under appraisal other than as delineated at the recorded Masterplans(s) for Santa Fe Estates/Las Estrellas.
- No items of personal property or non-affixed real estate included in the value opinion.

The attached report provides analysis of the competing sub-market and appraisal procedures used to arrive at the opinion of market value. A synopsis of the appraisal is provided on the following Summary of Appraisal.

It has been a pleasure working for you on this assignment.

Respectfully,

Ginny Olcott, MAI
Olcott Appraisal, Inc.

SUMMARY OF APPRAISAL

Property Under Study:	Approximately 248.03 acres of vacant land zoned for predominately single family residential uses and located within the masterplan area known as Las Estrellas. The masterplan allocates uses and densities to multiple conceptual tracts within the larger plan area and also sets forth significant open space. Lands under appraisal are essentially the remaining undeveloped land plus undedicated open space areas of the original masterplan. The bulk of the appraised land is a contiguous 180-acre site located north of Hwy 599 and west of Ridgetop Road; another five tracts with combined area of about 47 acres are located the east of Ridgetop Road. In the southwest quadrant of Hwy 599 and Ridgetop Road is a 19.7-acre parcel, plus a small 1.85-acre site adjacent to the south side of Hwy 599. That is, there are a total of eight parcels comprising 248 acres. Aside from the very broad and general permitted uses under a planned residential community (PRC) and the densities/uses cited for each conceptual tract under the masterplan, the appraised land has no specific entitlements or approvals. The property is located in the northwest quadrant of the Santa Fe City Limit, Santa Fe County, State of New Mexico. See Addenda for property location maps.
Legal Description:	Assumed to be similar to: Tracts NPR1, NPR3, NPR4, NPR5, NPR6 and NPR7 as shown on Exhibit A: Sketch of Residual Parcels and Existing Tracts within the North Part Remainder Tract; and Tract 6A and Tract 8B-1A as shown on Exhibit B: Sketch of Existing Tracts within the Southwest Part Remainder Tract and the Southeast Part Remainder Tract, both exhibits showing the remaining holdings of Santa Fe Estates, Inc, within Projected Sections 11, 12, 13 and 14, T17N, R9E, NMPM, prepared in 2018 by James Sanchez of Santa Fe Surveying Co. Copies of the referenced Exhibits A and B sketch parcel maps are included in the Addenda.
Property Rights:	Fee simple estate, subject to restrictions, covenants and easements of record, assuming immediately marketable title.
Effective Date of Value:	August 9, 2018.
Date of Report:	August 10, 2018.

Las Estrellas Bulk Acreage
Approx. 248.03 Acres Undeveloped, Raw Land
Mixed Density Residential Master Planned Development
As Is Value, Fee Simple Estate
As Of August 9, 2018 **$ 2,355,000**

This appraisal is made subject to the following specific assumptions and conditions.

- The appraisal assumes there are no detrimental conditions resulting from any easements, deed restrictions or other title issues. Conveyable and immediately marketable title assumed.
- The appraisal assumes there are no unusual title conditions that would impair value or marketability. Expert legal opinion to confirm this assumption is recommended.
- Land is appraised in bulk subject to an approved and recorded masterplan, with no consideration given to phased development or to periodic sale of development tracts.
- The appraised property consists of the areas referenced as Exhibit A: Sketch of Residual Parcels and Existing Tracts within the North Tracts and Exhibit B: Sketch of Existing Tracts within the Southwest Part Remainder Tract and the Southeast Part Remainder Tract. Both exhibits prepared in 2018 by James Sanchez, Santa Fe Surveying Co. These sketch exhibits are included at the Addenda. These exhibit sketches identify overall land area, but do not correlate these lands to the conceptual tracts as outlined in the 1996 masterplan. That is, the masterplan breaks down the bulk acreage into smaller conceptual development tracts, each assigned a maximum density and land use, under the approved masterplan. Also included is a substantial amount of open space.
- Some portions of the subject land, were it to be developed, would be required to be reserved for affordable housing under the City's HOP or other similar program. However, with final densities yet to be determined, the number of required affordable units is also undetermined. Specific consideration of the affordable housing requirement is not considered in this appraisal.
- No approvals or entitlements exist for any of the land under appraisal other than as delineated at the recorded Masterplans(s) for Santa Fe Estates/Las Estrellas.
- No items of personal property or non-affixed real estate included in the value opinion.

Appraiser:	Ginny Olcott, MAI, Olcott Appraisal, Inc.
Exposure Time:	Looking backward, I estimate a reasonable exposure time would have been approximately two to three years for this land as bulk, undeveloped acreage. No consideration has been given to marketing of individual development tracts.

INTRODUCTION

This Appraisal Report is intended to comply with the reporting requirements set forth under Standard Rule 2-2 of the Uniform Standards of Professional Appraisal Practice. As such, it presents summarized discussions of the data, reasoning and analyses used in the appraisal process and in developing the opinions of value. Supporting documentation concerning the data, reasoning and analyses is included in the report to the extent practical, with other data retained in the appraisal file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use herein stated. The appraiser is not responsible for unauthorized use of this report.

Identification of the Property

Under study are approximately 248.03 acres of vacant land zoned for predominately single family residential uses and located within the masterplan area known as Las Estrellas. The masterplan allocates uses and densities to multiple conceptual tracts within the larger plan area and also sets forth significant open space. Lands under appraisal are essentially the remaining undeveloped land plus undedicated open space areas of the original masterplan. The bulk of the appraised land is a contiguous 180-acre site located north of Hwy 599 and west of Ridgetop Road; another five tracts with combined area of about 47 acres are located the east of Ridgetop Road. In the southwest quadrant of Hwy 599 and Ridgetop Road is a 19.7-acre parcel, plus a small 1.85-acre site adjacent to the south side of Hwy 599. That is, there are a total of eight parcels comprising 248 acres. Aside from the very broad and general permitted uses under a planned residential community (PRC) and the densities/uses cited for each conceptual tract under the masterplan, the appraised land has no specific entitlements or approvals. The property is located in the northwest quadrant of the Santa Fe City Limit, Santa Fe County, State of New Mexico. See Addenda for property location maps.

Legal Description

Assumed to be similar to:

> Tracts NPR1, NPR3, NPR4, NPR5, NPR6 and NPR7 as shown on Exhibit A: Sketch of Residual Parcels and Existing Tracts within the North Part Remainder Tract; and Tract 6A and Tract 8B-1A as shown on Exhibit B: Sketch of Existing Tracts within the Southwest Part Remainder Tract and the Southeast Part Remainder Tract, both exhibits showing the remaining holdings of Santa Fe Estates, Inc, within Projected Sections 11, 12, 13 and 14, T17N, R9E, NMPM, prepared in 2018 by James Sanchez of Santa Fe Surveying Co.

Copies of the referenced Exhibits A and B sketch parcel maps are included in the Addenda.

Purpose of the Appraisal

Provide a supported opinion of market value for the remainder lands, in bulk and reflecting as is condition.

Condition of Title

No title documents provided by client. I assume there are no unusual or adverse conditions or encumbrances present that affect marketability or value, and that there are no unusual requirements to clear title at this time. Please refer to the Assumptions and Limiting Conditions of this report for additional comments regarding title and legal matters.

Intended Use of the Appraisal

The appraisal is intended to be used by my client to assist in internal partnership decisions and possible negotiations with the City of Santa Fe to transfer the property. This appraisal is not intended for any other use; the appraiser is not responsible for unauthorized use of the appraisal.

The appraisal is prepared in conformance with appraisal guidelines established by the Uniform Standards of Professional Appraisal Practice (USPAP) as well as the appraisal guidelines set forth by my client for this assignment. My conduct and this appraisal are further governed by the Code of Ethics of the Appraisal Institute.

The opinions of value stated herein relate solely to vacant land, exclusive of surface/subsurface/mineral rights, personal property, business value, water rights, and any non-affixed, non-realty components.

Intended User of the Appraisal

The client for this assignment is Santa Fe Estates, Inc., including principal David D. Gurule. This appraisal is not intended to be published or made widely available to anyone other than the named user. The appraiser is not responsible for unauthorized use of the appraisal.

Effective Date of Value

August 9, 2018, reflecting as is condition.

Date of the Report

August 10, 2018.

Property Rights Appraised

Property rights appraised are those of fee simple estate, subject to easements and restrictions of record. "Fee Simple" is defined as

> " an absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.[1]

No items of personal property or non-affixed items are included in this valuation.

Market Value Defined

"Market Value" is defined as

> The most probable price that the specified property interest should sell for in a competitive market after a reasonable exposure time, as of a specified date, in cash, or in terms equivalent to cash, under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, for self-interest, and assuming that neither is under duress[2]

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[1] *The Appraisal of Real Estate*, 14th edition, Appraisal Institute, Chicago, Illinois, 2013. p. 5

[2] The Dictionary of Real Estate Appraisal Fourth Edition, published by the Appraisal Institute, 2002. p 177.

Prior Appraisals

I previously completed appraisals of small portions of the property under consideration in this current appraisal. Prior appraisals of conceptual Tract 6A and 6C were completed in February of 2015 and June of 2016, respectively; prior client/user was the same as the current client, and intended use was similar. More recently, I completed appraisal of remaining bulk acreage – approximately 253 acres – in October of 2017 and February of 2018. A subsequent appraisal dated March 2018 appraisal was to amend the land area at the request of the client; Tracts 2C and 6C have been sold and are no longer included in the remaining acreage.

Competency Provision

I, Ginny Olcott, MAI, possess the technical training and experience necessary to prepare an appraisal of the property in question. I hold the MAI designation from the Appraisal Institute as well as the General Certificate issued by the State of New Mexico Real Estate Appraisers Board.

History of the Property

The subject lands, identified as the North Part Remainder Tract, fall within the master plan area formerly known as Santa Fe Estates, renamed Las Estrellas. The Santa Fe City Council approved the Santa Fe Estates Master Plan on January 11, 1979, amended in 1996 largely due to the right-of-way acquisition of the Santa Fe Relief Route / Highway 599. The Las Estrellas master plan area encumbers some 525 acres in northwest Santa Fe bounded by St. Francis Drive at the east, Tano Road at the north, and bisected by Hwy 599. The master plan allows up to 753 residential units at 290 acres, 14 acres of village commercial use, and about 200 acres of open space

Ownership of the "North Part Remainder" in is the name of Santa Fe Estates, Inc who has owned the parcel dating back to its original master plan or before. The owner has not pursued any development approvals for individual tracts (or conceptual parcels) nor has it secured any entitlements other than as implied under the master plan. Historically, upon sale of the bulk tracts, it has been the responsibility of the buyers to secure development approvals for each tract.

There have been no sales or listings of the appraised property within the three years preceding the effective date of appraisal.

Scope of the Appraisal

This report was prepared in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) promulgated by The Appraisal Foundation, and the Financial Institutions Reform Recovery and Enforcement Act of 1989 (FIRREA).

This appraisal presents to the readers and users of this report opinions of value based on confirmed market evidence. In the preparation of this assignment, data was retrieved from existing files and a number of new investigations were made. Knowledgeable market participants were interviewed during the course of the assignment.

- The purpose of this investigation is to determine the "as is" condition of the real estate and the legal entitlements to the property under study, as well as to develop reliable conclusions about the subjects' submarket, that being bulk vacant residential land with no specific development entitlements other than as implied by the master plan.
- The vacant bulk acreage was studied using the available master plan documents and the 2016 parcel map showing the remainder lands. In addition, the client's representative provided verbal description of the lands. Visual observations were made by me on numerous occasions over several years, most recently on February 20, 2018, the date of photographs. No more current or recent surveys are available than those referenced in the report.
- Market data in the form of comparable bulk tract sales and listings were investigated and summarized in the report. Included in the study was influence, if any, of permitted density at the comparable sales and listings. Transactions used for comparison with the subject were verified with the Santa Fe County Assessor and County Clerk offices, brokers/realtors party to transactions, developers, multi-list and other sources.
- No vertical or infrastructure construction is included in this appraisal; property is valued as vacant, bulk and undeveloped land with no specific entitlements or approvals other than as generally implied by the approved master plan(s).

Please refer to the Addenda for the following

Maps Locating Appraised Property
Plat, Master Plans (1996, 2005)
2016 Parcel Map showing Remainder
Photographs of the Remainder Lands
Comparable Bulk Tract Sales and Listings with Location Map

AREA ANALYSIS

Real estate values are influenced by local economic activity. The appraised property is located in the northwest quadrant of the City of Santa Fe, the largest population center in Northern New Mexico. A review of local economic indicators is provided in the following paragraphs.

Population

Santa Fe County experienced a steady population growth rate of about 2.7% per year compounded between the 1990 and 2000 census, in large part due to in-migration from outside demographic sources. Growth inside the city boundary indicates a somewhat lower rate of about 1.1% per year during the same decade. This suggests growth has shifted to areas outside the city limits. For the most recent census, data suggests even more moderate growth, at about 2.2% for the county and just under 1.1% for the city. The population growth at outlying areas is due to limited remaining vacant land within the city limits, combined with more affordable real estate prices in outlying areas. One interesting outcome of the 2010 Census shows that about half of the census tracts in the Santa Fe area actually *lost* population. The big growth area was, unsurprisingly, the far southwest quadrant.

In 2009, the City of Santa Fe completed the first phase of a mass annexation of lands that had been a confusing checkerboard of land under mixed jurisdiction. This first phase included about 2,000 acres. The second phase, originally scheduled to occur in 2012, includes nearly 3,800 acres and about 13,000 residents. Due to budget woes and logistics of providing services to the newly annexed areas, the second phase annexation was delayed until January 1, 2014. The third and final phase is set to occur in 2019 and would include about 4,200 acres. After all phases of annexation are completed, about 16,000 persons and 5,700 housing units would be incorporated into the city limits. There would be a corresponding decrease in the County population as a result.

Population growth is summarized as follows.

SANTA FE AREA POPULATION TRENDS

	1980	1990	2000	Annual Change 1990-2000	2010	Annual Change 2000-2010	Annual Change 1980-2010	July 1,2016 Est.
City	49,160	55,859	62,203	634 (1.1%)	67,947	574 (0.9%)	1.08%	83,875*
County	75,360	98,928	129,292	3,036 (2.7%)	144,170	1,488 (1.2%)	2.19%	148,164 **

* Includes second phase annexation effective 1/1/14 of about 13,000 residents

** As of 2014; no more recent data available.

SANTA FE AREA POPULATION GROWTH PROJECTIONS		
	2020	2030
County	151,910	165,290

Source: US Census Reports and *Santa Fe Trends, City of Santa Fe Planning and Land Use Department, Bureau of Business and Economic Development (UNM)*

As shown, growth in the county is anticipated to be very slow between 2010 and 2020, at only about 0.52% per year, increasing slightly through 2030 at about 0.85% per year.

Another significant component of the local population, which may not register on census counts, is second-home residents. These people reside in the city only part time, and do not claim Santa Fe as their primary place of residence. This component, as well as tourism may substantially increase the number of persons influencing local market conditions at any given time during the year.

Housing Supply and Demand

Housing supply in Santa Fe County has more than doubled in the last two decades. Within the city limits of Santa Fe, the growth rate in housing is lower, averaging about 2.2% growth per year for the most recent decade. A summary of housing growth trends follows.

SANTA FE MSA HOUSING UNITS				
	2000	2010	Annual Change 2000-2010	2014
Santa Fe MSA	57,701	71,767	+2.2%	72,850 (+0.37%)

Source: US HUD. "Comprehensive Housing Market Analysis", July 1, 2014

New residential construction slowed considerably in 2009, but shows some modest improvement in the last year based on permit data, below.

SANTA FE CITY BUILDING PERMITS						
Year	Single-Family	Value of Permits (in $,000s)	Avg. Permit Value	Afford SFR	Value of Permits (in $,000s)	Avg. Permit Value
2011	71	17,327	$244,037	52	$7,201	$141,192
2012	137	33,561	$244,969	31	3,852	$124,250
2013	110	27,967	$254,242	37	5,323	$143,866
2014	90	20,708	$230,086	32	4,001	$125,030
2015	67	19,577	$292,195	12	1,593	$132,782
2016	135	33,605	$248,924	11	1,724	$156,713
2017*	110	29,933	$272,123	22	3,179	$144,500

* through Sept. 2017

Source: City of Santa Fe.

The number of permits issued for new single family detached structures (excludes attached units, additions, repairs) appears to have last peaked in 2002 (697 permits), and again in about 2005/2006 (640 permits). Data for 2008 and 2009 parallels the decline in economy and demand

for new residential construction. Permit activity increased some in 2010, but appears to have hit an all-time low in 2011 and again in 2015. On the bright side, permit volume in 2016 and so far in 2017 shows an increase; 2017 should finish out on par with 2016, but still well below the volume seen in the past decade.

As shown, average permit value for affordable units has remained fairly flat, as has volume.

The median price for a single family detached house in Santa Fe (city) has declined slightly since about 2010 as shown below, while median household income for Santa Fe City as risen to catch up with levels from 2009. The data reveal a disparity between housing and income on the local level, where median pricing is 5.55 times median income versus 4.67 times nationally (By comparison, in 2015 median sale price for a single family residence in the United States was $269,000 and median US income was $57,600). This begins to suggest why house pricing remains a large obstacle for local residents, one which has fueled the affordable housing movement. Below is a glimpse of trends in sale volume and median house pricing for all units sold within the Santa Fe multi-list as well as trend in median income.

Median House Price Trend
Santa Fe City, New Mexico

Year	Median Sale Price	# Sold	Median Income
2006	$333,000	971	$46,181
2007	360,000	738	47,000
2008	350,000	588	50,312
2009	300,000	510	52,045
2010	300,000	529	50,717
2011	287,250	578	49,959
2012	274,555	704	50,720
2013	295,000	795	47,348
2014	290,000	766	50,213
2015	285,000	840	51,300
2016	310,000	844	N/A
2017	325,000	1,004	N/A

Another indication that the market is slowly improving is that inventory appears to be decreasing on the whole. The number of houses on the market in Santa Fe County as of the end of 2015 was 558, down considerably from June, 2015, when the number was 1,144. Current listings for the county total 734. Though it is noted that listings tend to be somewhat seasonal (summer/fall months are usually prime for selling a house), the current volume of houses on the market would appear to reflect a renewed optimism among home owners. Relative to the worst period of the recession, peak inventory in June of 2009 was 2,300 units, more than three times current inventory. In all, inventory has declined steadily to a more tenable number. Based on sale volume over the last several years, current listing inventory absorption time is estimated at less than a year, compared to an absorption time of over two years in 2009.

As suggested by the relationship between income and price, affordability is an ongoing issue in the city. In 2006, the City of Santa Fe imposed a requirement that all new subdivisions approved set aside 30% of the units for affordable housing. The County of Santa Fe followed with a similar requirement in about 2009. Since 2000, about 1,100 affordable single family units have been constructed in Santa Fe (excludes apartments), representing on average

about 22% of new single family permits issued since 2011. Affordable means the monthly mortgage payment should not exceed 30% of the gross monthly income for a family earning 80% of AMI.

The burden of providing a third of all housing within the affordable price guidelines set by the City or County was cited as a major financial hardship to developers. In an effort to jump start new housing construction, the City Council on June 8, 2011 voted to amend the affordable housing ordinance to require that only 20% of units (down from 30%) at new subdivisions be at affordable. Further, the ordinance was amended to omit the requirement to providing housing for those whose income falls above 80% of area median income. Developers at existing or previously approved subdivisions may renegotiate affordable housing agreements with the City under the new provision. In 2012, Santa Fe County followed suit, reducing the number of required affordable units at new subdivisions from 30% to 15%. The reduction in the percentage of units required to be affordable has been extended indefinitely, and it not expected to revert to the old ratio until the housing/construction markets show real signs of improvement.

Thus, turmoil in the financial markets, coupled with uncertainty regarding the economy has had widespread effects over the nation, especially on housing markets. Santa Fe has seen parallel declines in real estate markets, but perhaps not to the extremes of the rest of the nation. Residential property has seen declines in value by 20 to 40 percent almost across the board. The foreclosure rate has receded, but remnant foreclosed inventory is likely to be a factor for the foreseeable future. Most economists characterize the nation as a whole in a modest recovery mode, with improved unemployment numbers and improvement in the sale and pricing of single family homes nationwide. However, on a state and local level, the economy still appears to be anemic, with little gains seen. Much of this is due to the state's reliance on oil and gas revenues.

Commercial Real Estate

Non-residential (commercial) permit data show a similar slow-down. Between about 2000 and 2008, approximately 2.8 million square feet of non-residential space was constructed in the form of churches, retail, office, and so on. But in 2010, only 36,000 square feet of commercial space was permitted, of which half was a single 16,500 sf retail building.

Commercial Permit Data, City of Santa Fe		
Year	# Permits	$ Permits
2009	10	$14,017,761
2010	22	$6,816,265
2011	13	$26,847,281*
2012	13	$12,124,819
2013	13	$ 7,373,672
2014	11	$16,611,199
2015	9	$7,065,091
2016	10	$10,499,550**
2017 (9 mos)	10	$25,992,993***

Source: City of Santa Fe

* Includes 2 very large permits: a super WalMart $14m and $6m to St. John's College for dormitories

** Includes large hospital for Presbyterian at $5m at Las Soleras development

*** Includes $20.5m new assisted living facility at Las Soleras development; also includes four new multi-family units at $1.0m

The sluggish commercial construction industry is a mirror of the condition of the existing inventory. Vacancy is moderate, at 5% to 10% in the office sector, down some since 2011 when office vacancies peaked at about 20%. This is not so much due to overbuilding any time recently, but more a function of business down-sizing and consolidation. Many businesses are simply moving laterally, where they are often able to lease larger or nicer space for the same price as they'd been paying.

Retail vacancies may not be quite so dire, estimated at about 6% by Branch Realty Commercial Advisors. Their recent report cites "while it may be too soon to say the local recession and its accompanying uncertainty have fully dissipated, there do seem to be signs that the worst is behind us." This vacancy estimate by Branch may be optimistic, given physical evidence of vacancy along the city's main commercial arterials – Cerrillos Road and St. Michael's Drive – where vacancy is estimated at closer to 10%. In the downtown core, retail vacancy is also higher than it had been for decades. There has been vacancy within the premier retail district, on and immediately surrounding the Plaza, for the first time in memory.

Rents for most commercial property have fallen from their peak in 2009; on average, it is estimated rents are at least 10% lower. There is strong evidence of rents decreasing by as much as half at some downtown properties. Further, landlords are now less able to pass real estate operating expenses through to the tenant. Coupled with reduced rents and increased expenses, net revenues are considerably reduced thereby affecting overall values.

Still, there remains some optimism. Brokers state that, if cash flow is not critical, this is an excellent time to buy, with pricing at more affordable levels than seen in decades. Investors appear to be focusing on market fundamentals and realistic, sustainable capitalization rates. There is some new purchase activity, and influence of short sales and foreclosures is diminishing. Evidence of optimism includes the continued appearance of new restaurants and retailers in space others had vacated. On the flip side, at least two large national retailers have vacated space: Hastings has closed its store in DeVargas Mall, space that continues to remain

vacant. A few new fast food restaurants have popped up in the city, including a new Chick-Fil-A under construction along St. Michael's Drive.

In all, the commercial real estate market has experienced significant decrease in value since about 2008, fueled mostly by decreased revenue generation. Most brokers and real estate professionals see this past several years as a correction period; rents, especially in the downtown core, had escalated to become unsustainable in the opinions of some. In the words of one broker, "you've got to sell a lot of tee shirts, coffee, postcards, what-have-you to make the rent, and most of these retailers just can't sustain that level of sales." Another broker stated that the record double digit revenue growth achieved in the mid 2000s was a thing of the past, "in the rear view mirror," and going forward will be a very different story. He believes that it may be years until the market recaptures the loss in values, if ever.

Employment

Santa Fe County has supported moderate growth in the labor force since the mid 1980s, while at the same time reporting a relatively low unemployment rate, perhaps two to three points below the statewide average.

A review of average annual figures, seasonally adjusted, is presented below.

Employment Data
Santa Fe MSA (County)

Year	Estimated Total Labor Force	Percent Unemployed
1980	42,276	6.1%
1990	66,137	3.5%
2001	74,006	2.7%
2010	77,200	7.2%
2013	73,949	5.1%
2014	74,405	4.2%
2015	70,551	5.1%
2016	73,316	4.9%
2017 (Oct)	73,621	5.1%

Figures not seasonally adjusted
Source: *New Mexico Labor Market Review*, NM Department of Labor

Santa Fe County consistently ranked among the top five counties for low unemployment in the state.

In terms of percentages, the largest employer in Santa Fe County is government, comprised of federal, state and local government, followed by education and health services. Not surprising, the largest growth sector in recent years has been health services. There is also some small growth in the retail trade and services sector as the outgrowth of a strong tourism industry. Recent retail hiring has centered on businesses new to the area, including discount stores and other regional or national chain retailers. Otherwise, government job growth is expected to remain flat to possibly shrink as especially local municipalities deal with budget shortfalls.

Lodging and Tourism

A key measure of the influence of tourism is the performance of the lodging industry. Lodgers tax receipts levied on hotel and motel room revenues in the city are summarized as follows:

Lodgers and Convention Center Tax
City of Santa Fe by Fiscal Year (July thru June)

Fiscal Year	Lodgers Tax	Annual Change
2008-2009	$7,872,311	(11.66%)
2009-2010	$7,265,793	(7.7%)
2010-2011	$7,612,208	+4.77%
2011-2012	$7,667,034	+0.7%
Convention Center tax 3% Lodger's Tax 4%		
2012-2013	$8,153,783	+6.3%
2013-2014	$8,274,032	+1.45%
2014-2015	$9,033,880	+9.18%
2015-2016	$9,746,118	+7.88%
2016-2017	$10,809,464	+10.91%
2017-2018 (5 mos)	$5,987,476	

Source: *City of Santa Fe Finance Department*

The city posted significant growth in lodging receipts between the late 1980s and the early 1990s. With increased tourism during this period, new lodging facilities were built to accommodate the demand.

Beginning in the mid 1990s, tourism visitations to the city began to stabilize. The last several years show strong growth, as Santa Fe continues to be among the top tourist destinations, consistently ranking in the top five in noted travel and resort publications.

A summary of historic occupancy ratios and average daily room rates for city lodging follows.

Hotel and Motel Occupancy and ADR Averages
Santa Fe Citywide

Year	Occupancy Ratio		ADR	
2006	63.5%	(4.94%)	$124.22	2.11%
2007	63.4%	(0.16%)	$126.29	1.67%
2008	61.6%	(2.84%)	$125.76	(0.42%)
2009	56.7%	(7.95%)	$115.90	(7.84%)
2010	59.7%	5.29%	$115.82	(0.07%)
2011	59.1%	(1.00%)	$115.87	0.04%
2012	58.9%	(0.34%)	$117.12	1.34%
2013	63.6%	7.98%	$118.83	1.46%
2014	65.2%	2.52%	$123.48	3.91%
2015	67.0%	2.76%	$125.04	1.26%
2016 8 mos	67.9%		$126.81	

Peak months for occupancy and ADR are May through October. August is the busiest month, due to Spanish and Indian Markets.

Source: Rocky Mountain Lodging Report, New Mexico Hotel and Motel Association, Inc.

Recent increases in the lodgers and convention tax rates confound the extraction of a precise trend in local lodging demand, though the lodging spending pattern appeared stable over the

past decade; that is, average room rates remain more or less flat, with some small improvement in occupancies.

By mid-July of any given year, most hotel rooms for the busy Indian Market weekend (late August) are about 90% booked; operators stated that it is more common recently that travelers wait until the last minute to book rooms whereas in previous years, rooms were often booked a year in advance.

Gross Receipts

Business spending in Santa Fe City and Santa Fe County for the last decade or so is shown as follows:

GROSS RECEIPTS

Santa Fe City (in thousands)			Santa Fe County (in thousands)		
Year	All Industries	% Change	Year	All Industries	% Change
2005	4,708,753	2.04	2005	6,332,910	9.66
2006	5,072,103	7.72	2006	6,562,831	3.63
2007	5,396,832	6.40	2007	7,101,914	8.21
2008	5,287,493	(2.03)	2008	7,043,379	(0.82)
2009	4,614,926	(14.34)	2009	6,100,659	(13.38)
2010	4,713,807	2.14	2010	6,389,584	4.74
2011	4,895,817	3.86	2011	5,829,710	(8.76)
2012	4,906,772	0.22	2012	5,267,178	(9.65)
2013	4,764,113	(2.91)	2013	5,840,491	10.88
2014	4,768,944	0.10	2014	5,721,761	(2.03)
2015	4,972,552	4.09	2015	6,053,020	10.85
2016	4,738,617	(0.47)	2016	5,595,540	(0.76)
2017 (1 qtr)	1,255,555		2017 (1 qtr)	1,507,575	
Compound Annual Growth					
2005 – 2016 City		+1.51%	County		(1.23%)

Source: *NM Taxation and Revenue. Trade category includes wholesale and retail trade. Figures not inflation adjusted.*

The unprecedented drop in gross receipts for 2009 and 2010 has, as no surprise, triggered massive budget cuts and all-around scramble to find new sources of revenue. Since 2009, gross receipts show very slow growth at the city level, and somewhat more sporadic behavior in the county.

Conclusion

Analysis of economic indicators for Santa Fe suggest a growth trend over the past two decades through about 2007 or 2008, depending on the specific indicator. The last two years have seen decreased unemployment, but tax revenues remain flat. One bright spot may be residential property values, where some gains have been seen, though most still have not caught back up with the peak values from 2006. The jobs market may have marginally improved, but many of the new jobs are not considered high-wage, instead consisting of entry-level and minimum wage service jobs. Where historical employment growth was primarily tied to residential and commercial construction and local services associated with tourism, the former (construction) has seen significant declines; the number of new building permits continues to be a fraction of those seen during the boom period. Tourism remains the one bright spot for Santa Fe; here, revenues increased year-over-year by about 8% to 9% . The economic impact from tourism is significant,

filtering down from lodging and services to other sectors such as restaurants, services and retailers. For commercial real estate, functional and well located properties will remain in demand into the foreseeable future, though rent revenues have declined due to a drop in achievable market rents coupled with increased expense burden to the landlords. Turmoil in financial markets has settled, but its remnant effects are still felt locally, exacerbated by huge revenue declines from the state's oil and gas industry. Most analysts believe the local economy will remain sluggish, with very slow recovery over the next three or so years.

Neighborhood Influences

The subject property is situated at the northwestern periphery of the city of Santa Fe, lying west of the commercial corridor of St. Francis Drive, which traverses the city north/south. St. Francis Drive is also known as US 84/285 which extends northward through the communities of Pojoaque, Española and eventually to the Colorado State line. The neighborhood boundaries generally lie north of Cordova Road, and extend to the geographic boundary formed by a hill and near the Highway 599/Santa Fe Relief Route interchange. The on/off ramp from the northern extension of Paseo de Peralta generally marks the northern commercial district of the city. Commercial development in this area is dominated by older small strip and freestanding retail with two shopping centers, offices and clinics, as well as apartment complexes and older well established residential neighborhoods. Overall, the neighborhood is fully developed, with the exception of the far northwest where there remain several large tracts of vacant land, including one owned by the City of Santa Fe; much of this land is dedicated as open space due in part to hilly, sometimes severely sloped terrain. Overall, this is considered a well-established residential area marked by modest houses and complementary support uses.

The neighborhood lies about one to three miles north and west of the Plaza, the city's historic center and a major draw for tourism. St. Francis Drive (US Hwy 285) generally separates the downtown/Plaza areas from those to the west. The downtown area density and development was established over a century ago, with correspondingly little land available for new development at the oldest sections. Some isolated examples of redevelopment at small sites is occurring at more workable and non-historic sites.

The southeastern corner of the neighborhood is approximately at the point where the Santa Fe River crosses St. Francis Drive, at Alameda Street. Just one block west of the intersection of Alameda Street and St. Francis Drive is Solana Center, the smaller of the neighborhood's two shopping centers. This center was built in 1962 and, despite not having a national tenant anchor for decades, enjoys near full occupancy; tenants here include a natural grocer coop, several restaurants, a liquor store, specialty shops and services (hydroponic growing store, two barber/beauty shops, yoga studio, laundry mat, dance studio/instruction) and medical and county offices.

At the southeastern portion of the neighborhood is deVargas Mall, Santa Fe's first enclosed mall, built in the 1970s. DeVargas Mall is currently anchored by Albertson's and Sprouts Farmers Market grocers. With the sale of Sanbusco market (a retail center near the Railyard) to a local school, all but one tenant were forced to leave; most elected to relocate to deVargas Mall, where most cite increased sales volume and traffic. One large lease space formerly occupied by Hastings remains vacant, but was recently used for several weeks as a movie set. Tenants at the mall are not those one might tend to associate with a mall, comprised of mostly local businesses - gifts, clothing, book store, high-end pet store, kitchen shop, restaurants, beauty shop. Some national retailers are still present though few, and include USPS, Ross and CVS, Starbucks, Baskin Robbins.

All public utilities are available to the neighborhood and considered adequate. The neighborhood is served by a reasonable network of roads, with traffic funneled from neighborhood streets to feeders (Alameda) to arterials (St. Francis Dr). There is good police and

fire protection in the area, with elementary school (Gonzales) located at Alameda and Placita de Oro.

Just north of Alameda and about a mile south of the subject is a large and older residential subdivision, known as Casa Solana. Built during the late 1950s and early 1960s by local developer Alan Stamm, houses are characterized as modest in size. Typical residences are between about 1,000 and 1,600 square feet, sited on roughly 5,000 square foot lots and range in price from about $300,000 to about $500,000. This neighborhood is popular for its established and stable nature, proximity to downtown, schools and employment as well as for its relative affordability.

The subject's immediate area is the large master plan area formerly known as Santa Fe Estates. The name of the project was changed to Las Estrellas in about 2006. This area includes about 500 acres of land characterized by fairly difficult terrain, cut by deep drainages and narrow finger ridges; however, the area offers some stunning views of the Sangre de Cristo mountains and city lights. Master plan approvals for Las Estrellas include about half of the lands reserved as open space and drainage easements, and a general density of about one to two units per acre. Development at Las Estrellas has been slow over the last two decades. Most activity centers around the Zocalo project, a higher density residential condominium sited along the area's major arroyo and backing to Hwy 285. Other residential development at Las Estrellas has been in the form of semi-custom mid-priced detached units (priced from $300,000 to $500,000) and higher-quality custom units (priced $600,000 to $800,000, perhaps higher) on lots sized from about ¼ to three acres. Two tracts totaling about 14 acres were designated at the master plan for commercial development. At one of the tracts, a large office campus was completed for occupancy by Thornburg; although the mortgage component of this company shut down a decade ago, other aspects of their business continue to occupy the campus. Las Estrellas area is served by public water and sewer, underground power, natural gas and cable. Major access point into Las Estrellas is Ridgetop Road, which has an interchange with the Santa Fe Relief Route (a/k/a Santa Fe Bypass, or Hwy 599). Secondary access to Las Estrellas is via Tano Road .

Generally speaking the eastern and southern areas of Las Estrellas have been developed with residential lots, though the northern approximately half of the master plan area remains as vacant, undeveloped land.

In 2008/2009, the City of Santa Fe set forth a massive development proposal known as the Northwest Quadrant Plan. The tract proposed for development has been owned by the City of Santa Fe for decades, and would be used to provide a northside affordable housing alternative. The plan called for up to 30% of the units to meet the affordable housing requirements. The project area is bounded by Hwy 599 on the north, and by Camino de las Montoyas on the west. The eastern extent is marked by Ridgetop Road and a ridge line that extends southward to near Camino de las Crucitas. Terrain is very hilly, cut by numerous arroyos much like the terrain at Las Estrellas. The project was to include phased development of 775 homes, live work units, apartments and some commercial development. The proposed master plan met with significant neighborhood opposition due to traffic funneling through existing surrounding residential areas. By 2009, housing prices and land development had declined precipitously, and combined with the high cost to bring infrastructure to this difficult site the City dropped the project. The

status of the Northwest Quadrant Plan is not known, but there may be some potential for residential growth in the area in the next decades.

In conclusion, small pockets of land remain to be developed at the extreme northern portion of the neighborhood; however, there are at present no obvious developer entities at play in the local market to take on the challenge of building lots. Still, the area is convenient to the downtown/Plaza area, and nearly every other area of the city. No adverse conditions or deterrents are forecast for the neighborhood in excess of the lingering depressed economic climate.

THE PROPERTY

This appraisal values approximately 248.03 acres of vacant, bulk acreage that is subject to a masterplan. Bulk of the acreage is intended as low-density single family, with two small tracts designated as multi-family and commercial. A significant amount of the land is also set aside as open space. Other than as implied by the masterplan, no portion of the appraised lands have any specific entitlements or approvals. The lands are described as follows.

Land Areas: The 2018 Sketch Parcel Map showing remainder tracts identify the lands to be appraised as follows:

North Part Remainder	
Tract NPR1	179.5337 Ac
Tract NPR3	17.1781 Ac
Tract NPR4	3.4258 Ac
Tract NPR5	1.1715 Ac
Tract NPR6	0.8608 Ac
Tract NPR7	24.2737 Ac
Subtotal	226.4436 Ac
Southwest & Southeast Part Remainder	
Tract 6A	19.736 Ac
Tract 88-1A	1.85 Ac
Subtotal	21.5860 Ac
TOTAL, ALL REMAINDER LANDS	248.0296 AC

Excludes open space already dedicated – Tr 5E and 88-1.

Density: Masterplan incorporates multiple conceptual tracts within the larger plan area, each tract assigned a use and maximum allowed density. Majority of the conceptual tracts are assigned densities of from one to five dwelling units per acre. I estimate approximately 39% of the area is to be dedicated open space.

Combined, the masterplan indicates average residential density over 1248 acres (net of commercial site) is about 2.1 DU/Acre, inclusive of dedicated open space. However, due to slopes/terrain issues, a lower density is most probably closer to about 1.0 DU/Acre.

Access: Hwy 599 (Santa Fe Relief Route/Bypass) to the Ridgetop Road exit. Ridgetop Road is a publicly-maintained neighborhood feeder serving the Las Estrellas area, and is improved to include an undivided paved surface with curb and storm sewer, no sidewalks, some low-intensity streetlights at developed areas. Where the road bed cuts through hilly terrain, embankments may require some additional shoring.

Secondary access to the site is from Tano Road, a country lane that meanders from the north boundary of the city limits northwesterly into

the county to serve older semi-rural residential neighborhoods. Tano Road is improved to two lanes, undivided, paved but with no curb or shoulder.

The intersection of Tano Road and Ridgetop Road is controlled by a three-way stop sign.

Topography: Moderate to severe, characterized by hills and ridges, cut by small- to moderate-volume and sometimes deep arroyos, good view potential with thoughtful and sensitive design and placement. Habitat is characterized as moderate tree cover and sparse understory growth. Tree cover is smaller piñon and juniper trees, with native grasses, some deciduous shrubs and wildflowers making up the understory.

The owner's representative stated that, despite density allocations at the masterplan, the overall Las Estrellas project has only been able to achieve densities closer to about one DU/Acre across all areas. This is due to the severity of the terrain coupled with large open space requirement.

Zoning: The tracts fall within the Santa Fe Estates/Las Estrellas Master Plan area which designates the zoning for the entire area as PRC, or Planned Residential Community District. The purpose of the PRC is to "provide for the comprehensive and coordinated planning of large-scale residential developments that allows for phasing of development that will take place over a long period of time. This district allows and encourages single-family residences in conventionally platted subdivisions and clustered residential developments based on a design concept that applies innovative site-planning techniques; a mixture of residential densities intended to achieve a balanced community for all types of families; and neighborhood commercial use of a type and intensity serving the residents of the PRC and surrounding areas."

In the original masterplan, the tracts are assigned a "land use" that corresponded more or less to zoning densities at that time (1996), ranging from R-1 to R-5 (suffix indicating the maximum number of DUs per acre). The amended plan shows similar densities with some minor readjustments. The multi-family tract retains a zone density of about 10 DU/Acre.

A conversation with Tamara Baer (955-6580) of the City of Santa Fe Land Use Department on February 17, 2015 indicated that the zoning and density are a sort of beginning point that describe general allowed uses and densities, but she emphasized that there is no requirement to develop to the maximum density at any given site. Since that time, I have observed several projects whose ultimate density is less than that indicated by zoning.

Overlay Districts:	The entire land area under appraisal falls within the City Mountainous or Difficult Terrain Boundary district, for which some additional requirements with respect to siting of structures, terrain management and others issues may be imposed.
Environmental Hazards:	No reports available. The appraiser did not note any obvious hazardous conditions present on or in the property, nor am I aware of any widely publicized or generally known adverse conditions in the immediate area. I am not expert in the field of environmental hazards; should this be of concern, it is recommended that a professional environmental consultant be retained. Refer to Assumptions and Limiting Conditions for further comments in regard to environmental hazards.
Archaeological:	No archaeological reports available for review, though I am aware of some small and isolated areas of archaeological significance in the general area. Recent historic use of the area includes multiple foot and bicycle trails cutting through the subject.
Soils:	No soils study available. Soils appear to be sandy with surface and subsurface river rock. Soils are assumed stable with sufficient drain capacity to handle typical residential development. Improper drainage may lead to severe erosion.
Flood Hazard:	See portions of FIRM Panels 35049C0405D, dated June 17, 2008, and 35049C0404E, dated December 4, 2012 at Addenda. One area at the central portion of the site falls within a designated flood hazard zone; however, small areas of localized heavy runoff are noted at the numerous small drainages that flow through these tracts.
Infrastructure:	None at interior of appraised lands.
Utilities:	Utilities available in the area include underground electric by PNM, gas by New Mexico Gas Co., telephone by CenturyLink. Water is provided by the City of Santa Fe as is sewer service; nearest available water and sewer appear to at Ridgetop Road.
Affordable Units:	Under the 2005 Amended Masterplan, total affordable housing requirement is about 11% of the maximum number of dwelling units (includes multi-family). It is assumed the affordable housing requirement, established at the time of the amended masterplan, was a function of the maximum development density. If the development

density is changed, the proportion of affordable units *may* change, but the requirement that affordable units be provided would not likely be eliminated.

Because of the unknown final densities as the bulk acreage under appraisal, and with no clear development in progress, I have not attempted to estimate the number of affordable units required nor their impact.

Covenants: Original restrictive covenants filed for Santa Fe Estates/Las Estrellas establish a mechanism to collect revenue for construction, inspection, maintenance, repair and replacement of drainage systems, establish private common and trails areas, establish an owner's association, and provide for assessments for future traffic improvements upon sale/development of Master Tracts. Individual tracts may be further guided by covenants for that specific subdivision; however none are in effect for the bulk acreage under appraisal.

Property Assessments and Taxes

Properties taxes are levied and administered by the Santa Fe County Assessor's Office. Assessments are based on market value, with re-appraisal every two years. Taxable values are one-third assessed value, and mil rates are established annually by the legislature. Notices of value are sent out each spring, with taxes due in the fall of that year, and spring of the following year.

The subject lands are assessed under a single account containing about 252 acres, which may or may not correspond exactly to the lands under appraisal. Assessment and tax bill data are as follows:

Tract 14, West of Old Taos Hwy, North Ridgetop Road, 252.012 acres

Owner Number:	12455552		
UPC	1-054-101-175-048		
Owner:	Santa Fe Estates		
	PO Box 22865		
	Santa Fe, New Mexico 87502		
Property Address:	N Ridgetop Road		
Assessment	2018		
Land	$ 2,520,000	($10,000/acre)	
Improvements	0		
Total Assessment	$ 2,520,000		
Tax Bill History	2013	$25,107	Paid
	2014	$26,415	Paid
	2015	$26,659	Paid
	2016	$27,058	Paid
	2017	$27,818	Paid

According to the Santa Fe County Treasurer, account is current, with both halves of 2017 taxes paid in full.

Based on values for other residential tracts, and considering the value opinion contained in this appraisal, the current assessment for the subject appears reasonable to just slightly high. Substantial change to the assessment of the parent tract is not anticipared in the foreseeable future.

HIGHEST AND BEST USE

Highest and best use is defined as:

> "the reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability."[3]

Included in this process is consideration of market conditions and their influence on the specific property under appraisal. After analysis of the above items, the most profitable competitive use to which the property can be put, resulting in the highest value, is considered the highest and best use.

Physically, the bulk acreage has reasonable size and configuration for phased, mixed-density residential development, although some individual conceptual tracts may be reconfigured to enhance development. Access is reasonable and all customary utilities are available at the sites or in the immediate area. The Masterplan restricts uses to residential (to varying densities) at all but the conceptual Tract 9B (also Tract NPR4), thus pursuit of non-residential uses is not indicated. Another small site, Tract 8B-1A (formerly Lot 10) is reserved for community services. Surrounding uses are near exclusively low-to mid-density single family residential, and a similar residential use is most compatible. That is, use other than single family residential is not indicated for this site. It is also noted that within the masterplans, the assigned densities may have been somewhat arbitrary. Analysis of surrounding tracts indicates much lower densities on the order of 1.1 to 1.40 DU/Acre. The reason for this low density is to accommodate terrain issues – severe slopes or drainages that cannot be disturbed. In addition, the low density is driven by demand. This location has not traditionally been as attractive for high density residential development – townhouses/patio homes – but rather has been developed with custom and semi-custom houses sited on fairly large lots (about ¼ to 5 acres) and with large areas of open space. These open spaces, again, accommodate natural drainages and slopes, and typically set aside from 30% to as much as 50% of the total subdivision acreage.

Demand and recent development in this area has been centered on a larger detached housing product. This is most likely due to a fairly depressed local real estate market in which detached product can be built and purchased for roughly the same cost as a small attached product. Further, the market has demonstrated that it is not keen on attached and high density product. Two such examples include El Nido subdivision within Tierra Contenta and the live/work units at Oshara Village. Neither product was well received, and pricing was virtually the same as for detached product on a larger lot. Notably, after foreclosure, the lots at El Nido were reconfigured to accommodate detached units which are now selling. Another project in the immediate area is Zocalo, a townhouse project. Here, absorption has been slow, and the developer admits that the most popular units are those that are a) single level, b) larger and c) freestanding or have minimal common walls.

[3] *The Appraisal of Real Estate*, 14th Edition, Appraisal Institute, Chicago, Illinois, 2013, p. 333.

Another factor is neighborhood acceptance of the project. It is expected that the Tano Neighborhood Association will strongly oppose any development that is significantly more dense than existing, surrounding development. Arguments will likely include that higher density will result in a significant increase in traffic volume along Tano Road, increased noise and light pollution, and other detrimental conditions to the surrounding neighborhood.

Simply put, maximum density does not always yield the best, most productive and profitable product.

For the small commercially-designated site (conceptual Tract 9B, Exhibit Sketch Tract NPR4), demand for its development would only occur when there is sufficient surrounding residential build-up.

No consideration is given in this appraisal of sale of individual conceptual development tracts, their absorption over time, or infrastructure construction. Land is appraised in bulk as raw, undeveloped acreage with no specific entitlements or approvals other than as conveyed by virtue of the masterplan.

Demand for residential tracts is, for the most part, met by current available inventory. Although there is some activity for new construction, volume is still substantially off from that period before the recession. Immediate development of the subject is not necessarily indicated.

I conclude the highest and best use of the land is for speculative hold until demand for residential development justifies pursuing further approvals and phased construction of lots. It is also noted that, once demand does return, absorption of these ±250 acres could take a decade or more. Further, final density remains to be determined for each individual conceptual tract, but any is realistically lower than the maximum allowed under the masterplan due to severity of terrain.

VALUATION

For raw, undeveloped land, best value indication comes from sales comparison.

> The sales comparison approach is premised on indications of value from other sales of bulk acreage. Ideally, comparable sales have similar intended use and probable density, and are recent transactions. The reliability of this approach is dependent on the number of sales and their degree of comparability.

An investigation of comparably sized residential tract sales was undertaken. Sales selected as being most similar are included at the Addenda, with a map locating the sales. Each transaction represents bulk, raw land best utilized for single family residential. As shown, densities varies somewhat, but all show a fairly low number of DUs/Acre.

Because the multi-family (conceptual Tract 8A) and commercial (Tr 9B) components (13.01 and 3.43 acres, respectively) represent such a small percentage of the total acreage, a special study of their contributory value is not undertaken here. However, given the long-term hold nature (these sites would not likely be developed until a substantial portion of the remainder land is developed), there is no strong indication that their contributory value would be substantially different on a per acre basis than that allocated to the remainder bulk land.

It is noted that there has been very little land sale activity in this area since about 2008 or prior; there has not been a sale of bulk mixed-density residential land on the scale of the appraised lands within the Santa Fe market area for at least the last two decades. Sales occurring prior to 2007 or so mark the peak of the local residential real estate market when considerable speculation was ongoing and pricing was at its peak. Volume of sales as well as pricing decreased dramatically starting in 2008, with only a few scattered sales since then. Some sales reflect foreclosed land, resold from a lender to a local developer. While not ideal as comparables, that these sales comprise a fairly substantial percentage of the volume is telling - the residential land market remains in a depressed condition. This is fueled in part by the lack of available financing for land development, available inventory of finished lots at other subdivision, and inventory of existing housing stock.

In all, these 13 transactions - twelve sales and one current listing - are believed the most recent and comparable data from the local market. Please reference sale details at the Addenda.

The property rights conveyed in each of the sales were fee simple, and fee simple value is the basis for comparison to the subject tracts. Financing terms were cash or cash equivalent terms. The conditions and motivating influences behind each sale were reported to be "arms length" and no concessions or other special circumstances influenced the prices reported. One sale was from a lender's portfolio (#632) and price may be somewhat low for this transaction.

All sales represent land for which the most probable development potential is residential, though allowed/permitted densities vary somewhat; note that there has been very little sale activity for large (over about ten acres) residential tracts, especially those large enough for

subdivision potential. This is due to continued sluggish economic conditions, little demand for new construction and ample inventory of existing finished lots, and a depressed real estate market at the local level.

The sales span a period of about four years, between June of 2012 and February of 2016. One current listing is also offered for reference; however, based on lengthy exposure time (nearly seven years) this transaction is given minimal weight in the final value opinion. Overall, comparable data supports a condition of stabilized pricing for the period represented, though the data is not comparable enough to test a specific time/price adjustment.

All sales were purchased with some intent of residential development, though only one sale had immediately usable, viable development approvals. Otherwise, most sales reflect speculative hold in anticipation of future residential development. Land396 was essentially permit-ready and the buyer commenced vertical construction quickly after closing; appropriately, this sale marks the high end of prices. Alternately, Land631 and 632 both had expired approvals but with strong potential for reissuance of the approvals with minimal effort; Land517, 691, 605 and 339 had no approvals at the time of sale. For the Pulte transactions (#696, #705), some general entitlements are implied by virtue of the various densities allowed by zoning and per the Las Soleras masterplan; however, this buyer sought zone changes for these lands in the bundled, phased transaction, implying that any existing approvals may not have contributed significantly to value. Several transactions are clustered around Hwy 599 near the subject, and all sales have similar infrastructure, surrounding development and appeal. Overall, these are believed to be the most recent and comparable land sales available.

Probable density and status of approvals appear to be the most significant factors in pricing. Five closed transactions indicate similar overall density by zoning (R-1 to R-3) compared to the subject (note that realistic density for the subject is probably closer to 1.0 DU/Acre inclusive of open space); seven additional transactions reflect higher density than the subject tract. It is important to note that zoning alone does not necessarily dictate density; in fact at all but one of the closed transactions, *actual approved* density was *lower* than the maximum allowed by the zone district. This is due to a variety of reasons, including compatibility with surrounding neighborhoods, demand, terrain and optimal finished product type.

When valued on a price per DU, there is a fairly consistent inverse trend – as density increases, price per DU tends to fall. Another relevant unit of comparison is price per acre. Sales are arrayed below in descending order by density (actual DU/Acre).

Land Sales and Listings
Arrayed by Density

Reference	Acres	Zoning DU/Ac*	Actual DU/Ac	Approval Status	$/DU	$/Ac
632	3.46	R-12(10)	9.54	Expired	$6,970	$66,474
710	4.25	R-7(7)	7.52	None	14,194	106,871**
396	8.02	R-7(7)	6.11	Full	8,776	53,616
517	10.047	R-5(5)	4.18	None	7,143	29,860
631	6.81	R-5(5)	3.67	Expired	9,400	34,508
696 (Pulte)	27.71	R-6(6),R-12(10)	3.00	Some	25,063	75,059
705 (Pulte)	46.46	R-6(6), R-12(10)	3.00	Some, Pending	25,000	75,333
347Listing	7.129	R-3(3)	2.50	None	33,028	83,392
691	11.52	R-3&R-5(3.5)	2.00	None	32,565	65,017
Subj Avg	*248.03*	*R-1(1) to R-5(5)*	*1.0 to 2.0 probable*	*None*	*?*	*?*
605	10.59	R-1(1)	1.00?	None	23,000	21,604
530	8.98	R-1(1)	0.90	Full	12,222	12,251
339	70.80	R-1	0.90	None	8,984	8,121
608	43.5	Cnty	0.32	Pending	32,143	10,345

* = Zone district (maximum permitted DUs/Ac)
** = Purchase price plus demolition cost, no approvals at time of purchase

As would be expected, the sale with full, vertical-permit-ready approvals (Land396) sold at a fairly high price. The smallest site (#632) also sold at a fairly high price.

The buyer's representative for #691 acknowledged paying a very high price in 2012, with high expectations of getting approvals for a mobile home subdivision; these never materialized, and the buyer dropped the application.

Similarly the current listing #347 indicates more realistic pricing in the last several months; the price has been drastically reduced over the very long marketing period. The current pricing, however, falls more closely in line with the other sold comparables. But, as this sale has yet to be consummated, it is not given further consideration.

As suggested by the sale data, price per acre increases as density increases; this is logical since more units can be placed on an acre. An inverse relationship is evident in the price per DU – as density decreases, price per DU increases; this is also logical, since a larger and presumably more expensive unit can be placed on a larger lot. The subjects' actual approved density remains to be determined, but as shown above, the master plan is likely the most optimistic density possible (say 2.0 DU/ac) and other data suggests a density closer to 1.0 DU/Acre to be most realistic considering terrain and designated open space. That is, the subject falls toward the low end of the comparables for density.

The sales to Pulte (#696, #705) fall somewhat above the pattern, though they do have some support from #605. Referring back to the discussion regarding zoning versus actual density, the comparable data center on a ratio of about 85%. That is, the *actual* density achieved averages about 85% of the *maximum density by zoning*. By contrast, the Pulte transactions indicate a 50% ratio; that is, the buyer sought approvals for a density at half that allowed by the least dense of

the zone districts, and even more so for that portion zoned R-12. In all, the Pulte transactions (#696 and #705) appear to fall toward the upper end of the range, where market data and the price trend tends toward a price per DU closer to about $10,000.

Pulte is a strong national homebuilder with extensive experience. They presumably would not pay more for land than would be financially feasible. Another factor affecting the Pulte transactions is the deal struck with the City to minimize the number of affordable housing units at these tracts; instead, Pulte would construct a rent-restricted, affordable apartment project on another tract at Las Soleras. The net effect this has on the single family land is to increase to about 95% the number of unrestricted/market-priced units possible. Conversely, at the comparable sales, the city would require at least 20% of the units to meet with the affordable housing guidelines. That is, Pulte can net a higher return on these lots with a greatly reduced affordable housing requirement. In turn, they can likely pay a higher price for the land. Last, the Pulte land is rated as very easy for development compared to the subject and several of the comparables – the Pulte land is fairly level with only a few drainages; because of this, infrastructure costs to Pulte should be significantly lower than for the subject. In all, I believe the Pulte transactions skew the data high and should be eliminated from further consideration.

Other than approved/actual density perhaps the most significant, the most notable difference between the subject and comparables is size. The comparables range in size from about three and a half acres to just under 71 acres, but typically center on three to ten acres. Again, there has not been a bulk masterplanned land sale of the subject's scale to occur in Santa Fe for several decades. Thus, there is no data available for analysis of a size adjustment for this specific type of residential subdivision land.

Alternatively, I have analyzed multiple residential lot sales where size differences are similar to that between the data set and the subject. Note that none of these sales has subdivision potential; the analysis here is purely to abstract a size adjustment. These supplemental lot sales range from about three to ten acres to several hundred acres. Necessarily (to locate large tract sales) these supplemental data come from rural and semi-rural areas just south of Santa Fe. This supplemental data set and analysis is not ideal for comparison to residential mixed-density development land, but does provide support for an adjustment to reflect the extreme size differences absent better data.

The supplemental study first analyzed sales of large residential sites – from 200 to 350 acres. Next, sales of smaller (3.5 to 12.5 acres) residential sites from the same area and the same time frame were paired against the large sale to derive a magnitude size difference and a per acre price difference. Details of the study are retained in my work file, but reveal the following:

Supplemental Size Adjustment Study
Residential Homesites

The greater the size difference (as an order of magnitude), the greater the price difference per acre. This relationship held consistent across most paired sales analyses.

Size Magnitude Difference	Price per Acre Difference
70.5x	-91.0%
69.5x	-87.0%
68.4x	94.5%
67.6x	-92.1%
63.5x	-94.2%
61.6x	-92.2%
58.8x	-93.2%
57.7x	-84.0%
51.9x	-85.7%
50.5x	-82.0%
40.4x	-85.0%
40.4x	-84.0%
40.4x	-79.4%
34.9x	-82.0%
32.2x	81.8%
30.6x	-78.4%
23.1x	-71.6%
23.1x	-58.9%
23.1x	-73.9%
20.6X	-65.3%
20.4X	-84.5%
17.5x	-70.0%

From this study, I have interpolated the following size adjustments to the primary sales used in this appraisal.

Adjustment for Size
Arrayed by Density

Reference	Acres	Mag. Size Diff	$/Ac	Size Adj	Adjust $/Ac
Subj Avg	*248.03*		?		
632	3.46	73.1x	$66,474	-90%	$6,647
710	4.25	59.5x	106,871	-80%	21,374
396	8.02	31.5x	53,616	-70%	16,085
517	10.047	25.2x	29,860	-70%	8,958
631	6.81	37.2x	34,508	-70%	10,352
691	11.52	22.0x	65,017	-65%	22,756
605	10.59	23.9x	21,604	-65%	7,561
530	8.98	28.2x	12,251	-70%	3,675
339	70.80	3.6x	8,121	-10%	7,309
606	43.5	5.8x	10,345	-10%	9,310

* = Zone district (maximum permitted DUs/Ac)
** = Purchase price plus demolition cost, no approvals at time of purchase

Price per DU is not adjusted for size, as this is more a function of approved density and not size.

Next the influence of density is analyzed.

As shown in the first summary table, actual density at the five sales that had (current, pending or expired) approvals was slightly lower than the maximum permitted zone density. Terrain, configuration, access and other factors also affect density. For example, the approved (expired) density at Land631 is lower due to an arroyo; further, development of this site will likely require construction of a bridge at considerable expense. Land606 is located in the county where the zoning permits one unit per 2.5 acres (a density of 0.40DU/Acre); and the buyer is seeking approval for a total of 14 units at an implied density of 0.32 DU/Acre. For this transaction the ratio of actual to zone density is 80%. Thus, actual density versus zone density at these transactions ranges from a low of 73% to as high as 95% and averages about 85%. That is, one might typically expect to achieve an approved density of about 85% of the maximum allowed by zoning. Two tracts (696, 705) in Las Soleras sold to Pulte, a national homebuilder. This buyer sought considerably lower density than allowed by zoning. But, importantly, these sale transactions are not encumbered by severe terrain.

Other examples of reduced actual density come from Las Estrellas itself, at tracts that were developed prior to the recession. These data show the original masterplan density compared to actual platted density:

Subdivision	Zone Density	Acres	MP Density	Actual Density
Piñon Bluffs	R-2 (2 DU/Ac)	23.865	1.24	0.63
Piñon Ridge	R-4 (4 DU/Ac)	33.295	2.32	1.20
Ridge Pointe	R-5(5) & R-8	20.63	3.25	1.89

At these Las Estrellas subdivisions, the largest factor affecting density is terrain; as reported by the client's representative, in no instance has the final development density come close to the original masterplan density.

After adjustment for size, the sales are arrayed in descending order by density.

SELECT Land Sales
Arrayed by Density

Reference	Acres	Zoning DU/Ac	Actual DU/Ac	Approval Status	$/DU	Adjusted $/Ac
632	3.46	R-12(10)	9.54	Expired	$6,970	$6,647
710	4.25	R-7(7)	7.52	None	14,194	~~21,374~~*
396	8.02	R-7(7)	6.11	Full	8,778	16,085
517	10.047	R-5(5)	4.18	None	7,143	8,958
631	6.81	R-5(5)	3.67	Expired	9,400	10,352
691	11.52	R-3&R-5(3-5)	2.00	None	~~32,565~~	~~22,756~~
Subj Avg	*248.03*	*R-1(1) to R-5(5)*	*1.00?*	*None*	*?*	*?*
605	10.59	R-1(1)	1.00?	None	~~23,088~~	7,561
530	8.98	R-1(1)	0.90	Full	12,222	~~3,675~~
339	70.80	R-1	0.90	None	8,984	7,309
606	43.5	Cnty	0.32	Pending	~~32,143~~	9,310

* = Purchase price plus demolition cost, no approvals at time of purchase

I have omitted the extremes in both price per DU and price per acre (struck-through in the above table) The price per DU (not adjusted for size) shows a slight trend in increased price as density decreases.

For overall density, Sales 605 and 339 are most similar to the subject. But for size, Sales 339 and 606 are most similar to the subject, requiring the least adjustment. Data also indicate that the subject's price per acre and price per DU should likely fall below the indication for Land631 considering density. All considered, I reconcile to a per acre value of $9,500.

Based on historic development at Las Estrellas, realistic overall density has been around one DU per acre overall, but this reflects only a handful of smaller development tracts, not a parcel as large as the subject. Although data lend some support for a price per DU of around $9,500, this is somewhat subjective, as overall density of these remainder lands remains undetermined. Thus, I have not placed reliance on the price per DU methodology.

Final Opinion of Value, Sales Comparison Approach
±248.03 Acres, Remainder Lands at Las Estrellas

Value per Acre	$ 9,500/Acre	x 248.03 ac	=	$2,356,285
Rounded				$2,355,000

SUMMARY OF APPRAISAL

Value for the bulk, undeveloped acreage is premised on data for sales and listings of comparable tracts. After analysis for variables at the data, considering density and size, the data support a reasonably narrow value range of price per acre.

In conclusion, despite somewhat limited market data for a large bulk parcel of this size, what indicators are available provide reasonable support for a final value opinion of

Las Estrellas Bulk Acreage
Approx. 248.03 Acres Undeveloped. Raw Land
Mixed Density Residential Master Planned Development
As Is Value, Fee Simple Estate
As Of August 9, 2018 **$ 2,355,000**

This appraisal is made subject to the following specific assumptions and conditions.

- The appraisal assumes there are no detrimental conditions resulting from any easements, deed restrictions or other title issues. Conveyable and immediately marketable title assumed.
- The appraisal assumes there are no unusual title conditions that would impair value or marketability. Expert legal opinion to confirm this assumption is recommended.
- Land is appraised in bulk subject to an approved and recorded masterplan, with no consideration given to phased development or to periodic sale of development tracts.
- The appraised property consists of the areas referenced as Exhibit A: Sketch of Residual Parcels and Existing Tracts within the North Tracts and Exhibit B: Sketch of Existing Tracts within the Southwest Part Remainder Tract and the Southeast Part Remainder Tract. Both exhibits prepared in 2018 by James Sanchez, Santa Fe Surveying Co. These sketch exhibits are included at the Addenda. These exhibit sketches identify overall land area, but do not correlate these lands to the conceptual tracts as outlined in the 1996 masterplan. That is, the masterplan breaks down the bulk acreage into smaller conceptual development tracts, each assigned a maximum density and land use, under the approved masterplan. Also included is a substantial amount of open space.
- Some portions of the subject land, were it to be developed, would be required to be reserved for affordable housing under the City's HOP or other similar program. However, with final densities yet to be determined, the number of required affordable units is also undetermined. Specific consideration of the affordable housing requirement is not considered in this appraisal.
- No approvals or entitlements exist for any of the land under appraisal other than as delineated at the recorded Masterplans(s) for Santa Fe Estates/Las Estrellas.
- No items of personal property or non-affixed real estate included in the value opinion.

CERTIFICATION

The undersigned does certify to the best of my knowledge and belief:

- The statements and facts contained in this report are true and correct.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial and unbiased professional analyses, opinions and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent on developing or reporting predetermined results.
- This appraisal assignment was not accepted or prepared on the basis of a requested minimum valuation, a specific valuation, or the approval of financing.
- I have performed services as an appraiser regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. Specifically, I previously appraised small portions of the larger "remainder lands" in February of 2015 and June of 2016; prior assignments were to appraise Tracts 6A and 6C, respectively, for the same client and for a similar intended use. More recently, in October 2017, February 20, 2018, and March 9, 2018, I completed appraisals of the remaining bulk acreage, also for the same client. This current appraisal amends the land area at the request of the client.
- Compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The reported analyses, opinions and concussions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standard of Professional Appraisal Practice of the Appraisal Institute, which include the *Uniform Standards of Professional Appraisal Practice.*
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- I have performed a previous appraisal of the subject property within the three years prior to this assignment.
- The person signing this report has made personal inspection of the appraised property. No one provided significant real property appraisal assistance to the persons signing this certification.
- As of the date of this report, Ginny Olcott, MAI has completed the continuing education program for Designated Members of the Appraisal Institute.
- As of the date of this report, Ginny Olcott, MAI has completed the continuing education requirement of the State of New Mexico pertaining to licensed real estate appraisers.

Ginny Olcott, MAI, Olcott Appraisal, Inc.
N.M. General Certificate #000196-G

ASSUMPTIONS AND LIMITING CONDITIONS

1. This Appraisal is intended to comply with the reporting requirements set forth under the Uniform Standards of Professional Appraisal Practice. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.

2. I have relied on information prepared by the owner representatives, licensed surveyors and real estate professionals in making certain decisions in the process of this appraisal. No one else provided significant professional assistance to the person signing this report. I have accepted this information as accurate, based on the fact that they represent matters beyond my expertise as an appraiser along with the fact that they were prepared by recognized professionals.

3. No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.

4. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.

5. Responsible ownership and competent property management are assumed.

6. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.

7. All engineering is assumed to be correct. The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.

8. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging engineering studies that may be required to discover them.

9. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the report.

10. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in the report.

11. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.

12. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.

13. Unless otherwise stated in this report, the existence of hazardous substances, including, without limitation, asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to my attention nor did I become aware of such during my inspection. I have no knowledge of the existence of such materials on or in the property unless otherwise stated. However, I am not qualified to test such substances or conditions. If the presence of such substances, such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property, the value estimated is predicated on the assumption that there is no condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such condition, nor for any expertise or engineering knowledge required to discover them.

14. The Americans with Disabilities Act (ADA) became effective on January 26, 1992. I have not made a specific compliance survey and analysis of the property to determine if it is in conformance with the various detailed requirements of the ADA. It is possible that a compliance survey of the property along with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this could have a negative effect upon the value of the property. Since I do not have direct evidence relating to this issue, I did not consider possible non-compliance with the requirements of the ADA in estimating the value of the property.

This report has been made with the following general limitations:

15. The conclusions expressed in this appraisal report apply only as of the stated date of the appraisal and I assume no responsibility for economic or physical factors occurring at some later date, which may affect the opinions stated herein. Appraiser's liability is limited to the amount of the appraisal fee.

16. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization.

17. By reason of the assignment I am not required to give consultation, testimony, or be in attendance in court or any other hearing with reference to the property unless written contractual arrangements have been previously made relative to such additional services.

18. Disclosure of the contents of the report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

19. Neither all, nor any part of this report, or copy thereof shall be used for any purposes by anyone other than the client to which the report is addressed without the prior written consent of the appraisers, nor shall it be conveyed by anyone to the public through advertising, public relations, news, sales, or other media, or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the appraiser.

APPRAISER QUALIFICATIONS
Ginny Olcott, MAI

Professional Memberships and Certifications

Member (MAI), Appraisal Institute (Certificate #10918)
New Mexico State General Certification # 00196-G, expires April, 2020

Education

BA, University of New Mexico, American Studies, Albuquerque, NM, 1984, with honors.

Appraisal Courses, Seminars and Exams

Numerous classes and seminars attended from 1987 and continuing through the current year. Current with continuing education requirements of both the Appraisal Institute and the State of New Mexico.

Professional Appraisal Experience

Owner, Olcott Appraisal, Inc., Santa Fe, NM, 2006 to Present – Commercial Appraisal and Consulting

Appraiser, Pendleton Appraisal, Ltd., Santa Fe, 1997 to 2006 – Commercial Appraisal and Consulting

Staff Appraiser, Sunwest Bank of Albuquerque, NA / Boatmen's Sunwest, Inc. / NationsBank, 1987 to 1997 - Residential and Commercial Appraisal, Appraisal Review

Independent Fee Appraiser, Stephanie Adams, Inc, Albuquerque, 1986 to1987 – Residential Appraisal

Assistant Appraiser, Olcott Appraisals, Santa Fe, NM, 1978 to 1986 – Residential Appraisal

Assignments Summary

Preparation of narrative appraisal reports. Scope of work includes on-site inspection, data collection and verification, research of market conditions, derivation of rates and multipliers, lease analysis, cost analysis, feasibility study, reconciliation of approaches to final value estimate.

Appraisal assignments include complex single-family residential, multi-family, condominiums, lodging facilities, office buildings, industrial properties, retail centers, special purpose properties, mobile home parks, mini-storage facilities, child care centers, residential and other subdivisions, and other complex and mixed use properties throughout Northern New Mexico.

OLCOTT
APPRAISAL, INC.

August 10, 2018

Santa Fe Estates, Inc.
c/o David D. Gurule
PO Box 22865
Santa Fe, New Mexico 87502

Re: Las Estrellas, Remaining Unsold Land
Approximately 248 Acres Bulk Land
Vicinity of Hwy 599 and Ridgetop Road
Santa Fe, New Mexico

Dear Dave,

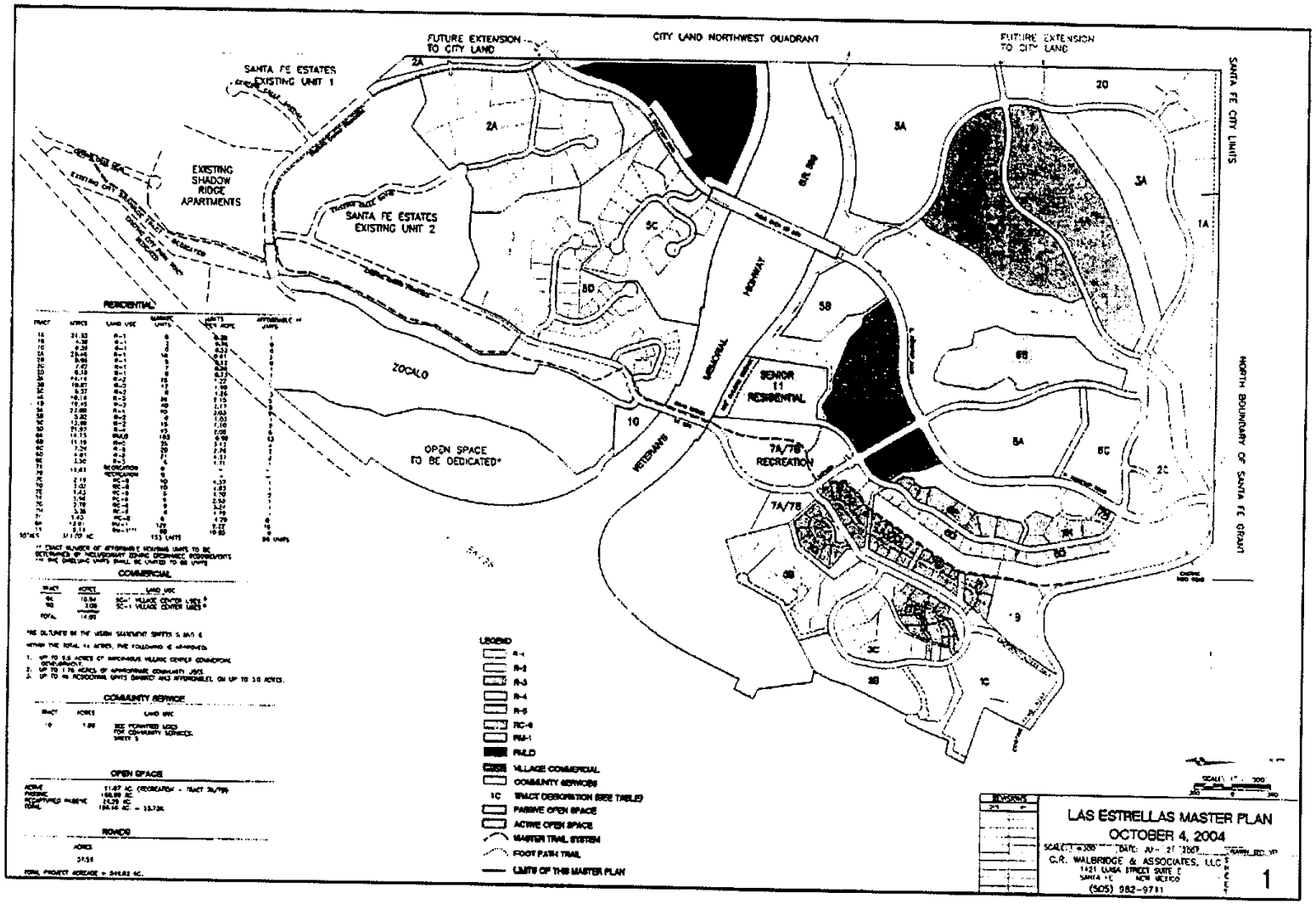
Attached, please find three (3) copies of the referenced appraisal as well as copy of my invoice. At your request, I have also forwarded an electronic copy of the report to you by email.

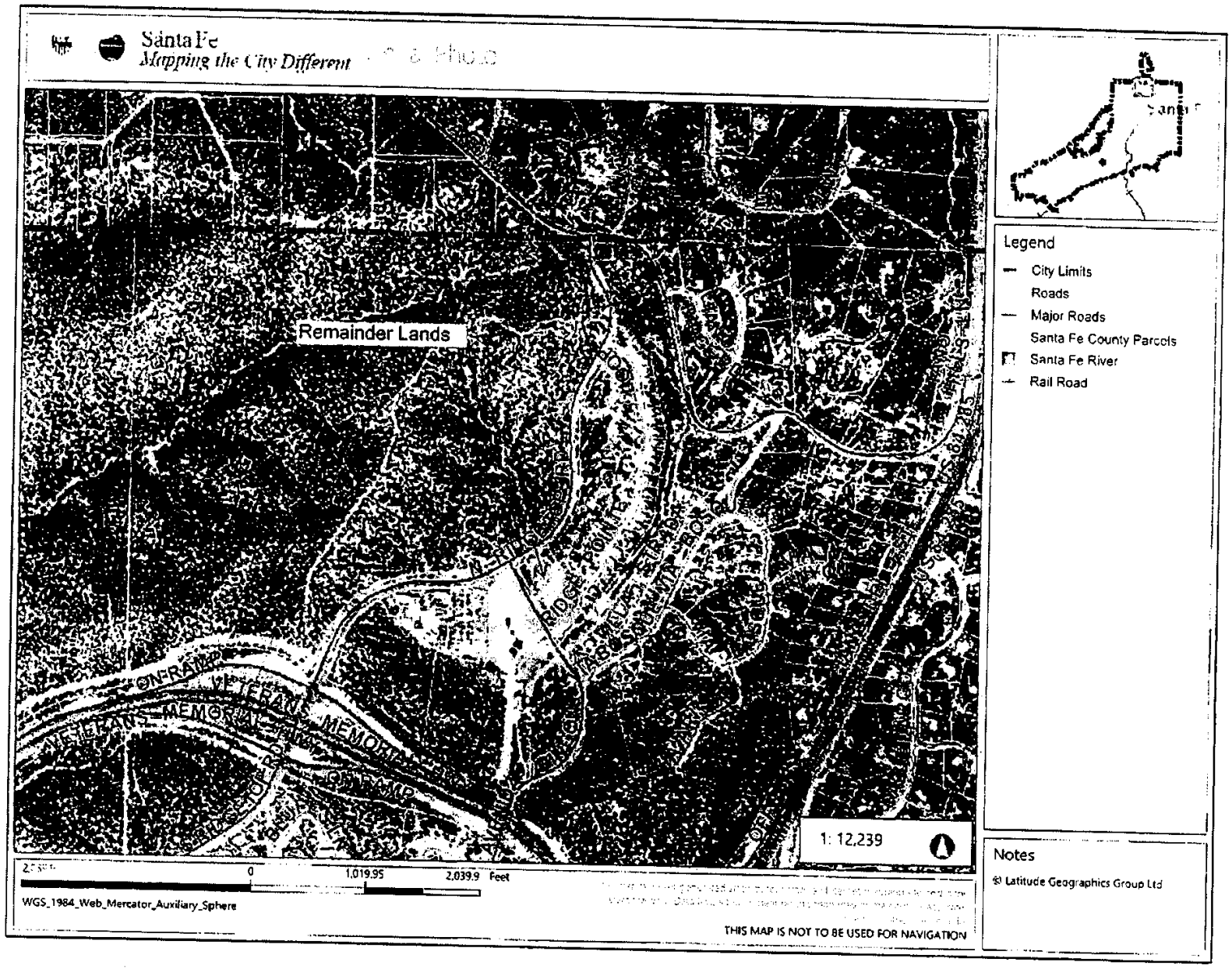
It has been a pleasure working with you. If you have any questions, or if I may be of further assistance, please do not hesitate to call.

Respectfully,

Ginny Olcott, MAI
Olcott Appraisal, Inc.

P.O. Box 32352 Santa Fe, New Mexico 87594 | T (505 466-4770 | E ginny@olcott.org


FUTURE EXTENSION TO CITY LAND
CITY LAND NORTHWEST QUADRANT
FUTURE EXTENSION TO CITY LAND
SANTA FE CITY LIMITS
NORTH BOUNDARY OF SANTA FE GRANT
SANTA FE ESTATES EXISTING UNIT 1
EXISTING SHADOW RIDGE APARTMENTS
SANTA FE ESTATES EXISTING UNIT 2
ZOCALO
OPEN SPACE TO BE DEDICATED*
SENIOR 11 RESIDENTIAL
7A/7B RECREATION
HIGHWAY
MEMORIAL
VETERANS
RESIDENTIAL
COMMERCIAL
COMMUNITY SERVICE
OPEN SPACE
ROADS
LEGEND
R-1
R-2
R-3
R-4
R-5
RC-6
RM-1
PUD
VILLAGE COMMERCIAL
COMMUNITY SERVICES
1C TRACT DESIGNATION (SEE TABLE)
PASSIVE OPEN SPACE
ACTIVE OPEN SPACE
MASTER TRAIL SYSTEM
FOOT PATH TRAIL
LIMITS OF THIS MASTER PLAN
LAS ESTRELLAS MASTER PLAN
OCTOBER 4, 2004
G.R. WALBRIDGE & ASSOCIATES, LLC
1421 LUNA STREET SUITE F
SANTA FE NEW MEXICO
(505) 982-9781
1


Santa Fe
Mapping the City Different
Remainder Lands
1: 12,239
0
1,019.95
2,039.9 Feet
WGS_1984_Web_Mercator_Auxiliary_Sphere
THIS MAP IS NOT TO BE USED FOR NAVIGATION
Legend
City Limits
Roads
Major Roads
Santa Fe County Parcels
Santa Fe River
Rail Road
Notes
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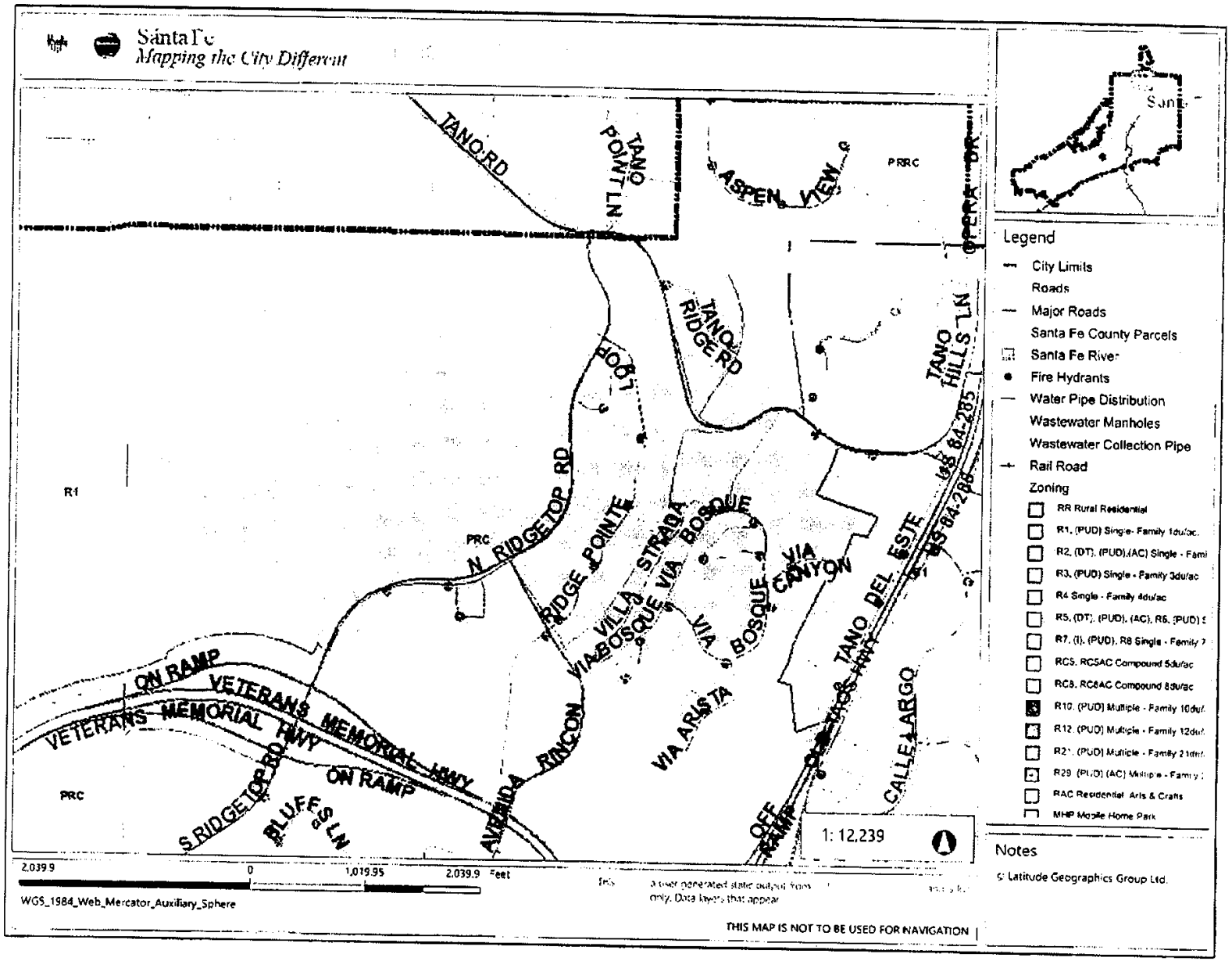
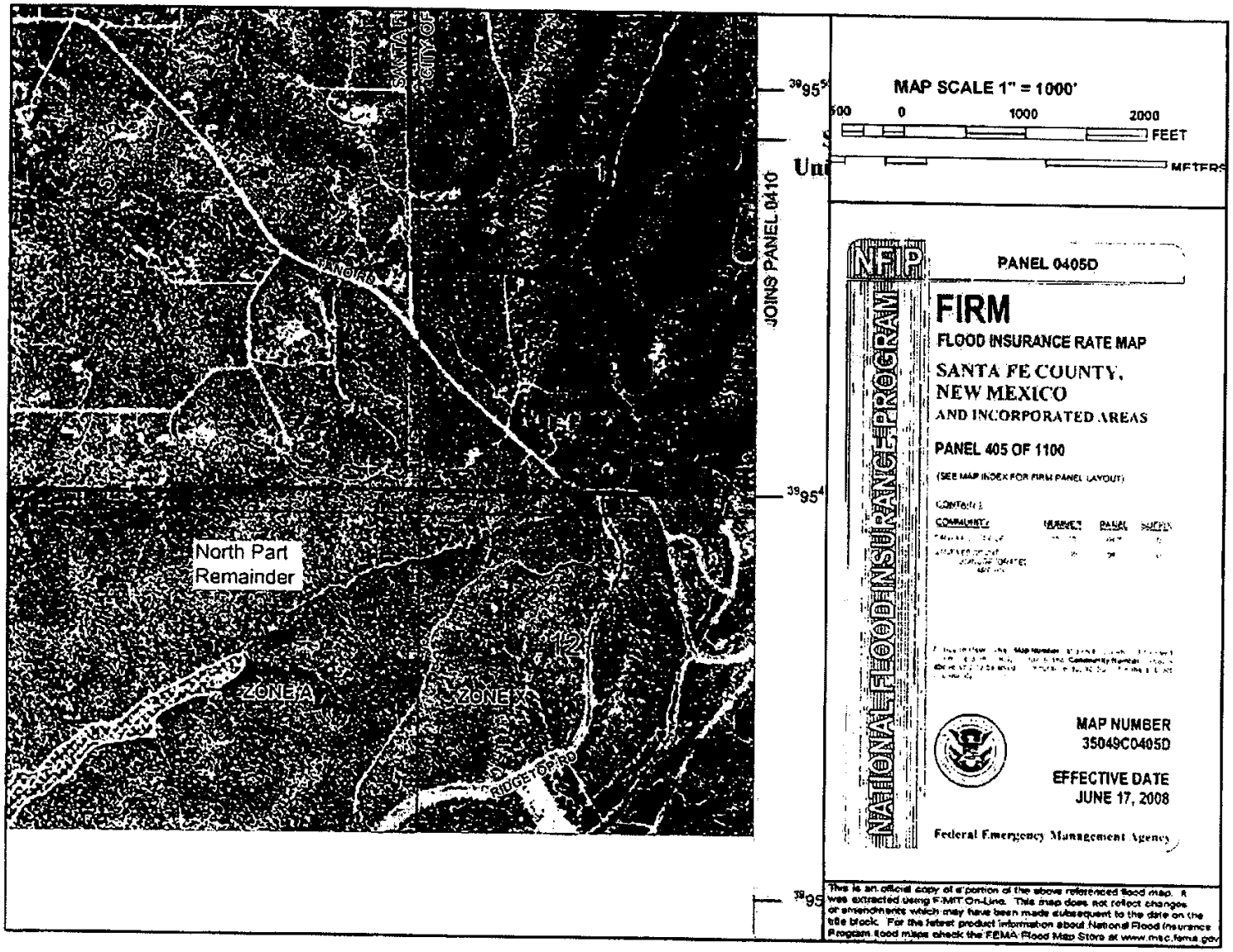

Santa Fe
Mapping the City Different
TANO RD
TANO POINT LN
ASPEN VIEW
PRRC
OPERA DR
TANO RIDGE RD
TANO HILLS LN
LOOP
R1
PRC
N RIDGETOP RD
RIDGE POINTE
VILLA STRADA
VIA BOSQUE
VIA BOSQUE CANYON
US 84-285
TANO DEL ESTE
ON RAMP
VETERANS MEMORIAL HWY
S RIDGETOP RD
BLUFF SDN
AVENIDA RINCON
VIA ARISTA
CALLE LARGO
OFF RAMP
1: 12,239
Legend
City Limits
Roads
Major Roads
Santa Fe County Parcels
Santa Fe River
Fire Hydrants
Water Pipe Distribution
Wastewater Manholes
Wastewater Collection Pipe
Rail Road
Zoning
RR Rural Residential
R1. (PUD) Single- Family 1du/ac.
R2. (DT). (PUD).(AC) Single - Fami
R3. (PUD) Single - Family 3du/ac
R4 Single - Family 4du/ac
R5. (DT). (PUD). (AC). R6. (PUD) S
R7. (I). (PUD). R8 Single - Family 7
RC5. RC5AC Compound 5du/ac
RC8. RC8AC Compound 8du/ac
R10. (PUD) Multiple - Family 10du/
R12. (PUD) Multiple - Family 12du/
R21. (PUD) Multiple - Family 21du/
R29. (PUD) (AC) Multiple - Family
RAC Residential Arts & Crafts
MHP Mobile Home Park
Notes
© Latitude Geographics Group Ltd.
2,039.9
0
1,019.95
2,039.9 Feet
WGS_1984_Web_Mercator_Auxiliary_Sphere
THIS MAP IS NOT TO BE USED FOR NAVIGATION


North Part
Remainder
ZONE A
ZONE X
RIDGE TOP RD
JOINS PANEL 0410
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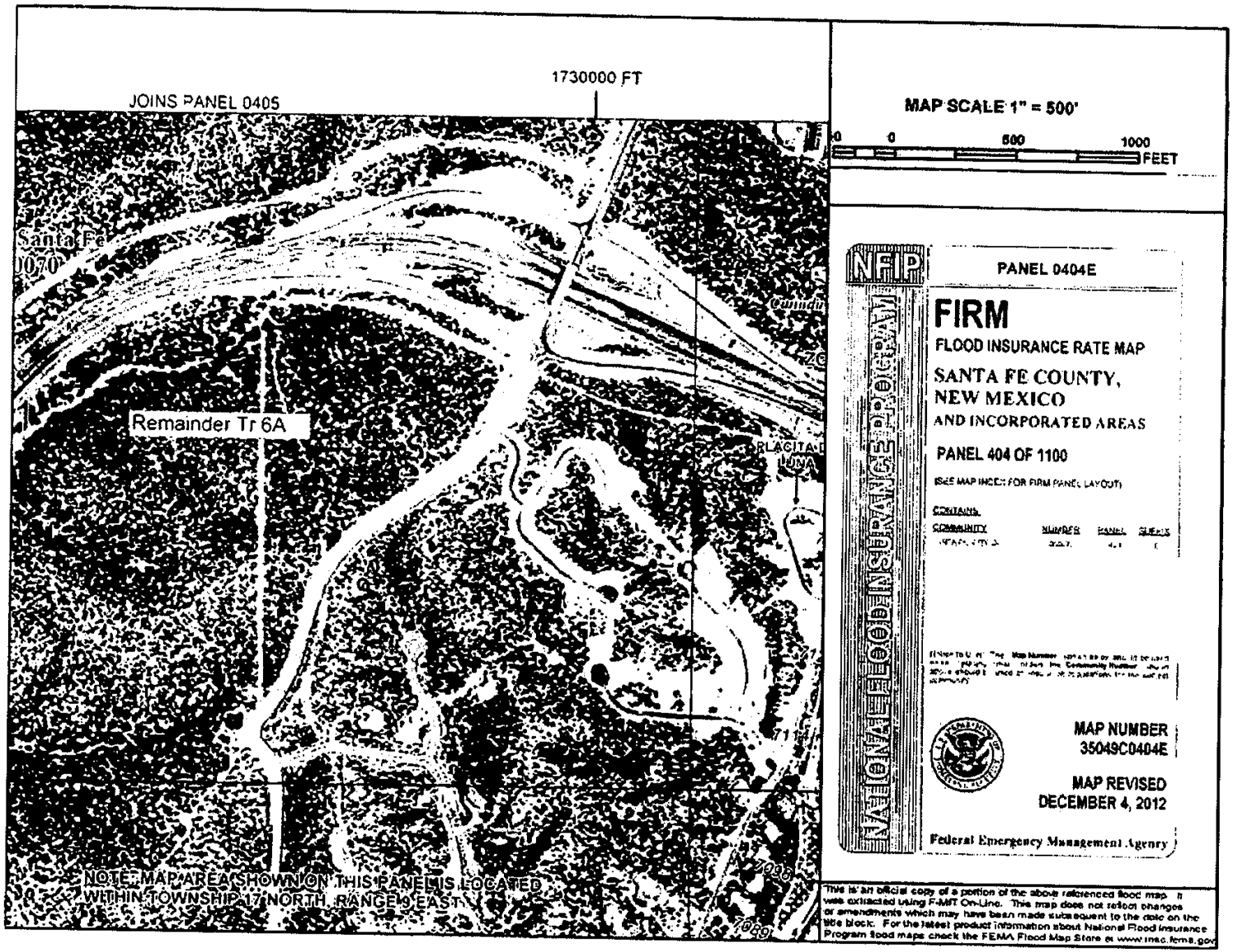
500 0 1000 2000
FEET
METERS
PANEL 0405D
FIRM
FLOOD INSURANCE RATE MAP
SANTA FE COUNTY,
NEW MEXICO
AND INCORPORATED AREAS
PANEL 405 OF 1100
(SEE MAP INDEX FOR FIRM PANEL LAYOUT)
CONTAINS:
COMMUNITY
NUMBER
PANEL
SUFFIX
MAP NUMBER
35049C0405D
EFFECTIVE DATE
JUNE 17, 2008
Federal Emergency Management Agency
NATIONAL FLOOD INSURANCE PROGRAM
This is an official copy of a portion of the above referenced flood map. It was extracted using F-MIT On-Line. This map does not reflect changes or amendments which may have been made subsequent to the date on the title block. For the latest product information about National Flood Insurance Program flood maps check the FEMA Flood Map Store at www.msc.fema.gov


1730000 FT
JOINS PANEL 0405
Remainder Tr 6A
NOTE: MAP AREA SHOWN ON THIS PANEL IS LOCATED WITHIN TOWNSHIP 17 NORTH, RANGE 9 EAST
MAP SCALE 1" = 500'
0 500 1000
FEET
NFIP
PANEL 0404E
FIRM
FLOOD INSURANCE RATE MAP
SANTA FE COUNTY, NEW MEXICO
AND INCORPORATED AREAS
PANEL 404 OF 1100
(SEE MAP INDEX FOR FIRM PANEL LAYOUT)
CONTAINS:
COMMUNITY
NUMBER
PANEL
SUFFIX
MAP NUMBER
35049C0404E
MAP REVISED
DECEMBER 4, 2012
Federal Emergency Management Agency
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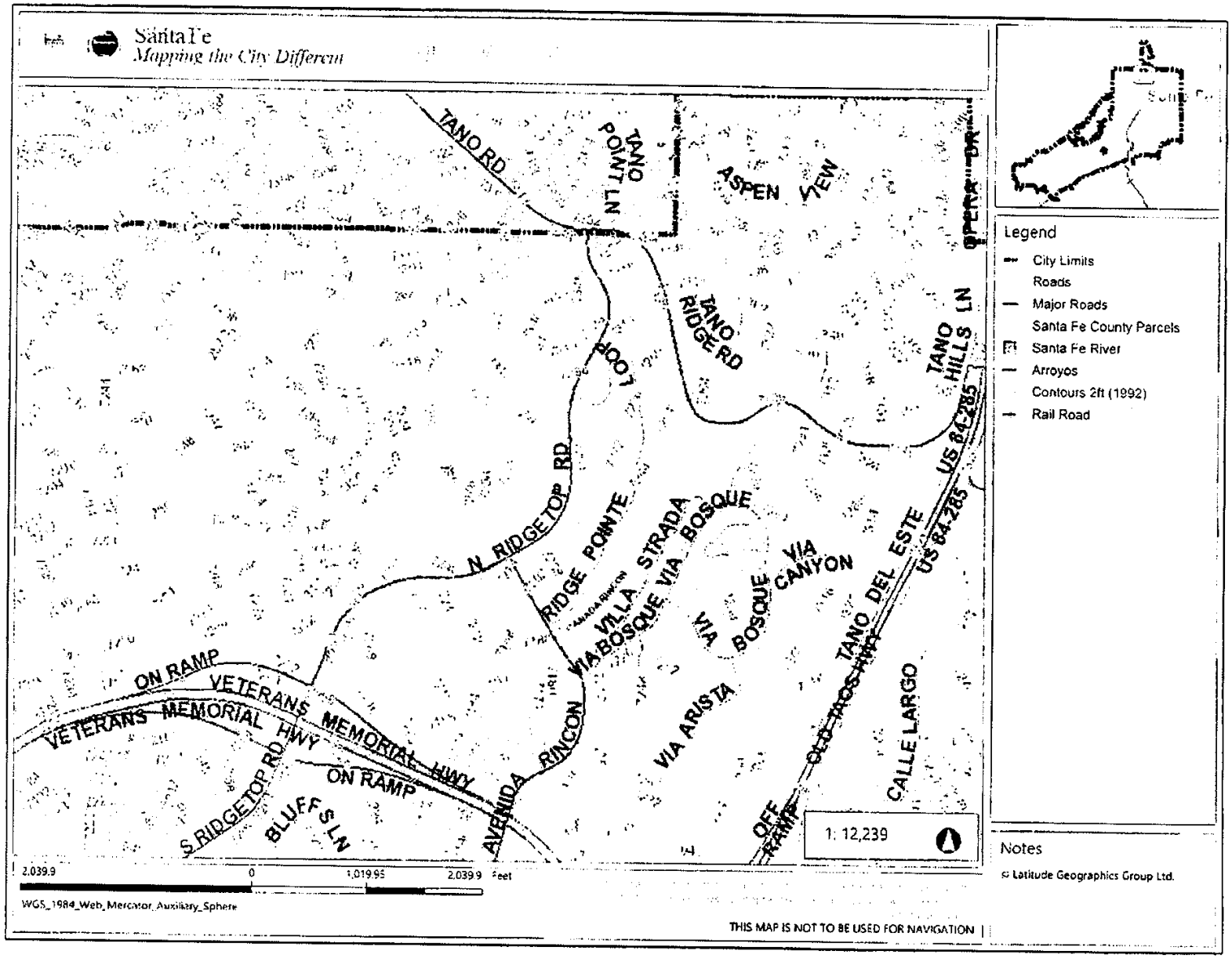
Santa Fe
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ASPEN VIEW
TANO RIDGE RD
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TANO HILLS LN
OPERA DR
US 84-285
N RIDGETOP RD
RIDGE POINTE
VILLA STRADA
VIA BOSQUE
VIA BOSQUE
VIA CANYON
VIA BOSQUE
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CALLE LARGO
ON RAMP
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VETERANS MEMORIAL HWY
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City Limits
Roads
Major Roads
Santa Fe County Parcels
Santa Fe River
Arroyos
Contours 2ft (1992)
Rail Road
Notes
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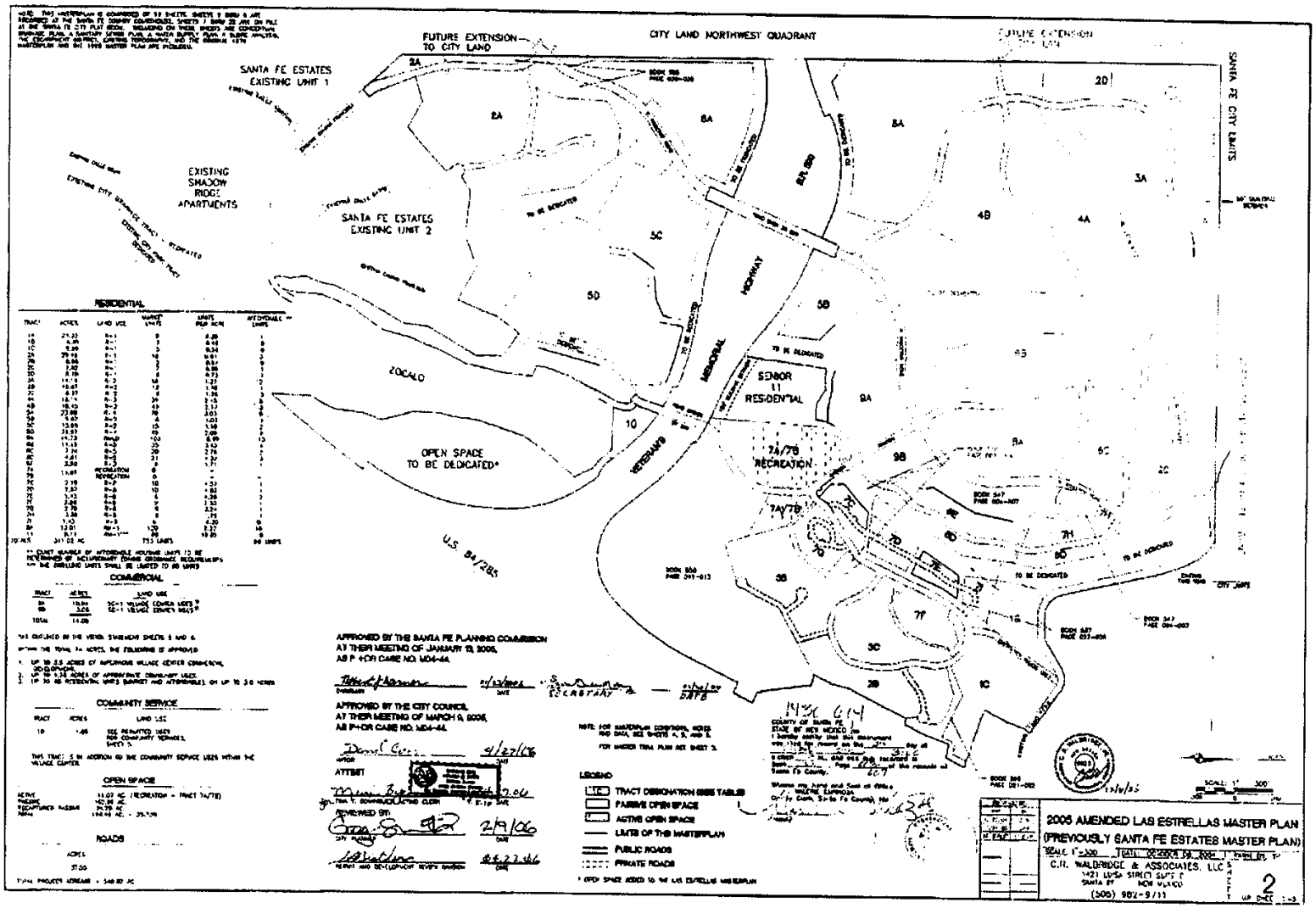
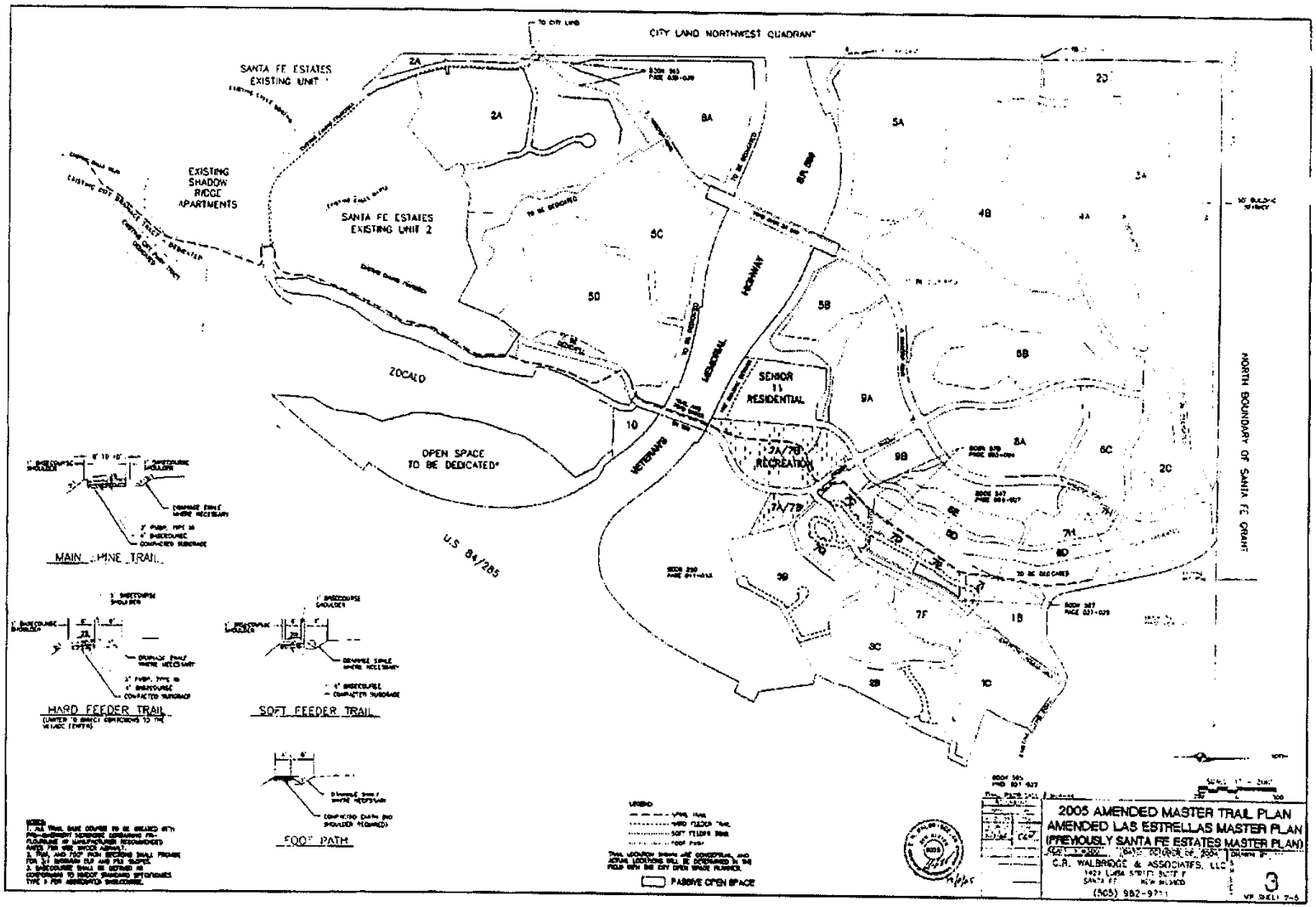
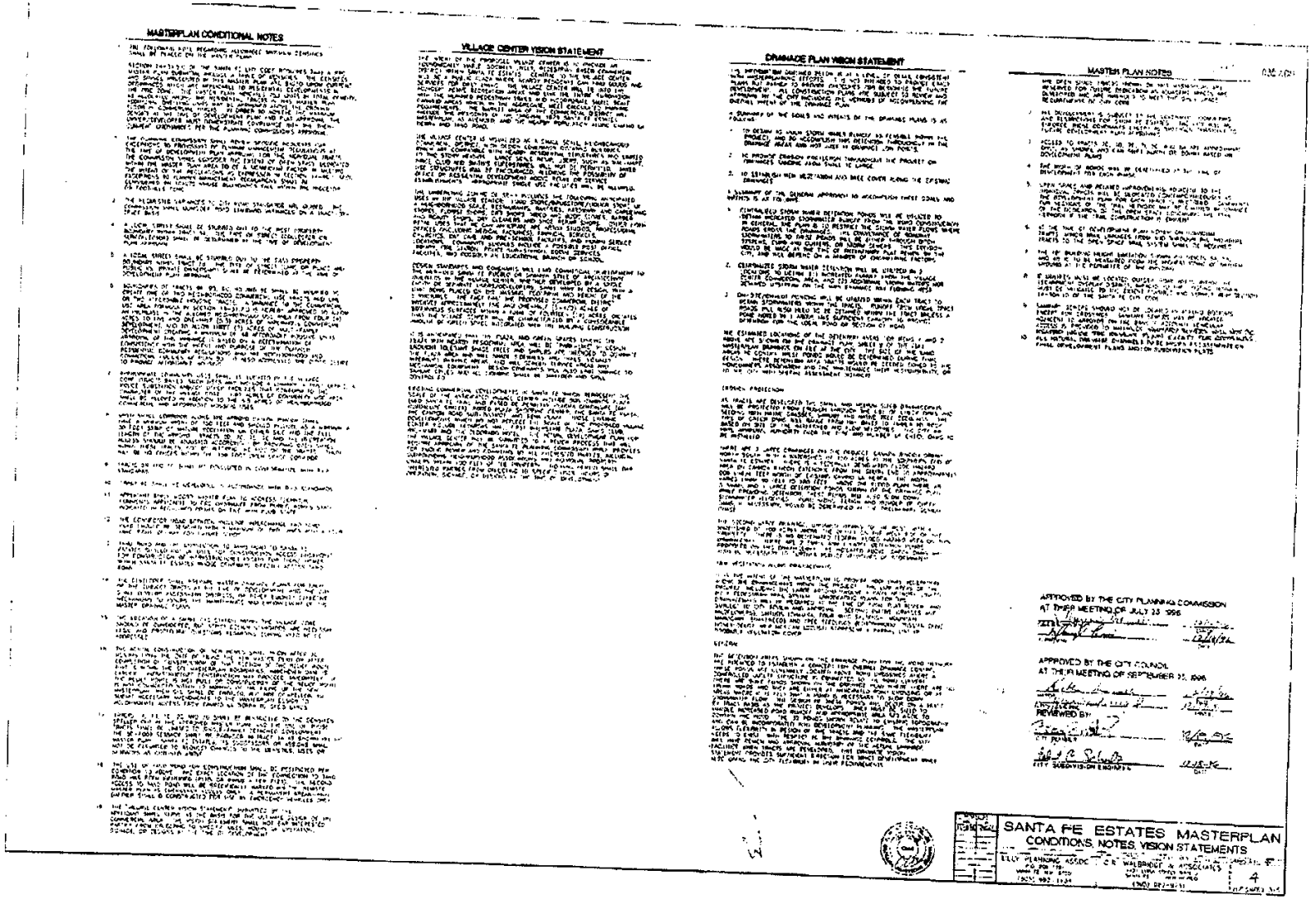

FUTURE EXTENSION— TO CITY LAND
CITY LAND NORTHWEST QUADRANT
SANTA FE ESTATES EXISTING UNIT 1
SANTA FE ESTATES EXISTING UNIT 2
EXISTING SHADOW RIDGE APARTMENTS
SANTA FE CITY LIMITS
ZOCALO
OPEN SPACE TO BE DEDICATED*
SENIOR 11 RESIDENTIAL
7A/7B RECREATION
MEMORIAL
HOPKAT
VETERANS
U.S. 84/285
RESIDENTIAL
COMMERCIAL
COMMUNITY SERVICE
OPEN SPACE
ROADS
APPROVED BY THE SANTA FE PLANNING COMMISSION AT THEIR MEETING OF JANUARY 19, 2006, AS P +/OR CASE NO. M04-44.
APPROVED BY THE CITY COUNCIL AT THEIR MEETING OF MARCH 9, 2006, AS P+/OR CASE NO. M04-44.
ATTEST
REVIEWED BY:
LEGEND
TRACT DESIGNATION SEE TABLE
PASSIVE OPEN SPACE
ACTIVE OPEN SPACE
LIMITS OF THE MASTERPLAN
PUBLIC ROADS
PRIVATE ROADS
2005 AMENDED LAS ESTRELLAS MASTER PLAN
(PREVIOUSLY SANTA FE ESTATES MASTER PLAN)
C.N. WALDRIDGE & ASSOCIATES, LLC
1421 LUISA STREET SUITE F
SANTA FE NEW MEXICO
(505) 982-9711
2
SCALE: 1" = 300'


CITY LAND NORTHWEST QUADRANT
SANTA FE ESTATES EXISTING UNIT 1
EXISTING SHADOW RIDGE APARTMENTS
SANTA FE ESTATES EXISTING UNIT 2
ZOCALO
OPEN SPACE TO BE DEDICATED*
SENIOR 11 RESIDENTIAL
7A/7B RECREATION
MEMORIAL HIGHWAY
VETERANS
U.S. 84/285
NORTH BOUNDARY OF SANTA FE GRANT
MAIN PINE TRAIL
HARD FEEDER TRAIL
SOFT FEEDER TRAIL
FOOT PATH
PASSIVE OPEN SPACE
2005 AMENDED MASTER TRAIL PLAN
AMENDED LAS ESTRELLAS MASTER PLAN
(PREVIOUSLY SANTA FE ESTATES MASTER PLAN)
C.R. WALBRIDGE & ASSOCIATES, LLC
(505) 982-9711
3



MASTERPLAN CONDITIONAL NOTES

VILLAGE CENTER VISION STATEMENT

DRAINAGE PLAN VISION STATEMENT

MASTER PLAN NOTES

APPROVED BY THE CITY PLANNING COMMISSION
AT THEIR MEETING OF JULY 23 1996

APPROVED BY THE CITY COUNCIL
AT THEIR MEETING OF SEPTEMBER 25, 1996

REVIEWED BY:

SANTA FE ESTATES MASTERPLAN
CONDITIONS, NOTES, VISION STATEMENTS

ELLY PLANNING ASSOC. / C.R. WALBRIDGE & ASSOCIATES

4

96-143

2005 AMENDMENTS TO NOTES AND CONDITIONS OF 1996 MASTER PLAN

GENERAL

A. THE NAME OF THE MASTER PLAN AREA IS CHANGED FROM SANTA FE ESTATES TO LAS ESTRELLAS, AND ALL REFERENCES SHALL REFLECT ACCORDINGLY.

B. REFERENCE TO "CAMINO LA TIERRA" IS HEREBY REPLACED WITH "CERRILLOS MEMORIAL HIGHWAY."

C. REFERENCE TO "PLAN 83" IS REPLACED WITH "THE CITY OF SANTA FE GENERAL PLAN".

D. REFERENCE TO CITY CODES SHALL TRACK UPDATES RESULTING OF THE CODE.

MASTER PLAN CONDITIONAL NOTES

E. THE FOLLOWING PORTIONS OF CONDITION 2A OF THE 1996 MASTER PLAN IS HEREBY DELETED IN ITS ENTIRETY. THE DELETED SENTENCE READ AS FOLLOWS:

"

ASSIGNMENT OF TRACTS 6A, 6B, 8C, 9D AND 9E SHALL BE MODIFIED TO CREATE ONE OR TWO NEIGHBORHOOD CONVENIENCE USE TRACTS AND ONE OR TWO AFFORDABLE HOUSING TRACTS.

"

F. 10 BOTH QUANTITY AND MATERIAL INCLUDED IN THE VILLAGE CENTER AFFORDABLE HOUSING SHALL CONFORM TO THE REQUIREMENTS OF THE NEIGHBORHOOD ZONING ORDINANCE. THIS IS A MODIFICATION OF CONDITION 2A OF THE 1996 MASTER PLAN.

G. THE CHART ON THE REVISED MASTER PLAN SUBMITTED DEVELOPER'S ESTIMATE OF LIKELY DWELLING UNITS BASED ON THE ACRES, DENSITY TRANSFERS OF SMALL-LOT RESIDENTIAL UNITS AMONG TRACTS SHALL BE ALLOWED BY MODIFICATION OF THE PLANNING COMMISSION AS LONG AS (1) THE RESULTING DENSITY OF ANY TRACT DOES NOT EXCEED THE DENSITY ALLOWED BY THE ZONING CONDITION, AND (2) THE TOTAL AMOUNT UNDER DOES NOT EXCEED 715 UNITS. NO INCREASE OF VARIETY SHALL DENSITY SHALL BE ALLOWED ON TRACTS 14/HILLSIDE AND 10.

H. STAFF CONDITION# NUMBER 3 OF THE AMENDED MASTER PLAN WAS DELETED BY THE PLANNING COMMISSION. THE DELETED SENTENCE READS AS FOLLOWS: "A NOTE SHALL BE ADDED THAT ANTICIPATED VILLAGE SEWER USES MAY CORRECTLY RETURNED IN THE SDC-1 DISTRICT WOULD REQUIRE FUTURE AMENDMENTS TO CHAPTER 14."

I. POSSIBLE EASEMENTS, CONVEYANCES AND RESTRICTIONS SHALL INCLUDE PROVISIONS WHEREBY THE ASSOCIATION SHALL SUPPLY TO THE CITY OF SANTA FE AN ANNUAL REPORT CERTIFIED BY A REGISTERED PROFESSIONAL ENGINEER REGARDING ADEQUATE MAINTENANCE AND OPERATION OF THE DETENTION/RETENTION FACILITIES.

MASTER PLAN NOTES

J. CONDITION #1 OF THE 1996 MASTER PLAN IS MODIFIED AS FOLLOWS: THE OPEN SPACE LANDS SHOWN ON THIS MASTER PLAN ARE RESERVED FOR FUTURE DEDICATION AS MUNICIPAL TRACTS AND RELINQUISHED AND SUCH DEDICATING SHALL MEET THE OPEN SPACE REQUIREMENTS OF THE CITY CODE.

K. CONDITION #2 OF THE 1996 MASTER PLAN IS REPLACED ENTIRELY WITH THE FOLLOWING: ALL DEVELOPMENT IS SUBJECT TO THE LAS ESTRELLAS MASTER DECLARATION OF CONDITIONS, COVENANTS, RESTRICTIONS AND EASEMENTS (MASTER DECLARATION) AND THE LAS ESTRELLAS RESIDENTIAL DECLARATION OF CONDITIONS, COVENANTS, RESTRICTIONS AND EASEMENTS (RESIDENTIAL DECLARATION), AS AMENDED BY THE VARIOUS RECORDED DECLARATIONS OR BY FUTURE SUPPLEMENTARY PLANS APPROVED.

L. THE STANDARDS AND HEREIN ADOPTED (SEE SHEET 3) AS A GUIDE TO THE LOCATION AND DESIGN SPECIFICATIONS FOR VARIOUS TYPES OF TRAILS.

VILLAGE CENTER DESIGN STANDARDS

M. NO CHANGES

DRAINAGE PLAN NOTES

THE FOLLOWING CONDITIONS ARE ADDED TO (1) ACKNOWLEDGE THE CREATION OF A FORMAL MECHANISM FOR MAINTENANCE STORM WATER DRAINAGE FACILITIES IN ACCORDANCE WITH CONDITION #1A OF THE MASTER PLAN DEVELOPMENT AGREE, AND (2) TO REFLECT A CHANGE IN THE CITY'S PRELIMINARY REGIONAL STORM WATER MANAGEMENT.

N. TO ADDRESS THE GOALS AND INTENTS OF THE DRAINAGE PLAN THE DEVELOPER, BY AGREEMENT WITH THE CITY OF SANTA FE AND CERRILLOS SOLID WASTE AND WATER ASSOCIATION, AS THE CURRENT APPOINTED RESPONSIBLE FOR MAINTENANCE OF CONTRACTED DRAINAGE FACILITIES. THE MASTER DECLARATION OF CONDITIONS, COVENANTS AND RESTRICTIONS FILED OF RECORD AS DOCUMENT NO. 1233320 AND AMENDMENT NO. 1233321 RECORDED, ALL DEVELOPED LANDS WITHIN LAS ESTRELLAS AND PROVIDES A PROPORTIONAL UNITS OR COMMERCIAL FEET OF COMMERCIAL SPACE ATTRIBUTED TO THE PLANNED DEVELOPMENT TO THE NUMBER OF THE DWELLING OR OCCUPANTS OF THESE DEVELOPED TRACTS MAY BE ENFORCED BY THE MASTER ASSOCIATION AS A COMPONENT OF THE ASSOCIATION'S ANNUAL BUDGET.

O. THE OWNERSHIP AND RESPONSIBILITY OF STORM WATER DETENTION IS TWO FOLD: (1) PRIVATE COMMUNITY STORM WATER DETENTION PONDS FOR SMALL HOMES AND LOT IMPROVEMENTS TO THE EXTENT POSSIBLE. THE DETENTION PONDS WILL HAVE BUILT STRUCTURES THAT CONTROL THE 2 YR., 10 YR., 50 YR., AND 100 YEAR STORMS. IF IS ENCUMBERED BY THE STREET DEVELOPER TO TRANSFER STORM WATER FLOWS TO THE CENTRALIZED PONDS WITH APPROPRIATE TRANSFER CONTROL DEVICES TO MINIMIZE EVENTS. THE CENTRALIZED PONDS ARE AND PERMANENT AND (2) WATER HARVESTING ON THE LOTS WILL BE REQUIRED IN ACCORDANCE WITH CURRENT AND FUTURE CITY ORDINANCES RELATIVE TO WATER HARVESTING. WATER HARVESTED ON LOTS WILL BE REQUIRED IN IMPROVEMENTS FOR ALL LOTS.

2005 APPROVED USES IN THE VILLAGE CENTER

1. Dwelling, multiple-family;
2. Religious institutions (small or medium);
3. Residential, community, educational and institutional, and civic public buildings and uses to include, but not limited to, fire and police stations, libraries and museums, or other public buildings and uses to be located within the district;
4. Telephone exchanges;
5. Arts and crafts studios, galleries and shops;
6. Retail districts;
7. Community Products for production of live shows;
8. Theaters/cinemas/ studios;
9. Personal services;
10. Cafes and drinking establishments;
11. Entertainment, sports and recreational uses;
12. Administrative offices and organizational uses;
13. Professional offices;
14. Professional offices or practitioners;
15. Business and trades schools, offices or clinics providing care and treatment for the health and welfare of human patients;
16. Offices for State Government for the state to provide the basic set of city general services including to maintain facilities, provides that offices and accessory buildings shall be and not be maintained as "service establishments";
17. Offices, business & professional (all);
18. Commercial recreational uses and attractions, theaters, bowling alleys, pool rooms, arcades, etc.;
19. Cemetery, mausoleum or crematorium;
20. Commercial stables;
21. Hotels and motels, including accessory uses;
22. Arts and crafts, studio manufacture, when retail sales manufacturer occurs;
23. Restaurants;
24. Restaurant, drive-in/fast service;
25. Custom tailors and dressmakers;
26. Parking garages;
27. Car rentals;
28. Car washes;
29. Automotive/vehicle service and transportation including to minor preventative repair;
30. Retail sales establishments;
31. Retail sales establishments uses that are intended to serve the primary uses and that do not exceed 5,000 square feet per establishment;
32. Barber shops and beauty parlors;
33. Personal service establishments;
34. Photographic studios;
35. Dressmaking, tailoring and homedressing tailors;
36. Children's play centers and play equipment;
37. Plazas, promenades;
38. Open space and recreation authentically accessory and clearly incidental and subordinate to all business uses and structures;
39. Farmer's Market

2005 APPROVED USE LIST FOR COMMUNITY SERVICES IN VILLAGE CENTER

1. TOWN HALL OR NEIGHBORHOOD RELIGIOUS ASSEMBLY
2. MEETING ROOMS
3. POST OFFICE (PRIVATE OR GOVERNMENTAL)
4. RELIGIOUS ASSEMBLY
5. CHILD DAY CARE AND NURSERIES (SMALL OR MEDIUM)
6. [illegible] FACILITIES
7. FIRE STATION
8. LIBRARY (PRIVATE OR GOVERNMENTAL)

2005 APPROVED USE LIST FOR COMMUNITY SERVICES ON TRACT 10

1. POLICE STATION
2. FIRE STATION
3. LIBRARY
4. ADMINISTRATIVE OFFICES
5. RELIGIOUS USES
OUTDOOR STORAGE OF MATERIALS, VEHICLES OR EQUIPMENT IS PROHIBITED

2005 APPROVED RECREATIONAL AREA USE LIST

1. SPORTS FIELDS AND COURTS
2. ADMINISTRATION DEPARTMENT / EDUCATIONAL CENTER
3. PERFORMING ARTS FACILITIES / AMPHITHEATER
4. TRAILS
5. PICNIC AREAS
6. OPEN AREAS

SPECIAL NOTE

THE LOCATION AND DESIGN OF THE PUBLIC PARKS, THE MASTER TRAIL DRAINAGE INTERFACES, AND THE CITY ARMIJO ARC / SOPHIA CLOVER OF THE ARROYO AT SANTA FE ESTATES, INC., THE CITY OF SANTA FE AND THE CITY ALSO RECOGNIZE A SUBDIVISION FROM SANTA FE ESTATES, INC., OF ADDITION OF MINOR INTENT TO CONFORM THE AND TO ACCOMMODATE, AND TO SATISFY ANY TRAFFIC NEEDS OF THE NEW DEVELOPER AS APPROVED BY THE 1996 MASTER PLAN.

CONDITIONS, NOTES, AND DATA (AMENDMENTS)
AMENDED LAS ESTRELLAS MASTER PLAN
(PREVIOUSLY SANTA FE ESTATES MASTER PLAN)
SCALE: 1"=200' — DATE: OCTOBER 31, 2005 — DRAWN BY: [illegible]
C.R. WALBRIDGE & ASSOCIATES, LLC
1421 LUISA STREET, SUITE C
SANTA FE NEW MEXICO
(505) 982-9711
SHEET 5 OF 5

12/8/05

RESIDENTIAL

TRACTS	ORIGINAL ACRES	AMENDED ACRES	ORIGINAL LANDUSE	AMENDED LANDUSE	ORIGINAL UNITS	AMENDED MARKET UNITS	AMENDED AFFORDABLE UNITS
1A	21.79	21.33	R-1	R-1	8	8	0
1B	3.87	4.38	R-1	R-1	2	2	0
2A	10.05	9.56	R-1	R-1	4	4	0
2B	77.95	79.46	R-1	R-1	28	28	0
2B	9.24	8.06	R-1	R-1	8	15	3
2C	8.67	7.02	R-1	R-1	5	5	0
3A	8.38	8.18	R-1	R-1	3	3	0
3A	14.14	14.15	R-2	R-2	1	1	1
3B	10.88	10.87	R-2	R-2	6	20	6
3C	6.24	6.31	R-2	R-2	20	18	2
4A	13.14	14.14	R-2	R-2	14	12	2
4A	26.45	28.45	R-1	R-1	8	8	0
5A	20.70	23.09	R-1	R-1	43	38	5
5B	6.05	5.87	R-2	R-2	44	40	4
5C	12.17	13.58	R-2	R-2	70	70	0
6A	21.98	21.97	R-2	R-2	17	8	1
6A	14.72	14.71	R-4	R-4	23	15	2
6B	11.19	11.19	R-5	RMU	60	45	5
6C	7.58	7.24	R-5	R-5	6	103	13
6D	5.15	4.81	R-5	R-5	40	35	4
6E	2.89	3.50	R-5	R-5	20	20	2
7A	2.94		R-3	R-3	22	21	3
7B	11.01	11.07	RC-8	RECREATION	8	6	1
7C	2.39	2.19	RC-8	RECREATION	19	10	1
7D	2.14	2.07	RC-8	R-8	5	9	1
7E	1.58	1.43	RC-8	R-8	13	10	1
7F	3.39	3.56	RC-8	R-8	15	10	1
7G	2.36	2.78	RC-8	R-8	12	9	2
7H	3.05	3.36	RC-8	R-8	11	9	1
7I	1.12	1.43	RC-8	R-8	10	9	1
8A	12.99	13.01	RC-8	R-8	12	8	1
11	10.03	9.11	RMU	RMU	4	6	0
TOTALS	301.81	311.02	RECREATION	RMU	457	526	76
					753	753	66

COMMERCIAL

TRACT	ORIGINAL ACRES	AMENDED ACRES
5A	1.76	10.94
5B	2.84	3.66
TOTAL	4.60	14.60

ORIGINAL LANDUSE
SC-1 VILLAGE CENTER USES
SC-1 VILLAGE CENTER USES

1. UP TO 5.5 ACRES OF IMPERVIOUS VILLAGE CENTER COMMERCIAL DEVELOPMENT.
2. UP TO 1.78 ACRES OF APPROPRIATE COMMUNITY USES.
3. UP TO 48 AFFORDABLE HOUSING UNITS ON UP TO 3 ACRES.

AMENDED LANDUSE
SC-1 PLUS ADDITIONAL USES LISTED ON SHEET 5
SC-1 PLUS ADDITIONAL USES LISTED ON SHEET 5

1. UP TO 5.5 ACRES OF IMPERVIOUS VILLAGE CENTER COMMERCIAL DEVELOPMENT.
2. UP TO 1.78 ACRES OF APPROPRIATE COMMUNITY USES.
3. UP TO 48 RESIDENTIAL UNITS (MARKET AND AFFORDABLE), ON UP TO 3 ACRES.

COMMUNITY SERVICE

TRACT	ORIGINAL ACRES	AMENDED ACRES
10	1.78	1.86

ORIGINAL LANDUSE
RESERVED FOR A CITY PARK MAINTENANCE FACILITY AND/OR A CITY FIRE DEPARTMENT SUBSTATION

AMENDED LANDUSE
SEE PERMITTED USES FOR COMMUNITY SERVICES, SHEET 5

OPEN SPACE

TRACT	ORIGINAL ACRES	AMENDED ACRES
ACTIVE	10.03	11.07
PASSIVE	168.80	160.88
RECAPTURED PASSIVE	179.83	24.75*
TOTALS		196.46

* OPEN SPACE RESERVED FOR FOOTHILL APARTMENTS

COMPARISON OF ORIGINAL AND AMENDED MASTER PLAN
AMENDED LAS ESTRELLAS MASTER PLAN
(PREVIOUSLY SANTA FE ESTATES MASTER PLAN)

C.R. WALDRIDGE & ASSOCIATES, LLC
1421 LUNA PARKES PARK E
Santa Fe NEW MEXICO
(505) 982-9711

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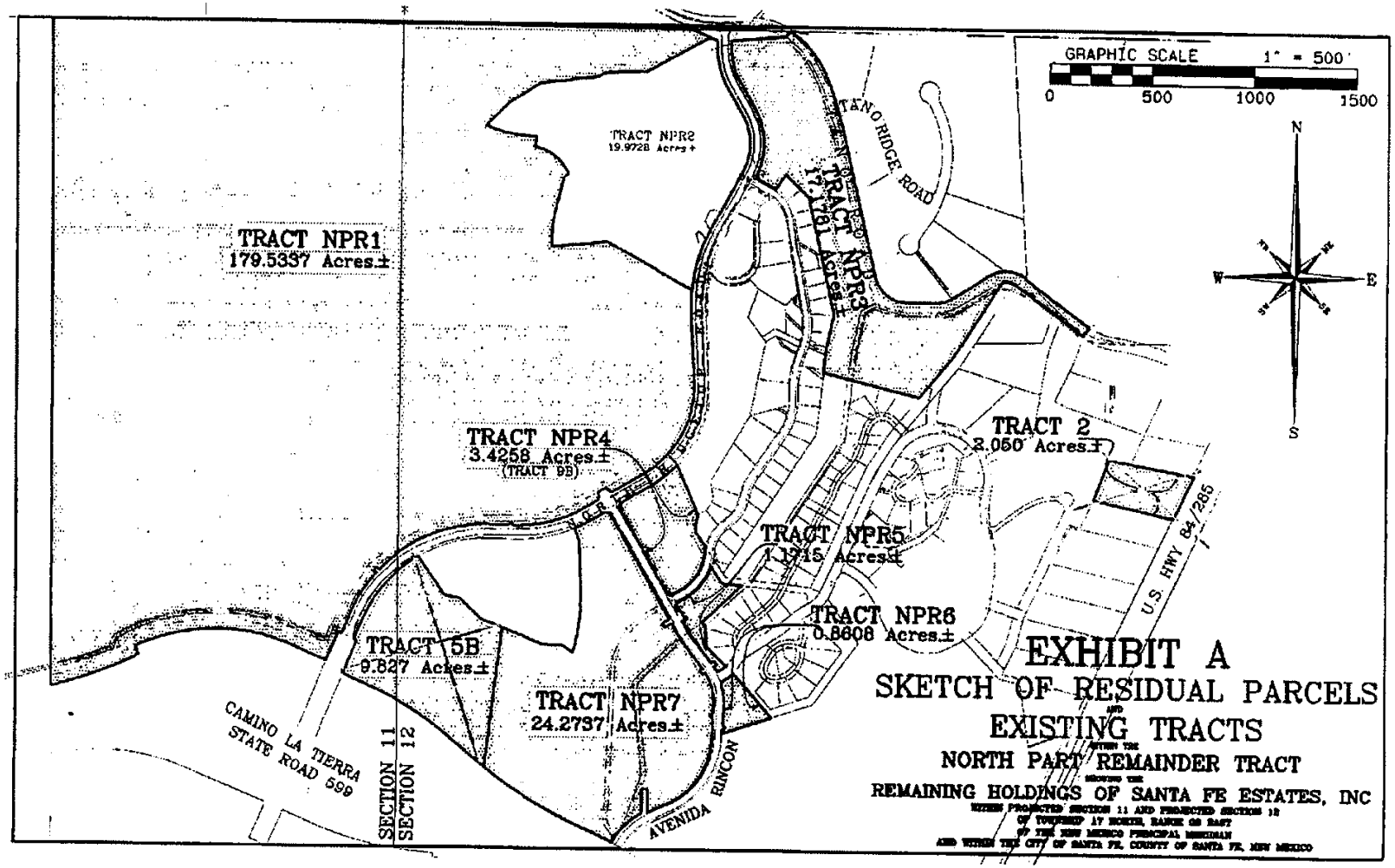

GRAPHIC SCALE 1" = 500'
0 500 1000 1500
N
S
E
W
TRACT NPR1
179.5337 Acres±
TRACT NPR2
19.9728 Acres±
TRACT NPR3
17.1181 Acres±
TANO RIDGE ROAD
TRACT NPR4
3.4258 Acres±
(TRACT 9B)
TRACT 2
2.050 Acres±
TRACT NPR5
1.1715 Acres±
TRACT NPR6
0.8608 Acres±
U.S. HWY 84/285
TRACT 5B
9.827 Acres±
TRACT NPR7
24.2737 Acres±
CAMINO LA TIERRA
STATE ROAD 599
SECTION 11
SECTION 12
AVENIDA RINCON
EXHIBIT A
SKETCH OF RESIDUAL PARCELS
AND
EXISTING TRACTS
WITHIN THE
NORTH PART REMAINDER TRACT
SHOWING THE
REMAINING HOLDINGS OF SANTA FE ESTATES, INC
WITHIN PROJECTED SECTION 11 AND PROJECTED SECTION 12
OF TOWNSHIP 17 NORTH, RANGE 08 EAST
OF THE NEW MEXICO PRINCIPAL MERIDIAN
AND WITHIN THE CITY OF SANTA FE, COUNTY OF SANTA FE, NEW MEXICO

LEGAL DESCRIPTIONS

"TRACT NPR1"

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT NPR1", CONTAINING 179.5337 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 11 AND PROJECTED SECTION 12 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPLE MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "LOT SPLIT NORTH PART REMAINDER TRACT FOR SANTA FE ESTATES", PREPARED BY JAMES B. SANCHEZ, NMPS,12655, ON DECEMBER 19, 2016, HAVING PROJECT No. 170911-12 SFE LS AND RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN BOOK 830 ON PAGES 002 - 003.

"TRACT NPR3"

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT NPR3", CONTAINING 17.1781 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 12 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPLE MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "BOUNDARY SURVEY OF RESIDUAL PARCELS WITHIN THE "NORTH PART REMAINDER TRACT OF THE SANTA FE ESTATES SUBDIVISION, BEING TRACT NPR3, TRACT NPR4, TRACT NPR5, TRACT NPR6 AND TRACT NPR7", PREPARED BY JAMES B. SANCHEZ, NMPS, 12655, ON JULY 5, 2018, HAVING PROJECT No. 170911-12 SFE RES AND RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN BOOK _____ ON PAGES _____.

"TRACT NPR4"

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT NPR4", CONTAINING 3.4258 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 12 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPLE MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "BOUNDARY SURVEY OF RESIDUAL PARCELS WITHIN THE "NORTH PART REMAINDER TRACT OF THE SANTA FE ESTATES SUBDIVISION, BEING TRACT NPR3, TRACT NPR4, TRACT NPR5, TRACT NPR6 AND TRACT NPR7", PREPARED BY JAMES B. SANCHEZ, NMPS, 12655, ON JULY 5, 2018, HAVING PROJECT No. 170911-12 SFE RES AND RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN BOOK _____ ON PAGES _____.

"TRACT NPR5"

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT NPR5", CONTAINING 1.1715 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 12 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPLE MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "BOUNDARY SURVEY OF RESIDUAL PARCELS WITHIN THE "NORTH PART REMAINDER TRACT OF THE SANTA FE ESTATES SUBDIVISION, BEING TRACT NPR3, TRACT NPR4, TRACT NPR5, TRACT NPR6 AND TRACT NPR7", PREPARED BY JAMES B. SANCHEZ, NMPS, 12655, ON JULY 5, 2018, HAVING PROJECT No. 170911-12 SFE RES AND RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN BOOK _____ ON PAGES _____.

"TRACT NPR6"

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT NPR6", CONTAINING 0.8608 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 12 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPLE MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "BOUNDARY SURVEY OF RESIDUAL PARCELS WITHIN THE "NORTH PART REMAINDER TRACT OF THE SANTA FE ESTATES SUBDIVISION, BEING TRACT NPR3, TRACT NPR4, TRACT NPR5, TRACT NPR6 AND TRACT NPR7", PREPARED BY JAMES B. SANCHEZ, NMPS, 12655, ON JULY 5, 2018, HAVING PROJECT No. 170911-12 SFE RES AND RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN BOOK ____ ON PAGES _____.

"TRACT NPR7"

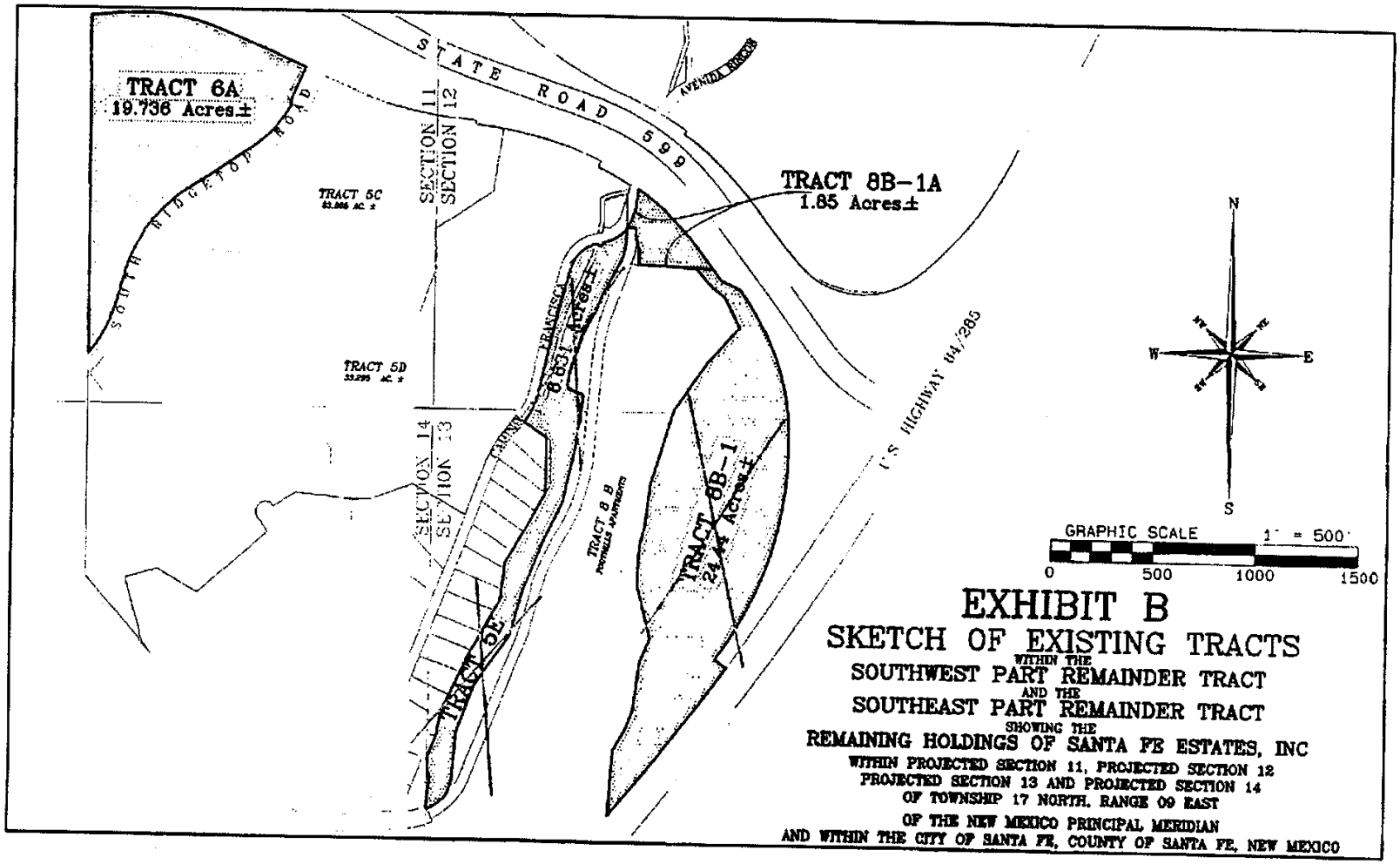
A CERTAIN PARCEL OF LAND KNOWN AS "TRACT NPR7", CONTAINING 24.2737 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 12 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPLE MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "BOUNDARY SURVEY OF RESIDUAL PARCELS WITHIN THE "NORTH PART REMAINDER TRACT OF THE SANTA FE ESTATES SUBDIVISION, BEING TRACT NPR3, TRACT NPR4, TRACT NPR5, TRACT NPR6 AND TRACT NPR7", PREPARED BY JAMES B. SANCHEZ, NMPS, 12655, ON JULY 5, 2018, HAVING PROJECT No. 170911-12 SFE RES AND RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN BOOK ____ ON PAGES _____.

~~**"TRACT 2"** NOT INCLUDED~~

~~A CERTAIN PARCEL OF LAND KNOWN AS "TRACT 2", CONTAINING 7.850 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 12 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPLE MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO. AS SHOWN ON "LOT LINE ADJUSTMENT FOR SANTA FE ESTATES INC., ", PREPARED BY JAMES J. MEDRANO, NMPS, 5217, ON MARCH 1, 1995, HAVING PROJECT No. L-436 RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN BOOK 324 ON PAGE 039.~~

~~**"TRACT 5B"** NOT INCLUDED~~

~~A CERTAIN PARCEL OF LAND KNOWN AS "TRACT 5B", CONTAINING 9.827 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 11 AND PROJECTED SECTION 12 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPLE MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "LOT SPLIT OF THE NORTH PART REMAINDER TRACT", PREPARED BY DEAN SHRADER, NMPS, 12451, HAVING PROJECT No. 07004-5B-LS AND RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN BOOK 732 ON PAGES 031-033.~~


TRACT 6A
19.736 Acres±
STATE ROAD 599
AVENIDA ORIENTE
SOUTH RIDGETOP ROAD
TRACT 5C
TRACT 5D
SECTION 11
SECTION 12
SECTION 14
SECTION 13
TRACT 8B-1A
1.85 Acres±
TRACT 8B-1
24.44 Acres±
TRACT 8 B
TRACT 5E
U.S. HIGHWAY 84/285
N
S
E
W
GRAPHIC SCALE 1" = 500'
0 500 1000 1500
EXHIBIT B
SKETCH OF EXISTING TRACTS
WITHIN THE
SOUTHWEST PART REMAINDER TRACT
AND THE
SOUTHEAST PART REMAINDER TRACT
SHOWING THE
REMAINING HOLDINGS OF SANTA FE ESTATES, INC
WITHIN PROJECTED SECTION 11, PROJECTED SECTION 12
PROJECTED SECTION 13 AND PROJECTED SECTION 14
OF TOWNSHIP 17 NORTH, RANGE 09 EAST
OF THE NEW MEXICO PRINCIPAL MERIDIAN
AND WITHIN THE CITY OF SANTA FE, COUNTY OF SANTA FE, NEW MEXICO

LEGAL DESCRIPTIONS

"TRACT 6A"

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT 6A", CONTAINING 19.736 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 11 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPLE MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "LOT SPLIT OF THE SOUTHWEST PART REMAINDER TRACT, LAS ESTRELLAS SUBDIVISION, TRACT 5C, TRACT 5D, TRACT 5E & TRACT 6A", PREPARED BY DEAN SHRADER, NMPS, 12451, AND RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN BOOK 665 ON PAGES 047-048.

"TRACT 5E" NOT INCLUDED

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT 5E", CONTAINING 8.831 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 12 AND PROJECTED SECTION 13 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPLE MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "LOT SPLIT OF THE SOUTHWEST PART REMAINDER TRACT, LAS ESTRELLAS SUBDIVISION, TRACT 5C, TRACT 5D, TRACT 5E & TRACT 6A", PREPARED BY DEAN SHRADER, NMPS, 12451, AND RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN BOOK 665 ON PAGES 047-048.

"TRACT 8B-1" NOT INCLUDED

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT 8B-1", CONTAINING 24.44 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 12 AND PROJECTED SECTION 13 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPLE MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "DIVISION PLAT OF TRACT 8B-1", PREPARED BY EDWARD M. TRUJILLO, NMPS, 12352, AND RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN BOOK 787 ON PAGE 023.

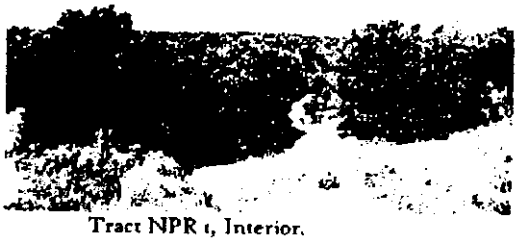
"TRACT 8B-1A"

A CERTAIN PARCEL OF LAND KNOWN AS "TRACT 8B-1A", CONTAINING 1.85 ACRES MORE OR LESS AND BEING SITUATE WITHIN PROJECTED SECTION 12 OF TOWNSHIP 17 NORTH, RANGE 09 EAST OF THE NEW MEXICO PRINCIPLE MERIDIAN, AND WITHIN THE CITY AND COUNTY OF SANTA FE, NEW MEXICO, AS SHOWN ON "DIVISION PLAT OF TRACT 8B-1", PREPARED BY EDWARD M. TRUJILLO, NMPS, 12352, AND RECORDED IN THE OFFICE OF THE SANTA FE COUNTY CLERK, IN BOOK 787 ON PAGE 023.

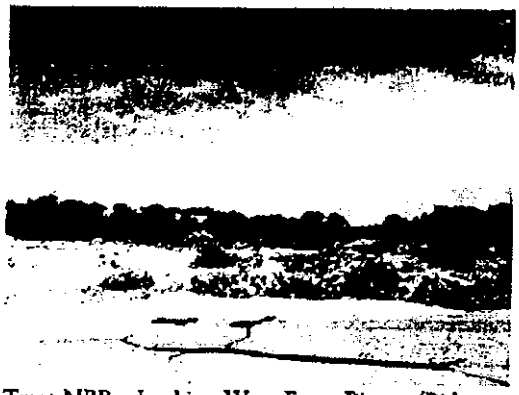
SUBJECT PHOTOGRAPHS

Remainder Undeveloped Land, Las Estrellas, Santa Fe, New Mexico
Photos Taken August 9, 2018
The Appraiser Used Every Effort to Assure Accuracy in these Photographs, But Due to Lack of Obvious Evidence of Lot Lines, These Photos are Representative of the Appraised Land.

Tract NPR 1, From Tano Rd Looking West

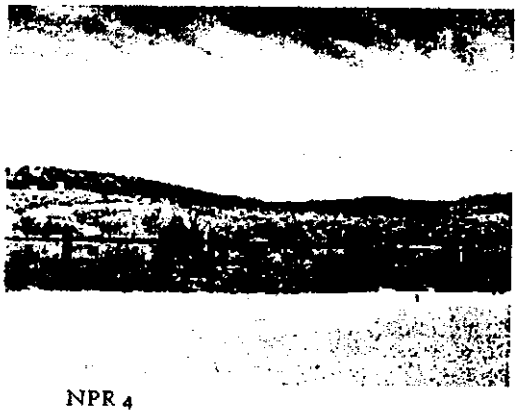


Tract NPR 1, Interior.



Tract NPR 1, Looking West From Rincon/Ridgetop

Tr NPR 3 Looking East



NPR 4

NPR 5

SUBJECT PHOTOGRAPHS

Remainder Undeveloped Land, Las Estrellas, Santa Fe, New Mexico
Photos Taken August 9, 2018
The Appraiser Used Every Effort to Assure Accuracy in these Photographs, But Due to Lack of Obvious Evidence of Lot Lines, These Photos are Representative of the Appraised Land.

NPR 6

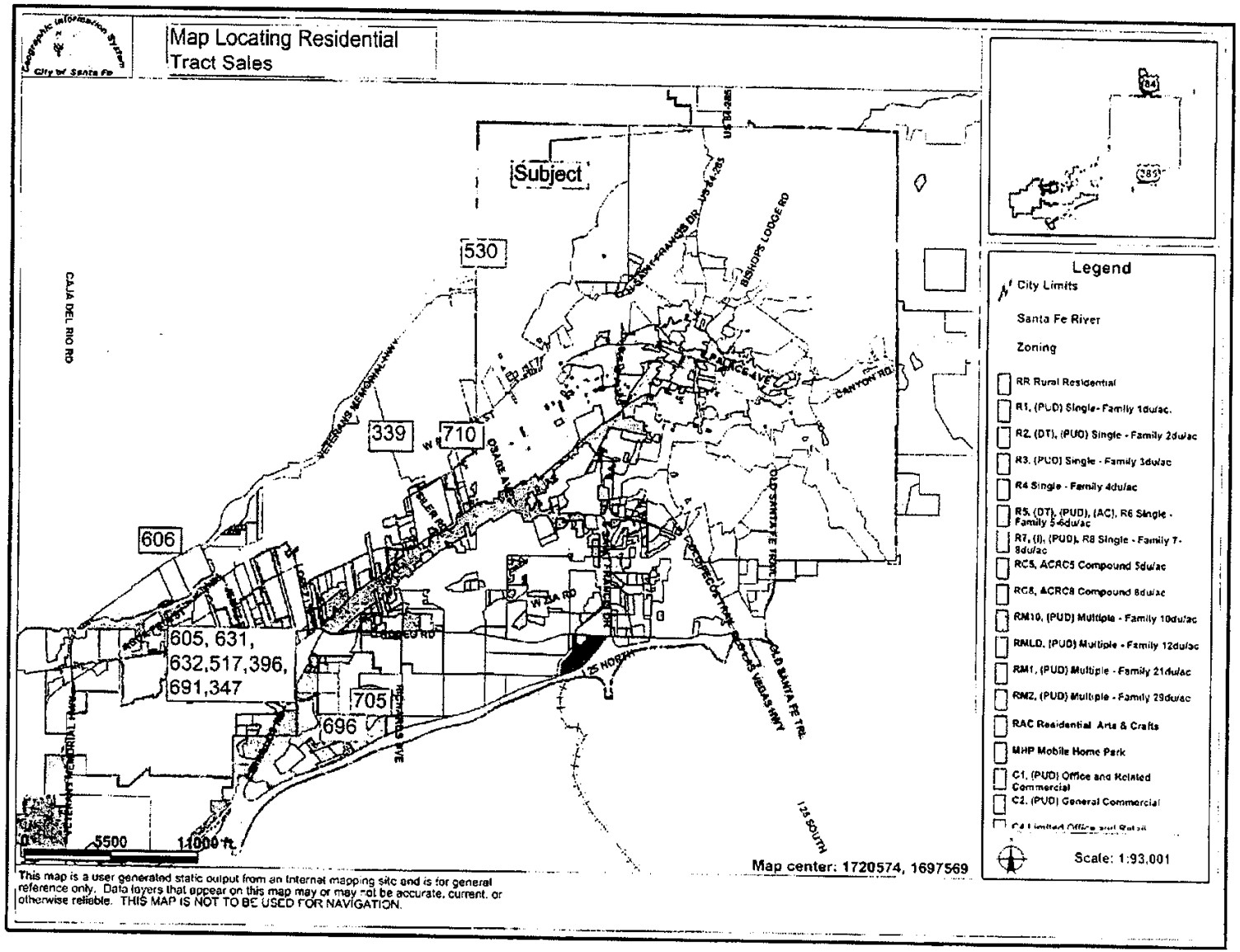
NPR 7

Tr 6A, Looking NW

Tr 8B-1A

Ridgetop Road, Looking East, Near NPR 1.

Ave. Rincon, Looking North, 599 Overpass in Distance.


Map Locating Residential Tract Sales
Subject
530
339
710
606
605, 631, 632,517,396, 691,347
705
696
CAJA DEL RIO RD
CANYON RD
OLD SANTA FE TRL
BISHOPS LODGE RD
5500
11000 ft
Legend
City Limits
Santa Fe River
Zoning
RR Rural Residential
R1, (PUD) Single-Family 1du/ac.
R2, (DT), (PUD) Single - Family 2du/ac
R3, (PUD) Single - Family 3du/ac
R4 Single - Family 4du/ac
R5, (DT), (PUD), (AC), R6 Single - Family 5-6du/ac
R7, (I), (PUD), R8 Single - Family 7-8du/ac
RC5, ACRC5 Compound 5du/ac
RC8, ACRC8 Compound 8du/ac
RM10, (PUD) Multiple - Family 10du/ac
RMLD, (PUD) Multiple - Family 12du/ac
RM1, (PUD) Multiple - Family 21du/ac
RM2, (PUD) Multiple - Family 29du/ac
RAC Residential Arts & Crafts
MHP Mobile Home Park
C1, (PUD) Office and Related Commercial
C2, (PUD) General Commercial
Scale: 1:93,001
Map center: 1720574, 1697569
This map is a user generated static output from an Internet mapping site and is for general reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable. THIS MAP IS NOT TO BE USED FOR NAVIGATION.

Land Sale Data Record

Record # Land339

PROPERTY DESCRIPTION

Land Type	Residential
Quadrant	NW
Description	Undeveloped residential land
Location	North of Hansens, West Alameda, SO 599
City	Santa Fe
Address	3773 W. Alameda
Access	Alameda to Hansen Lane
Legal Description	Tr D-1B

SALE INFORMATION

Sale Date	11/8/2012
Price	$575,000.00
Terms	Cash
Adj. Price	
Grantor	Hansen Realty Co
Grantee	Sunspear Lands, LLC
Reception	WD 1687135

SITE DATA

Site Size SF	3,084,963	Site Size AC	70.801
Zoning	R-1		
DUs	64.00		
Improvements	None		
Utilities	at Alameda		
Present Use	Vacant		

ANALYSIS

Price per SF	$0.19
Price per Ac	$8,121
Price per DU	$8,984.38

SOURCE

Appr # 2013-41

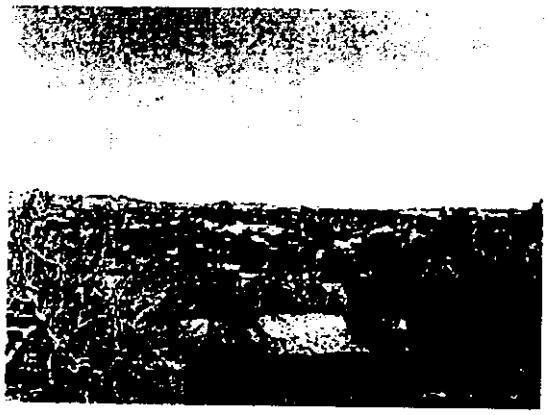
Verified by R Brown/Soth & Meredith Haber Telephone 982-6207

Verified to go Date Verified 12/6/2013

Comments

Vacant land, no master plan approvals or entitlements. Awkward access via 66' wide easement from W. Alameda and Hansen Lane. North end of property abuts Hwy 599. Property had been listed for about six years, priced as high as $1.5 million in 2006/2007 time frame, dropped progressively over years to list price of $575,000 at time of sale. Listing agent reported some interest, but mostly for smaller pieces, sized 15 to 20 acres. One older inquiry from a potential equestrian user. Based on presumptive R-1 zone within city upon annexation, maximum density probably about 64 units.

Buyer is local, formed this LLC for the purpose of this purchase. Buyer intends to preserve the site, no development plans.



Date Modified 3/24/2016

Land Sale Data Record

Record # Land347

PROPERTY DESCRIPTION

Land Type	Residential
Quadrant	SW
Description	Semi-rural residential, deep, narrow site
Location	Rufina WO Atocha
City	Santa Fe
Address	3420 Rufina
Access	Rufina
Legal Description	Lot consolidation for Michael and Ricky Montoya (722/064)

SALE INFORMATION

Sale Date	
Price	$660,000.00
Terms	Current Listing
Adj. Price	
Grantor	Montoya, Michael L.
Grantee	Current Listing
Reception	

SITE DATA

Site Size SF	310,539	Site Size AC	7.129
Zoning	R-3		
DUs	18.00		
Improvements			
Utilities	Sewer esmt crosses, others at PL		
Present Use	Vacant		

ANALYSIS

Price per SF	$2.13
Price per Ac	$92,580
Price per DU	$36,666.67

SOURCE

Appr #			
Verified by	MLS 201601913	Telephone	
Verified to		Date Verified	

Comments

Two very narrow, deep tracts consolidated, now about 211 to 233 feet wide, depth is about 1,400'. Tract runs south from Rufina and backs to WarrenHouse on Cerrillos Road. Abuts Home Depot at east. Bulk of site zoned R-3 with southeast corner zoned C-2. Sewer easement crosses near southern end. Had been listed at $2.3m, price reduced to $1.3m in 2011, then $795,000 as of 6/15, now reduced to $660,000. Total marketing time is about 6.5 years as of October 2017.

No approvals. Assuming slightly lower density at 85% of permitted (as supported by other closed transactions of SFR land), likely number of units is about 18.

Date Modified 10/12/2017

Land Sale Data Record

Record # Land396

PROPERTY DESCRIPTION

Land Type	Residential
Quadrant	SW
Description	Undeveloped residential land
Location	Rufina Street
City	Santa Fe
Address	5360 Rufina Street
Access	Cerrillos to Rufina
Legal Description	Parcel A, Boundary Survey for the Jack & Mary Stacy Trust, ptn SHC 415, Tr 4 and SCH 433, Tr 5, Sec 6, T16N, R9E

SALE INFORMATION

Sale Date	12/28/2012
Price	$430,000 00
Terms	Real Estate Contract
Adj. Price	
Grantor	Chylek, Petr, Rose & Lily
Grantee	Infinite Ambitions, LLC (Nick Montoya)
Reception	REC 1692164

SITE DATA

Site Size SF	349,351	Site Size AC	8.02
Zoning	R-7		
DUs	49.00		
Improvements	No, but entitlement for 49 DUs		
Utilities	At property line		
Present Use	Vertical constr of SFR		

ANALYSIS

Price per SF	$1.23
Price per Ac	$53,616
Price per DU	$8,775.51

SOURCE

Appr # 2013-37

Verified by MLS 201104633,Bev Chapman Telephone

Verified to go Date Verified 11/05/2013

Comments

Rectangular site with about 232 feet frontage on Rufina, Calle P'o Ai Pi along west boundary, average depth about 850'. Approved subdivision within city limits, 49 total units, 14 affordables, lot sizes are 4,000 to 6,000 sf. Price indicates $8775 per DU; approved density is somewhat lower than zoning permits, at 6.06 DU/Acre. List price at time of sale $490,000, marketing time 432 days. Terms of sale were real estate contract carried by seller, $50,000 down, balance payable on or before 12/30/14 including 15% interest starting 12/30/12. Buyer is completing vertical construction of houses as of 2015.

Prior sale from Chapman to Chylek on 11/28/12 at same price, cash transaction; Chylek is investor for Montoya.

Date Modified 8/31/2015

Land Sale Data Record

Record # Land517

PROPERTY DESCRIPTION

Land Type	Residential
Quadrant	SW
Description	Residential redevelopment land
Location	WSO Fairly Rd, SO Airport Road
City	Santa Fe
Address	4193-B Fairly Road
Access	Airport to Fairly
Legal Description	Lots 1&2, lot split for Marie M Oglevie Revocable Trust, TJ Henry Tract (717/016)

SALE INFORMATION

Sale Date	01/30/2013
Price	$300,000.00
Terms	Cash
Adj. Price	
Grantor	J Schiel, trustee Marie M Oglveie Trust
Grantee	Homewise, Inc.
Reception	WD 1695151

SITE DATA

Site Size SF	437,647	Site Size AC	10.047
Zoning	R-5		
DUs	42.00		
Improvements	House, barn, outbuildings (raze?)		
Utilities	All to site		
Present Use	Vacant house		

ANALYSIS

Price per SF	$0.69
Price per Ac	$29,860
Price per DU	$7,142.86

SOURCE

Appr #	2013-37		
Verified by	Docs. mls 201205241	Telephone	
Verified to	go	Date Verified	11/06/2013

Comments

To be annexed into city in Phase II plan (2014). Two tracts totaling 10 acres, has house, barn and other outbuildings, likely use is redevelopment to single family subdivision at density suggested by presumptive zoning under annexation (five units per acre). Backs to Tierra Contenta subdivisions. Level terrain, located at terminus of Fairly Lane, adjacent to Avenida Chamisa, both along east property boundary. Average depth of site, though is only about 280', making development somewhat challenging. Relatively short marketing time of about 76 days. No specific development entitlements, but considering buyer and surrounding uses, subdivision was the motivation. Given configuration, a slightly lower density is most likely, at about 40 to 45 DUs. Buyer is developer/builder of affordable and market priced housing.

Date Modified 8/31/2015

Land Sale Data Record

Record # Land530

PROPERTY DESCRIPTION

Land Type	Residential
Quadrant	NW
Description	Proposed Sun Vista Subdivision
Location	NSO Hwy 599, WO Cam de los Montoyas
City	Santa Fe
Address	599 WO Cam Montoyas
Access	Hwy 599 to Mirada
Legal Description	Tr. 1-a. Boundary Survey for Jose B. Velarde, Portion Exc. 6, City of Santa Fe NW Quad (Plat 602/036)

SITE DATA

Site Size SF	383,241	Site Size AC	8.979
Zoning	R-1		
DUs	9.00		
Improvements	None at time of sale		
Utilities	Nearby		
Present Use	Proposed 9-lot SFR subdivision		

SALE INFORMATION

Sale Date	08/13/2013
Price	$110,000.00
Terms	Cash
Adj. Price	
Grantor	LPP Mortgage Ltd
Grantee	Ronald and Nina Sebesta
Reception	SWD 1714891

ANALYSIS

Price per SF	$0.29
Price per Ac	$12,251
Price per DU	$12,222.22

Appr # 2013-41

SOURCE

Verified by	Purchaser, docs	Telephone	577-4008
Verified to	go	Date Verified	12/6/2013

Comments

Resale of Land187 and Land188. Proposed 9-lot SFR subdivision, each lot about one acre, two lots slated as affordable. Will install community water system, each lot to be served by indiv. septic systems and propane. Access from Hwy 599 to Mirada (formerly Ephriam St.) that curves around to terminate at site. Mostly level, good tree cover, no rock. Some ambient noise from Hwy 599. Good views. No road or utility infrastructure at time of sale. Buyer intends to develop lots and will build a modest finished house product, likely Northern New Mexico style, around 2,000 sf, priced at or under about $400,000; does not want to sell lot separately, but allocates per lot value of about $150,000. Time frame for bringing lots on line is about Summer 2014. Subsequently selling as manufactured home lots, typically owner financed.

Prior developer gave land back to lender in November 2012. This sale from bank/lender at price substantially below

Date Modified 3/24/2016

Land Sale Data Record

Record # Land605

PROPERTY DESCRIPTION

Land Type	Residential
Quadrant	SW
Description	Undeveloped bulk residential land
Location	Btwn Airport & Rufina, near Zepol
City	Santa Fe
Address	4323 Airport Road
Access	Airport, also has esmt from Rufina
Legal Description	Ptn SHC435, Tr 3, plat for Lon B, Perry and James L Perry

SALE INFORMATION

Sale Date	02/19/2016
Price	$230,000.00
Terms	Cash
Adj. Price	
Grantor	Perry, James L & Lon B
Grantee	Diaz, Elias et al
Reception	WD 1786234

SITE DATA

Site Size SF	463,740	Site Size AC	10.646
Zoning	R-1		
DUs	10.00		
Improvements	None		
Utilities	All nearby		
Present Use	Vacant		

ANALYSIS

Price per SF	$0.50
Price per Ac	$21,604
Price per DU	$23,000.00

Appr # 2015-08

SOURCE

Verified by MLS201404466/John Hancock Telephone 470-5604

Verified to go Date Verified 02/18/2015

Comments

List price was$395,000. Very narrow, long tract runs north from Airport Road, extends almost to Rufina (has easement from Rufina). Will be a cash sale; closing extended several times because tenant at old house on property will not vacate; seller has court order to evict but tenant is appealing as of June, 2015, closing anticipated immediately thereafter. Buyer is from out of the country, and intentions not known. Could possibly be a mobile/modular home subdivision given layout, but will need city approvals. City is "not happy" with existing access from Airport Rd, alternative access may be possible via adjoining Las Acequias project.

As of 1/26/16, legal actions settled and may clear way for property sale, but listing expired in meantime.

Date Modified 3/3/2016

Land Sale Data Record

Record # Land606

PROPERTY DESCRIPTION

Land Type	Residential
Quadrant	NW
Description	4 residential lots with subdivision potential
Location	Puesta del Sol area
City	Santa Fe
Address	1-4 Camino Terra Bella
Access	599 frontage to Entrada
Legal Description	Land Division of Lot 4, Terra Bella for DZD, LLC (629/031)

SALE INFORMATION

Sale Date	09/26/2014
Price	$450,000.00
Terms	Cash Equivalent
Adj. Price	
Grantor	LPP Mortgage Ltd
Grantee	Christopher & Greg Roybal et al
Reception	SWD 1746940 2, 3, 4

SITE DATA

Site Size SF	1,894,860	Site Size AC	43.5
Zoning	County		
DUs	14.00		
Improvements	None		
Utilities	All nearby		
Present Use	Vacant		

ANALYSIS

Price per SF	$0.24
Price per Ac	$10,345
Price per DU	$32,142.86

SOURCE

Appr # 2015-08

Verified by MLS201304241/Nick Miller Telephone 920-6425

Verified to go Date Verified 02/18/2015

Comments

Large parent tract is irregular rectangle, divided to four lots. Included with listing was proposal from a planning firm to prepare development proposal for 14 lots to be presented to SF County, indicating a density of about 0.32 DU/Ac (three acre lots). Proposed zoning under SLDC is one lot per 2.5 acres. Each lot purchased under different entity name, but all are related parties. Had been listed at $589,000, exposure time about 13 months.

Date Modified 3/24/2016

Land Sale Data Record

Record # Land631

PROPERTY DESCRIPTION

Land Type	Residential
Quadrant	SW
Description	Rear land, South of Airport Road
Location	Off Buffalo Grass, SO Airport Rd., Norton Hill
City	Santa Fe
Address	4132 Buffalo Grass (fka701 Airport)
Access	Airport Road
Legal Description	Tr. A-1B, Plat for Joseph Mares (plat book 579/047, #1365656)

SITE DATA

Site Size SF	296,644	Site Size AC	6.81
Zoning	R-5		
DUs	25.00		
Improvements	Three bldgs demolished		
Utilities	Some, but status unknown		
Present Use	Vacant		

SALE INFORMATION

Sale Date	12/03/2014
Price	$235,000.00
Terms	Cash Equivalent
Adj. Price	
Grantor	AKN, LLC (Anna Nupson)
Grantee	Karim Saidi
Reception	WD 1752221

ANALYSIS

Price per SF	$0.79
Price per Ac	$34,508
Price per DU	$9,400.00

Appr #

SOURCE
Verified by MLS, docs Telephone
Verified to Date Verified 05/10/2015

Comments

Rear land, south of Airport Road, part of old Norton Hill lumber yard. Three old buildings. Had old approval (now expired) for 25-lot subdivision, includes rqm't of bridge at access road. Had gone into foreclosure, sold to grantor in early 2014, then grantor flipped to this buyer. At time of this sale, was listed at $250,000, exposure time was 241 days. Assuming development plan is still viable, indicates a price per DU of $9,400. Newly annexed into city (Jan 2014) with zone of R-5AC

Date Modified 8/31/2015

Land Sale Data Record

Record # Land632

PROPERTY DESCRIPTION

Land Type	Residential
Quadrant	SW
Description	
Location	Lucia, south of Airport Road
City	Santa Fe
Address	4141 Lucia Lane
Access	Airport Road to Lucia
Legal Description	Tr 2A 1B2 (Plat 773/010)

SALE INFORMATION

Sale Date	06/09/2014
Price	$230,000.00
Terms	New Mortgage
Adj. Price	
Grantor	Valley National Bank (REO)
Grantee	Lucia Real Estate, LLC
Reception	WD 1738654

SITE DATA

Site Size SF	150,718	Site Size AC	3.46
Zoning	R-12		
DUs	33.00		
Improvements	None		
Utilities	At site or nearby		
Present Use	Vacant		

ANALYSIS

Price per SF	$1.53
Price per Ac	$66,474
Price per DU	$6,969.70

SOURCE — Appr #

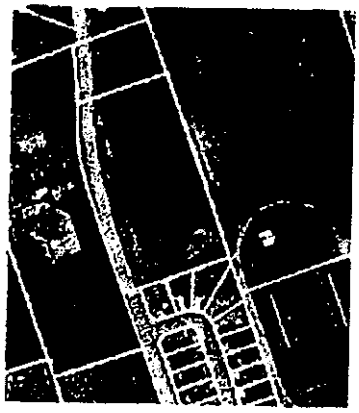
Verified by: docs, mls — Telephone

Verified to — Date Verified

Comments

Mostly rectangular site along east side of Lucia Lane, south of Airport Road. Road is a 50' wide private easement on the site. As well, a perimeter open space easement encumbers the property. Net site area per plat is 2.86 acres. Reportedly has older approvals for 33 townhouse units, but these entitlements were allowed to expire. Sale price per net area $80,420/acre and $1.84 psf.

May have been assembled with adjoining land. Developer proses 48 unit apartments on two lots toaling 4.26 acres, seeking approval as case #2017-18, Mustang Village, to be heard at Planning Commission 6/8/17.



Date Modified 5/24/2017

Land Sale Data Record

Record # Land691

PROPERTY DESCRIPTION

Land Type	Residential
Quadrant	SW
Description	Undeveloped bulk residential land
Location	Agua Fria & both sides Rufina
City	Santa Fe
Address	4262 AF, 4701&4702 Rufina
Access	Agua Fria and Rufina
Legal Description	Tracts C and B, lands of Cecilia Bachicha (743/038)

SALE INFORMATION

Sale Date	06/05/2012
Price	$749,000.00
Terms	Real Estate Contract
Adj. Price	
Grantor	J Wirth Jackson and A Parsons
Grantee	Aguafina Development, LLC
Reception	SWD 1671385

SITE DATA

Site Size SF	501,681	Site Size AC	11.52
Zoning	R-3		
DUs	23.00		
Improvements	None		
Utilities	All nearby		
Present Use	Vacant		

ANALYSIS

Price per SF	$1.49
Price per Ac	$65,017
Price per DU	$32,565.22

SOURCE

Appr #	2015-45		
Verified by	State Stern, atty for Zaplin	Telephone	814-1517
Verified to	go	Date Verified	12/02/2015

Comments

Owner carried financing. Buyer was more or less straw, enabling Mark Zaplin to purchase this as investment for the Zaplin Lampert Gallery 401k Profit Sharing Plan. Buyer is Reynaldo Varela, a work associate of Zaplin's. Zaplin then loaned upward of $1m to Aguafina to pursue development entitlements for a 23-lot manufactured home subdivision. MP was originallly denied, but appealed and overturned, approved with conditions in early 2014. However by that time, Zaplin's health was failing and it became apparent that this project would not be financially feasible. Planning by JenkinsGavin show infrastructure cost at $490,000. Lots sized on average about 0.51 acre. Project would have three entry points instead of a single street thru all. Buyer (Zaplin) acknowledged he paid too much for the land. Site is very narrow and long, runs from Agua Fria Street south across Rufina St. At annexation zoning is R-3 (5.88 ac) and R-5 (5.63 ac). See also Land605 - is remainder of Bachicha lands, Tract A the southernmost extent of this parcel w Aiport Rd frontage.

Date Modified 3/8/2016

Land Sale Data Record

Record # Land696

PROPERTY DESCRIPTION

Land Type	Residential
Quadrant	SW
Description	Proposed subdivision
Location	within Las Soleras
City	Santa Fe
Address	Off Beckner & Walking Rain Roads
Access	Cerrillos or Richards to Beckner
Legal Description	Tr 14B, 15B, 15C, 15D, Las Soleras (794/007)

SALE INFORMATION

Sale Date	01/11/2016
Price	$2,080,218.00
Terms	Cash Equivalent
Adj. Price	
Grantor	Las Soleras Center, LLC
Grantee	Pulte Homes New Mexico
Reception	SWD 1783629

SITE DATA

Site Size SF	1,207,244	Site Size AC	27.7145
Zoning	R-6		
DUs	83.00		
Improvements	None		
Utilities	To be extended by developer		
Present Use	Vacant land		

ANALYSIS

Price per SF	$1.72
Price per Ac	$75,059
Price per DU	$25,062.87

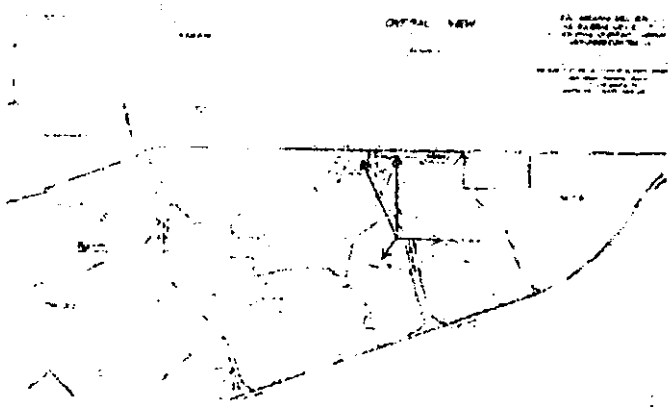
SOURCE — Appr # 2016-09

Verified by Skip Skarsgard — Telephone

Verified to go — Date Verified 02/25/2016

Comments

First in a series of three proposed closings, second to occur in May 2016 and involving seven bulk acreage tracts totaling 99.84 acres. This closing for four lots totals 27.7145 acres. Pulte is pursuing approvals for a subdivision, to be known as Estancias de las Soleras, with a total of 300 lots; overall density is 3.00 DU/Acre, much lower than zoning permits. This was reportedly a concession to the adjoining owners to develop a neighborhood with overall similar density to surrounding uses.



Date Modified 3/9/2016

Land Sale Data Record

Record # Land705

PROPERTY DESCRIPTION

Land Type	Residential
Quadrant	SW
Description	Proposed subdivision
Location	within Las Soleras
City	Santa Fe
Address	Off Beckner & Walking Rain Roads
Access	Cerrillos or Richards to Beckner
Legal Description	Tr 14A, 15A, Las Soleras (794/007)

SALE INFORMATION

Sale Date	
Price	$3,500,000.00
Terms	Pending Contract
Adj. Price	
Grantor	Las Soleras Center, LLC
Grantee	Pulte Homes New Mexico
Reception	

SITE DATA

Site Size SF	2,023,732	Site Size AC	46.4585
Zoning			
DUs	139.00		
Improvements	None		
Utilities	To be extended by developer		
Present Use	Vacant land		

ANALYSIS

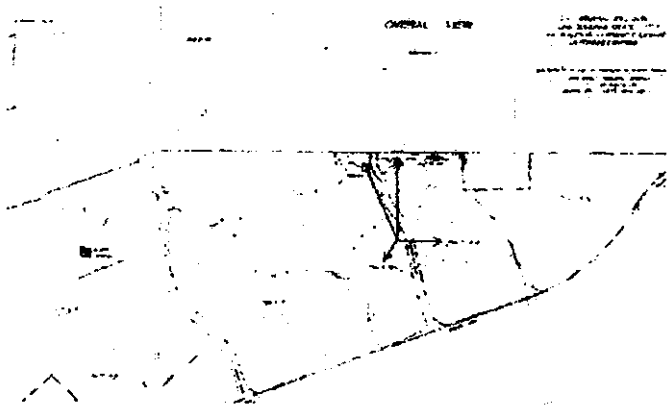
Price per SF	$1.73
Price per Ac	$75,336
Price per DU	$25,179.86

SOURCE Appr # 2016-09

Verified by	Skip Skarsgard		Telephone
Verified to	go	Date Verified	02/25/2016

Comments

Pending land transaction, buyer seeking approvals for changes to master plan and reduced zone density. Tract 14 A was zoned for six units per acre, and 15A for 10 DU/acre. Was scheduled to close in May 2016, but delayed as Pulte pursues approvals for a subdivision, to be known as Estancias de las Soleras, with a total of 300 lots; overall density is 3.00 DU/Acre, much lower than master plan and zoning permit. This was reportedly a concession to the adjoining owners to develop a neighborhood with overall similar density to surrounding uses.



Date Modified 6/1/2016

Land Sale Data Record

Record # Land710

PROPERTY DESCRIPTION

Land Type	Residential
Quadrant	NW
Description	Proposed River Trail Lofts
Location	SSO West Alameda at Ca Nopal
City	Santa Fe
Address	2180-2184 W Alameda
Access	W. Alameda
Legal Description	Tr A & B, La Era S/D (Plat 14/042)

SALE INFORMATION

Sale Date	06/12/2015
Price	$441,200.00
Terms	Cash
Adj. Price	$454,200.00
Grantor	Rivera and Martinez
Grantee	Alameda Loft Investments, LLC(Brenner)
Reception	WD 1766845

ANALYSIS

Price per SF	$2.45
Price per Ac	$106,871
Price per DU	$14,193.75

SITE DATA

Site Size SF	185,130	Site Size AC	4.25
Zoning	R-7		
DUs	32.00		
Improvements	Old house - minimal value		
Utilities	All to property line		
Present Use	Proposed 32 loft condos		

Appr # 2016-22

SOURCE

Verified by	documents, buyer	Telephone	
Verified to	go	Date Verified	

Comments: Two adjoining narrow strips along south side of Alameda and backing to the Santa Fe River Trail. Older house of minimal value will be converted to art studios or storage, other buildings razed. Buyer proposes 32 lofts including five affordables, will be modeled after Alameda Lofts just west of this project. Project will be completed in three phases. Price adjusted for buyer-paid demolition cost.

Date Modified 10/12/2017

EXHIBIT F

Form of Closing Memorandum

Subject to Completion and Correction

CLOSING MEMORANDUM

THE CITY OF SANTA FE, a New Mexico municipal corporation (the "City"), and SANTA FE ESTATES, INCORPORATED, a New Mexico corporation ("Santa Fe Estates"), are Parties to a certain Termination Agreement dated as of the _____ day of _____, 2019 (the "Agreement").

The Parties seek, by this Memorandum, to memorialize certain actions and information relating to their closing of the transactions contemplated by the Agreement.

Capitalized terms in this Memorandum not otherwise defined herein have the meanings assigned in the Agreement.

1. Closing. The Closing was accomplished on _____, _____, at Southwestern Title & Escrow, Inc., Santa Fe, New Mexico. All documents and money required to be delivered by each Party to the Agreement at Closing were delivered at or before the Closing, except [specify any exceptions, delayed deliveries, or deliveries outside the Closing, and any agreements between the Parties relating thereto].

2. Assignment of Declarant Rights. Santa Fe Estates assigned its rights as Declarant under the Master Declaration and as Declarant under the Residential Declaration to _____, which was identified by the City as assignee and successor Declarant in accordance with paragraphs 7 and 8 of the Agreement. A copy of the assignment is attached hereto.

3. Relinquishments of Rights by Santa Fe Estates. Santa Fe Estates relinquished its rights as Declarant under the Master Association Bylaws and the Residential Association Bylaws by a letter dated _____, _____, which was filed for record on _____, _____ in Book _____ at Page _____, records of Santa Fe County Clerk's Office. A copy of the letter is attached hereto.

4. Payment of 2020 Property Taxes. Santa Fe Estates acknowledges that, under the Agreement, it is obligated to pay the property taxes assessable against the Northwest Quadrant Property for the taxable year 2020, and shall pay those taxes on the dates when those taxes are due and payable.

5. Prorations. The Parties have determined that homeowner and other assessments relating to the Northwest Quadrant Property and subject to prorations under the Agreement are [state any such assessments, and state how and when paid].

6. Other Matters. [describe any other items to be delivered, or matters that will be addressed, following Closing].

IN WITNESS OF THE FOREGOING, the Parties have executed and delivered this Memorandum as of the date first set forth above.

SANTA FE ESTATES, INCORPORATED

By: _____
John J. D. McNeill, President

THE CITY OF SANTA FE

By: _____
Alan M. Webber, Mayor

Attested:

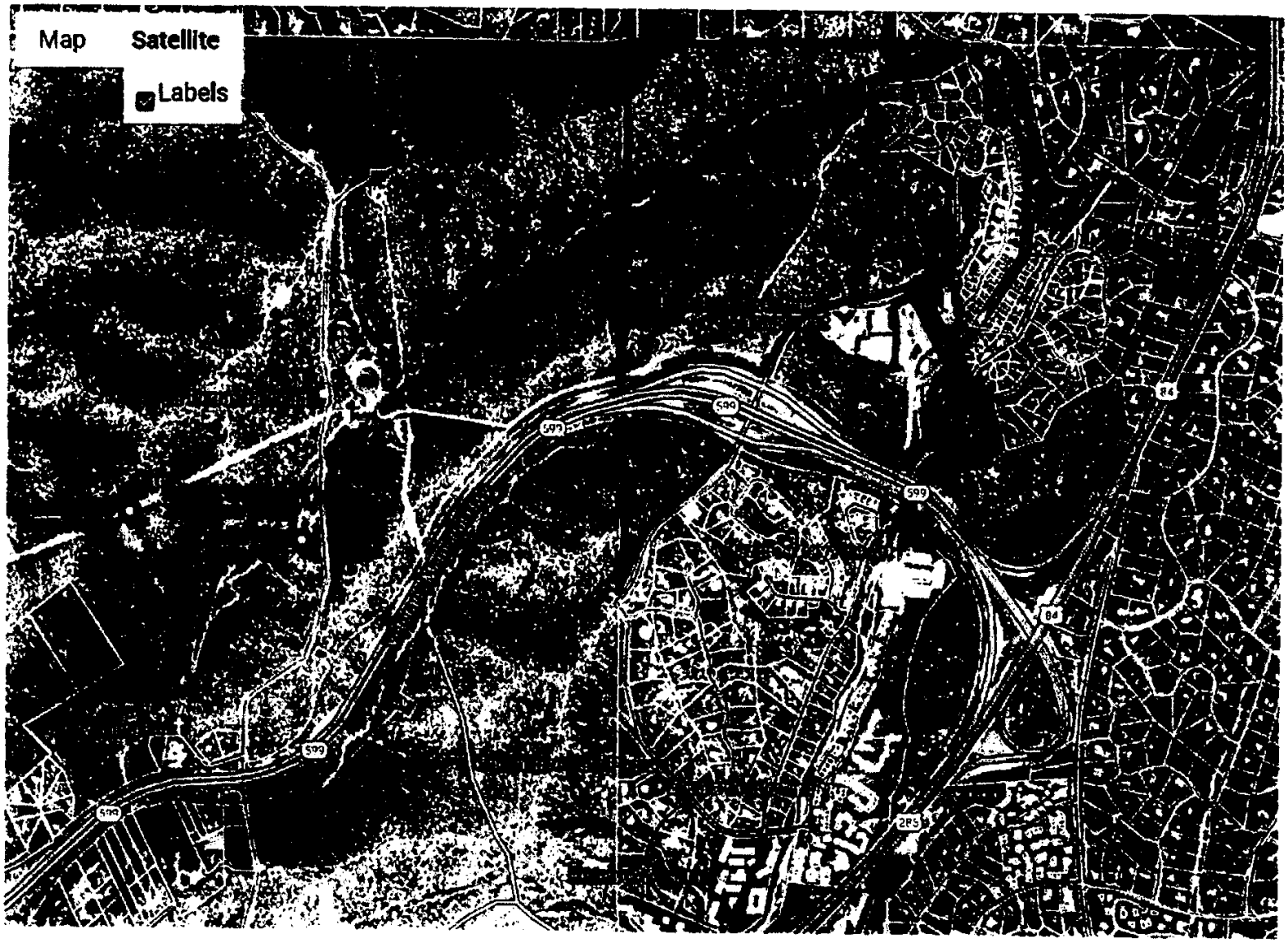
_____
Yolanda Y. Vigil, City Clerk

Approved as to form:

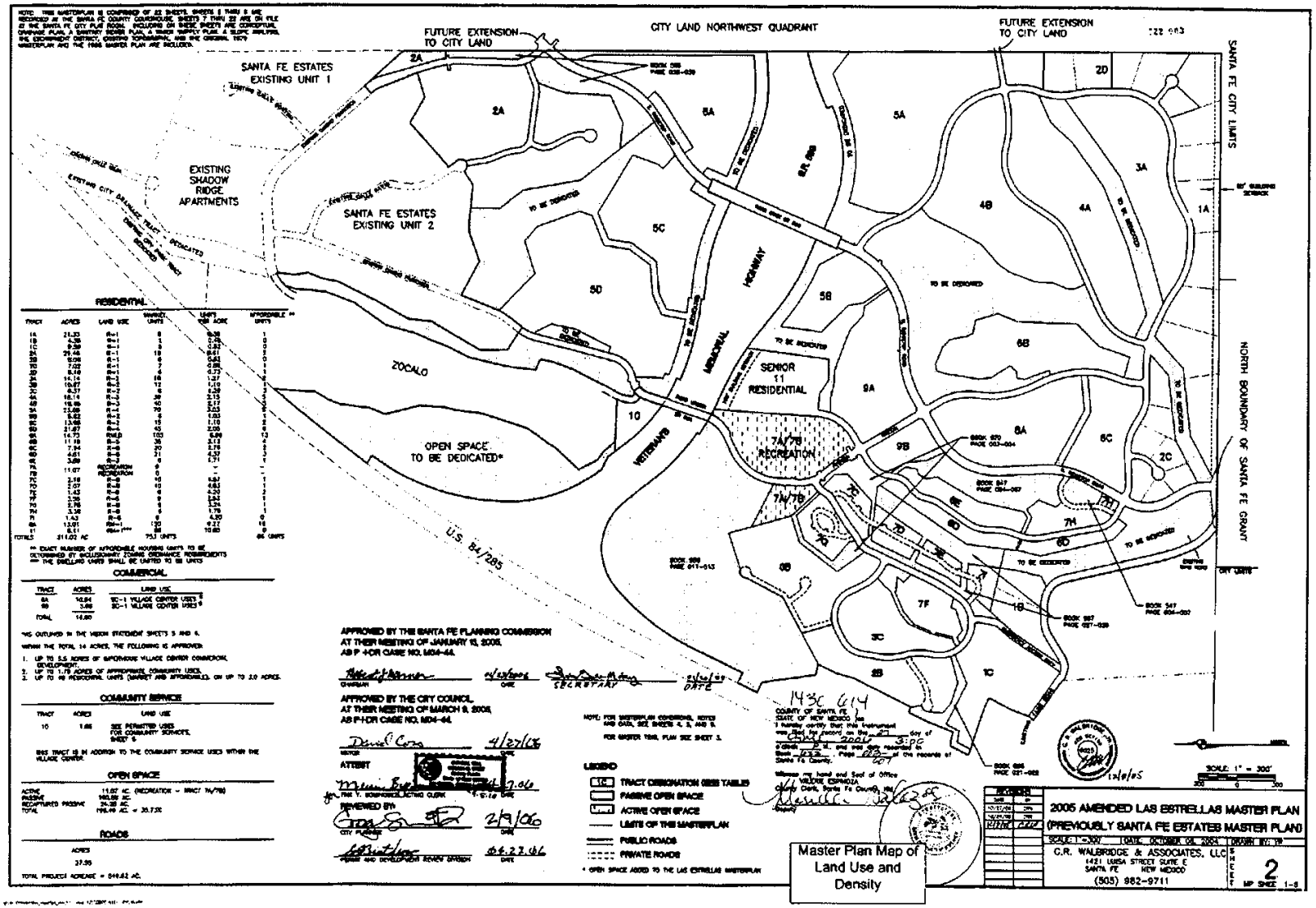
_____
Erin K. McSherry, City Attorney

Approved:

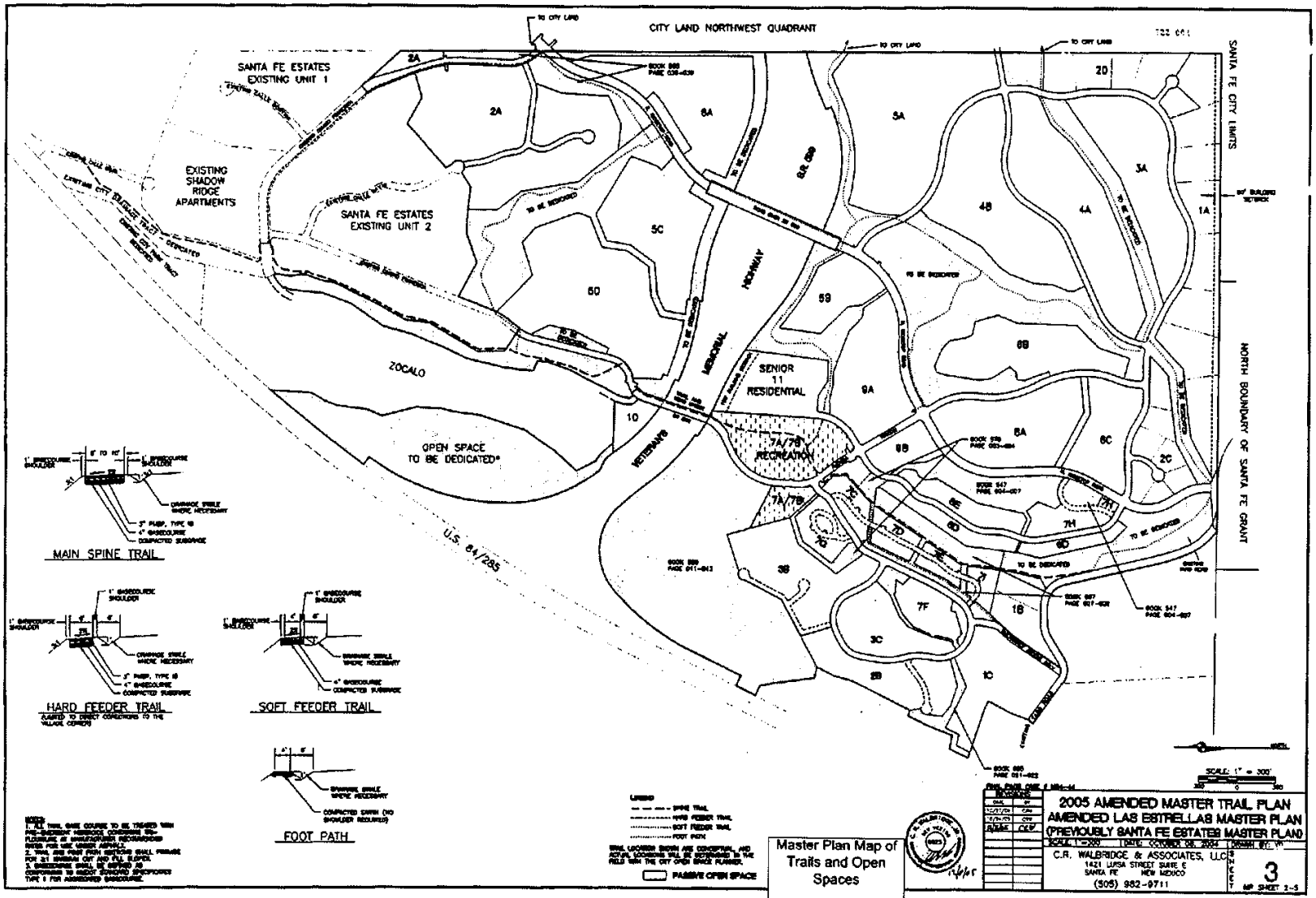
_____
Mary T. McCoy, Finance Director



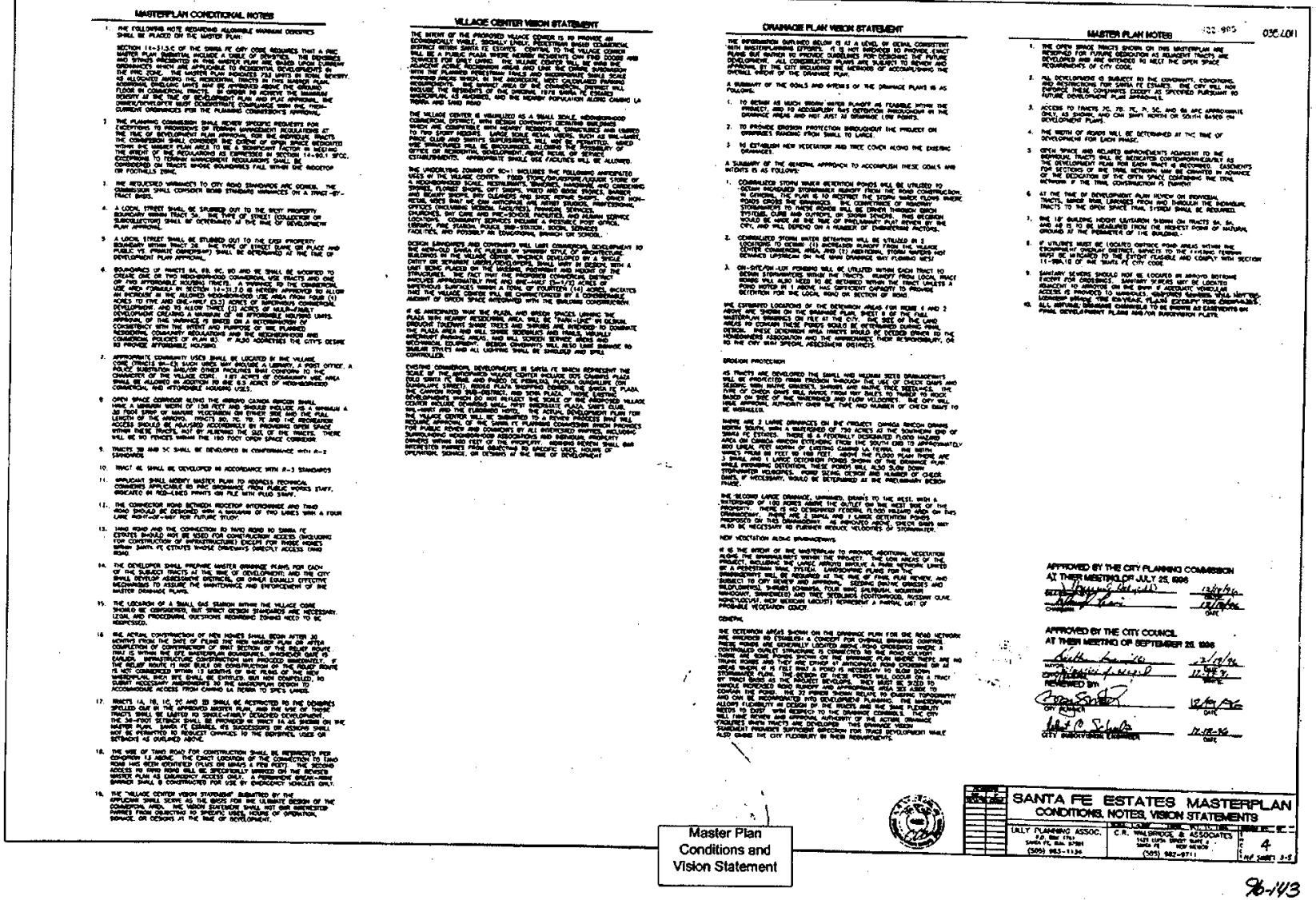
Satellite Map of Property



Master Plan Map of Land Use and Density



Master Plan Map of Trails and Open Spaces



MASTERPLAN CONDITIONAL NOTES

1. THE FOLLOWING NOTE REGARDING ALLOWABLE MAXIMUM DENSITIES SHALL BE PLACED ON THE MASTER PLAN:

   SECTION 14-13.3.C OF THE SANTA FE CITY CODE REQUIRES THAT A PRC MASTER PLAN RESIDENTIAL INCLUDE A RANGE OF DENSITIES. THE DENSITIES AND TYPES INDICATED IN SUCH PLANS SHALL BE BINDING UPON SUBSEQUENT DEVELOPMENTS WHICH ARE APPLICABLE TO RESIDENTIAL DEVELOPMENTS AS AS ALLOCATED AMONG THE RESIDENTIAL TRACTS IN THIS SUBDIVISION PLAN. SUBSEQUENT REVISIONS, WHICH LIMITS MAY BE APPROVED ABOVE THE GROUND FLOOR IN COMMERCIAL USES, SHALL BE PERMITTED BY ADMINISTRATIVE DECISION, AS AMENDED, AND THE HEARING POPULATION ALONG CAMINO LA TIERRA AND SAND ROAD

   THE VILLAGE CENTER IS VISUALIZED AS A SMALL SCALE, NEIGHBORHOOD COMMERCIAL DISTRICT, WITH DESIGN COMMUNITY DESIRED GUIDELINES WHICH ARE COMPATIBLE WITH NEARBY RESIDENTIAL DEVELOPMENTS AND LIMITED TO TWO STORY HEIGHTS. LARGE SCALE RETAIL USERS, SUCH AS WAL-MART, KMART, OR MARKET PLACE SUPERMARKET, SHALL NOT BE PERMITTED. MIXED USE, NEIGHBORHOOD SERVICE ORIENTED COMMERCIAL USES SHALL BE ENCOURAGED. OFFICES OF RESIDENTIAL DEVELOPMENT ABOVE RETAIL OR SERVICE ESTABLISHMENTS APPROPRIATE SINGLE USE FACILITIES WILL BE ALLOWED.

   THE UNDERLYING ZONING OF RC-1 INCLUDES THE FOLLOWING ANTICIPATED USES IN THE VILLAGE CENTER: FOOD STORE/GROCERY/LIQUOR STORE OF A NEIGHBORHOOD SCALE, RESTAURANTS, "SHOPPING" STYLE OF ARCHITECTURE BUILDINGS BY THE VILLAGE CENTER, "SHOPPING" DEVELOPED BY A "SINGLE ENTITY" ONE BETWEEN LIBRARY, POLICE OFFICES, SHALL HAVE IN DESIGN WITH A LARGE SCALE PLACED ON THE BUILDING, PARKING AREAS, AND OTHER STRUCTURES. SMALL SCALE "SHOPPING" AND PROFESSIONAL SERVICES APPROPRIATELY THAT MAY BE ENCOURAGED COMMERCIAL DISTRICT INCLUDES APPROXIMATELY FIVE AND ONE-HALF (5+1/2) ACRES OF PROFESSIONAL OFFICES WITHIN A TOTAL OF FOURTEEN (14) ACRES, INDICATES THAT THE VILLAGE CENTER SHOULD BE CHARACTERIZED BY A COMPATIBLE BALANCE OF GREEN SPACE INTEGRATED WITH THE BUILDING CONSTRUCTION.

   IF RC AMENDMENTS WAIVE SIDE YARDS, AND GREEN SPACES, LEAVING THE PLAZA WITH NEARBY RESIDENTIAL AREA, SHALL BE "PARK-LIKE" IN DESIGN, ENDOUGH TWENTY SHADE TREES AND SHRUBS ARE INTENDED TO DOMINATE THE PLAZA AREA AND WILL SHADE WALKWAYS AND TRAILS. VISUALLY ATTRACTIVE FENCING, WALLS, AND WILL SCREEN SERVICE AREAS AND MECHANICAL EQUIPMENT. INTERIOR COMMUNITY WILL ALSO LIMIT MINIMUM 90 DEGREE STATES AND ALL LIGHTING SHALL BE SHIELDED AND SPILL

   EXISTING COMMERCIAL DEVELOPMENTS IN SANTA FE WHICH REPRESENT THE SCALE OF THE ANTICIPATED VILLAGE CENTER INCLUDE DOS CAMINOS PLAZA (OLD SANTA FE TRAIL AND PASEO DE PERALTA), VILLAGE CENTER PLAZA (SAN MATEO AND RIO ARRIBA STREETS), RANCHO PLAZA (SHOPPING CENTER, THE SANTA FE PLAZA, THE CAMINO REAL SHOPPING DISTRICT, AND SANTA FE PLACE. THE EXISTING DEVELOPMENTS ARE NOT RELATED TO THE SCALE OF THE ANTICIPATED VILLAGE CENTER BECAUSE THEY ARE TOO LARGE. THE SMALLEST PLAZA, SAINTS CLUB, HAS 4 ANCHOR AND FIVE ATTACHED UNITS. THE ACTUAL DEVELOPMENT PLANS FOR THE VILLAGE CENTER WILL BE SUBMITTED TO A REVIEW PROCESS THAT WILL REQUIRE APPROVAL OF THE SANTA FE PLANNING COMMISSION WHICH PROVIDES FOR PUBLIC REVIEW AND COMMENTS BY ALL INTERESTED PERSONS AND AGENCIES. LANDSCAPING, SIGNAGE, LIGHTING, AND ARCHITECTURAL DESIGN, INCLUDING BUILDING HEIGHTS WITHIN 100 FEET OF THE PERIMETER PROPERTY LINES SHALL BE RESTRICTED PERMITS FROM OBJECTING TO SPECIFIC USES, HOURS OF OPERATION, SIGNAGE, OR DESIGNS AT THE TIME OF DEVELOPMENT

VILLAGE CENTER VISION STATEMENT

THE INTENT OF THE PROPOSED VILLAGE CENTER IS TO PROVIDE AN ECONOMICALLY VIABLE, SOCIALLY LIVELY, PEDESTRIAN ORIENTED COMMERCIAL DISTRICT WITHIN SANTA FE ESTATES. CENTRAL TO THE VILLAGE CENTER SHALL BE A PUBLIC PLAZA WHERE NEARBY RESIDENTS CAN STROLL, DOGS AND CHILDREN FOR DAILY OUTING. THE VILLAGE CENTER SHALL BE AND BE ADJACENT HOUSE, NEIGHBORHOOD AREAS AND LAND USE CONSISTENT WITH THE PLANNED AND ESTABLISHED TONE OF THE NEIGHBORHOOD. SMALL SCALE ENTERPRISES WHICH WILL BE ENCOURAGED. SUCH ENTERPRISES SHALL INCLUDE THE RESIDENTS OF THE SANTA FE ESTATES AREA OF THE COMMERCIAL DISTRICT WILL BE ENCOURAGED. ALL BUSINESS AND BE ACCEPTED THE MINIMUM DENSITY AT THE TIME OF DEVELOPMENT PLAN AND PLAT APPROVAL. THE OWNER/DEVELOPER MUST DEMONSTRATE COMPLIANCE WITH THIS, FROM CURRENT ORDINANCES FOR THE PLANNING COMMISSION'S APPROVAL.

2. THE PLANNING COMMISSION SHALL REVIEW SPECIFIC REQUESTS FOR EXCEPTIONS TO PROVISIONS OF FUTURE IMPROVEMENT REGULATIONS AT THE TIME OF DEVELOPMENT PLAN APPROVAL FOR THE SUBDIVISION TRACTS. THE COMMISSION SHALL CONSIDER THE CREATION OF OPEN SPACE DEDICATED WITHIN THE MARKET PLACE AREA TO BE A SIGNIFICANT FACTOR IN MEETING THE INTENT OF THE REGULATIONS AS EXPRESSED IN SECTION 14-9.6.1 SFCC. EXCEPTIONS TO TERRAIN MANAGEMENT REGULATIONS SHALL BE CONSIDERED ON TRACTS WHOSE BOUNDARIES FALL WITHIN ONE INDICATOR OR FOOTHILLS ZONE.

3. THE REQUESTED VARIANCES TO CITY ROAD STANDARDS ARE GENERAL. THE COMMISSION SHALL CONSIDER ROAD STANDARD VARIANCES ON A TRACT-BY-TRACT BASIS.

4. A LOCAL STREET SHALL BE STUBBED OUT TO THE WEST PROPERTY BOUNDARY WITHIN TRACT 3A. THE TYPE OF STREET (LANE OR PLACE AND PUBLIC VS. PRIVATE OWNERSHIP) SHALL BE DETERMINED AT THE TIME OF DEVELOPMENT PLAN APPROVAL.

5. A LOCAL STREET SHALL BE STUBBED OUT TO THE EAST PROPERTY BOUNDARY WITHIN TRACT 3A. THE TYPE OF STREET (LANE OR PLACE AND PUBLIC VS. PRIVATE OWNERSHIP) SHALL BE DETERMINED AT THE TIME OF DEVELOPMENT PLAN APPROVAL.

6. BOUNDARIES OF TRACTS 6A, 6B, 6C, 6D AND 7E SHALL BE MODIFIED TO CREATE ONE OR TWO NEIGHBORHOOD COMMERCIAL USE TRACTS AND ONE OR TWO AFFORDABLE HOUSING TRACTS, AS SHOWN ON THE MASTERPLAN, USE AREA FORMULA IN SECTION 14-13.7.D IS HEREBY APPROVED TO ALLOW AN INCREASE IN THE ALLOWED NEIGHBORHOOD USE AREA FROM FOUR (4) ACRES TO FIVE AND ONE-HALF (5.5) ACRES OF RESIDENTIAL COMMERCIAL DEVELOPMENT AND TO FIFTEEN (15) ACRES OF MULTI-FAMILY DEVELOPMENT CREATING A MINIMUM OF 90 AFFORDABLE HOUSING UNITS. IMPLEMENTATION OF THIS VARIANCE IS BASED ON A DETERMINATION OF CONSISTENCY WITH THE INTENT AND PURPOSE OF THE PLANNED RESIDENTIAL COMMUNITY REGULATIONS AND THE NEIGHBORHOOD AND COMMERCIAL POLICIES OF PLAN 83. IT ALSO ADDRESSES THE CITY'S DESIRE TO PROVIDE AFFORDABLE HOUSING.

7. APPROPRIATE COMMUNITY USES SHALL BE LOCATED IN THE VILLAGE CORE (TRACTS 6B-1, 6D) SUCH USES MAY INCLUDE A LIBRARY, A POST OFFICE, A PUBLIC SUBSTATION SHELTER OTHER FACILITIES THAT CONFORM TO THE CHARACTER OF THE VILLAGE CORE. 1.87 ACRES OF COMMUNITY USE AREA SHALL BE ALLOWED IN ADDITION TO THE 4.5 ACRES OF NEIGHBORHOOD COMMERCIAL AND AFFORDABLE HOUSING USES.

8. OPEN SPACE CORRIDOR ALONG THE ARROYO CANYON BOTTOM SHALL HAVE A MINIMUM WIDTH OF 1.58 FEET AND SHOULD INCLUDE AS A MINIMUM A 30 FOOT STRIP OF MATURE VEGETATION ON EITHER SIDE AND THE FULL LENGTH OF THE ARROYO. TRACTS 3A, 3B, 3C, 7E AND 7F SHALL PROVIDE ACCESS SHOULD BE ACHIEVED ACCORDINGLY BY PROVIDING OPEN SPACE WITHIN THESE TRACTS, RATHER THAN WITHIN THE SIDE OF THE TRACTS. THERE WILL BE NO FENCES ALONG THE 150 FOOT OPEN SPACE CORRIDOR.

9. TRACTS 3B AND 3C SHALL BE DEVELOPED IN CONFORMANCE WITH R-2 STANDARDS

10. TRACT 4E SHALL BE DEVELOPED IN ACCORDANCE WITH R-3 STANDARDS

11. APPLICANT SHALL MODIFY MASTER PLAN TO ADDRESS TECHNICAL COMMENTS APPLICABLE BY PRC DRAINAGE FROM PUBLIC WORKS STAFF, INDICATED ON RED-LINED PRINTS ON FILE WITH PLAN STAFF.

12. THE CONNECTOR ROAD BETWEEN RIDGETOP ENTERTAINMENT AND THIRD ROAD SHOULD BE DESIGNED WITH A MINIMUM OF TWO LANES WITH A FOUR LANE RIGHT-OF-WAY FUTURE STUDY.

13. THIRD ROAD AND THE CONNECTION TO THIRD ROAD TO SANTA FE ESTATES SHOULD NOT BE USED FOR CONSTRUCTION ACCESS (INCLUDING FOR CONSTRUCTION OF INFRASTRUCTURE) EXCEPT FOR THOSE HOMES WITHIN SANTA FE ESTATES WHOSE DRIVEWAYS DIRECTLY ACCESS THIRD ROAD

14. THE DEVELOPER SHALL PREPARE MASTER DRAINAGE PLANS, FOR EACH OF THE SUBJECT TRACTS AT THE TIME OF DEVELOPMENT, AND THE CITY SHALL DEVELOP ASSESSMENT DISTRICTS, OR OTHER EQUALLY EFFECTIVE MECHANISMS TO ASSURE THE MAINTENANCE AND ENFORCEMENT OF THE MASTER DRAINAGE PLANS.

15. THE LOCATION OF A SMALL GAS STATION WITHIN THE VILLAGE CORE SHOWN IS NOT CONSISTENT BUT DESIGN STANDARDS ARE NECESSARY. LEGAL AND PROCEDURAL QUESTIONS REGARDING ZONING NEED TO BE ADDRESSED.

16. THE ACTUAL CONSTRUCTION OF NEW HOMES SHALL BEGIN AFTER 30 MONTHS FROM THE DATE OF FILING THE MARKET PLAN AFTER COMPLETION OF CONSTRUCTION OF WEST SECTION OF THE RIDGETOP HOMES THAT IS WITHIN THE SITE, WHICHEVER OCCURS FIRST. WHICHEVER OCCURS EXCLUDES INFRASTRUCTURE CONSTRUCTION WHICH PROCEED IMMEDIATELY. IF THE RIDGETOP ROUTE 11 ROAD IS NOT IN PLACE OR IF THE RIDGETOP ROUTE IS NOT COMMENCED WITHIN 12 MONTHS OF THE FILING OF THE MARKET MASTER PLAN, THEN NO BUILDING PERMITS SHALL BE ISSUED, NO SUBDIVISION APPLICATIONS SHALL BE ACCEPTED, AND NO SUBDIVISION PLATS SHALL BE APPROVED, UNTIL ROUTE 11 IS BUILT OR ROUTE 11 IS MODIFIED TO ACCOMMODATE ACCESS FROM CAMINO LA TIERRA TO SPEC'S LANDS.

17. TRACTS 1A, 1B, 1C, 7C AND 7D SHALL BE RESTRICTED TO THE DENSITIES SPECIFIED OUT IN THE APPROVED MASTER PLAN, AND THE USE OF THESE TRACTS SHALL BE LIMITED TO SINGLE-FAMILY DETACHED DEVELOPMENT. THE 34-FOOT SETBACK SHALL BE ENFORCED ON TRACT 1A AS SHOWN ON THE MASTER PLAN. SANTA FE ESTATES, ITS SUCCESSORS OR ASSIGNS SHALL NOT BE PREVENTED TO REQUEST CHANGES TO THE DENSITIES, USES OR SETBACKS AS OUTLINED ABOVE.

18. THE USE OF THIRD ROAD FOR CONSTRUCTION SHALL BE RESTRICTED PER EXHIBIT 13 ABOVE. THE EXACT LOCATION OF THE CONNECTION TO THIRD ROAD HAS BEEN VISIBILITY (PLUS OR MINUS 6 FEET VERT). THE SECOND ACCESS TO THIRD ROAD SHALL BE SPECIFICALLY SHOWN ON THE REVISED MASTER PLAN AS EMERGENCY ACCESS ONLY. A PERMANENT REMOVABLE BARRIER SHALL B CONSTRUCTED FOR USE BY EMERGENCY VEHICLES ONLY.

19. THE VILLAGE CENTER VISION STATEMENT SUBMITTED BY THE APPLICANT SHALL SERVE AS THE BASIS FOR THE ULTIMATE DESIGN OF THE COMMERCIAL AREA. THE VISION STATEMENT SHALL NOT BAR INTERESTED PARTIES FROM OBJECTING TO SPECIFIC USES, HOURS OF OPERATION, SIGNAGE, OR DESIGNS AT THE TIME OF DEVELOPMENT.

DRAINAGE PLAN VISION STATEMENT

THE INFORMATION CONTAINED BELOW IS AT A LEVEL OF DETAIL CONSISTENT WITH MASTERPLANNING EFFORTS. IT IS NOT INTENDED TO PROVIDE EXACT PLANS BUT RATHER TO PROVIDE GUIDELINES FOR DESIGNING THE FUTURE DEVELOPMENT. ALL CONSTRUCTION PLANS ARE SUBJECT TO REVIEW AND APPROVAL BY THE CITY INCLUDING THE REVISION OF ACCOMPANYING THE OVERALL REVIEW OF THE DRAINAGE PLAN.

A SUMMARY OF THE GOALS AND SYSTEMS OF THE DRAINAGE PLANS IS AS FOLLOWS:

1. TO RETAIN AS MUCH STORM WATER RUNOFF AS FEASIBLE WITHIN THE PROJECT, AND TO ACCOMPLISH THAT DETENTION PREDOMINANT IN THE DRAINAGE AREAS AND NOT JUST AT DRAINAGE LOW POINTS.
2. TO PROVIDE EROSION PROTECTION THROUGHOUT THE PROJECT ON DRAINAGES RANGING FROM SMALL TO LARGE.
3. TO ESTABLISH NEW VEGETATION AND TREE COVER ALONG THE EXISTING DRAINAGES.

A SUMMARY OF THE GENERAL APPROACH TO ACCOMPLISH THESE GOALS AND INTENTS IS AS FOLLOWS:

1. COMMUNIZED STORM WATER RETENTION PONDS WILL BE UTILIZED TO OBTAIN INCREASED STORMWATER RUNOFF FROM THE ROAD CONSTRUCTION. IN GENERAL, THE PLAN IS TO INTERCEPT THE STORM WATER FLOWS WHERE ROADS CROSS THE DRAINAGES. THE CONSTRUCTION OF TEMPORARY DETENTION TO THAT RUNOFF WILL BE DRAWN THROUGH BIRCH SYPHONS, CURB AND GUTTER, OR CROSS CULVERTS. THESE RETENTION WOULD BE MADE AS THE TIME OF PRELIMINARY PLAT REVIEW BY THE CITY, AND WILL DEPEND ON A NUMBER OF DIMENSIONAL FACTORS.
2. COMMUNIZED STORM WATER RETENTION WILL BE UTILIZED IN 2 LOCATIONS TO DESIRE: (1) INCREASED RUNOFF FROM THE VILLAGE CENTER COMMERCIAL AREAS, AND (2) AREAS WHERE RUNOFF WAS NOT REMOVED UNDERFLOW ON THE MAIN DRAINAGE WAY FLOWING WEST
3. ON-SITE/ON-LOT PONDING WILL BE UTILIZED WITHIN EACH TRACT TO REDUCE THE STRUCTURES WITHIN THE TRACTS. RUNOFF FROM LOCAL TRACT PONDS WILL ALSO NEED TO BE RETAINED WITHIN THE TRACT UNLESS A PUBLIC NOTICE IN 1 ABOVE HAS SUFFICIENT CAPACITY TO PROVIDE DETENTION FOR LOCAL RUNOFF ON BEHALF OF ROAD.

THE ESTIMATED LOCATIONS OF THE DETENTION AREAS FOR ROAD 4 AND 2 ARROW ARE SHOWN ON THE DRAINAGE PLAN, SHEET 8 OF THE FULL MASTERPLAN DRAWINGS ON FILE AT THE CITY. THE SIZE OF THE LAND AREAS TO CONTAIN THESE PONDS WOULD BE APPROXIMATELY 2 ACRES EACH. THESE DETENTION AREA TRACTS WOULD BE DEEDED SPACE TO THE HOMEOWNERS ASSOCIATION AND THE APPROPRIATE TRADE RESPONSIBILITY, OR TO THE CITY WAY SPECIAL ASSESSMENT DISTRICTS.

EROSION PROTECTION

AS TRACTS ARE DEVELOPED THE SMALL AND MEDIUM SIZED DRAINAGEWAYS WILL BE PROTECTED FROM EROSION THROUGH THE USE OF CHECK DAMS AND SLOPING WITH MULCH, GRASSES, SHRUBS, AND TREES. THESE MEASURES, THE TYPE OF CHECK DAMS AND SPACING FROM ONE TO THE NEXT, WILL BE TO BE SUBJECT TO THE SPECIFIED AND FLOW VELOCITIES. THE CITY WILL HAVE APPROVAL AUTHORITY OVER THE TYPE AND NUMBER OF CHECK DAMS TO BE INSTALLED.

THERE ARE 2 LARGE DRAINAGES ON THE PROJECT. CAMINO RINCON DRAINS NEARLY SOUTH, WITH A WATERSHED OF TWO ACRES AT THE SOUTHERN END OF SANTA FE ESTATES. THERE IS A FEDERALLY DESIGNATED FLOOD HAZARD AREA ON CAMINO RINCON EXTENDING FROM THE SOUTH END TO APPROXIMATELY 800 LINEAL FEET NORTH OF EXISTING CAMINO LA TIERRA. THE WIDTH VARIES FROM 80 FEET TO 450 FEET ABOVE THE FLOOD PLAIN THERE ARE 3 SMALL AND 1 LARGE DETENTION PONDS SHOWN OF THE DRAINAGE PLAN. THESE PONDS WILL ALSO SLOW DOWN STORMWATER VELOCITIES, ALLOW DEPOSITION OF SEDIMENT OF CHECK DAMS, IF NECESSARY, WOULD BE DETERMINED AT THE PRELIMINARY DESIGN PHASE.

THE SECOND LARGE DRAINAGE, UNNAMED, DRAINS TO THE WEST, WITH A WATERSHED OF 1,000 ACRES ABOVE THE OUTLET ON THE WEST SIDE OF THE PROPERTY. THERE IS NO ESTIMATED FEDERAL FLOOD HAZARD AREA ON THIS DRAINAGEWAY. THERE ARE 3 SMALL AND 1 LARGE DETENTION PONDS PROPOSED ON THIS DRAINAGE. THE LARGE POND IS IMPOUNDED ABOVE. CHECK DAMS MAY ALSO BE NECESSARY AS FURTHER REDUCE VELOCITIES OF STORMWATER.

NEW VEGETATION ALONG DRAINAGEWAYS

IT IS THE INTENT OF THE MASTERPLAN TO PROVIDE ADDITIONAL VEGETATION ALONG THE DRAINAGEWAYS WITHIN THE PROJECT. THE LOW AREAS OF THE PROJECT, INCLUDING THE LARGE ARROYOS SHOULD A PARK LIKE AMENITY LIKE BY A PEDESTRIAN WALK SYSTEM. LANDSCAPING PLANS FOR THE DRAINAGEWAYS SHALL BE REQUIRED AT THE TIME OF FINAL PLAN REVIEW, AND SUBJECT TO CITY REVIEW AND APPROVAL. SEEDING (NATIVE GRASSES AND WILDFLOWERS), SHRUBS (CONTAINER, FOUR WING SALTBUSH, MOUNTAIN MAHOGANY, SKUNKBUSH) AND TREE PLANTINGS (COTTONWOOD, RUSSIAN OLIVE, HONEYLOCUST, ROCK MOUNTAIN LOCUST) REPRESENT A PARTIAL LIST OF POSSIBLE VEGETATION CONCEPT.

GENERAL

THE DETENTION AREAS SHOWN ON THE DRAINAGE PLAN FOR THE ROAD NETWORK ARE INTENDED TO ESTABLISH A CONCEPT FOR OVERALL STORMWATER CONTROL. THE PONDS ARE GENERALLY LOCATED ABOVE ROAD CROSSINGS WHERE A CONCENTRATED OUTLET CAN BE CONTROLLED. THE PONDS ARE SHOWN ON THE DRAINAGE PLAN. HOWEVER THERE ARE NO STRUCTURES SHOWN ON THE PLAN. THE EXACT SIZE AND LOCATION OF THE PONDS ARE TO BE DETERMINED AT THE TIME OF FINAL PLAN REVIEW, AND SUBJECT TO CITY REVIEW AND APPROVAL. THE LOCATION OF THESE PONDS WILL FOCUSED ON A TRACT BY TRACT BASIS AS THE PROJECT DEVELOPS. THE BEST BE SITED TO MINIMIZE PROPOSED ROAD SLOPES AND ENVIRONMENTAL IMPACTS. THE PONDS CONTAIN THE POND. THE 22 PONDS SHOWN RELATE TO OVERALL TOPOGRAPHY AND CAN BE INCORPORATED INTO DEVELOPMENT PLANNING. THE MASTERPLAN ALLOWS FLEXIBILITY AS DESIGN OF THE PONDS AND ARE SHARE FLEXIBILITY NEEDS TO CONFORM WITH REFINEMENTS TO THE DRAINAGE CONCEPTS. THE CITY WILL HAVE REVIEW AND APPROVAL AUTHORITY OF THE ACTUAL DRAINAGE FACILITIES WITHIN TRACTS AND DEVELOPER. THIS DRAINAGE VISION STATEMENT PROVIDES SUFFICIENT DIRECTION FOR TRACT DEVELOPMENT WHILE ALSO GIVING THE CITY FLEXIBILITY IN THEIR REQUIREMENTS.

MASTER PLAN NOTES

1. THE OPEN SPACE TRACTS SHOWN ON THIS MASTERPLAN ARE RESERVED FOR FUTURE DEDICATION AS ADJACENT TRACTS ARE DEVELOPED AND ARE INTENDED TO MEET THE OPEN SPACE REQUIREMENTS OF CITY CODE.
2. ALL DEVELOPMENT IS SUBJECT TO THE COVENANTS, CONDITIONS, AND RESTRICTIONS FOR SANTA FE ESTATES. THE CITY WILL NOT ENFORCE THESE COVENANTS EXCEPT AS SPECIFIED PURSUANT TO FUTURE DEVELOPMENT PLAN APPROVALS.
3. ACCESS TO TRACTS 7C, 7D, 7E, 7F, 5C, AND 6E ARE APPROXIMATE ONLY, AS SHOWN, AND CAN SHIFT NORTH OR SOUTH BASED ON DEVELOPMENT PLANS.
4. THE WIDTH OF ROADS WILL BE DETERMINED AT THE TIME OF DEVELOPMENT FOR EACH PHASE.
5. OPEN SPACE AND RELATED IMPROVEMENTS ADJACENT TO THE ARROYO/ALL TRACTS WILL BE DEDICATED TO CONSERVATION EASEMENTS AS SECTIONS OF THE TRAIL BETWEEN MAY BE CREATED IN ADVANCE OF THE DEDICATION OF SITE WITH SPACE CONTAINING THE TRAIL BETWEEN IF THE TRAIL CONSTRUCTION IS PLANNED
6. AT THE TIME OF DEVELOPMENT PLAN REVIEW OF RIDGETOP, TRACTS, BRIDGE REAR LANDINGS FROM AND THROUGH THE ARROYO/ALL TRACTS TO THE OPEN SPACE TRAIL SYSTEM SHALL BE REQUIRED.
7. ONE 1.87 BUILDING HEIGHT LIMITATION SHOWN ON TRACTS 6A, 6C, AND 6D IS TO BE MEASURED FROM THE RESPECT POINT OF NATURAL GROUND AT THE PERIMETER OF THE BUILDING.
8. IF UTILITIES MUST BE LOCATED OFFSITE FROM AREAS WITHIN THE PROJECT, THE UTILITY DISTRICT, IMPACTS TO THE NATURAL TERRAIN MUST BE MINIMIZED TO THE EXTENT FEASIBLE AND COMPLY WITH SECTION 11-288.18 OF THE SANTA FE CITY CODE
9. SANITARY SEWERS SHOULD NOT BE LOCATED IN ARROYO BOTTOMS IF EVERY FOR CROSSINGS. SANITARY IF BOXES MUST BE LOCATED REMOTELY FROM ROADWAY ON THE BANK OF ADEQUATE VEHICULAR ACCESS IS PROVIDED TO THE MANHOLES. SANITARY SEWERS SHALL MAINTAIN MINIMUM GRADE FOR SELF-CLEANING FLOW (EXCEPT FOR DROP MANHOLES).
10. ALL NATURAL DRAINAGE CHANNELS TO BE ENTERED AS EASEMENTS ON FINAL DEVELOPMENT PLANS AND/OR SUBDIVISION PLATS.

APPROVED BY THE CITY PLANNING COMMISSION
AT THEIR MEETING OF JULY 25, 1996

CHAIRMAN — DATE 12/19/96

APPROVED BY THE CITY COUNCIL
AT THEIR MEETING OF SEPTEMBER 25, 1996

MAYOR — DATE 11-26-96
REVIEWED BY:
CITY MANAGER — DATE 12/19/96
CITY SURVEYOR/ENGINEER — DATE 11-18-96

NO.	BY	DATE

SANTA FE ESTATES MASTERPLAN
CONDITIONS, NOTES, VISION STATEMENTS

LAND PLANNING ASSOC. P.O. Box 1761 SANTA FE, N.M. 87504 (505) 983-1134	C.R. WALDROPE & ASSOCIATES 1121 LUPA STREET SUITE 2 SANTA FE, NEW MEXICO (505) 982-8711	SHEET NO. 4 OF SHEET 5-5

Master Plan Conditions and Vision Statement

96-143

2005 AMENDMENTS TO NOTES AND CONDITIONS OF 1996 MASTER PLAN

GENERAL

A. THE NAME OF THE MASTER PLAN AREA IS CHANGED FROM SANTA FE ESTATES TO LAS ESTRELLAS, AND ALL REFERENCES SHALL FOLLOW ACCORDINGLY.

B. REFERENCE TO "DIABLO LA TIERRA" IS HEREBY REPLACED WITH VETROVAN'S MEMORIAL HIGHWAY.

C. REFERENCE TO "PLAN 63" IS REPLACED WITH "THE CITY OF SANTA FE GENERAL PLAN".

D. REFERENCE TO CITY CODES SHALL TRACK UPDATED VERSIONS OF THE CODE.

MASTER PLAN CONDITIONAL NOTES

C. THE FOLLOWING SENTENCE OF CONDITION (B) OF THE 1996 MASTER PLAN IS HEREBY DELETED IN ITS ENTIRETY. SAID DELETED SENTENCE READS AS FOLLOWS:

BOUNDARIES OF TRACTS 9A, 9B, 9C, 9D AND 9E SHALL BE MODIFIED TO CREATE ONE OR TWO NEIGHBORHOOD COMMERCIAL USE TRACTS AND ONE OR TWO AFFORDABLE HOUSING TRACTS.

F. IN BOTH COMMUNITY AND LOCATION, RESIDENCE IN THE VILLAGE CENTER, AFFORDABLE HOUSING SHALL CONFORM TO THE REQUIREMENTS OF THE PRELIMINARY ZONING ORDINANCE. THIS IS A MODIFICATION OF CONDITION (A) OF THE 1996 MASTER PLAN.

G. THE CHART ON THE REVISED MASTER PLAN REFLECTING DEVELOPER'S ESTIMATE OF LIKELY DENSITIES BASED ON THE ANNUAL DEMONSTRATED ACHIEVED MARKET APPROVED / DEVELOPED TRACTS, AND THE CURRENT PLANNING FOR THE VILLAGE CENTER AND SURROUNDING AREA. DENSITY TRANSFERS OF MARKET-RATE RESIDENTIAL UNITS ABOVE THOSE SHALL BE ALLOWED BY APPROVAL OF THE PLANNING COMMISSION AS LONG AS (1) THE REGULATE DENSITY OF ANY TRACT DOES NOT EXCEED THE DENSITY ALLOWED BY THE DISTRICT ZONING ORDINANCE, AND (2) THE TOTAL MARKET UNITS DOES NOT EXCEED 760 UNITS. NO INCREASES OF MARKET RATE DENSITY SHALL BE ALLOWED ON TRACTS 9A,1B,1C,2C, AND 3B

H. STAFF CONDITIONS NUMBER 3 OF THE AMENDED MASTER PLAN WAS DELETED BY THE PLANNING COMMISSION. THE DELETED SENTENCE READS AS FOLLOWS: "A NOTE SHALL BE ADDED THAT ANTICIPATED VILLAGE CENTER USES NOT CURRENTLY PERMITTED IN THE SC-1 DISTRICT WOULD REQUIRE FUTURE AMENDMENTS TO CHAPTER 14."

I. RECORDED COVENANTS, CONDITIONS AND RESTRICTIONS SHALL INCLUDE PROVISIONS WHEREBY THE ASSOCIATION SHALL SUPPLY TO THE CITY OF SANTA FE AN ANNUAL REPORT CERTIFIED BY A REGISTERED PROFESSIONAL ENGINEER VERIFYING ADEQUATE MAINTENANCE AND ENFORCEMENT OF THE CENTRALIZED STORM WATER DETENTION STRUCTURES.

MASTER PLAN NOTES

A. CONDITION (A) OF THE 1996 MASTER PLAN IS MODIFIED AS FOLLOWS: THE OPEN SPACE TRACTS SHOWN ON THIS MASTER PLAN ARE RESERVED FOR FUTURE DEDICATION AS RESIDENT TRACTS ARE DEVELOPED AND SUCH DEDICATIONS SHALL MEET THE OPEN SPACE REQUIREMENTS OF THE CITY CODE.

E. CONDITION (E) OF THE 1996 MASTER PLAN IS REPLACED ENTIRELY WITH THE FOLLOWING: ALL DEVELOPMENT IS SUBJECT TO THE LAS ESTRELLAS MASTER DECLARATION OF CONDITIONS, CONDITIONS, RESTRICTIONS AND EASEMENTS (THE "LAS ESTRELLAS RESIDENTIAL DECLARATION OF CONDITIONS, CONDITIONS, RESTRICTIONS AND EASEMENTS (THE "LAS ESTRELLAS COMMERC

SANTA FE ESTATES INC.
3209 Espacio St.
Farmington, New Mexico 87401

March 27, 2017

John D. McNeill, President
jjdmcneill@hotmail.com

The Honorable Javier Gonzales
Mayor, City of Santa Fe
200 Lincoln Avenue
Santa Fe, New Mexico 87501

Dear Mayor Gonzales:

This letter is our proposal to the City of Santa Fe to enter into negotiations with the City with the purpose of entering into a termination agreement under which (1) the City and Santa Fe Estates Incorporated will terminate that certain Memorandum of Agreement entered into as of January 25, 1930 between the City and Santa Fe Estates (the "1930 Agreement"), (2) extinguish any remaining obligations of either party under the 1930 Agreement, and (3) provide for Santa Fe Estates to return to the City the remaining lands subject to the 1930 Agreement.

We outline below the general terms of the proposed termination agreement.

1. Subject to the terms of the termination agreement and any conditions, the 1930 Agreement would terminate on a specified closing date, and the termination agreement would supersede and replace the 1930 Agreement.

2. Neither the City nor Santa Fe Estates would have any further obligation to the other under the terms of the 1930 Agreement, it being their intent that all matters and obligations under the 1930 Agreement would be resolved and extinguished by the termination agreement. The City would release Santa Fe Estates from any liability to the City arising from its capacity as an owner and developer of the property that is the subject of the 1930 Agreement.

3. The termination agreement would provide for a period of time within which the City and its representatives could conduct such inspections of the property subject to the 1930 Agreement and evaluation of related matters as the City considers necessary to permit it to consummate the transactions contemplated under the termination agreement.

4. The termination agreement would provide for a closing date on or before June 30, 2017.

5. On the specified closing date, Santa Fe Estates would convey to the City any lands originally conveyed to Santa Fe Estates under the 1930 Agreement and remaining to Santa Fe Estates as of the closing date. Santa Fe Estates would effect this conveyance by a special warranty deed, subject to all matters of record, any real estate sales agreements entered into by Santa Fe Estates

prior to closing, and all *ad valorem* property taxes and other assessments, but not subject to any mortgages or deeds of trust created by Santa Fe Estates.

6. On the closing date, Santa Fe Estates would assign to the City or its designee, and the City or designee would accept, any rights of Santa Fe Estates under real estate sales agreements, and any maintenance, utility, development, construction or other services agreements pertaining to the property conveyed under the preceding paragraph.

7. The City would assume the obligations under the agreements assigned under the preceding paragraph, and would take the conveyed property subject to, and assume all liabilities associated with, the conveyed property.

8. Prior to the closing date, Santa Fe Estates could continue to pursue its development and sales activities as heretofore conducted. In those instances in which Santa Fe Estates enters into and closes any sales of property subject to the 1930 Agreement, which result in cash proceeds net of the costs of sale, those proceeds would be divided evenly between the parties with payment to the City of its portion at the closing date.

9. Prior to the closing date, the expenses of Santa Fe Estates would continue to be paid by Santa Fe Estates and accounted for under the 1930 Agreement, except as provided under the preceding paragraph.

10. The parties would acknowledge in the termination agreement that any liability of Santa Fe Estates to the City under paragraph 6 of the 1930 Agreement for payment of proceeds from the sales of property is a contingent and uncertain amount subject to potential future costs of development and events that could reduce any actual payment in the future to zero or a figure substantially below the stated tentative amount that Santa Fe Estates has calculated to this point in time, and further has a value that would in any event be subject to a discount due to the indeterminate period of time before Santa Fe Estates could develop and sell property, pay the costs of that development and sale, and calculate and remit any proceeds to the City. The parties would agree in the termination agreement that any such liability would, in consequence of these factors and to resolve and settle any disputes between them as to the present value of those proceeds, have an agreed value and, consistent with item 2, above, be terminated.

11. Santa Fe Estates would agree to indemnify and hold harmless the City from and against all claims and liabilities known to Santa Fe Estates but not disclosed to the City in the termination agreement. The City would agree to indemnify and hold harmless Santa Fe Estates from and against all liabilities relating to the ownership, development, operation and sale of the property to be conveyed to the City under item 3.

This letter and any conversations and course of dealing between the parties are not intended to create any duties, liabilities, rights or obligations between them or their respective affiliates, nor is this letter intended to identify all of the material terms upon which the parties would have to agree in order to enter into a definitive termination agreement. The parties agree, by their mutual execution and delivery of this letter, to conduct good faith negotiations with the objective of entering into a definitive termination agreement generally in accordance with the preceding proposal.

If you concur in the foregoing, please have a copy of this letter executed by an authorized individual and returned to me by U.S. Mail or by electronic copy. Upon our receipt of a fully signed copy of the letter we will contact our advisors and ask them to commence the contemplated negotiations.

Thank you for your consideration in this matter.

Sincerely,

John D. McNeill,
President

CITY OF SANTA FE

By: _____

cc: Brian Snyder, City Manager
Kelley Brennan, Interim City Attorney
Matthew O'Reilly, Asset Development Director

City of Santa Fe, New Mexico

200 Lincoln Avenue, P.O. Box 909, Santa Fe, N.M. 87504-0909
www.santafenm.gov

Javier M. Gonzales, Mayor

Councilors:
Signe I. Lindell, Mayor Pro Tem, Dist. 1
Renee Villarreal, Dist. 1
Peter N. Ives, Dist. 2
Joseph M. Maestas, Dist. 2
Carmichael A. Dominguez, Dist. 3
Chris Rivera, Dist. 3
Ronald S. Trujillo, Dist. 4
Mike Harris, Dist. 4

July 10, 2017

John D. McNeill, President
Santa Fe Estates, Inc.
3209 Espacio Street
Farmington, NM 87401

Re: **SANTA FE ESTATES**

Dear Mr. McNeill:

This letter is a follow-up to our recent discussions regarding your March 27, 2017 letter proposing general terms for termination of the January 25, 1930 Memorandum of Understanding (the 1930 Agreement) between the City of Santa Fe (the City) and Santa Fe Estates, Inc.

The City is in general agreement with the termination terms proposed in your letter subject to the clarifications and proposed additions outlined below, and with the understanding we may identify additional items to be addressed as we work together to finalize a termination agreement.

The following comments are numbered to correspond to the numbered paragraphs of your letter.

2. While we generally agree with this paragraph, the extent to which the City could "release Santa Fe Estates from any liability" may be restricted by state law.

4. The City would anticipate working toward a closing date of September 30, 2017.

5. Are there "real estate sales agreements" in place that would be subject to this paragraph?

6. Are any "maintenance, utility, development, construction or other services agreements" in existence at this time? If so, as part of any termination agreement, Santa Fe Estates would agree to turn over any and all of these documents for individual review and acceptance or rejection of their assignment to the City.

   The termination agreement would also have to provide that the City would assume the rights of the Declarant under the recorded covenants, conditions and restrictions.

   The City is unclear of the extent to which Santa Fe Estates, Inc. or its consultants participate in or operate the Las Estrellas Master Association, Inc., Las Estrellas Residential Association, Inc., or other related homeowner associations, if any. The termination agreement would provide

that prior to termination the City would be provided with information detailing the extent to which Santa Fe Estates, Inc. or its consultants participate in these associations and confirmation that the associations are poised to be operationally and financially self-sustaining without the direct involvement of Santa Fe Estates, Inc., its consultants, or the City of Santa Fe.

7. See item 6 above. The City would need to review these documents to determine what "obligations" the City would be expected to assume.

11. The City could only agree to indemnify Santa Fe Estates to the extent the City is permitted to do so under state law.

Please contact me at (505) 955-6213 upon your receipt of this letter.

Sincerely,

Matthew O'Reilly, P.E.
Director of Asset Development

cc: Brian K. Snyder, City Manager
Kelley A. Brennan, City Attorney

City of Santa Fe, New Mexico

200 Lincoln Avenue, P.O. Box 909, Santa Fe, N.M. 87504-0909
www.santafenm.gov

Alan Webber, Mayor

Councilors:
Signe I. Lindell, Mayor Pro Tem, District 1
Renee Villarreal, District 1
Michael J. Garcia, District 2
Carol Romero-Wirth, District 2
Roman "Tiger" Abeyta, District 3
Chris Rivera, District 3
Jamie Cassutt-Sanchez, District 4
JoAnne Vigil Coppler, District 4

July 20, 2020

SENT VIA EMAIL
Charles Thompson
Attorney for SF Estates
cwnt@catchlaw.com

Re: Objection Letter from the City of Santa Fe

Dear Charles,

During the past several weeks, and pursuant to the Termination Agreement between the City and Santa Fe Estates, as amended, the City has received information regarding accounting, the tentative liability, homeowners' association, and environmental assessments related to the property subject to the original 1930 Agreement. In response to the information provided, the City of Santa Fe has five objections, which follow:

1. There is a shortfall between the Tentative Liability (the City's share of the amount that has accumulated from the sales of land and withheld from payment to cover development costs) owed to the City and the value of the land identified in the appraisal enumerated in paragraph 6 of the Termination Agreement. The amount of Tentative Liability owed to the City as described in documents provided to the City on June 9, 2020 (as listed in the 2019 Annual Report) is $2,916,297. The value of the 248.03 acres subject to transfer to the City at the closing is $2,455,000, of which half of the value is already attributable to the City under the 1930 Agreement. The City did not know the liability owed by Santa Fe Estates until June 9th, when the current annual report was provided. The City objects to the illegal shortfall under the Anti-Donation clause of the New Mexico Constitution and requests that Santa Fe Estates provide additional value (money or property rights) that equals the amount already owed to the City by Santa Fe Estates.

2. The City has not received the design standards document that the Master Association uses to review development. The City will become the Declarant upon closing (or assign those Declarant rights to a party acting on the City's behalf) and the Declarant will have significant authority over the Associations through the ability to choose board members.

The City does not have the design standards that it will require the Master Association to be held to and requests this document to be provided. The City objects pending receipt of the design standards.

3. The City received a Phase I Environmental Site Assessment, which identified a kerosene spill which required remediation. On July 14, 2020, David Gurule provided a letter from NMED titled "Approval of Final Corrective Action Report..." dated February 28, 2002. At the end of this letter, there is a statement about potential ground water contamination, which states that further efforts may be required. Were there any further efforts for remediation required by NMED? Are there test samples and analysis for the ground water that could be provided to the City? What is the nearest ground well that the City of Santa Fe could test the water to ensure there are no further efforts for remediation needed? The City objects pending receipt of additional information and/or testing of the affected area.

4. Santa Fe Estates provided detailed reports for development expenses to the City in its investigation. During the discussion regarding those accounting documents, the City learned that water rights were acquired via the shared development costs expended as infrastructure costs for the property. The City objects to the lack of water rights attached to the property to be transferred when those water rights were acquired from a portion of the City's sales revenue used as development costs.

5. The Phase I Report attached identifies several areas where there is trash left on the property in particular tires, a metal canister, and a motorbike. The City objects to the presence of trash on the property and requests that Santa Fe Estates remove the trash prior to the closing of the Termination Agreement.

Pursuant to the terms of the Termination Agreement as amended, the City of Santa Fe is providing all its objections in this letter and requests that Santa Fe Estate respond pursuant to the amended timeline agreed to by the parties.

Thank you,

/s/ Andréa Salazar

Andréa Salazar

Encl.

Phase 1 Environmental Assessment

February 28, 2002, NMED Letter

cc.
Alan M. Webber, Mayor of the City of Santa Fe
Jarel LaPan Hill, City Manager

Rich Brown, Economic Development Director
Erin K. McSherry, City Attorney
Matthew McQueen, Contract Real Estate Attorney
John McNeil, President of Santa Fe Estates
Ernie Romero, Phase One Reality

SANTA FE ESTATES INC.

3209 ESPACIO ST.
FARMINGTON, NM 87401

August 14, 2020

City of Santa Fe
Via Email to Andrea Salazar

Ladies and Gentlemen:

This letter is our response to the City of Santa Fe's correspondence of July 20, 2020, as that response was originally presented on August 4, 2020 by Charles Thompson, and as revised and supplemented in the course of the discussions among representatives of Santa Fe Estates and the City since August 4.

I state below the responses of Santa Fe Estates to the objections stated in the City's correspondence of July 20. The numbered items correspond to the numbered paragraphs in your correspondence.

1. Santa Fe Estates disagrees generally with the matters stated in paragraph 1, and specifically states that those matters are neither pertinent to paragraph 4 of the Termination Agreement nor subjects as to which the City may object pursuant to paragraph 4 of the Termination Agreement.

   The parties have, however, continued to discuss potential measures that could address the claimed "shortfall" described in paragraph 1 of your July 20 correspondence. In accordance with those discussions, Santa Fe Estates would, if all other matters between the parties can be resolved and the transaction contemplated by the Termination Agreement be closed as stated therein, be amenable to the transfer of water rights to the City to resolve the City's perceived shortfall.

   The calculation of water rights that would be transferred would, in accordance with the referenced discussions, be calculated on the following basis:

Calculation of Shortfall	
Tentative Liability	$ 3,016,171
Less Assigned Values of Properties to be transferred under Termination Agreement	
One-half of appraised value of 29.737 acres	(527,500)
One-half of appraised value of 198.7567 acres	(1,480,000)
One-half of appraised value of Tract 6A	(258,670)
Remaining Shortfall	$ 750,001

Assuming resolution of all other matters, Santa Fe Estates would cause to be transferred to the City 30.0005 acre-feet cu/yr of water rights at the time of and subject to closing under the Termination Agreement, subject to adjustment as subsequently explained. These rights are valued at the cost of their acquisition, which is assumed for the foregoing calculation as $24,999.62 per acre-foot cu/yr. These rights belong to Santa Fe Estates and the City has no interest or expectancy in the rights. The stated measure to resolve the claimed shortfall is further premised on the parties' agreement to modify paragraph 12 of the Termination Agreement to provide that any payment by Santa Fe Estates under that paragraph would be reduced to the extent the Tentative Liability was increased by the transaction referenced in that paragraph.

2. Santa Fe Estates agrees to provide to the City the design standards documents used by the Master Association to review development, to the extent available to Santa Fe Estates.

3. In paragraph 3 of its July 20 correspondence, the City asked a number of questions relating to the kerosene spill that occurred near Tano Road. Santa Fe Estates advises you that it has no information responsive to those questions other than what has been provided in documents previously delivered to the City.

4. Santa Fe Estates offers no cure in response to the matters stated in paragraph 4 apart from its response stated in item 1, above.

5. In paragraph 5 of its July 20 correspondence, the City asked that certain trash be picked up before closing under the Termination Agreement. Santa Fe Estates agrees to cause that trash to be picked up when the specific location is identified by the City or its representatives.

Santa Fe Estates recognizes and states its appreciation for the courteous manner in which the City's staff representatives have conducted their discussions with our representatives.

Sincerely,

John Joseph Dempsey McNeill
President Santa Fe Estates

City of Santa Fe, New Mexico

200 Lincoln Avenue, P.O. Box 909, Santa Fe, N.M. 87504-0909
www.santafenm.gov

Alan Webber, Mayor

Councilors:
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Renee Villarreal, District 1
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Carol Romero-Wirth, District 2
Roman "Tiger" Abeyta, District 3
Chris Rivera, District 3
Jamie Cassutt-Sanchez, District 4
JoAnne Vigil Coppler, District 4

SENT VIA EMAIL
Charles Thompson
Attorney for SF Estates
cwnt@catchlaw.com

August 14, 2020

Re: City's Acceptance of the Revised SF Estate Cure Proposal

Dear Charles,

We are in receipt of Mr. McNeill's August 14, 2020, revised cure proposal for the City's objections and the City of Santa Fe accepts your cure. We will draft an amendment to the Termination Agreement memorializing the proposed cure for approval by the Governing Body on August 26, 2020.

Thank you,

/s/ Andréa Salazar

Andréa Salazar

CC: Alan Webber, Mayor
Jarel LaPan Hill, City Manager
Rich Brown, Economic Development Director,
Erin McSherry, City Attorney
Matthew McQueen, Contract Real Estate Attorney

ACTION SHEET
ITEM FROM QUALITY OF LIFE COMMITTEE MEETING OF 08/19/2020
FOR CITY COUNCIL MEETING OF 08/26/2020

ISSUE:
Request for the Approval of amendment #1 to the building lease agreement between the City of Santa Fe and the Food Depot, Inc. Lease amendment would provide the Food Depot the ability to facilitate improvements to the leased building and rectify the concerns addressed with the current lease and enter into a sub-lease with Affordable Solar (solar provider), while staying in compliance with City of Santa Fe lease terms. (Rich Brown, Director, Office of Economic Development: rdbrown@santafenm.gov, 955-6625)

COMMITTEE REVIEW:
Finance Committee (scheduled): 08/17/2020
Quality of Life Committee (scheduled): 08/19/2020
Governing Body (scheduled): 08/26/2020

QUALITY OF LIFE COMMITTEE ACTION: approved on consent

SPECIAL CONDITIONS OR AMENDMENTS:

SEND TO:
Governing Body

VOTE	FOR	AGAINST	ABSTAIN
CHAIRPERSON ROMERO-WIRTH	X		
COUNCILOR VILLARREAL	X		
COUNCILOR RIVERA	X		
COUNCILOR GARCIA	X		
COUNCILOR CASSUTT-SANCHEZ	X		

DATE: **July 28, 2020**

TO: **Finance Committee – 8/17**
Quality of Life Committee – 8/19
Governing Body – 8/26

FROM: **Richard Brown, Director - Office of Economic Development** RB

ITEMS: **REQUEST FOR APPROVAL OF AMENDMENT # 1 TO THE LEASE AGREEMENT BETWEEN THE CITY OF SANTA FE AND THE FOOD DEPOT, INC.**

SUMMARY:

Since 2016, The Food Depot, Inc. has been leasing land from the City of Santa Fe. Their Board of Directors is considering a solar project with Affordable Solar. An amendment to their lease would provide the ability to meet their solar company's agreement while staying in compliance with City of Santa Fe lease terms.

The City lease has the following areas of conflict with their Affordable Solar Agreement

First, the Term of the Lease did not match the term of the Affordable Solar Agreement, so an amendment to Section 4, "Lease Term" which does not change the full term allowed by the lease when the initial term and optional terms are added together:

- The City lease w/o options is for 20 years and it was signed in 2016 or ends in 2036:
  - *If an option is exercised then the lease would go until 2046*
  - *Finally, if the 2nd option was exercised the lease would go to 2056*
- To take advantage of the Federal Tax Credit (26%), they would like to sign an Affordable Solar Agreement by 2020, which requires the following provisions:
  - *25 year agreement starting in 2020, plus an additional 5 years; the agreement would run until 2045*
  - *If the extension on the agreement was exercised, then 2045, plus an additional five (5) years, it would go until 2050*

- The amendment to Section 4 allows the 40 year term to be broken into an initial term of 29 years and an 11 year optional term. This allows for the full term of the Affordable Solar Agreement to coincide with the lease term.

Second, the ownership of the improvements is in conflict with the Affordable Solar Agreement, so an amendment to Section 5 "Use of Premises was required for the following reasons:

- The current lease only allowed for the Lessee to own the improvements during the term of the lease, not allowing for the Affordable Solar Agreement. The terms of the Affordable Solar Agreement make it possible for the Food Depot to afford the solar installation, but without having to take ownership of the improvements at the time of installation.
- The amendment of the lease focuses on the improvements at the time of the end of the lease rather than during the term, so that the improvements are either removed or given to the City at the end of the term.

RECOMMENDED ACTION:

To facilitate the improvements to the leased building and rectify the concerns addressed with the current lease to enter into a sub-lease with Affordable Solar, the City staff recommends the Finance Committee, Quality of Life Committee and Governing Body approval of Amendment #1 to the Lease Agreement between the City of Santa Fe and the Food Depot, Inc.

Attachments:

- Proposed Amendment 1 to the City of Santa Fe and Food Depot Inc., Lease Agreement
- Item # 16-0725 Lease Agreement between the City of Santa Fe and Food Depot, Inc.

CITY OF SANTA FE
AMENDMENT # 1 TO
THE LEASE AGREEMENT BETWEEN THE CITY OF SANTA FE AND THE FOOD DEPOT, INC.

This Amendment No. 1 (the "Amendment") is an amendment to the City of Santa Fe Lease Agreement ("Lease"), Item # 16-0725, dated July 29, 2016, between the CITY OF SANTA FE, New Mexico ("City", "Lessor") and THE FOOD DEPOT, INC., a New Mexico nonprofit corporation ("Lessee") (collectively the "Parties") shall be effective on _____, 2020.

RECITALS:

A. The Lessor and Lessee are parties to the Lease under which the Lessee leases Lessor-owned real property, to use, occupy, and develop, subject to the terms and conditions of the Item #16-0725 Lease Agreement, a certain parcel of land known as "Lease Parcel B" consisting of 1.643 acres of land located at 1222-A Siler Road, Santa Fe, New Mexico lying and being situate within a portion of Tract 2 as shown on a "Plat of Survey" for the City of Santa Fe "City Yards", prepared by Richard E. Smith, PS No. 5837 in February 1984 and having his Project No. 2411, recorded in the records of Santa Fe County, New Mexico as Document No. 553116 on October 16, 1984 in Plat Book 146, Page 007 (the Premises), as shown on Exhibit A of the Item #16-0725 Lease Agreement. Lessee currently owns a building known as the "Food Depot Building' along with associated site improvements upon the Premises.

B. Lessee would like to enter into an Agreement with Solar Photovoltaic System Power to place a Solar Photovoltaic (PV) system on the Food Depot Building, which may include: solar panels; a tracking system; inverters; generator offtake leads or wires; a metering device; and digital monitoring equipment connected to the meter to allow for internet tracking and monitoring of system performance basics. The goal of the Solar PV system is to make the building energy efficient and to save the Lessee money so they may direct more money towards its mission.

C. The Parties to the Lease wish to modify their existing Lease Agreement to allow for the installation of the Solar PV system.

D. The Parties wish to solely modify Sections 4 and 5 of the Agreement and to keep all remaining Sections of the Agreement intact.

WITNESSETH:

In consideration of Lessee's promises herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree that the Lease be amended as follows.

AMENDMENT:

1. Amendment to Section 4, "Lease Term," which removes and replaces Section 4 with the following:

The term of this Lease Agreement shall commence at 12:00 a.m. on the Effective Date. The term of this Lease Agreement shall consist of an "Initial Term", which began on August 1, 2016 (Effective Date), for a period of Twenty-Nine (29) years with One (1) "Optional Additional Term" of Eleven (11) years. Initial Term and any Optional Additional Terms are hereinafter referred to collectively as the "Term".

Lessee's exercise of the Optional Additional Term is contingent upon compliance with this Lease Agreement and with proper written notice made by Lessee to Lessor at least One Hundred and Eighty (180) days prior to the expiration of the Initial Term. In the event Lessee remains in possession of the Premises after the expiration of the Term of this Lease Agreement, such possession may, at the sole option of Lessor, be continued as a month-to-month tenancy. During any such month-to-month tenancy, the Rent due shall be prorated and payable on a monthly basis, and Lessor may terminate the month-to-month tenancy with Thirty (30) days written notice to Lessee. The terms and conditions of the Lease Agreement shall be otherwise applicable.

2. Amendment to Section 5, "Use of Premises," of the Lease.

A. By this Amendment, Section 5 (C), "Ownership of Improvements," of the Lease is hereby removed and replaced with the following:

C. Ownership of Improvements. Lessee shall own any improvements that the Lessee or its Sublessee(s) hereafter place, or cause to be placed, on the Premises during the Term of this Lease Agreement, unless the Parties agree otherwise in writing. With regard to improvements, which include a Solar PV system and any renewable energy certificates (RECs) as defined by NMSA 1978, sec. 62-16-3(G)(2019) as it may be amended, Lessee may enter into a lease purchase agreement for such improvements, but upon termination of this Lease, the Solar PV system and any RECs must be owned by Lessee to be passed to Lessor, or must be removed if not owned by Lessee. Upon termination of this Lease Agreement, title to any and all such improvements shall pass to Lessor.

Except as specifically provided in this Amendment #1, the Agreement remains and shall remain in full force and effect, in accordance with its term.

IN WITNESS WHEREOF, the parties have executed this Amendment #1 as of this _____ day of _____, 2020.

LESSOR:
CITY OF SANTA FE

_____
ALAN WEBBER, MAYOR

APPROVED AS TO FORM FOR LEGAL SUFFICIENCY:

/s/ Andréa Salazar for
ERIN K. MCSHERRY, CITY ATTORNEY

APPROVED AT TO FINANCE:

_____
MARY T. MCCOY, FINANCE DIRECTOR

ATTEST:

_____
YOLANDA Y. VIGIL, CITY CLERK

LESSEE:
THE FOOD DEPOT, INC.

_____
DAVID BARTON, PRESIDENT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

The foregoing instrument was acknowledged before me this _____ day of _____ 2020, by DAVID BARTON, the President of THE FOOD DEPOT, INC., New Mexico nonprofit corporation.

_____
Notary Public

My commission expires:

ITEM # 16-0725

LEASE AGREEMENT
BETWEEN
THE CITY OF SANTA FE AND THE FOOD DEPOT, INC.

This LEASE AGREEMENT (Lease Agreement) is made and entered into this 29TH day of JULY, 2016 by and between the CITY OF SANTA FE, a municipal corporation (City or Lessor) and THE FOOD DEPOT, INC., a New Mexico nonprofit corporation (Lessee), collectively the "Parties".

WHEREAS, the City intends to make a determination that The Food Depot, Inc., as intended Lessee, qualifies under the procurement code as the sole source for providing Services through programs and activities upon the Premises, as described in Article 5.A of this Lease Agreement.

WITNESSETH:

In consideration of the Lessee's promises herein, Lessor hereby gives Lessee a Lease Agreement, revocable and terminable as hereinafter provided, to enter on, make use of, and develop the real property of Lessor as follows:

1. **PRIOR AGREEMENTS**

The Parties agree that this Lease Agreement replaces in its entirety the previous Lease Agreement between the City and The Food Depot and Kitchen Angels, Inc. entitled "LEASE AGREEMENT" dated February 9, 2000 (City Item #00-0039) and the amendment to the previous Lease Agreement entitled "REVISED AMENDMENT NO. 1 TO THE LEASE AGREEMENT BETWEEN THE CITY OF SANTA FE AND THE KITCHEN ANGELS AND THE FOOD DEPOT" dated October 16, 2009 (City Item #09-0991).

2. **PREMISES**

Lessor allows Lessee to use, occupy, and develop, subject to the terms and conditions of this Lease Agreement, a certain parcel of land known as "Lease Parcel B" consisting of 1.643 acres of land located at 1222-A Siler Road, Santa Fe, New Mexico lying and being situate within a portion of Tract 2 as shown on a "Plat of Survey" for the City of Santa Fe "City Yards", prepared by Richard E. Smith, PS No. 5837 in February 1984 and having his Project No. 2411, recorded in the records of Santa Fe County, New Mexico as Document No. 553116 on October 16, 1984 in Plat Book 146, Page 007 (the Premises), as shown on **Exhibit A** of this Lease Agreement.

Lessee currently owns a building known as the "Food Depot Building" along with associated site improvements upon the Premises. Lessee accepts the Premises in its present state and agrees that it is in good condition, without any representation or warranty by Lessor as to the condition of the Premises.

3. **EFFECTIVE DATE**

This Lease Agreement shall become effective August 1, 2016 (the Effective Date).

4. **LEASE TERM**

The term of this Lease Agreement shall commence at 12:00 a.m. on the Effective Date. The term of this Lease Agreement shall consist of an "Initial Term" of twenty years (20) years with two (2) "Optional Additional Terms" of ten (10) years each. The Initial Term and any Optional Additional Terms are hereinafter referred to collectively as the "Term".

Lessee's exercise of any Optional Additional Term is contingent upon compliance with this Lease Agreement and with proper written notice by Lessee to Lessor at least one hundred eighty (180) days prior to the expiration of the Initial Term or any Optional Additional Term. In the event Lessee remains in possession of the Premises after the expiration of the Term of this Lease Agreement, such possession may, at the sole option of Lessor, be continued as a month-to-month tenancy. During any such month-to-month tenancy, the Rent due shall be prorated and payable on a monthly basis, and the terms and conditions of the Lease Agreement shall be otherwise applicable.

5. USE OF PREMISES

A. Provision of Specific Services. Lessee shall use and develop the Premises, and/or cause the Premises to be used and developed, solely for the specific purpose of providing services to the residents of the City and County of Santa Fe by collecting food and related products through collaborative relationships with the food industry, governments, other food banks, and the community; distributing collections through a network of charitable food providers to feed those who are experiencing hunger; providing support for numerous partner nonprofit programs by providing resources and educational opportunities to both agency representatives and their clients; and conducting activities directly related to these services (the Services). Lessee agrees to actively use and develop the Premises, and/or cause the Premises to be actively used and developed, to deliver the above Services. The Services provided by Lessee may be modified from time to time by written agreement of the Parties to account for changes in community needs, changes in Lessee's and/or Lessee's Sublessee's capacities to provide new or different services, or other similar changes attributable to the passage of time.

B. Development of the Premises. Lessee may, with the prior written consent of Lessor and at no cost to Lessor, develop the Premises as it deems necessary in furtherance of the intended use of the Premises as provided in Section 5.A above. For the purposes of this Lease Agreement, development shall include: (i) construction of new buildings, structures or site improvements; and/or (ii) improvements or alterations to the existing Premises.

C. Ownership of Improvements. Lessee shall own any improvements that the Lessee or its Sublessee(s) hereafter place, or cause to be placed, on the Premises during the Term of this Lease Agreement, unless the Parties agree otherwise in writing. Upon termination of this Lease Agreement, title to any and all such improvements shall pass to Lessor.

D. Trade Fixtures. All trade fixtures installed by Lessee after the Effective Date of this Lease Agreement shall remain the property of Lessee, who may remove the same upon termination of this Lease Agreement, provided that removal shall be done in such a manner as not to injure or damage the Premises.

In the event that Lessee fails to remove the trade fixtures, Lessor may require Lessee to remove the same. In the event that Lessee fails to remove said trade fixtures after receipt of notice from Lessor, Lessor may remove and dispose of the same as it sees fit and Lessee agrees to sell, assign, transfer and set over to Lessor all of Lessee's right, title and interest in and to said trade fixtures and any personal property not removed by Lessee. Lessee further agrees that should Lessor remove said trade fixtures pursuant to this paragraph, that Lessee shall pay Lessor upon demand the cost of such removal, plus the cost of transportation and disposal thereof.

E. Repairs and Maintenance. Lessee shall not cause or permit any waste, damage or injury to the Premises or to any improvements made to the Premises. Lessee shall, at its sole

expense, keep and maintain the Premises in good and clean condition at all times and shall be responsible for the costs of any and all required repairs and replacements that arise during the Term of this Lease Agreement.

In the event Lessee fails to maintain the Premises at a standard acceptable to the Lessor as determined in Lessor's sole discretion, Lessor may terminate this Lease Agreement, in accordance with Section 14 herein.

F. Compliance with Laws. Use of the Premises shall at all times be in compliance with the City of Santa Fe Municipal Code and other applicable local, state and federal regulations including but not limited to compliance with the City of Santa Fe Integrated Pest Management Policy (§10-7 SFCC 1987) (the Pest Management Policy).

6. SUBLEASE

A. Lessee's Right to Sublease. In furtherance of Lessee's use and development of the Premises pursuant to Section 5 of this Lease Agreement, with the prior written consent of the Lessor, Lessee may sublease portions of the Premises to other not-for-profit organizations, community groups, or governmental entities (each hereinafter a Sublessee) that provide Services. Lessee shall be the "Sublessor" to any Sublessee(s) of the Premises. Lessee shall include a provision in all subleases that the subtenant shall attorn to Lessor as landlord upon termination or expiration of this Lease Agreement. Lessee shall provide copies of all Sublease agreements to Lessor upon request.

7. RENT

Rent shall be paid as follows:

A. Rent during Initial Term. During the Term of and in consideration of this Lease Agreement and the demise of the Premises by Lessor to Lessee, Lessee hereby agrees and covenants with Lessor to pay for said Premises the annual fair market rent (the Rent) as established by a real estate appraisal prepared by an MAI-certified appraiser licensed by the State of New Mexico (the 2016 Appraisal), to be provided for Lessor's approval by and at Lessee's sole expense within sixty (60) days after the Effective Date of this Lease Agreement. Rent during the Initial Term shall be subject to increases in accordance with Section 7.C below.

The Parties agree that Lessee may use and occupy the Premises beginning on the Effective Date provided that at the time Rent is established by the approved 2016 Appraisal, the Rent will be applied retroactively to the Effective Date.

B. Rent during any Optional Additional Term(s). The Rent for any Optional Additional Term(s) of this Lease Agreement shall be established by a real estate appraisal prepared by an MAI-certified appraiser licensed by the State of New Mexico to be provided and paid for by Lessee for Lessor's approval at least forty-five (45) days prior to the commencement of any such Optional Additional Term(s). In no case shall the Rent for any Optional Additional Term(s) be less than the Rent during the last year of the previous term plus two and one-half percent (2.5%). Rent during any Optional Additional Term(s) shall be subject to increases in accordance with Section 7.C below.

C. Increases in Rent. Rent shall be adjusted every five (5) years during the Term of this Lease Agreement, beginning on August 1, 2021. At each time of adjustment the Rent shall be increased by an amount calculated by multiplying the previous year's Rent by twelve and one-half percent (12.5%).

D. Provision of Services to Offset Monetary Rent. During the Term of and in consideration of this Lease Agreement, Lessee may offset the monetary Rent due by providing to the residents of the City and County of Santa Fe the Services described in Section 5 of this Lease Agreement. In addition, Lessee shall permit its Sublessee(s) to provide such Services in lieu of or in addition to monetary Rent and to the extent that it does so, Lessee may apply the value of such Services to the Rent due by Lessee hereunder. The monetary value of the Services provided by Lessee during any lease year shall meet or exceed the Rent due for that lease year.

E. Annual Service Value Statement. Beginning on September 1, 2017 and on September 1 of each subsequent lease year during the Term of this Lease Agreement, Lessee shall submit to Lessor a statement (the Annual Service Value Statement) itemizing each type and corresponding monetary value of Services delivered during the prior lease year and the amount of Services that it proposes to credit toward Rent due, and containing a statement from an independent third-party auditor that the provision of Services for the prior lease year has met the requirements of this Section 7. Lessor may adopt a required form for the Annual Service Value Statement and such adopted form may be modified from time to time by Lessor.

F. Exclusions. Lessee shall exclude from the value of any Services that it proposes to credit toward Rent the amount of any governmental subsidy and other payment for Services received by Lessee for providing such Services and the amount paid by Service recipients to receive the Services.

G. Review by Lessor. Lessor shall evaluate Lessee's Annual Service Value Statement and provide a written acceptance or rejection of the Annual Service Value Statement to Lessee. Lessee may request that Lessor review the methodology that Lessee intends to use to prepare the Annual Service Value Statement prior to its submission to Lessor. Lessor may, in its sole discretion, request any such additional information and documentation as it deems necessary to evaluate any Annual Service Value Statement. Lessee's failure to provide such requested information within forty-five (45) days of Lessor's request is cause for Lessor's termination of this Lease Agreement. Lessor's determination regarding the monetary value of Services shall be final and binding and not subject to challenge by Lessee in any forum.

Notwithstanding anything in this Section 7 to the contrary, Lessor's failure provide written acceptance or rejection of the Annual Service Value Statement or to request additional information and documentation from the Lessee within forty-five (45) days of Lessor's receipt of any Annual Service Value Statement shall be deemed to be acceptance of such Annual Service Value Statement by Lessor.

H. Rent Shortfalls. Should the monetary value of the Services in any year not equal or exceed the Rent due in that year (a Rent Shortfall), then Lessee shall pay to Lessor the amount of the Rent Shortfall in monetary Rent. Notwithstanding anything to the contrary in the foregoing sentence, Lessor may agree to allow Lessee to provide within a reasonable amount of time additional Services to offset any Rent Shortfall, and in such event the Parties agree to negotiate in good faith to determine the nature, extent, and schedule for provision of such additional Services.

I. No Compensation by Lessor. In no event shall Lessor be required at any time, including at the end of the Lease Term, to compensate Lessee in any way for any excess Services. In the event of the termination of this Lease Agreement prior to the end of the Term, for any cause, Lessee shall forfeit any excess Services not applied to Rent.

8. UTILITIES

Beginning on the Effective Date and until the termination of this Lease Agreement, the costs of any and all natural gas, electricity, telephone, cable or satellite television, internet or wireless, or security alarm services and any and all domestic or irrigation water, sanitary sewer, and solid waste collection fees shall be paid by Lessee. Lessee may assess and collect from its Sublessees portions of the above costs on a pro rata basis as Lessee deems necessary.

9. TAXES

Lessee shall pay all taxes levied and assessed, if any, upon any personal property, buildings, fixtures and improvements belonging to Lessee and located upon the demised premises, and all leasehold and possessory interest taxes levied or assessed by any proper taxing authority.

10. ASSIGNMENT OR TRANSFER

Lessee shall not assign or otherwise transfer this Lease Agreement, without the prior written consent of the Lessor. Any such actions taken by Lessee shall result in the immediate termination of this Lease Agreement.

11. INSURANCE

Lessee shall at all times maintain and provide adequate insurance coverage which includes, without limitation, each of the following:

A. Casualty Insurance. Lessee shall carry and maintain in full force and effect during the term of this Lease Agreement casualty insurance ("extended coverage" and "additional extended coverage") as may be available for all improvements to the Premises in an amount sufficient to restore and replace existing structures and improvements if lost or damaged by any form of casualty. Lessee shall cause the City of Santa Fe to be named as an additional insured on such policy of insurance.

B. Liability Insurance. Lessee shall carry and maintain in full force and effect during the term of this Lease Agreement, public liability insurance covering bodily injury and property damage, in a form and with an insurance company acceptable to Lessor, with limits of coverage not less than as stated in the New Mexico Tort Claims Act for each person injured and for each accident resulting in damage to property, against all claims and lawsuits arising from Lessee's use of the Premises. Lessee shall cause the City of Santa Fe to be named as an additional insured on such policy of insurance.

C. Certificates of Insurance. Within ten (10) days of the Effective Date of this Lease Agreement, and thereafter at any time during the Term of this Lease Agreement that Lessor requests, Lessee shall provide Lessor with certificates of insurance for each policy evidencing that the coverage required hereunder is current. Such policy shall provide that the coverage evidenced thereby shall not be terminated or modified for any reason without thirty (30) days prior written notice to the Lessor. A certificate or policy which states that failure to give such notice imposes no obligation on the part of the insurer shall be unacceptable to Lessor, and Lessee shall be responsible for removing such language from such certificate or policy.

D. Sublease Agreements. Lessee shall cause any and all Sublease agreements, or other agreements related to use, occupation, or development of the Premises, that Lessee enters into to contain language that requires the City of Santa Fe to be named as an additional insured on such

policies of insurance as provided in this Section 11.

12. INDEMNIFICATION

Lessee shall indemnify, hold harmless and defend Lessor, its agents, officers, and employees against all losses, damages, claims or judgments, including payment of all attorney's fees and costs, on account of any suit, judgment, execution, claim, action or demand whatsoever arising from Lessee's use of the Premises hereunder, including use of the Premises by Lessee's employees, agents, representatives, Sublessees, tenants, contractors, agents, guests, invitees or permitted assigns. Lessee shall cause any and all agreements that Lessee enters into with any of the above parties to contain language indemnifying the Lessor as provided in this Section.

13. EASEMENTS

A. Lessor's Right to Grant Easements. Lessor reserves the exclusive right to grant access, utility or other easements on or through the Premises. Lessor shall notify Lessee in writing prior to Lessor's grant of any easement through the Premises.

B. Reciprocal Easements – Lessor's Adjacent Lease Parcel. Notwithstanding Section 13.A above, Lessor hereby acknowledges and consents to the "RECIPROCAL GRANT OF EASEMENTS" between Lessee and the lessee of Lessor's adjacent "Lease Parcel A" effective June 20, 2016 (the Reciprocal Easements Agreement) attached hereto as **Exhibit B**. The Parties agree that the Reciprocal Easements Agreement shall not be terminated or amended during the Term of this Lease Agreement without the prior written consent of Lessor.

14. TERMINATION BY LESSOR

Lessor may terminate this Lease Agreement upon Lessee's failure to comply with any provisions contained herein. Prior to termination, Lessor shall hand deliver or mail notice to Lessee via certified or registered mail specifying:

A. the breach;

B. the action required to cure the breach;

C. a date, not less than fifteen (15) days from the date the notice is hand delivered or mailed to Lessee, by which such breach must be cured; and

D. that failure to cure such breach on or before the date specified in the notice will result in termination of the Lease Agreement.

15. NOTICE

Any required notice will be deemed delivered, given and received (i) when personally hand delivered, or (ii) five days after the same are deposited in the United States mail, postage prepaid, registered, addressed to the applicable party at the address indicated below for such party, or at such other address as may be designated by either party in a written notice to the other party:

To Lessor:	To Lessee:
City Manager	Executive Director
City of Santa Fe	The Food Depot, Inc.
P. O. Box 909	1222-A Siler Road
Santa Fe, NM 87504-0909	Santa Fe, NM 87507

16. NO WAIVER

No waiver of a breach of any of the provisions contained in this Lease Agreement shall be construed to be a waiver of any succeeding breach of the same or any other provisions.

17. SEVERABILITY

In the event that one or more of the provisions contained in this Lease Agreement or any application thereof shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and any other application thereof shall not in any way be affected or impaired thereby.

18. ENTIRE AGREEMENT

The foregoing constitutes the entire Lease Agreement between the Parties, represents their entire understanding, and defines all of their respective rights, title and interests as well as all of their duties, responsibilities and obligations. Any and all prior agreements and understandings between the Parties related to the Premises, if any, are merged herein. This Lease Agreement shall not be modified or amended except by a written document signed by the Parties hereto.

19. BINDING EFFECT

This Lease Agreement shall be binding upon and insure to the benefit of the Parties hereto and their respective successors and permitted assigns.

20. LITIGATION EXPENSE

In the event of litigation between the Parties or litigation between Lessee and its Sublessees in which Lessor is named, Lessee shall pay any necessary costs, including reasonable attorney's fees, expenses and other costs of collection or otherwise, which Lessor shall incur in enforcing this Lease Agreement or in recovering any and all damages caused to the Premises by Lessee, or Lessee's Sublessees, contractors, agents, employees or permitted assigns.

21. RECORDING

This Lease Agreement shall be recorded in its entirety. Lessee shall bear all costs for recording of the Lease Agreement and any other associated costs.

22. HEADINGS

The section headings contained in this Lease Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Lease Agreement.

[REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY]

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have hereunto set their hands and seals as of this 29TH day of JULY, 2016.

CITY OF SANTA FE

JAVIER M. GONZALES, MAYOR

ATTEST:

YOLANDA Y. VIGIL, CITY CLERK ccmtg 7/27/16

APPROVED AS TO FORM:

KELLEY A. BRENNAN, CITY ATTORNEY

APPROVED:

OSCAR S. RODRIGUEZ, FINANCE DIRECTOR

BUSINESS UNIT/LINE ITEM: 21117.460150

THE FOOD DEPOT, INC.

JILL RHYMES, M.D., PRESIDENT

ACKNOWLEDGEMENT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

The foregoing instrument was acknowledged before me this 29th day of July 2016, by Jill Rhymes, M.D., President of the Board of Directors of The Food Depot, Inc., a New Mexico non-profit corporation.

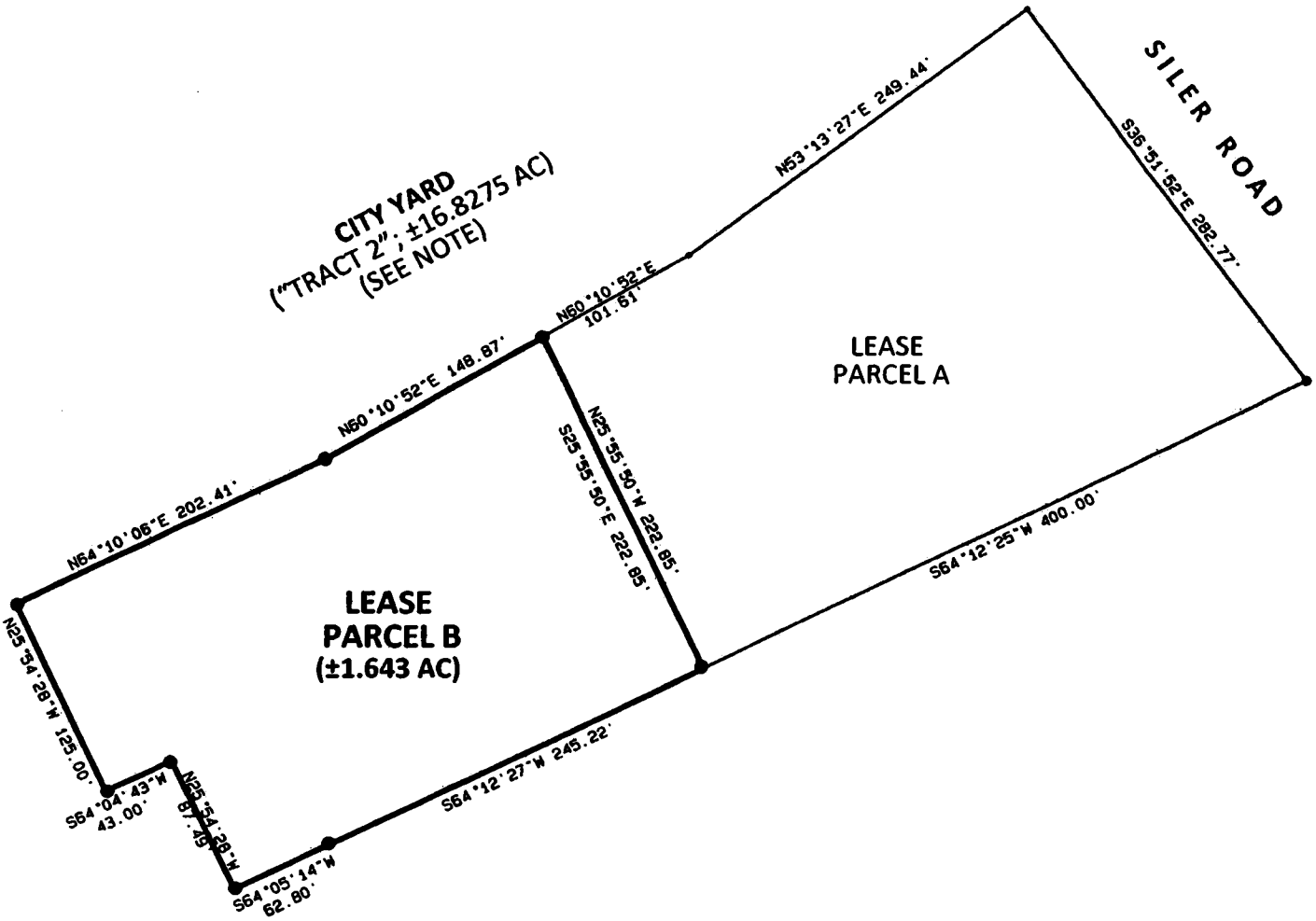
Anne G. Padilla
NOTARY PUBLIC

My Commission Expires: 8-11-2019

(Seal)

OFFICIAL SEAL
ANNE G. PADILLA
NOTARY PUBLIC-State of New Mexico
My Commission Expires 8-11-2019

EXHIBIT A



*<u>NOTE</u>: "TRACT 2" AS SHOWN ON A "PLAT OF SURVEY" FOR THE CITY OF SANTA FE "CITY YARDS", PREPARED BY RICHARD E. SMITH, PS NO. 5837 IN FEBRUARY 1984 AND HAVING HIS PROJECT NO. 2411, RECORDED IN THE RECORDS OF SANTA FE COUNTY, NEW MEXICO AS DOCUMENT NO. 553116 ON OCTOBER 16, 1984 IN PLAT BOOK 146, PAGE 007.

EXHIBIT B

COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

LEASE AGREEMENT
PAGES: 12

I Hereby Certify That This Instrument Was Filed for
Record On The 12TH Day Of August, 2016 at 01:09:23 PM
And Was Duly Recorded as Instrument # 1801338
Of The Records Of Santa Fe County

Witness My Hand And Seal Of Office
Geraldine Salazar
Deputy Veronica Duran County Clerk, Santa Fe, NM

RECIPROCAL EASEMENTS AGREEMENT

RECIPROCAL GRANT OF EASEMENTS

THIS AGREEMENT is made effective as of June 20, 2016, between The Food Depot ("Depot") and Kitchen Angels ("Angels"), each a New Mexico nonprofit corporation. In consideration of the mutual promises set out below, Seller and Purchaser agree as follows:

1. Relations between the Parties. Depot and Angels were co-tenants of Parcel A, located at 1222 Siler Road, Santa Fe, New Mexico and shown on Exhibit A, under a Lease Agreement from the City of Santa Fe, New Mexico, Lease Agreement dated February 9, 2000, as amended. There is a building on Parcel A which is known as the Coll-Green Angel Depot. Depot has sold is interest in that building to Angels. Depot is the tenant of Parcel B as shown on Exhibit D under a Lease Agreement from the City of Santa Fe dated 1 August 2016. Parcel B is located west of Parcel A and does not have direct access to Siler Road or other public street. The parties each make use of the paved area between their buildings, as shown on Exhibit E and wish to confirm their understandings and agreements with respect to access, parking and other matters, as set out in this Agreement.

2. Angels grants to Depot an easement for ingress to and egress from Parcel B over the area on either side (north and south) of the Coll-Green Angel Depot building. Depot shall use this easement only for ingress and egress by its employees and invitees and shall not obstruct the easement area by parking or otherwise. Depot shall not use the area in front of the Coll-Green Angel Depot building, fronting on Siler Road, for parking or other purposes without the express prior consent of Angels.

3. Each party grants to the other party an easement over the vacant space between the building on Parcel A and the building on Parcel B for access to its own loading dock.

4. Neither party shall obstruct the other party's access to its own building or the parking spaces for that building.

5. The parties will share equally in the cost of snow removal from and maintenance of the areas on either side of the Coll-Green Angel Depot building and the vacant area between the buildings, based on the square footage of those areas. Maintenance includes but is not limited to resealing, painting and striping, and repaving, as and when mutually agreed, and any other improvements, such as gates and lighting, as may be mutually agreed.

SFC CLERK RECORDED 08/31/2016

6. Each party will add the areas it is permitted to use under this Agreement to the insured premises under its commercial liability insurance policy and shall cause its insurer to name the other party as an additional insured under its policy with respect to the areas it is permitted to use under this Agreement.

7. The terms of this Agreement shall not be affected by the removal of Depot as a co-tenant of Parcel A.

IN WITNESS WHEREOF, the parties have executed this Agreement.

Kitchen Angels — Date: 6-20-16

The Food Depot — Date: 6-20-16

STATE OF NEW MEXICO)
) ss:
COUNTY OF SANTA FE)

The foregoing instrument was acknowledged before me on June 20, 2016, by Jessica Brack, the Vice President of Kitchen Angels, a New Mexico nonprofit corporation, on its behalf.

[seal] OFFICIAL SEAL SARAH WILLIAMS TAYLOR NOTARY PUBLIC-State of New Mexico My Commission Expires 8-4-16

Notary Public

STATE OF NEW MEXICO)
) ss:
COUNTY OF SANTA FE)

The foregoing instrument was acknowledged before me on June 20, 2016, by Sherry F. Harper, the Exec. Director of The Food Depot, a New Mexico nonprofit corporation, on its behalf.

[seal] OFFICIAL SEAL SARAH WILLIAMS TAYLOR NOTARY PUBLIC-State of New Mexico My Commission Expires 8-4-16

Notary Public

SFC CLERK RECORDED 06/21/2016

City of Santa Fe

Real Estate Summary of Contracts, Agreements, Amendments & Leases

Section to be completed by department

1. Munis Contract # 3202108

Contractor: The Food Depot, Inc.

Description: Lessee would like to enter into an Agreement with Solar Photovoltaic System Power to place a Solar Photovoltaic (PV) system on the Food Depot Building

Contract ☐ Agreement ☐ Lease / Rent ☉ Amendment ☐

Term Start Date: 08/01/2016 Term End Date: 07/29/2036

☑ Approved by Council Date: 07/27/2016

Contract / Lease: Lease property - 1222-A Siler Road

Amendment # 1 to the Original Contract / Lease # 16-0725

Increase/(Decrease) Amount $

Extend Termination Date to: 07/29/2045 with Optional Additional Term of Eleven (11) years

☐ Approved by Council Date:

Amendment is for: Solar Photovoltaic system

2. **HISTORY of Contract, Amendments & Lease / Rent - Please Elaborate** (option: attach spreadsheet if multiple amendments)

There is not a financial impact. The lease amendment is authorizing the lessee to install Solar Panels at no cost to the City.

3. **Procurement History:**

Fran Dunaway (Aug 25, 2020 15:25 MDT) Aug 25, 2020

Purchasing Officer Review: Date:

Comment & Exceptions: Lease not a Purchasing function. City is Lessor-Revenue Generated

4. **Funding Source:** **Org / Object:** There is not a financial impact to the City

Alexis Lotero (Aug 25, 2020 14:28 MDT) Aug 25, 2020

Budget Officer Approval: Date:

Comment & Exceptions:

Staff Contact who completed this form: Jessica Sandoval Phone # 505-690-5382

Email: jmsandoval@santafenm.gov

To be recorded by City Clerk:

Clerk #

Date of Execution:

CITY OF SANTA FE PROCUREMENT CHECKLIST

Contractor Name: The Food Depot, Inc

Procurement Title: Lease Agreement - Amend #1

Procurement Method: State Price Agreement ☐ Cooperative ☐ Sole Source ☐ Other ☐

Exempt ☑ Request For Proposal (RFP) ☐ Invitation To Bid (ITB) ☐ Contract under 60K ☐ Contract over 60K ☐

Department Requesting Economic Devlopment Staff Name Rich Brown

Procurement Requirements:

A procurement file shall be maintained for all contracts, regardless of the method of procurement. The procurement file shall contain the basis on which the award is made, all submitted bids, all evaluation materials, score sheets, quotations and all other documentation related to or prepared in conjunction with evaluation, negotiation, and the award process. The procurement shall contain a written determination from the Requesting Department, signed by the purchasing officer, setting forth the reasoning for the contract award decision before submitting to the Committees.

REQUIRED DOCUMENTS FOR APPROVAL BY PURCHASING*

YES	N/A	
☑	☐	Approved Procurement Checklist (by Purchasing)
☐	☐	Memo addressed to City Manager (under 60K) Committees/City Council (over 60K)
☐	☐	State Price Agreement
☐	☐	RFP
☐	☐	Evaluation Committee Report
☐	☐	ITB
☐	☐	Bib Tab
☐	☐	Quotes (3 valid current quotes)
☐	☐	Cooperative Agreement
☐	☐	Sole Source Request and Determination Form
☐	☐	Contractors Exempt Letter
☐	☐	Purchasing Officers approval for exempt procurement
☐	☐	BAR
☐	☐	FIR
☐	☐	Executed Contract, Agreement or Amendment
☐	☐	Current Business Registration and CRS numbers on contract or agreement
☐	☐	Summary of Contracts and Agreements form
☐	☐	Certificate of Insurance
☐	☐	All documentation presented to Committees
☐	☐	Other:

Jessica Sandoval — Administrative Manager — 08/17/2020

Department Rep Printed Name (attesting that all information included) — Title — Date

Fran Dunaway (Aug 25, 2020 15:25 MDT)

Purchasing Officer (attesting that all information is reviewed) — Title — Date

Include all other substantive documents and records of communication that pertain to the procurement and contract.

DATE: **July 28, 2020**

TO: **Finance Committee – 8/17**
Quality of Life Committee – 8/19
Governing Body – 8/26

FROM: **Richard Brown, Director - Office of Economic Development** RB

ITEMS: **REQUEST FOR APPROVAL OF AMENDMENT # 1 TO THE LEASE AGREEMENT BETWEEN THE CITY OF SANTA FE AND THE FOOD DEPOT, INC.**

SUMMARY:

Since 2016, The Food Depot, Inc. has been leasing land from the City of Santa Fe. Their Board of Directors is considering a solar project with Affordable Solar. An amendment to their lease would provide the ability to meet their solar company's agreement while staying in compliance with City of Santa Fe lease terms.

The City lease has the following areas of conflict with their Affordable Solar Agreement

First, the Term of the Lease did not match the term of the Affordable Solar Agreement, so an amendment to Section 4, "Lease Term" which does not change the full term allowed by the lease when the initial term and optional terms are added together:

- The City lease w/o options is for 20 years and it was signed in 2016 or ends in 2036:
  - *If an option is exercised then the lease would go until 2046*
  - *Finally, if the 2nd option was exercised the lease would go to 2056*
- To take advantage of the Federal Tax Credit (26%), they would like to sign an Affordable Solar Agreement by 2020, which requires the following provisions:
  - *25 year agreement starting in 2020, plus an additional 5 years; the agreement would run until 2045*
  - *If the extension on the agreement was exercised, then 2045, plus an additional five (5) years, it would go until 2050*

- The amendment to Section 4 allows the 40 year term to be broken into an initial term of 29 years and an 11 year optional term. This allows for the full term of the Affordable Solar Agreement to coincide with the lease term.

Second, the ownership of the improvements is in conflict with the Affordable Solar Agreement, so an amendment to Section 5 "Use of Premises was required for the following reasons:

- The current lease only allowed for the Lessee to own the improvements during the term of the lease, not allowing for the Affordable Solar Agreement. The terms of the Affordable Solar Agreement make it possible for the Food Depot to afford the solar installation, but without having to take ownership of the improvements at the time of installation.
- The amendment of the lease focuses on the improvements at the time of the end of the lease rather than during the term, so that the improvements are either removed or given to the City at the end of the term.

RECOMMENDED ACTION:

To facilitate the improvements to the leased building and rectify the concerns addressed with the current lease to enter into a sub-lease with Affordable Solar, the City staff recommends the Finance Committee, Quality of Life Committee and Governing Body approval of Amendment #1 to the Lease Agreement between the City of Santa Fe and the Food Depot, Inc.

Attachments:

- Proposed Amendment 1 to the City of Santa Fe and Food Depot Inc., Lease Agreement
- Item # 16-0725 Lease Agreement between the City of Santa Fe and Food Depot, Inc.

CITY OF SANTA FE
AMENDMENT # 1 TO
THE LEASE AGREEMENT BETWEEN THE CITY OF SANTA FE AND THE FOOD DEPOT, INC.

This Amendment No. 1 (the "Amendment") is an amendment to the City of Santa Fe Lease Agreement ("Lease"), Item # 16-0725, dated July 29, 2016, between the CITY OF SANTA FE, New Mexico ("City", "Lessor") and THE FOOD DEPOT, INC., a New Mexico nonprofit corporation ("Lessee") (collectively the "Parties") shall be effective on _____, 2020.

RECITALS:

A. The Lessor and Lessee are parties to the Lease under which the Lessee leases Lessor-owned real property, to use, occupy, and develop, subject to the terms and conditions of the Item #16-0725 Lease Agreement, a certain parcel of land known as "Lease Parcel B" consisting of 1.643 acres of land located at 1222-A Siler Road, Santa Fe, New Mexico lying and being situate within a portion of Tract 2 as shown on a "Plat of Survey" for the City of Santa Fe "City Yards", prepared by Richard E. Smith, PS No. 5837 in February 1984 and having his Project No. 2411, recorded in the records of Santa Fe County, New Mexico as Document No. 553116 on October 16, 1984 in Plat Book 146, Page 007 (the Premises), as shown on Exhibit A of the Item #16-0725 Lease Agreement. Lessee currently owns a building known as the "Food Depot Building' along with associated site improvements upon the Premises.

B. Lessee would like to enter into an Agreement with Solar Photovoltaic System Power to place a Solar Photovoltaic (PV) system on the Food Depot Building, which may include: solar panels; a tracking system; inverters; generator offtake leads or wires; a metering device; and digital monitoring equipment connected to the meter to allow for internet tracking and monitoring of system performance basics. The goal of the Solar PV system is to make the building energy efficient and to save the Lessee money so they may direct more money towards its mission.

C. The Parties to the Lease wish to modify their existing Lease Agreement to allow for the installation of the Solar PV system.

D. The Parties wish to solely modify Sections 4 and 5 of the Agreement and to keep all remaining Sections of the Agreement intact.

WITNESSETH:

In consideration of Lessee's promises herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree that the Lease be amended as follows.

AMENDMENT:

1. Amendment to Section 4, "Lease Term," which removes and replaces Section 4 with the following:

The term of this Lease Agreement shall commence at 12:00 a.m. on the Effective Date. The term of this Lease Agreement shall consist of an "Initial Term", which began on August 1, 2016 (Effective Date), for a period of Twenty-Nine (29) years with One (1) "Optional Additional Term" of Eleven (11) years. Initial Term and any Optional Additional Terms are hereinafter referred to collectively as the "Term".

Lessee's exercise of the Optional Additional Term is contingent upon compliance with this Lease Agreement and with proper written notice made by Lessee to Lessor at least One Hundred and Eighty (180) days prior to the expiration of the Initial Term. In the event Lessee remains in possession of the Premises after the expiration of the Term of this Lease Agreement, such possession may, at the sole option of Lessor, be continued as a month-to-month tenancy. During any such month-to-month tenancy, the Rent due shall be prorated and payable on a monthly basis, and Lessor may terminate the month-to-month tenancy with Thirty (30) days written notice to Lessee. The terms and conditions of the Lease Agreement shall be otherwise applicable.

2. Amendment to Section 5, "Use of Premises," of the Lease.

A. By this Amendment, Section 5 (C), "Ownership of Improvements," of the Lease is hereby removed and replaced with the following:

C. Ownership of Improvements. Lessee shall own any improvements that the Lessee or its Sublessee(s) hereafter place, or cause to be placed, on the Premises during the Term of this Lease Agreement, unless the Parties agree otherwise in writing. With regard to improvements, which include a Solar PV system and any renewable energy certificates (RECs) as defined by NMSA 1978, sec. 62-16-3(G)(2019) as it may be amended, Lessee may enter into a lease purchase agreement for such improvements, but upon termination of this Lease, the Solar PV system and any RECs must be owned by Lessee to be passed to Lessor, or must be removed if not owned by Lessee. Upon termination of this Lease Agreement, title to any and all such improvements shall pass to Lessor.

Except as specifically provided in this Amendment #1, the Agreement remains and shall remain in full force and effect, in accordance with its term.

IN WITNESS WHEREOF, the parties have executed this Amendment #1 as of this _____ day of _____, 2020.

LESSOR:
CITY OF SANTA FE

_____
ALAN WEBBER, MAYOR

APPROVED AS TO FORM FOR LEGAL SUFFICIENCY:

/s/ Andréa Salazar for
ERIN K. MCSHERRY, CITY ATTORNEY

APPROVED AT TO FINANCE:

_____
MARY T. MCCOY, FINANCE DIRECTOR

ATTEST:

_____
YOLANDA Y. VIGIL, CITY CLERK

LESSEE:
THE FOOD DEPOT, INC.

_____
DAVID BARTON, PRESIDENT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

The foregoing instrument was acknowledged before me this _____ day of _____ 2020, by DAVID BARTON, the President of THE FOOD DEPOT, INC., New Mexico nonprofit corporation.

_____
Notary Public

My commission expires:

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 02/13/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Daniels Insurance, Inc.-Santa Fe 805 St. Michaels Drive Santa Fe NM 87505	CONTACT NAME: Ed Risley PHONE (A/C, No, Ext): (505) 982-4302 FAX (A/C, No): (505) 989-9186 E-MAIL ADDRESS: erisley@danielsinsuranceinc.com
INSURED (505) 471-1633 Food Depot, Inc. 1222A Siler Road Santa Fe NM 87507	INSURER(S) AFFORDING COVERAGE — NAIC # INSURER A : Cincinnati Insurance Companies INSURER B : New Mexico Assurance Company — 13675 INSURER C : United States Liability Insura — 25895 INSURER D : INSURER E : INSURER F :

COVERAGES **CERTIFICATE NUMBER:** Cert ID 26930 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE	$ 1,000,000
	[ ] CLAIMS-MADE [X] OCCUR			EPP 0214646	10/12/2019	10/12/2020	DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 500,000
							MED EXP (Any one person)	$ 10,000
							PERSONAL & ADV INJURY	$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$ 2,000,000
	X POLICY [ ] PRO-JECT [ ] LOC						PRODUCTS - COMP/OP AGG	$ 2,000,000
	OTHER:						Empl Benefits Liab	$ 1M/3M
A	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$ 1,000,000
	X ANY AUTO			EPP 0214646	10/12/2019	10/12/2020	BODILY INJURY (Per person)	$
	[ ] OWNED AUTOS ONLY [ ] SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	[ ] HIRED AUTOS ONLY [ ] NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
A	X UMBRELLA LIAB X OCCUR			EPP 0214646	10/12/2019	10/12/2020	EACH OCCURRENCE	$ 1,000,000
	[ ] EXCESS LIAB [ ] CLAIMS-MADE						AGGREGATE	$ 1,000,000
	[ ] DED X RETENTION $ none							$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N			20870.122	10/13/2019	10/13/2020	X PER STATUTE [ ] OTH-ER	
	ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? [ ] (Mandatory in NH)	N / A					E.L. EACH ACCIDENT	$ 100,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$ 100,000
							E.L. DISEASE - POLICY LIMIT	$ 500,000
C	Directors and Officers			NDO1559745B	09/20/2019	10/13/2020	Limit	$ 1,000,000
C	Employment Practices Liab			NDO1559745B	09/20/2019	10/13/2020	Limit	$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

General liability policy contain a Blanket Additional Insured provision that establishes the scope of Additional Insured coverage granted to the Certificate Holder. Where permitted by state law, and per a Blanket Waiver of Subrogation Endorsement, the Insurer waives its right to subrogate against the Certificate Holder by reason of payments made under the General liability policy but only under the circumstances stated in the policies.

CERTIFICATE HOLDER

City of Santa Fe
Community Services Department
200 Lincoln Ave Room 122

Santa Fe NM 87501

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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City of Santa Fe
Treasury Department
200 Lincoln Ave.
Santa Fe, New Mexico 87504-0909
505-955-6551

BUSINESS REGISTRATION

Business Name: THE FOOD DEPOT
DBA: THE FOOD DEPOT

Business Location: 1222 SILER RD
SANTA FE, NM 87505

Owner: JUDITH SCARVIE

License Number: 225105

Issued Date: February 10, 2020

Expiration Date: December 31, 2020

License Type: Business License - Renewable

Classification: Business Registration - Food Sales

Fees Paid: $35.00

THE FOOD DEPOT
1222 SILER RD A
SANTA FE , NM 87505

THIS IS NOT A CONSTRUCTION PERMIT OR SIGN PERMIT. APPROPRIATE PERMITS MUST BE OBTAINED FROM THE CITY OF SANTA FE BUILDING PERMIT DIVISION PRIOR TO COMMENCEMENT OF ANY CONSTRUCTION OR THE INSTALLATION OF ANY EXTERIOR SIGN.

THIS REGISTRATION/LICENSE IS NOT TRANSFERRABLE TO OTHER BUSINESSES OR PREMISES.

TO BE POSTED IN A CONSPICUOUS PLACE

Ver. 15 1/3/2020

ITEM # 16-0725

LEASE AGREEMENT
BETWEEN
THE CITY OF SANTA FE AND THE FOOD DEPOT, INC.

This LEASE AGREEMENT (Lease Agreement) is made and entered into this 29TH day of JULY, 2016 by and between the CITY OF SANTA FE, a municipal corporation (City or Lessor) and THE FOOD DEPOT, INC., a New Mexico nonprofit corporation (Lessee), collectively the "Parties".

WHEREAS, the City intends to make a determination that The Food Depot, Inc., as intended Lessee, qualifies under the procurement code as the sole source for providing Services through programs and activities upon the Premises, as described in Article 5.A of this Lease Agreement.

WITNESSETH:

In consideration of the Lessee's promises herein, Lessor hereby gives Lessee a Lease Agreement, revocable and terminable as hereinafter provided, to enter on, make use of, and develop the real property of Lessor as follows:

1. PRIOR AGREEMENTS

The Parties agree that this Lease Agreement replaces in its entirety the previous Lease Agreement between the City and The Food Depot and Kitchen Angels, Inc. entitled "LEASE AGREEMENT" dated February 9, 2000 (City Item #00-0039) and the amendment to the previous Lease Agreement entitled "REVISED AMENDMENT NO. 1 TO THE LEASE AGREEMENT BETWEEN THE CITY OF SANTA FE AND THE KITCHEN ANGELS AND THE FOOD DEPOT" dated October 16, 2009 (City Item #09-0991).

2. PREMISES

Lessor allows Lessee to use, occupy, and develop, subject to the terms and conditions of this Lease Agreement, a certain parcel of land known as "Lease Parcel B" consisting of 1.643 acres of land located at 1222-A Siler Road, Santa Fe, New Mexico lying and being situate within a portion of Tract 2 as shown on a "Plat of Survey" for the City of Santa Fe "City Yards", prepared by Richard E. Smith, PS No. 5837 in February 1984 and having his Project No. 2411, recorded in the records of Santa Fe County, New Mexico as Document No. 553116 on October 16, 1984 in Plat Book 146, Page 007 (the Premises), as shown on **Exhibit A** of this Lease Agreement.

Lessee currently owns a building known as the "Food Depot Building" along with associated site improvements upon the Premises. Lessee accepts the Premises in its present state and agrees that it is in good condition, without any representation or warranty by Lessor as to the condition of the Premises.

3. EFFECTIVE DATE

This Lease Agreement shall become effective August 1, 2016 (the Effective Date).

4. LEASE TERM

The term of this Lease Agreement shall commence at 12:00 a.m. on the Effective Date. The term of this Lease Agreement shall consist of an "Initial Term" of twenty years (20) years with two (2) "Optional Additional Terms" of ten (10) years each. The Initial Term and any Optional Additional Terms are hereinafter referred to collectively as the "Term".

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Lessee's exercise of any Optional Additional Term is contingent upon compliance with this Lease Agreement and with proper written notice by Lessee to Lessor at least one hundred eighty (180) days prior to the expiration of the Initial Term or any Optional Additional Term. In the event Lessee remains in possession of the Premises after the expiration of the Term of this Lease Agreement, such possession may, at the sole option of Lessor, be continued as a month-to-month tenancy. During any such month-to-month tenancy, the Rent due shall be prorated and payable on a monthly basis, and the terms and conditions of the Lease Agreement shall be otherwise applicable.

5. USE OF PREMISES

A. Provision of Specific Services. Lessee shall use and develop the Premises, and/or cause the Premises to be used and developed, solely for the specific purpose of providing services to the residents of the City and County of Santa Fe by collecting food and related products through collaborative relationships with the food industry, governments, other food banks, and the community; distributing collections through a network of charitable food providers to feed those who are experiencing hunger; providing support for numerous partner nonprofit programs by providing resources and educational opportunities to both agency representatives and their clients; and conducting activities directly related to these services (the Services). Lessee agrees to actively use and develop the Premises, and/or cause the Premises to be actively used and developed, to deliver the above Services. The Services provided by Lessee may be modified from time to time by written agreement of the Parties to account for changes in community needs, changes in Lessee's and/or Lessee's Sublessee's capacities to provide new or different services, or other similar changes attributable to the passage of time.

B. Development of the Premises. Lessee may, with the prior written consent of Lessor and at no cost to Lessor, develop the Premises as it deems necessary in furtherance of the intended use of the Premises as provided in Section 5.A above. For the purposes of this Lease Agreement, development shall include: (i) construction of new buildings, structures or site improvements; and/or (ii) improvements or alterations to the existing Premises.

C. Ownership of Improvements. Lessee shall own any improvements that the Lessee or its Sublessee(s) hereafter place, or cause to be placed, on the Premises during the Term of this Lease Agreement, unless the Parties agree otherwise in writing. Upon termination of this Lease Agreement, title to any and all such improvements shall pass to Lessor.

D. Trade Fixtures. All trade fixtures installed by Lessee after the Effective Date of this Lease Agreement shall remain the property of Lessee, who may remove the same upon termination of this Lease Agreement, provided that removal shall be done in such a manner as not to injure or damage the Premises.

In the event that Lessee fails to remove the trade fixtures, Lessor may require Lessee to remove the same. In the event that Lessee fails to remove said trade fixtures after receipt of notice from Lessor, Lessor may remove and dispose of the same as it sees fit and Lessee agrees to sell, assign, transfer and set over to Lessor all of Lessee's right, title and interest in and to said trade fixtures and any personal property not removed by Lessee. Lessee further agrees that should Lessor remove said trade fixtures pursuant to this paragraph, that Lessee shall pay Lessor upon demand the cost of such removal, plus the cost of transportation and disposal thereof.

E. Repairs and Maintenance. Lessee shall not cause or permit any waste, damage or injury to the Premises or to any improvements made to the Premises. Lessee shall, at its sole

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expense, keep and maintain the Premises in good and clean condition at all times and shall be responsible for the costs of any and all required repairs and replacements that arise during the Term of this Lease Agreement.

In the event Lessee fails to maintain the Premises at a standard acceptable to the Lessor as determined in Lessor's sole discretion, Lessor may terminate this Lease Agreement, in accordance with Section 14 herein.

F. Compliance with Laws. Use of the Premises shall at all times be in compliance with the City of Santa Fe Municipal Code and other applicable local, state and federal regulations including but not limited to compliance with the City of Santa Fe Integrated Pest Management Policy (§10-7 SFCC 1987) (the Pest Management Policy).

6. SUBLEASE

A. Lessee's Right to Sublease. In furtherance of Lessee's use and development of the Premises pursuant to Section 5 of this Lease Agreement, with the prior written consent of the Lessor, Lessee may sublease portions of the Premises to other not-for-profit organizations, community groups, or governmental entities (each hereinafter a Sublessee) that provide Services. Lessee shall be the "Sublessor" to any Sublessee(s) of the Premises. Lessee shall include a provision in all subleases that the subtenant shall attorn to Lessor as landlord upon termination or expiration of this Lease Agreement. Lessee shall provide copies of all Sublease agreements to Lessor upon request.

7. RENT

Rent shall be paid as follows:

A. Rent during Initial Term. During the Term of and in consideration of this Lease Agreement and the demise of the Premises by Lessor to Lessee, Lessee hereby agrees and covenants with Lessor to pay for said Premises the annual fair market rent (the Rent) as established by a real estate appraisal prepared by an MAI-certified appraiser licensed by the State of New Mexico (the 2016 Appraisal), to be provided for Lessor's approval by and at Lessee's sole expense within sixty (60) days after the Effective Date of this Lease Agreement. Rent during the Initial Term shall be subject to increases in accordance with Section 7.C below.

The Parties agree that Lessee may use and occupy the Premises beginning on the Effective Date provided that at the time Rent is established by the approved 2016 Appraisal, the Rent will be applied retroactively to the Effective Date.

B. Rent during any Optional Additional Term(s). The Rent for any Optional Additional Term(s) of this Lease Agreement shall be established by a real estate appraisal prepared by an MAI-certified appraiser licensed by the State of New Mexico to be provided and paid for by Lessee for Lessor's approval at least forty-five (45) days prior to the commencement of any such Optional Additional Term(s). In no case shall the Rent for any Optional Additional Term(s) be less than the Rent during the last year of the previous term plus two and one-half percent (2.5%). Rent during any Optional Additional Term(s) shall be subject to increases in accordance with Section 7.C below.

C. Increases in Rent. Rent shall be adjusted every five (5) years during the Term of this Lease Agreement, beginning on August 1, 2021. At each time of adjustment the Rent shall be increased by an amount calculated by multiplying the previous year's Rent by twelve and one-half percent (12.5%).

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D. Provision of Services to Offset Monetary Rent. During the Term of and in consideration of this Lease Agreement, Lessee may offset the monetary Rent due by providing to the residents of the City and County of Santa Fe the Services described in Section 5 of this Lease Agreement. In addition, Lessee shall permit its Sublessee(s) to provide such Services in lieu of or in addition to monetary Rent and to the extent that it does so, Lessee may apply the value of such Services to the Rent due by Lessee hereunder. The monetary value of the Services provided by Lessee during any lease year shall meet or exceed the Rent due for that lease year.

E. Annual Service Value Statement. Beginning on September 1, 2017 and on September 1 of each subsequent lease year during the Term of this Lease Agreement, Lessee shall submit to Lessor a statement (the Annual Service Value Statement) itemizing each type and corresponding monetary value of Services delivered during the prior lease year and the amount of Services that it proposes to credit toward Rent due, and containing a statement from an independent third-party auditor that the provision of Services for the prior lease year has met the requirements of this Section 7. Lessor may adopt a required form for the Annual Service Value Statement and such adopted form may be modified from time to time by Lessor.

F. Exclusions. Lessee shall exclude from the value of any Services that it proposes to credit toward Rent the amount of any governmental subsidy and other payment for Services received by Lessee for providing such Services and the amount paid by Service recipients to receive the Services.

G. Review by Lessor. Lessor shall evaluate Lessee's Annual Service Value Statement and provide a written acceptance or rejection of the Annual Service Value Statement to Lessee. Lessee may request that Lessor review the methodology that Lessee intends to use to prepare the Annual Service Value Statement prior to its submission to Lessor. Lessor may, in its sole discretion, request any such additional information and documentation as it deems necessary to evaluate any Annual Service Value Statement. Lessee's failure to provide such requested information within forty-five (45) days of Lessor's request is cause for Lessor's termination of this Lease Agreement. Lessor's determination regarding the monetary value of Services shall be final and binding and not subject to challenge by Lessee in any forum.

Notwithstanding anything in this Section 7 to the contrary, Lessor's failure provide written acceptance or rejection of the Annual Service Value Statement or to request additional information and documentation from the Lessee within forty-five (45) days of Lessor's receipt of any Annual Service Value Statement shall be deemed to be acceptance of such Annual Service Value Statement by Lessor.

H. Rent Shortfalls. Should the monetary value of the Services in any year not equal or exceed the Rent due in that year (a Rent Shortfall), then Lessee shall pay to Lessor the amount of the Rent Shortfall in monetary Rent. Notwithstanding anything to the contrary in the foregoing sentence, Lessor may agree to allow Lessee to provide within a reasonable amount of time additional Services to offset any Rent Shortfall, and in such event the Parties agree to negotiate in good faith to determine the nature, extent, and schedule for provision of such additional Services.

I. No Compensation by Lessor. In no event shall Lessor be required at any time, including at the end of the Lease Term, to compensate Lessee in any way for any excess Services. In the event of the termination of this Lease Agreement prior to the end of the Term, for any cause, Lessee shall forfeit any excess Services not applied to Rent.

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8. UTILITIES

Beginning on the Effective Date and until the termination of this Lease Agreement, the costs of any and all natural gas, electricity, telephone, cable or satellite television, internet or wireless, or security alarm services and any and all domestic or irrigation water, sanitary sewer, and solid waste collection fees shall be paid by Lessee. Lessee may assess and collect from its Sublessees portions of the above costs on a pro rata basis as Lessee deems necessary.

9. TAXES

Lessee shall pay all taxes levied and assessed, if any, upon any personal property, buildings, fixtures and improvements belonging to Lessee and located upon the demised premises, and all leasehold and possessory interest taxes levied or assessed by any proper taxing authority.

10. ASSIGNMENT OR TRANSFER

Lessee shall not assign or otherwise transfer this Lease Agreement, without the prior written consent of the Lessor. Any such actions taken by Lessee shall result in the immediate termination of this Lease Agreement.

11. INSURANCE

Lessee shall at all times maintain and provide adequate insurance coverage which includes, without limitation, each of the following:

A. Casualty Insurance. Lessee shall carry and maintain in full force and effect during the term of this Lease Agreement casualty insurance ("extended coverage" and "additional extended coverage") as may be available for all improvements to the Premises in an amount sufficient to restore and replace existing structures and improvements if lost or damaged by any form of casualty. Lessee shall cause the City of Santa Fe to be named as an additional insured on such policy of insurance.

B. Liability Insurance. Lessee shall carry and maintain in full force and effect during the term of this Lease Agreement, public liability insurance covering bodily injury and property damage, in a form and with an insurance company acceptable to Lessor, with limits of coverage not less than as stated in the New Mexico Tort Claims Act for each person injured and for each accident resulting in damage to property, against all claims and lawsuits arising from Lessee's use of the Premises. Lessee shall cause the City of Santa Fe to be named as an additional insured on such policy of insurance.

C. Certificates of Insurance. Within ten (10) days of the Effective Date of this Lease Agreement, and thereafter at any time during the Term of this Lease Agreement that Lessor requests, Lessee shall provide Lessor with certificates of insurance for each policy evidencing that the coverage required hereunder is current. Such policy shall provide that the coverage evidenced thereby shall not be terminated or modified for any reason without thirty (30) days prior written notice to the Lessor. A certificate or policy which states that failure to give such notice imposes no obligation on the part of the insurer shall be unacceptable to Lessor, and Lessee shall be responsible for removing such language from such certificate or policy.

D. Sublease Agreements. Lessee shall cause any and all Sublease agreements, or other agreements related to use, occupation, or development of the Premises, that Lessee enters into to contain language that requires the City of Santa Fe to be named as an additional insured on such

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policies of insurance as provided in this Section 11.

12. INDEMNIFICATION

Lessee shall indemnify, hold harmless and defend Lessor, its agents, officers, and employees against all losses, damages, claims or judgments, including payment of all attorney's fees and costs, on account of any suit, judgment, execution, claim, action or demand whatsoever arising from Lessee's use of the Premises hereunder, including use of the Premises by Lessee's employees, agents, representatives, Sublessees, tenants, contractors, agents, guests, invitees or permitted assigns. Lessee shall cause any and all agreements that Lessee enters into with any of the above parties to contain language indemnifying the Lessor as provided in this Section.

13. EASEMENTS

A. Lessor's Right to Grant Easements. Lessor reserves the exclusive right to grant access, utility or other easements on or through the Premises. Lessor shall notify Lessee in writing prior to Lessor's grant of any easement through the Premises.

B. Reciprocal Easements – Lessor's Adjacent Lease Parcel. Notwithstanding Section 13.A above, Lessor hereby acknowledges and consents to the "RECIPROCAL GRANT OF EASEMENTS" between Lessee and the lessee of Lessor's adjacent "Lease Parcel A" effective June 20, 2016 (the Reciprocal Easements Agreement) attached hereto as **Exhibit B**. The Parties agree that the Reciprocal Easements Agreement shall not be terminated or amended during the Term of this Lease Agreement without the prior written consent of Lessor.

14. TERMINATION BY LESSOR

Lessor may terminate this Lease Agreement upon Lessee's failure to comply with any provisions contained herein. Prior to termination, Lessor shall hand deliver or mail notice to Lessee via certified or registered mail specifying:

A. the breach;

B. the action required to cure the breach;

C. a date, not less than fifteen (15) days from the date the notice is hand delivered or mailed to Lessee, by which such breach must be cured; and

D. that failure to cure such breach on or before the date specified in the notice will result in termination of the Lease Agreement.

15. NOTICE

Any required notice will be deemed delivered, given and received (i) when personally hand delivered, or (ii) five days after the same are deposited in the United States mail, postage prepaid, registered, addressed to the applicable party at the address indicated below for such party, or at such other address as may be designated by either party in a written notice to the other party:

To Lessor:
City Manager
City of Santa Fe
P. O. Box 909
Santa Fe, NM 87504-0909

To Lessee:
Executive Director
The Food Depot, Inc.
1222-A Siler Road
Santa Fe, NM 87507

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16. NO WAIVER

No waiver of a breach of any of the provisions contained in this Lease Agreement shall be construed to be a waiver of any succeeding breach of the same or any other provisions.

17. SEVERABILITY

In the event that one or more of the provisions contained in this Lease Agreement or any application thereof shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and any other application thereof shall not in any way be affected or impaired thereby.

18. ENTIRE AGREEMENT

The foregoing constitutes the entire Lease Agreement between the Parties, represents their entire understanding, and defines all of their respective rights, title and interests as well as all of their duties, responsibilities and obligations. Any and all prior agreements and understandings between the Parties related to the Premises, if any, are merged herein. This Lease Agreement shall not be modified or amended except by a written document signed by the Parties hereto.

19. BINDING EFFECT

This Lease Agreement shall be binding upon and insure to the benefit of the Parties hereto and their respective successors and permitted assigns.

20. LITIGATION EXPENSE

In the event of litigation between the Parties or litigation between Lessee and its Sublessees in which Lessor is named, Lessee shall pay any necessary costs, including reasonable attorney's fees, expenses and other costs of collection or otherwise, which Lessor shall incur in enforcing this Lease Agreement or in recovering any and all damages caused to the Premises by Lessee, or Lessee's Sublessees, contractors, agents, employees or permitted assigns.

21. RECORDING

This Lease Agreement shall be recorded in its entirety. Lessee shall bear all costs for recording of the Lease Agreement and any other associated costs.

22. HEADINGS

The section headings contained in this Lease Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Lease Agreement.

[REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY]

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

SFC CLERK RECORDED 08/12/2019

IN WITNESS WHEREOF, the Parties have hereunto set their hands and seals as of this 29TH day of JULY, 2016.

CITY OF SANTA FE

JAVIER M. GONZALES, MAYOR

ATTEST:

YOLANDA Y. VIGIL, CITY CLERK ccmtg 7/27/16

APPROVED AS TO FORM:

KELLEY A. BRENNAN, CITY ATTORNEY

APPROVED:

OSCAR S. RODRIGUEZ, FINANCE DIRECTOR

BUSINESS UNIT/LINE ITEM: 21117.460150

THE FOOD DEPOT, INC.

JILL RHYMES, M.D., PRESIDENT

ACKNOWLEDGEMENT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

The foregoing instrument was acknowledged before me this 29th day of July 2016, by Jill Rhymes, M.D., President of the Board of Directors of The Food Depot, Inc., a New Mexico non-profit corporation.

Anne G. Padilla
NOTARY PUBLIC

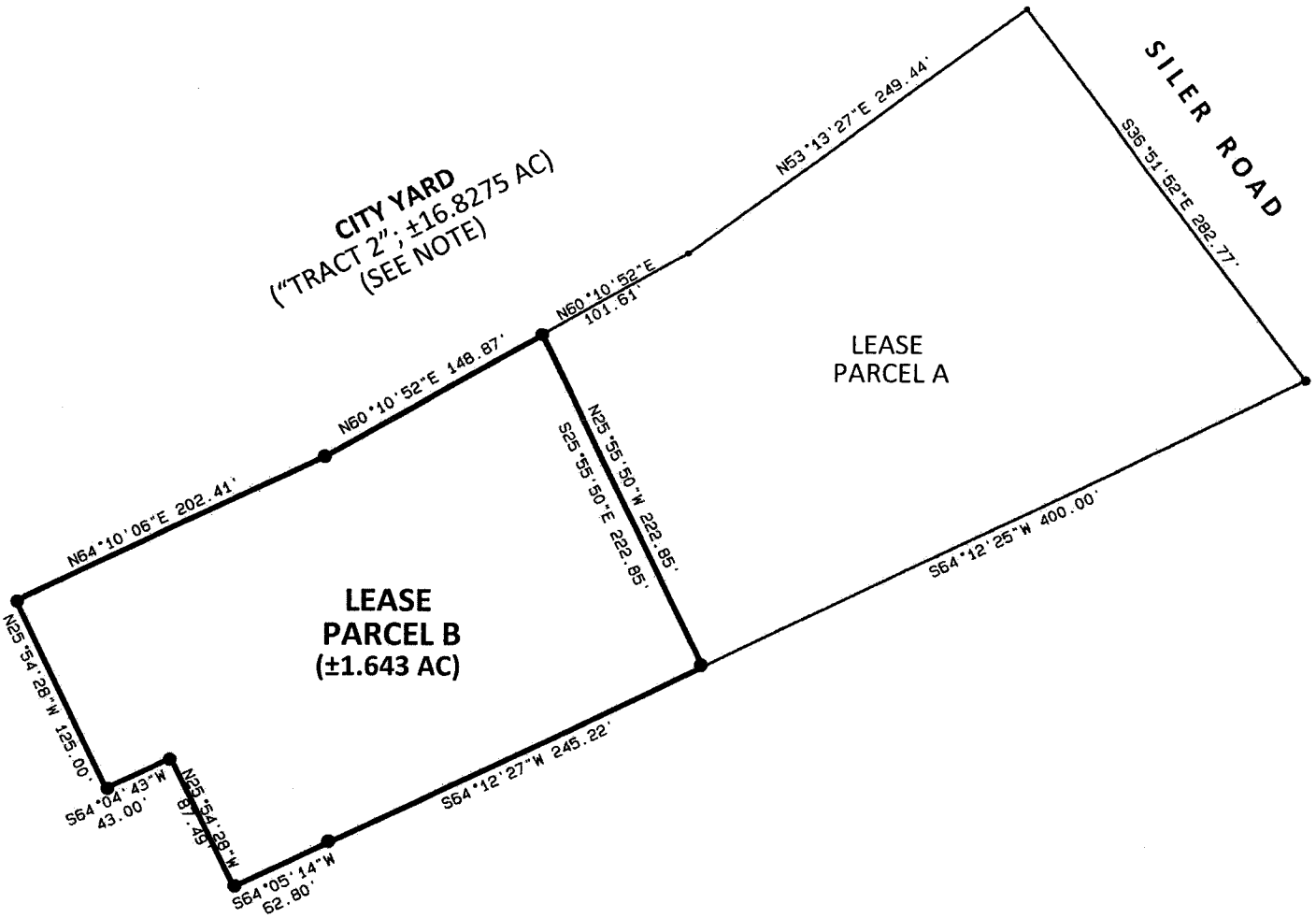
My Commission Expires: 8-11-2019

(Seal)

OFFICIAL SEAL
ANNE G. PADILLA
NOTARY PUBLIC-State of New Mexico
My Commission Expires 8-11-2019

SFC CLERK RECORDED 08/12/2016

EXHIBIT A



*__NOTE__: "TRACT 2" AS SHOWN ON A "PLAT OF SURVEY" FOR THE CITY OF SANTA FE "CITY YARDS", PREPARED BY RICHARD E. SMITH, PS NO. 5837 IN FEBRUARY 1984 AND HAVING HIS PROJECT NO. 2411, RECORDED IN THE RECORDS OF SANTA FE COUNTY, NEW MEXICO AS DOCUMENT NO. 553116 ON OCTOBER 16, 1984 IN PLAT BOOK 146, PAGE 007.

SFC CLERK RECORDED 08/12/2016

EXHIBIT B

LEASE AGREEMENT
PAGES: 12

COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

I Hereby Certify That This Instrument Was Filed for
Record On The 12TH Day Of August, 2016 at 01:09:23 PM
And Was Duly Recorded as Instrument # 1801338
Of The Records Of Santa Fe County

Witness My Hand And Seal Of Office
Geraldine Salazar
Deputy Veronica Duran County Clerk, Santa Fe, NM

RECIPROCAL EASEMENTS AGREEMENT

SFC CLERK RECORDED 08/12/2016

RECIPROCAL GRANT OF EASEMENTS

THIS AGREEMENT is made effective as of June 20, 2016, between The Food Depot ("Depot") and Kitchen Angels ("Angels"), each a New Mexico nonprofit corporation. In consideration of the mutual promises set out below, Seller and Purchaser agree as follows:

1. Relations between the Parties. Depot and Angels were co-tenants of Parcel A, located at 1222 Siler Road, Santa Fe, New Mexico and shown on Exhibit A, under a Lease Agreement from the City of Santa Fe, New Mexico, Lease Agreement dated February 9, 2000, as amended. There is a building on Parcel A which is known as the Coll-Green Angel Depot. Depot has sold is interest in that building to Angels. Depot is the tenant of Parcel B as shown on Exhibit D under a Lease Agreement from the City of Santa Fe dated 1 August 2016. Parcel B is located west of Parcel A and does not have direct access to Siler Road or other public street. The parties each make use of the paved area between their buildings, as shown on Exhibit E and wish to confirm their understandings and agreements with respect to access, parking and other matters, as set out in this Agreement.

2. Angels grants to Depot an easement for ingress to and egress from Parcel B over the area on either side (north and south) of the Coll-Green Angel Depot building. Depot shall use this easement only for ingress and egress by its employees and invitees and shall not obstruct the easement area by parking or otherwise. Depot shall not use the area in front of the Coll-Green Angel Depot building, fronting on Siler Road, for parking or other purposes without the express prior consent of Angels.

3. Each party grants to the other party an easement over the vacant space between the building on Parcel A and the building on Parcel B for access to its own loading dock.

4. Neither party shall obstruct the other party's access to its own building or the parking spaces for that building.

5. The parties will share equally in the cost of snow removal from and maintenance of the areas on either side of the Coll-Green Angel Depot building and the vacant area between the buildings, based on the square footage of those areas. Maintenance includes but is not limited to resealing, painting and striping, and repaving, as and when mutually agreed, and any other improvements, such as gates and lighting, as may be mutually agreed.

SFC CLERK RECORDED 08/12/2016

6. Each party will add the areas it is permitted to use under this Agreement to the insured premises under its commercial liability insurance policy and shall cause its insurer to name the other party as an additional insured under its policy with respect to the areas it is permitted to use under this Agreement.

7. The terms of this Agreement shall not be affected by the removal of Depot as a co-tenant of Parcel A.

IN WITNESS WHEREOF, the parties have executed this Agreement.

Kitchen Angels

6-20-16
Date

The Food Depot

6-20-16
Date

STATE OF NEW MEXICO)
) ss:
COUNTY OF SANTA FE)

The foregoing instrument was acknowledged before me on June 20, 2016, by James Brack, the Vice President of Kitchen Angels, a New Mexico nonprofit corporation, on its behalf.

OFFICIAL SEAL
SARAH WILLIAMS TAYLOR
NOTARY PUBLIC-State of New Mexico
My Commission Expires 8-4-16

Sarah Williams Taylor
Notary Public

[seal]

STATE OF NEW MEXICO)
) ss:
COUNTY OF SANTA FE)

The foregoing instrument was acknowledged before me on June 20, 2016, by Sherry F. Hooper, the Exec. Director of The Food Depot, a New Mexico nonprofit corporation, on its behalf.

OFFICIAL SEAL
SARAH WILLIAMS TAYLOR
NOTARY PUBLIC-State of New Mexico
My Commission Expires 8-4-16

Sarah Williams Taylor
Notary Public

[seal]

SFC CLERK RECORDED 08/12/2016

GB ECON The_Food_Depot_Packet_Amendment 20Aug2020

Final Audit Report 2020-08-25

Created:	2020-08-20
By:	YODEL CATANACH (yocatanach@ci.santa-fe.nm.us)
Status:	Signed
Transaction ID:	CBJCHBCAABAAIY8Qh9Ee5GLEgtCgWhEmQ9t91abN0Ozr

"GB ECON The_Food_Depot_Packet_Amendment 20Aug2020" History

Document created by YODEL CATANACH (yocatanach@ci.santa-fe.nm.us)
2020-08-20 - 8:07:41 PM GMT- IP address: 63.232.20.2

Document emailed to Alexis Lotero (aclotero@santafenm.gov) for signature
2020-08-20 - 8:18:08 PM GMT

Email viewed by Alexis Lotero (aclotero@santafenm.gov)
2020-08-25 - 8:26:44 PM GMT- IP address: 104.47.65.254

Document e-signed by Alexis Lotero (aclotero@santafenm.gov)
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2020-08-25 - 8:28:59 PM GMT

Email viewed by Fran Dunaway (fadunaway@santafenm.gov)
2020-08-25 - 9:24:00 PM GMT- IP address: 104.47.64.254

Document e-signed by Fran Dunaway (fadunaway@santafenm.gov)
Signature Date: 2020-08-25 - 9:25:19 PM GMT - Time Source: server- IP address: 63.232.20.2

Signed document emailed to Fran Dunaway (fadunaway@santafenm.gov), asalazar@santafenm.gov, Alexis Lotero (aclotero@santafenm.gov), jmsandoval@santafenm.gov, and 2 more
2020-08-25 - 9:25:19 PM GMT

ACTION SHEET
ITEM FROM QUALITY OF LIFE COMMITTEE MEETING OF 08/19/2020
FOR CITY COUNCIL MEETING OF 08/26/2020

ISSUE:
Consideration of Resolution No. 2020-__: A Resolution Supporting the Ninth Annual Neighbor to Neighbor Fund Drive. (Councilors Vigil Coppler and Cassutt-Sanchez) (Jesse Guillen, Legislative Liaison, jbguillen@santafenm.gov, 955-6518)

COMMITTEE REVIEW:
Quality of Life Committee (scheduled): 08/19/2020
Governing Body (scheduled): 08/26/2020

QUALITY OF LIFE COMMITTEE ACTION: approved on consent

SPECIAL CONDITIONS OR AMENDMENTS:

SEND TO:
Governing Body

VOTE	FOR	AGAINST	ABSTAIN
CHAIRPERSON ROMERO-WIRTH	X		
COUNCILOR VILLARREAL	X		
COUNCILOR RIVERA	X		
COUNCILOR GARCIA	X		
COUNCILOR CASSUTT-SANCHEZ	X		

City of Santa Fe New Mexico
Memorandum

Date: August 6, 2020

To: Quality of Life Committee, Governing Body

Via: Erin McSherry, City Attorney

From: Jesse Guillen, Legislative Liaison

RE: Food Depot Annual Fund Drive

ITEM AND ISSUE

Consideration of a Resolution supporting the ninth annual Neighbor to Neighbor Fund Drive, hosted by the Food Depot.

BACKGROUND AND SUMMARY

In previous years the Governing Body has supported the annual Neighbor to Neighbor Food Drive which collects donated food from over 100 neighborhoods. These donation provide over 200,000 meals for families throughout Northern New Mexico. Because of COVID-19, the Food Depot is unable to hold the food drive and is instead hosting a "fund drive" to solicit donations that will be used to purchase the food that would otherwise have been donated. In past years, City support has included the use of official vehicles to pick up and transport the donated food to the Food Depot. In the absence of a food drive, no City equipment or labor will be utilized this year.

ACTION REQUESTED

Adopt the Resolution as presented.

CITY OF SANTA FE, NEW MEXICO

RESOLUTION NO. 2020-__

INTRODUCED BY:

Councilor JoAnne Vigil Coppler

A RESOLUTION

SUPPORTING THE NINTH ANNUAL NEIGHBOR TO NEIGHBOR FUND DRIVE.

WHEREAS, according to Feeding America's "Map the Meal Gap", New Mexico consistently ranks as one of the worst states for food security; and

WHEREAS, the same study found that, in New Mexico, more than 320,000 people seek food assistance annually; and

WHEREAS, additionally, over 18,300 people live in poverty in Santa Fe County including over 5,900 children; and

WHEREAS, the study also found that in Santa Fe County, one in four children are affected by hunger; and

WHEREAS, research has demonstrated children who go without adequate healthy food cannot thrive nor learn well; and

WHEREAS, public and private partnerships can both feed children and improve the local agricultural economy; and

WHEREAS, it is the mission of The Food Depot to end hunger in Northern New Mexico;

and

WHEREAS, the Food Depot fulfills this goal through serving as the food bank for nine Northern New Mexico counties, providing food to more than 145 nonprofit agencies, including emergency food pantries, hot meal programs, homeless shelters, youth programs, senior centers, homes for the mentally disabled, and shelters for battered persons; and

WHEREAS, in 2019, the Food Depot distributed an average of 527,000 pounds of food each month, providing more than 439,000 meals to people in need, including the most vulnerable in our community; and

WHEREAS, more than just feeding people, The Food Depot is trying to help people change their lives; and

WHEREAS, every September since 2012, the neighborhoods in the Santa Fe area have participated in donating food to The Food Depot through an area-wide neighborhood association "Neighbor to Neighbor" Food Drive, in conj unction with the national "Hunger Action Month"; and

WHEREAS, this food drive has grown exponentially over the last eight years; and

WHEREAS, in 2017, 87 neighborhoods donated, in combination of pounds of food and monetary donations, a grand total of over 76 tons, or 152,297 pounds of food to the drive, thereby providing 126,914 meals for those in need; and

WHEREAS, in 2018, over 100 neighborhoods and businesses donated, in combination of pounds of food and monetary donations, a grand total of over 100 tons or 240,000 pounds of food to this drive, therefore providing over 200,000 meals for those in need; and

WHEREAS, the meals provided in 2018 to those in need are equivalent to nearly half of one month's distribution from The Food Depot, illustrating the importance of the Neighbor to Neighbor Food Drive to accomplishing the mission of the organization; and

WHEREAS, in 2019 , the Santa Fe community provided 364,290 pounds of food, equal to 303,575 meals for those in need; and

WHEREAS, the onset of the novel coronavirus pandemic has restricted the ability of the Food Depot to conduct the annual food drive in the traditional manner; and

WHEREAS, instead, the Food Depot will accept monetary donations in order to purchase food that will be distributed to needy families in northern New Mexico; and

WHEREAS, on Saturday, September 19, 2020, the neighborhood associations and communities of the Santa Fe area will again band together for the Ninth Annual Area-Wide "Neighbor to Neighbor Fund Drive" to benefit The Food Depot.

WHEREAS, the success of this program over the preceding eight years is evidence that the food drive will continue to be an annual event that neighborhood associations across the city look forward to participating in each year, with the encouragement and support of the City and its elected officials.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF SANTA FE that it supports and encourages the efforts of the eighth annual "Neighbor to Neighbor Fund Drive" on September 19, 2020.

PASSED, APPROVED, and ADOPTED this day ____ of _____, 2020.

_____

ALAN WEBBER, MAYOR

ATTEST:

_____

YOLANDA Y. VIGIL, CITY CLERK

APPROVED AS TO FORM:

ERIN K. McSHERRY, CITY ATTORNEY

Legislation/2020/Resolutions/Neighbor to Neighbor Fund Drive

FIR No. 3273

FISCAL IMPACT REPORT

General Information:

(Check) Bill: _____ Resolution: X

Short Title(s): **Neighbor to Neighbor Fund Drive**

Sponsor(s): Councilor Vigil Coppler

Revie wing Department(s): Legislative Services

Staff Completing FIR: Jesse Guillen Date: 8/6/20 Phone: 955-6518

Revie wed by City Attorney: _____ Date: Aug 12, 2020

Revie wed by Finance Director: _____ Date: Aug 13, 2020

Summary:
The proposed Resolution supports the ninth annual "food drive", which has become a "fund drive" as a result of the novel coronavirus pandemic. The Resolution expresses the Governing Body's support for the event and the work in reducing hunger that the Food Depot does throughout northern New Mexico.

Departments Affected:
None.

Consequences of Not Enacting Legislation:
The Governing Body will not express its support for the Food Depot's Fund Drive.

Conflict, Duplication, Companionship, or Relationship to Other Legislation:
None identified.

Performance and Administrative Implications:
In past years the City has donated vehicles and labor to pick up and deliver the food donations. Because there will not be a food drive, there will be no need for the use of City resources.

Fiscal Implications:
None.

Fiscal Impact

X Check here if no fiscal impact

Expenditures

Expenditure Type	FYE __	FYE __	FYE __	Require BAR (Y/N)	Recurring (R) o r Non-recurring (NR)	Fund	3-Year Total Cost
Personnel and Benefits*	$	$	$				
Capital Outlay	$	$	$				
Contractual/ Professional Services	$	$	$				
Operating	$	$	$				$
Total:	$	$	$				$

* This includes all staff time associated with executing the job functions of the proposed legislation.

Expenditure Narrative:

Revenue

Revenue Type	FYE __	FYE __	FYE __	Recurring (R) or Non-recurring (NR)	Fund
General Fund	$	$	$		
Special Revenue	$	$	$		
CIP	$	$	$		
Enterprise	$	$	$		
Internal Service	$	$	$		
Trust and Agency	$	$	$		
Federal	$	$	$		
Other	$	$	$		
Total	$	$	$		

Revenue Narrative:

City of Santa Fe, New Mexico
Memorandum

DATE: August 28, 2020

TO: Governing Body and Public Works Committee

VIA: Rich Brown, Director of Office of Economic Development RB

FROM: Sam Burnett, Public Works Property Maintenance Manager

RE: Santa Fe Recovery Center Lease Amendment #2

ITEM AND ISSUE:
Request for the Approval of Amendment #2 to Lease Agreement #18-0935 By and Between the City of Santa Fe and Santa Fe Recovery Center, Inc. to Amend Provision of Agreement to expand the premises to allow for additional beds for recovery program participants; Sam Burnett, Public Works Property Maintenance Manager, jsburnett@santafenm.gov, 505-795-2491).

BACKGROUND AND SUMMARY:
The City leases Student Apartments and a portion of King Hall, a residential dormitory on the site of the former Santa Fe University of Art and Design, located 1600 St Michael's Drive. The Recovery Center leases twenty-four 625 square-feet, two (2) bedroom apartments and 9,150 square-feet of King Hall; used as a community rooms, medical offices, extended residential recovery and recovery housing programs.

The changes to the lease include the addition of approximately 6,000 additional square-feet through October 31, 2020. On November 1, 2020, the lease allows for a reduction in the space used by 3,458 square feet to allow for additional beds for recovery program participants. The rent due to the City shall increase to $35,255.16 through October 31, 2020 and shall then reduce to $31,312.38 for the remainder of the term.

CONTRACT NUMBER:
The FY20 Munis contract number is 3202105

ACTION REQUESTED:
Please approve this lease amendment with the Santa Fe Recovery Center granting an extension of their premises within King Hall at Midtown Santa Fe.

AMENDMENT NO. 1 TO AMENDED AND RESTATED LEASE AGREEMENT BETWEEN THE CITY OF SANTA FE AND SANTA FE RECOVERY CENTER, INC. (BUILDINGS 6B-1, 6B-2, AND PORTIONS OF BUILDING 12)

This AMENDMENT NO. 1 to AMENDED AND RESTATED LEASE AGREEMENT Item #19-0872, dated August, 2019, (Amended and Restated Lease Agreement) is made and entered into this _____ day of _____, 2020 (Effective Date) by and between the CITY OF SANTA FE, a Municipal Corporation (herein Lessor) and SANTA FE RECOVERY CENTER, INC., a New Mexico non-profit corporation (herein Lessee), whose address is 5312 Jaguar Drive, Santa Fe, NM 87507, collectively the "Parties".

RECITALS

WHEREAS, the Lessor and Lessee had previously entered into an Amended and Restated Lease Agreement for use of City owned buildings for the specific purpose of operating the "Extended Residential", "Recovery Housing", and "Social Detoxification" programs of the Lessee;

WHEREAS, the Lessee has requested to utilize more housing units within Building 12 (King Hall) which incorporate an additional six thousand (6000) square feet on the second floor of the facility in order to expand their treatment capacity at the Midtown Campus facility for the benefit of their clients;

WHEREAS, Lessee agrees to expand its insurance requirements under Section 9 of the Amended and Restated Lease Agreement to encompass the new expanded premises;

WHEREAS, the Lessor has entered into an Exclusive Negotiation Agreement with a Master Developer, KDC/Cienda, which requires the Lessor to receive approval of any expansion of any lease on the Midtown Campus, and the Master Developer has approved this lease expansion subject to the Lease Agreement's Section 3 Lease Term;

WHEREAS, the Lessor is amiable to the plans of the Lessee to allow for the additional use of its buildings and furnishings for the purpose of increasing the services available to the public for drug and alcohol treatment programs;

NOW THEREFORE, the parties of this Amendment No. 1 do hereby agree as follows:

1. Lessor does hereby grant to Lessee an additional six thousand (6000) square feet within Building 12 (King Hall) on the second floor of the facility in order to expand their treatment capacity at the Midtown Campus facility for the benefit of their clients;

2. Parties do hereby agree to amend existing Article 1 of the Amended and Restated Lease Agreement to read as follows:

1. **PREMISES**

During the Effective Date of this Amendment Lessor allows Lessee to use, occupy, and improve, subject to the terms and conditions of this Lease Agreement, those certain existing city-owned buildings known as Buildings 6B-1 and 6B-2 (Student Apartments) (containing twenty-four (24) two-bedroom apartments of approximately 625 square-feet each), an adjacent laundry/office accessory building (approximately 400 square-feet), and portions of Building 12 (King Hall) (approximately 15,525 square-feet) and furnishings as contained in the premises described all located at 1600 St. Michael's Drive on the former campus of the Santa Fe University of Art & Design in the City of Santa Fe (the Premises), as more fully described and shown on **Exhibit A1** attached hereto and incorporated herein. Lessee accepts the Premises in its present state and agrees that it is in good condition, without any representation or warranty by Lessor as to the condition of the Premises or as to the use which may be made thereof.

Starting November 1, 2020, Lessor shall allow Lessee to reduce the used portions of Building 12 (King Hall) by approximately 3,458 square-feet, which shall reduce the total square footage used in this building to (approximately 12,067 square-feet). On November 1, 2020, the City will conduct a scheduled walkthrough, to ensure the reduction has occurred, and will reduce the rent starting on this date if the Lessee has reduced its footprint. If the Lessee has not reduced its footprint it will be charge for the entire expanded premises..

3. Parties do hereby agree that with the expansion of the premises there is also necessity to amend existing. Section 5 of the Amended and Restated Lease Agreement, which is amended to read as follows:

5. RENT

A. Base Rent. Lessee shall pay Thirty-Five Thousand Two Hundred Fifty-

Five Dollars and Sixteen Cents **($35,255.16)** as monthly "Rent". Rent is due on the Effective Date and thereafter due in full on the first day of each month during the Term without notice or demand and without deduction or offset for any cause whatsoever. Lessee shall make payments to the Lessor's cashier office, Room 114, 200 Lincoln Ave., Santa Fe, NM.

B. Reduced Base Rent. Upon Lessor approving the reduction of the Premises as delineated in amended Section 1, on or after November 1, 2020, Lessee shall pay Thirty-One Thousand Three Hundred Twelve Dollars and Thirty-Eight Cents **($31,312.38)** as monthly "Rent". If the Lessee does not prove a reduction in the Premises then Section 5(A) will still be the monthly base rent. Rent is due on the Effective Date and thereafter due in full on the first day of each month during the Term without notice or demand and without deduction or offset for any cause whatsoever. Lessee shall make payments to the Lessor's cashier office, Room 114, 200 Lincoln Ave., Santa Fe, NM.

4. Except as specifically provided in this Amendment No. 1, all other existing terms and provisions of the Amended and Restated Lease Agreement remain and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals upon this Amendment No. 1 as of this _____ day of _____, 2020.

LESSOR:
CITY OF SANTA FE

_____
ALAN M. WEBBER, MAYOR

ATTEST:

_____
YOLANDA Y. VIGIL, CITY CLERK

CITY ATTORNEY'S OFFICE:

Andrea Salazar
_____
ASSISTANT CITY ATTORNEY

APPROVED:

MARY MCCOY, FINANCE DIRECTOR
51910.460150
BUSINESS UNIT/LINE ITEM AL

LESSEE:
SANTA FE RECOVERY CENTER, INC.

SYLVIA BARELA, EXECUTIVE DIRECTOR

ACKNOWLEDGEMENT

STATE OF NEW MEXICO)
) SS.
COUNTY OF SANTA FE)

The foregoing instrument was acknowledged before me this _____day of _____ 2020, by Sylvia Barela, Executive Director of Santa Fe Recovery Center, Inc., a New Mexico non-profit corporation.

My Commission Expires: _____

NOTARY PUBLIC

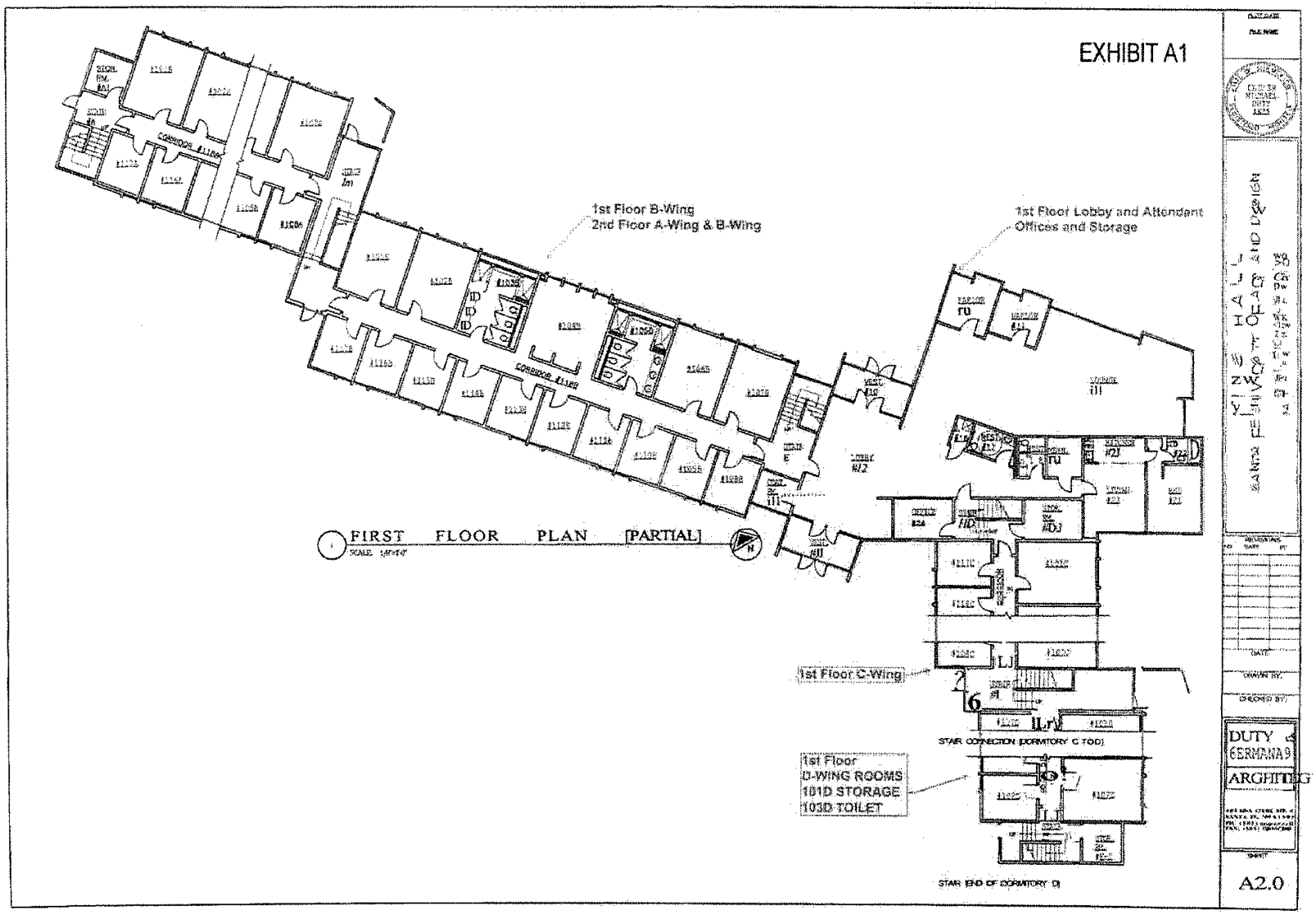


EXHIBIT A1
1st Floor B-Wing
2nd Floor A-Wing & B-Wing
1st Floor Lobby and Attendent
Offices and Storage
FIRST FLOOR PLAN [PARTIAL]
1st Floor C-Wing
STAIR CONNECTION (DORMITORY C TOO)
1st Floor
D-WING ROOMS
101D STORAGE
103D TOILET
STAIR (END OF DORMITORY D)
A2.0

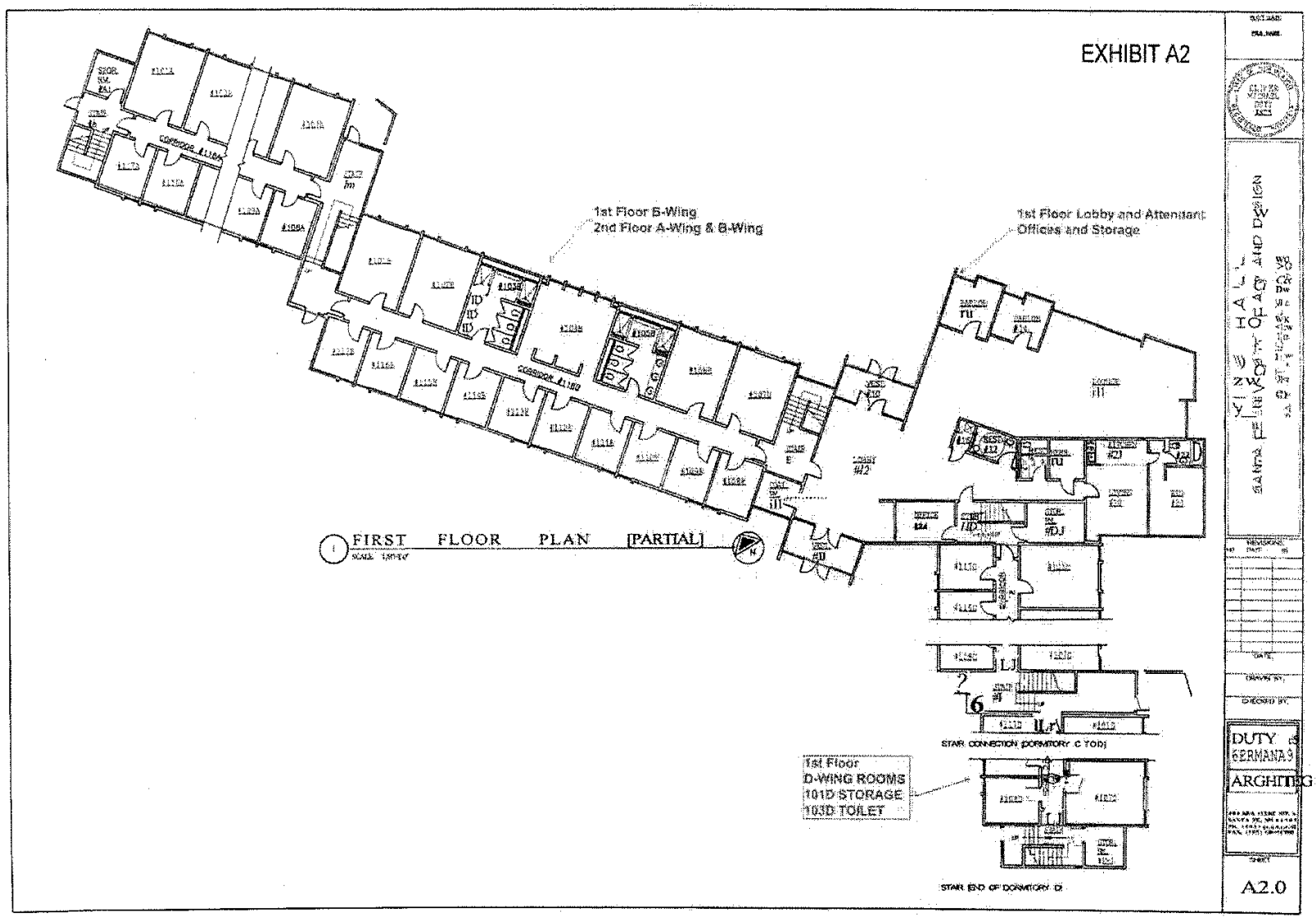


EXHIBIT A2
1st Floor B-Wing
2nd Floor A-Wing & B-Wing
1st Floor Lobby and Attendant
Offices and Storage
FIRST FLOOR PLAN [PARTIAL]
STAIR CONNECTION (DORMITORY C TO D)
1st Floor
D-WING ROOMS
101D STORAGE
103D TOILET
STAIR END OF DORMITORY D
DUTY
GERMANAS
ARGHITEG
A2.0

City of Santa Fe
Summary of Contracts, Agreements, & Amendments

Section to be completed by department for each contract or contract amendment

1 **FOR:** ORIGINAL CONTRACT ☑ or CONTRACT AMENDMENT ☐

2 Name of Contractor Santa Fe Recovery Center, Inc

3 Complete information requested ☐ Plus GRT ☑ Inclusive of GRT

Original Contract Amount: 19,330/month

Termination Date: May 31, 2021

☑ Approved by Council Date: August 13, 2018

☐ or by City Manager Date: _____

Contract is for: Lease of 24 Student Apartments (Buildings 6B1 and 6B2) and portions of King Hall located at Midtown Santa Fe

Amendment # 2 to the Original Contract# 18-0935

Increase/(Decrease) Amount $ $7,267.16

Extend Termination Date to: _____

☑ Approved by Council Date: Pending

☐ or by City Manager Date: _____

Amendment is for:

4 **History of Contract & Amendments:** (option: attach spreadsheet if multiple amendments) ☐ Plus GRT ☐ Inclusive of GRT

Amount $ 19,330/month of original Contract# 18-0935 Termination Date: 7/15/2020
Reason: Original On-Call Contract

Amount $ 27988/month amendment # 1 Termination Date: 5/15/2020
Reason: Increasing Leased Area

Amount $ 35,255/month amendment # 2 Termination Date: 5/31/2021
Reason: Increaing Leased Area

Amount $ _____ amendment # _____ Termination Date: _____
Reason: _____

Total of Original Contract plus all amendments: $ 35,255/month

City of Santa Fe
Summary of Contracts, Agreements, & Amendments

5 **Procurement Method of Original Contract:** (complete one of the lines)

RFP# _____ Date: _____

RFQ ☐ _____ Date: _____

Sole Source ☐ _____ Date: _____

Other CoSF "Lessor" _____

6 **Procurement History:** Second Year of Three Year Lease - $ Funds Received
example: (First year of 4 year contract)

Fran Dunaway (Aug 28, 2020 12:37 MDT)

Purchasing Officer Review

Comments or Exceptions: Lessor/ for Property Lease SF Recovery Center- No procurement

7 **Funding Source:** Lessee **BU/Line Item:** 5256175.460350

Alexis Lotero (Aug 29, 2020 12:01 MDT)

Budget Officer Approval

Comments or Exceptions: _____

8 **Any out-of-the ordinary or unusual issues or concerns:**

_____
(Memo may be attached to explain detail.)

9 **Staff Contact who completed this form:** J Sam Burnett, Property Maintenance Manager

Phone # 505-795-2491

10 **Certificate of Insurance attached.** (if original Contract) ☑

Submit to City Attorney for review/signature
Forward to Finance Director for review/signature
Return to originating Department for Committee(s) review or forward to City Manager for review and approval (depending on dollar level).

To be recorded by City Clerk:

Contract # _____

Date of contract Executed (i.e., signed by all parties): _____

Note: If further information needs to be included, attach a separate memo.

Comments:

CITY OF SANTA FE OTHER METHOD PROCUREMENT CHECKLIST

Contractor Name: Santa Fe Recovery Center, Inc

Procurement Title: Lease Amendment

Other Methods: State Price Agreement ☐ *Cooperative* ☐ *Sole Source* ☐ *Exempt* ☒ *Other* ☐ *Subscriptions*

Department Requesting/Staff Member: J Sam Burnett

Procurement Requirements:

A procurement file shall be maintained for all contracts, regardless of the method of procurement. The procurement file shall contain the basis on which the award is made, all submitted bids, all evaluation materials, score sheets, quotations and all other documentation related to or prepared in conjunction with evaluation, negotiation, and the award process. The procurement shall contain a written determination from the Requesting Department, signed by the purchasing officer, setting forth the reasoning for the contract award decision before submitting to the Committees. .

REQUIRED DOCUMENTS FOR APPROVAL BY PURCHASING*

YES	N/A	
☒	☐	Approved Procurement Checklist (by Purchasing)
☒	☐	Departments Recommendation of Award Memo addressed to Finance
☐	☒	State Price Agreement
☐	☒	Cooperative Agreement
☐	☒	Sole Source Request and Determination Form
☐	☒	Contractors Exempt Letter
☐	☒	Purchasing Officers approval for exempt procurement
☐	☒	BAR
☐	☒	FIR
☒	☐	Contract, Agreement or Amendment
☒	☐	Current Business Registration and CRS numbers on contract or agreement
☒	☐	Summary of Contracts and Agreements form
☐	☐	Certificate of Insurance
☐	☐	Other: Lease

J Sam Burnett

Department Rep Printed Name and Title

Department Rep Signature attesting that all information included

Fran Gilderaay (Aug 6, 2026 12:37 MDT)

Purchasing Officer attesting that all information is reviewed

REQUIRED DOCUMENTS FOR OTHER METHOD FILE*

YES	N/A	
☐	☒	State Price Agreement
☐	☒	Cooperative Agreement
☐	☒	Sole source Request and Determination Form
☐	☒	Contractors Exempt Letter
☐	☒	Purchasing Officers approval of exempt procurement
☐	☒	Copies of all Sole Source submittals

*

☐ ☒ Other: _____

AWARD*

YES N/A

☐ ☒ Fully executed Memo to Committees from the Department with recommendation of award
☐ ☒ Other: _____

CONTRACT*

YES N/A

☒ ☐ Copy of Executed Contract
☒ ☐ Copy of all required documentation
☐ ☒ Other: _____

Include all other substantive documents and records of communication that pertain to the procurement and any resulting contract.

Create a separate file folder which may contain any documents with trade secrets or other competitively sensitive, confidential or proprietary information.

J Sam Burnett _____
Department Rep Printed Name and Title

_____
Department Rep Signature attesting that all information included

*

City of Santa Fe
Treasury Department
200 Lincoln Ave.
Santa Fe, New Mexico 87504-0909
505-955-6551

BUSINESS REGISTRATION

Business Name: SANTA FE RECOVERY CENTER
DBA: SANTA FE RECOVERY CENTER

Business Location: 5312 JAGUAR DR
SANTA FE , NM 87507

Owner: SYLVIA BARELA

License Number: 149637

Issued Date: November 25, 2019

Expiration Date: December 31, 2020

License Type: Business License - Renewable

Classification: Business Registration - Standard

Fees Paid: $35.00

SANTA FE RECOVERY CENTER
5312 JAGUAR DR
SANTA FE, NM 87507

THIS IS NOT A CONSTRUCTION PERMIT OR SIGN PERMIT. APPROPRIATE PERMITS MUST BE OBTAINED FROM THE CITY OF SANTA FE BUILDING PERMIT DIVISION PRIOR TO COMMENCEMENT OF ANY CONSTRUCTION OR THE INSTALLATION OF ANY EXTERIOR SIGN.

THIS REGISTRATION/LICENSE IS NOT TRANSFERRABLE TO OTHER BUSINESSES OR PREMISES.

TO BE POSTED IN A CONSPICUOUS PLACE

Ver 13 8/8/2019

ITEM # 19-0872

AMENDED AND RESTATED LEASE AGREEMENT
BETWEEN
THE CITY OF SANTA FE AND SANTA FE RECOVERY CENTER, INC.
(BUILDINGS 6B-1, 6B-2, AND PORTIONS OF BUILDING 12)

This AMENDED AND RESTATED LEASE AGREEMENT ("Lease Agreement"), dated and effective as of 15th day of November, 2019, amends, restates, supersedes and replaces in its entirety that certain Lease Agreement Item # 18-0935 dated August 15, 2018, and is made and entered into by and between the CITY OF SANTA FE, a municipal corporation ("Lessor") and SANTA FE RECOVERY CENTER, INC., a New Mexico non-profit corporation ("Lessee"), collectively the "Parties".

WITNESSETH:

In consideration of Lessee's promises herein, Lessor hereby gives Lessee a Lease Agreement, revocable and terminable as hereinafter provided, to enter on, occupy, make use of, and improve the real property of Lessor as follows:

1. PREMISES

Lessor allows Lessee to use, occupy, and improve, subject to the terms and conditions of this Lease Agreement, those certain existing city-owned buildings known as Buildings 6B-1 and 6B-2 (Student Apartments) (containing twenty-four (24) two-bedroom apartments of approximately 625 square-feet each), an adjacent laundry/office accessory building (approximately 400 square-feet), and portions of Building 12 (King Hall) (approximately 7,190.58 square-feet) all located at 1600 St. Michael's Drive on the former campus of the Santa Fe University of Art & Design in the City of Santa Fe (the "Premises"), as more fully described and shown on **Exhibit A1** attached hereto and incorporated herein. Lessee accepts the Premises in its present state and agrees that it is in good condition, without any representation or warranty by Lessor as to the condition of the Premises or as to the use which may be made thereof.

2. EFFECTIVE DATE

This Amended Lease Agreement shall become effective November 15, 2019 (the "Effective Date").

3. LEASE TERM

The term of this Lease Agreement shall commence at 12:00 a.m. on the Effective Date. The term of this Lease Agreement shall consist of an "Initial Term" of six (6) months with two (2) "Optional Terms" of six (6) months each.

Lessee's exercise of any Optional Term is contingent upon compliance with this Lease Agreement and with proper written notice by Lessee to Lessor at least ninety (90) days prior to the expiration of the Initial Term and shall be at Lessor's sole discretion.

In the event Lessee remains in possession of the Premises after the expiration of the Term of this Lease Agreement, such possession may, at the sole option of Lessor, be continued as a month-to-month tenancy. During any such month-to-month tenancy, the Rent due shall be prorated and payable on a monthly basis, and the terms and conditions of the Lease Agreement shall be otherwise applicable.

4. USE OF PREMISES

A. Conditions of Use. Lessee shall use the Premises solely for the specific purpose of operating the "Extended Residential", "Recovery Housing" and "Social Detoxification" programs of the Santa Fe Recovery Center subject to the following conditions:

i. Only Lessee's clients and staff are allowed to reside at the Premises, except that spouses and children of Lessee's clients may be allowed to reside on the Premises on a case-by-case basis at Lessee's discretion. No other persons are allowed to reside at the Premises;

ii. No violent felons or individuals who are a danger to themselves or others shall be allowed on the Premises;

iii. No alcohol or drugs (other than those prescribed by physicians for Lessee's clients) are allowed to be used or present on the Premises;

iv. Lessee's clients that relapse while residing at the Premises shall be physically escorted off of the Santa Fe University of Art & Design campus by Lessee and shall not be allowed to return for a minimum of thirty (30) days;

vi. Lessee shall deploy security cameras at the Premises over the front door of each apartment unit and in the interior courtyard between Buildings 6B-1 and 6B-2. Lessor reserves the right to require Lessee to employ licensed security guards at the Premises;

vii. Lessee shall staff the Premises twenty-four (24) hours per day and seven (7) days per week. Lessee's staff shall include a medical technician(s);

viii. Lessee shall place no signage of any kind on the exterior of the buildings or on the grounds without the prior written consent of Lessor;

ix. Lessee's residents and staff shall park in the existing parking lots immediately south of Building 6B-2, north of Building 6B-1 and east of Building 12.

x. Lessee shall restrict its client's visitors as follows: a) scheduled visits only during the client's first ninety (90) days of residency; and b) visitor check-in and check-out with Lessee's staff after the client's first ninety (90) days of residency;

B. Improvement of the Premises. Lessee may, with the prior written consent of Lessor and at no cost to Lessor, make minor improvements to the Premises as it deems necessary in furtherance of the intended use of the Premises as provided in Section 4.A above. Lessee shall upon Lessor's request, remove all such improvements made to the Premises at the termination of this Lease Agreement.

C. Trade Fixtures. All trade fixtures installed by Lessee after the Effective Date of this Lease Agreement shall remain the property of Lessee, who may remove the same upon termination of this Lease Agreement, provided that removal shall be done in such a manner as not to injure or damage the Premises.

In the event that Lessee fails to remove said trade fixtures after receipt of notice from Lessor to do so, Lessor may remove and dispose of the same as it sees fit and Lessee agrees to sell, assign, transfer and set over to Lessor all of Lessee's right, title and interest in and to said trade fixtures and any personal property not removed by Lessee. Lessee further agrees that should Lessor remove said trade fixtures pursuant to this paragraph, that Lessee shall pay Lessor upon demand the cost of such removal, plus the cost of transportation and disposal thereof.

D. Repairs and Maintenance. Lessee shall not cause or permit any waste, damage or injury to the Premises or to any improvements made to the Premises. Lessee shall, at its sole expense, keep and maintain the Premises in good and clean condition at all times and shall be responsible for the costs of any and all required repairs, replacements, and capital improvements that arise during the Term of this Lease Agreement. Repairs and replacements required to be made by the Lessee shall be made promptly as and when necessary and shall be at least equal in quality of materials and workmanship to that originally existing in the Premises. The lessee shall maintain the landscaping and plants between the building and the sidewalk along the entire perimeter of the building.

Lessor reserves the right to inspect the Premises at any time during the Term of this Lease Agreement to verify Lessee's compliance with this Section 4.D. In the event Lessee fails to maintain the Premises at a standard acceptable to the Lessor, as determined in Lessor's sole discretion, Lessor may terminate this Lease Agreement in accordance with Section 12 herein.

E. Compliance with Laws. Lessee's use of the Premises shall at all times be in compliance with the City of Santa Fe Municipal Code and other applicable local, state and federal regulations including but not limited to compliance with the City of Santa Fe Integrated Pest Management Policy (§10-7 SFCC 1987) (the Pest Management Policy).

5. RENT

A. Base Rent Lessee shall pay Twenty-Seven Thousand, Nine Hundred Eighty-Eight Dollars and No Cents (**$27,988.00**) as monthly "Rent". Rent is due on the Effective Date and thereafter due in full on the first day of each month during the Term without notice or demand and without deduction or offset for any cause whatsoever. Lessee shall make payments to the Lessor's cashier office, Room 114, 200 Lincoln Ave., Santa Fe, NM.

B. Base Rent Offsets. Lessee shall offset the first month's Rent due by deducting from the first month's Rent the cost of loss of use of the Premises as specified in **Exhibit B1** attached hereto. The Parties acknowledge that additional repairs may be required. The Parties agree to offset Rent by deducting the actual cost of repairs, provided that Lessor has reviewed and approved cost proposal(s) obtained by Lessee for said repairs or replacements prior to any work being performed. The rent may be offset only after the Lessor has approved the completed repairs, and a full invoice has been presented with a complete accounting, which includes original invoices and receipts for the work.

6. UTILITIES & SERVICES

Beginning on the Effective Date and until the termination of this Lease Agreement, the responsibility and costs for providing utilities and services to the Premises shall be the responsibility of the Parties as specified below:

A. Responsibility of Lessor. All natural gas, electricity, domestic water, and sanitary sewer service shall be provided to the Premises by Lessor.

B. Responsibility of Lessee. All telephone, cable or satellite television, wired or wireless internet, security alarm services, security video services, security monitoring services, solid waste collection services, cleaning, and repair services, including landscape maintenance, shall be coordinated and paid for by Lessee. Any utilities or services not specified herein shall be the responsibility of the Lessee.

7. TAXES

Lessee shall pay all taxes levied and assessed, if any, upon any personal property, fixtures and improvements belonging to Lessee and located upon the demised Premises, and all leasehold and possessory interest taxes levied or assessed by any proper taxing authority.

8. SUBLEASE, ASSIGNMENT OR TRANSFER

Lessee shall not sublet, assign or otherwise transfer this Lease Agreement, without the prior written consent of Lessor, which Lessor may withhold for any or no reason. Any such actions taken by Lessee shall result in the immediate termination of this Lease Agreement.

9. INSURANCE

Lessee shall at all times maintain and provide adequate insurance coverage which includes, without limitation, each of the following:

A. Casualty Insurance. Lessee shall carry and maintain in full force and effect during the term of this Lease Agreement casualty insurance ("extended coverage" and "additional extended coverage") as may be available for all improvements to the Premises in an amount sufficient to restore and replace existing structures and improvements if lost or damaged by any form of casualty. Lessee shall cause the City of Santa Fe to be named as an additional insured on such policy of insurance.

B. Liability Insurance. Lessee shall carry and maintain in full force and effect during the Term of this Lease Agreement, public liability insurance covering bodily injury and property damage, in a form and with an insurance company acceptable to Lessor, with limits of coverage not less than as stated in the New Mexico Tort Claims Act for each person injured and for each accident resulting in damage to property, against all claims and lawsuits arising from Lessee's use of the Premises. Lessee shall cause the City of Santa Fe to be named as an additional insured on such policy of insurance.

C. Workman's Compensation Insurance. Lessee shall carry and maintain in full force and effect during the Term of this Lease Agreement, workers' compensation insurance at statutory limits for its employees working at the Premises. Lessee shall cause the City of Santa Fe to be named as an additional insured on such policy of insurance.

D. Certificates of Insurance. Prior to the Effective Date of this Lease Agreement, and thereafter at any time during the Term of this Lease Agreement that Lessor requests, Lessee shall provide Lessor with certificates of insurance for each policy evidencing that the coverage required hereunder is current. Such policy shall provide that the coverage evidenced thereby shall not be terminated or modified for any reason without thirty (30) days prior written notice to the Lessor. A certificate or policy which states that failure to give such notice imposes no obligation on the part of the insurer shall be unacceptable to Lessor, and Lessee shall be responsible for removing such language from such certificate or policy.

10. INDEMNIFICATION

Lessee shall indemnify, hold harmless and defend Lessor from all losses, damages, claims or judgments, including payment of all attorney's fees and costs, on account of any suit, judgment, execution, claim, action or demand whatsoever arising from damages occurring on the Premises and Lessee's use of the Premises hereunder, including use of the Premises by Lessee's employees, agents, representatives, contractors, agents, guests, invitees or permitted assigns. Lessee shall

cause any and all agreements that Lessee enters into with any of the above parties to contain language indemnifying Lessor as provided in this Section.

11. EASEMENTS

Lessor reserves the exclusive right to grant access, utility or other easements on or through the Premises. Lessor shall notify Lessee in writing prior to Lessor's grant of any easement through the Premises.

12. TERMINATION

A. Lessor may terminate this Lease Agreement upon Lessee's failure to comply with any provisions contained herein. Prior to termination, Lessor shall hand deliver or mail notice to Lessee via certified or registered mail specifying:

i. the breach;

ii. the action required to cure the breach;

iii. a date, not less than fifteen (15) days from the date the notice is hand delivered or mailed to Lessee, by which such breach must be cured; and

iv. that failure to cure such breach on or before the date specified in the notice will result in termination of the Lease Agreement.

B. Lessee may terminate this Lease Agreement with written notice to Lessor at least thirty (30) days prior to the termination date.

C. Lessee acknowledges and understands that the premises are part of a process of planning and disposition of the midtown site, and as such all properties on the former Santa Fe University of Art and Design are subject to sale or lease as part of the City's program to redevelop the site. As such, at any time after January 15, 2021, the Lessor may terminate the lease agreement with written notice to the Lessee at least sixty (60) days prior to the termination date. Pursuant to such termination, Lessee is responsible for all cost and expenses associated with relocation.

13. NOTICE

Any required notice will be deemed delivered, given and received (i) when personally hand delivered, or (ii) five days after the same are deposited in the United States mail, postage prepaid, registered, addressed to the applicable party at the address indicated below for such party, or at such other address as may be designated by either party in a written notice to the other party:

To Lessor:	To Lessee:
City Manager	Sylvia Barela, Executive Director
City of Santa Fe	Santa Fe Recovery Center, Inc.
P. O. Box 909	4100 Lucia Lane
Santa Fe, NM 87504	Santa Fe, NM 87507

14. NO WAIVER

No waiver of a breach of any of the provisions contained in this Lease Agreement shall be construed to be a waiver of any succeeding breach of the same or any other provisions.

15. SEVERABILITY

In the event that one or more of the provisions contained in this Lease Agreement or any application thereof shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and any other application thereof shall not in any way be affected or impaired thereby.

16. ENTIRE AGREEMENT

The foregoing constitutes the entire Lease Agreement between the Parties, represents their entire understanding, and defines all of their respective rights, title, and interests as well as all of their duties, responsibilities and obligations. Any and all prior lease agreements and understandings between the Parties related to the Premises, if any, are merged herein. This Lease Agreement shall not be modified or amended except by a written document signed by the Parties.

17. BINDING EFFECT

This Lease Agreement shall be binding upon and insure to the benefit of the Parties hereto and their respective successors and permitted assigns.

18. LITIGATION EXPENSE

In the event of litigation between the Parties, Lessee shall pay any necessary costs, including reasonable attorney's fees, expenses and other costs of collection or otherwise, which Lessor shall incur in enforcing this Lease Agreement or in recovering any and all damages caused to the Premises by Lessee, or Lessee's contractors, agents, employees or permitted assigns.

19. HEADINGS

The section headings contained in this Lease Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Lease Agreement.

20. APPLICABLE LAW; VENUE

In any action, suit or legal dispute arising from this Lease Agreement, Lessee agrees that the laws of the State of New Mexico shall govern. The Parties agree that any action or suit arising from this Lease Agreement shall be commenced in a federal or state court of competent jurisdiction in New Mexico. Any action or suit commenced in the courts of the State of New Mexico shall be brought in the First Judicial District Court.

21. AMENDMENT

This Lease Agreement shall not be altered, changed or modified except by an amendment in writing executed by the Parties hereto.

[REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY]

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have hereunto set their hands and seals as of this 19th day of December, 2019.

LESSOR:
CITY OF SANTA FE

ALAN M. WEBBER, MAYOR

ATTEST:

YOLANDA Y. VIGIL, CITY CLERK
attng 11/15/19

APPROVED AS TO FORM:

ERIN K. McSHERRY, CITY ATTORNEY

APPROVED:

MARY T. McCOY, FINANCE DIRECTOR

BUSINESS UNIT.LINE ITEM:
51910.460150

LESSEE:
SANTA FE RECOVERY CENTER, INC.

SYLVIA BARELA, EXECUTIVE DIRECTOR

ACKNOWLEDGEMENT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

The foregoing instrument was acknowledged before me this 11th day of December 2019, by Sylvia Barela, Executive Director of Santa Fe Recovery Center, Inc., a New Mexico non-profit corporation.

NOTARY PUBLIC

My Commission Expires: 9/27/21

OFFICIAL SEAL
Lisa Herrera
NOTARY PUBLIC
STATE OF NEW MEXICO
My Commission Expires: 9/27/21

ITEM # 18-0935

LEASE AGREEMENT
BETWEEN
THE CITY OF SANTA FE AND SANTA FE RECOVERY CENTER, INC.
(BUILDINGS 6B-1, 6B-2, AND PORTION OF BUILDING 12)

This LEASE AGREEMENT (Lease Agreement) is made and entered into this 15TH day of AUGUST, 2018 by and between the CITY OF SANTA FE, a municipal corporation (Lessor) and SANTA FE RECOVERY CENTER, INC., a New Mexico non-profit corporation (Lessee), collectively the "Parties".

WITNESSETH:

In consideration of Lessee's promises herein, Lessor hereby gives Lessee a Lease Agreement, revocable and terminable as hereinafter provided, to enter on, occupy, make use of, and improve the real property of Lessor as follows:

1. PREMISES

Lessor allows Lessee to use, occupy, and improve, subject to the terms and conditions of this Lease Agreement, those certain existing city-owned buildings known as Buildings 6B-1 and 6B-2 (Student Apartments) (containing twenty-four (24) two-bedroom apartments of approximately 625 square-feet each), an adjacent laundry/office accessory building (approximately 400 square-feet), and a portion of Building 12 (King Hall) (approximately 1,960 square-feet) all located at 1600 St. Michael's Drive on the former campus of the Santa Fe University of Art & Design in the City of Santa Fe (the Premises), as more fully described and shown on **Exhibit A** attached hereto and incorporated herein. Lessee accepts the Premises in its present state and agrees that it is in good condition, without any representation or warranty by Lessor as to the condition of the Premises or as to the use which may be made thereof.

2. EFFECTIVE DATE

This Lease Agreement shall become effective August 15, 2018 (the Effective Date).

3. LEASE TERM

The term of this Lease Agreement shall commence at 12:00 a.m. on the Effective Date. The term of this Lease Agreement shall consist of an "Initial Term" of eleven (11) months with one (2) "Optional Additional Terms" of six (6) months each. The Initial Term and any Optional Additional Terms are hereinafter referred to collectively as the "Term".

Lessee's exercise of any Optional Additional Term is contingent upon compliance with this Lease Agreement and with proper written notice by Lessee to Lessor at least ninety (90) days prior to the expiration of the Initial Term and shall be at Lessor's sole discretion.

In the event Lessee remains in possession of the Premises after the expiration of the Term of this Lease Agreement, such possession may, at the sole option of Lessor, be continued as a month-to-month tenancy. During any such month-to-month tenancy, the Rent due shall be prorated and payable on a monthly basis, and the terms and conditions of the Lease Agreement shall be otherwise applicable.

4. USE OF PREMISES

A. Conditions of Use. Lessee shall use the Premises solely for the specific purpose of operating the "Extended Residential" and "Recovery Housing" programs of the Santa Fe

Recovery Center subject to the following conditions:

i. Only Lessee's clients and staff are allowed to reside at the Premises, except that spouses and children of Lessee's clients may be allowed to reside on the Premises on a case-by-case basis at Lessee's discretion. No other persons are allowed to reside at the Premises;

ii. No violent felons or individuals who are a danger to themselves or others shall be allowed on the Premises;

iii. No alcohol or drugs (other than those prescribed by physicians for Lessee's clients) are allowed to be used or present on the Premises;

iv. Lessee shall require that all client vehicles parked at the Premises be equipped with functioning ignition interlock devices;

v. Lessee's clients that relapse while residing at the Premises shall be physically escorted off of the Santa Fe University of Art & Design campus by Lessee and shall not be allowed to return for a minimum of thirty (30) days;

vi. Lessee shall deploy security cameras at the Premises over the front door of each apartment unit and in the interior courtyard between Buildings 6B-1 and 6B-2. Lessor reserves the right to require Lessee to employ licensed security guards at the Premises;

vii. Lessee shall staff the Premises twenty-four (24) hours per day and seven (7) days per week. Lessee's staff shall include a medical technician(s);

viii. Lessee shall place no signage of any kind on the exterior of the buildings or on the grounds without the prior written consent of Lessor;

ix. Lessee's residents and staff shall park in the existing parking lots immediately south of Building 6B-2, north of Building 6B-1 and east of Building 12.

x. Lessee shall restrict its client's visitors as follows: a) scheduled visits only during the client's first ninety (90) days of residency; and b) visitor check-in and check-out with Lessee's staff after the client's first ninety (90) days of residency;

B. Improvement of the Premises. Lessee may, with the prior written consent of Lessor and at no cost to Lessor, make minor improvements to the Premises as it deems necessary in furtherance of the intended use of the Premises as provided in Section 4.A above. Lessee shall upon Lessor's request, remove all such improvements made to the Premises at the termination of this Lease Agreement.

C. Trade Fixtures. All trade fixtures installed by Lessee after the Effective Date of this Lease Agreement shall remain the property of Lessee, who may remove the same upon termination of this Lease Agreement, provided that removal shall be done in such a manner as not to injure or damage the Premises.

In the event that Lessee fails to remove said trade fixtures after receipt of notice from Lessor to do so, Lessor may remove and dispose of the same as it sees fit and Lessee agrees to sell, assign, transfer and set over to Lessor all of Lessee's right, title and interest in and to said trade fixtures and any personal property not removed by Lessee. Lessee further agrees that should Lessor remove said trade fixtures pursuant to this paragraph, that Lessee shall pay Lessor upon demand the cost of such removal, plus the cost of transportation and disposal thereof.

D. Repairs and Maintenance. Lessee shall not cause or permit any waste, damage or

injury to the Premises or to any improvements made to the Premises. Lessee shall, at its sole expense, keep and maintain the Premises in good and clean condition at all times and shall be responsible for the costs of any and all required repairs, replacements, and capital improvements that arise during the Term of this Lease Agreement. Repairs and replacements required to be made by the Lessee shall be made promptly as and when necessary and shall be at least equal in quality of materials and workmanship to that originally existing in the Premises.

Lessor reserves the right to inspect the Premises at any time during the Term of this Lease Agreement to verify Lessee's compliance with this Section 4.D. In the event Lessee fails to maintain the Premises at a standard acceptable to the Lessor, as determined in Lessor's sole discretion, Lessor may terminate this Lease Agreement in accordance with Section 12 herein.

E. Compliance with Laws. Lessee's use of the Premises shall at all times be in compliance with the City of Santa Fe Municipal Code and other applicable local, state and federal regulations including but not limited to compliance with the City of Santa Fe Integrated Pest Management Policy (§10-7 SFCC 1987) (the Pest Management Policy).

5. RENT

A. Base Rent during Initial Term. Lessee shall pay nineteen thousand, three hundred thirty dollars (**$19,330.00**) as monthly "Rent". Rent is due on the Effective Date and thereafter due in full on the first day of each month during the Term without notice or demand and without deduction or offset for any cause whatsoever. Lessee shall make payments to the Lessor's cashier office, Room 114, 200 Lincoln Ave., Santa Fe, NM.

B. Base Rent Offsets during Initial Term. Lessee shall offset the first month's Rent due by deducting from the first month's Rent the cost of initial repairs to the Premises as specified in **Exhibit B** attached hereto. The Parties acknowledge that additional repairs to or replacements of exterior stairways at Buildings 6B-1 and 6B-2 may be required. The Parties agree to offset the second month's Rent by deducting the actual cost of repair or replacement of the subject stairways, provided that Lessor has reviewed and approved cost proposal(s) obtained by Lessee for said repairs or replacements prior to any work being performed.

C. Rent during Optional Additional Term(s). The Rent during any Optional Additional Term(s) of this Lease Agreement shall be increased by an amount calculated by multiplying the Rent during the Initial Term by two and one-half percent (2.5%).

6. UTILITIES & SERVICES

Beginning on the Effective Date and until the termination of this Lease Agreement, the responsibility and costs for providing utilities and services to the Premises shall be the responsibility of the Parties as specified below:

A. Responsibility of Lessor. All natural gas, electricity, domestic water, and sanitary sewer service shall be provided to the Premises by Lessor.

B. Responsibility of Lessee. All telephone, cable or satellite television, wired or wireless internet, security alarm services, solid waste collection services, cleaning, and repair services shall be coordinated and paid for by Lessee. Any utilities or services not specified herein shall be the responsibility of the Lessee.

7. TAXES

Lessee shall pay all taxes levied and assessed, if any, upon any personal property, fixtures

and improvements belonging to Lessee and located upon the demised Premises, and all leasehold and possessory interest taxes levied or assessed by any proper taxing authority.

8. SUBLEASE, ASSIGNMENT OR TRANSFER

Lessee shall not sublet, assign or otherwise transfer this Lease Agreement, without the prior written consent of Lessor, which Lessor may withhold for any or no reason. Any such actions taken by Lessee shall result in the immediate termination of this Lease Agreement.

9. INSURANCE

Lessee shall at all times maintain and provide adequate insurance coverage which includes, without limitation, each of the following:

A. Casualty Insurance. Lessee shall carry and maintain in full force and effect during the term of this Lease Agreement casualty insurance ("extended coverage" and "additional extended coverage") as may be available for all improvements to the Premises in an amount sufficient to restore and replace existing structures and improvements if lost or damaged by any form of casualty. Lessee shall cause the City of Santa Fe to be named as an additional insured on such policy of insurance.

B. Liability Insurance. Lessee shall carry and maintain in full force and effect during the Term of this Lease Agreement, public liability insurance covering bodily injury and property damage, in a form and with an insurance company acceptable to Lessor, with limits of coverage not less than as stated in the New Mexico Tort Claims Act for each person injured and for each accident resulting in damage to property, against all claims and lawsuits arising from Lessee's use of the Premises. Lessee shall cause the City of Santa Fe to be named as an additional insured on such policy of insurance.

C. Workman's Compensation Insurance. Lessee shall carry and maintain in full force and effect during the Term of this Lease Agreement, workers' compensation insurance at statutory limits for its employees working at the Premises. Lessee shall cause the City of Santa Fe to be named as an additional insured on such policy of insurance.

D. Certificates of Insurance. Prior to the Effective Date of this Lease Agreement, and thereafter at any time during the Term of this Lease Agreement that Lessor requests, Lessee shall provide Lessor with certificates of insurance for each policy evidencing that the coverage required hereunder is current. Such policy shall provide that the coverage evidenced thereby shall not be terminated or modified for any reason without thirty (30) days prior written notice to the Lessor. A certificate or policy which states that failure to give such notice imposes no obligation on the part of the insurer shall be unacceptable to Lessor, and Lessee shall be responsible for removing such language from such certificate or policy.

10. INDEMNIFICATION

Lessee shall indemnify, hold harmless and defend Lessor from all losses, damages, claims or judgments, including payment of all attorney's fees and costs, on account of any suit, judgment, execution, claim, action or demand whatsoever arising from damages occurring on the Premises and Lessee's use of the Premises hereunder, including use of the Premises by Lessee's employees, agents, representatives, contractors, agents, guests, invitees or permitted assigns. Lessee shall cause any and all agreements that Lessee enters into with any of the above parties to contain language indemnifying Lessor as provided in this Section.

11. EASEMENTS

Lessor reserves the exclusive right to grant access, utility or other easements on or through the Premises. Lessor shall notify Lessee in writing prior to Lessor's grant of any easement through the Premises.

12. TERMINATION

A. Lessor may terminate this Lease Agreement upon Lessee's failure to comply with any provisions contained herein. Prior to termination, Lessor shall hand deliver or mail notice to Lessee via certified or registered mail specifying:

i. the breach;

ii. the action required to cure the breach;

iii. a date, not less than fifteen (15) days from the date the notice is hand delivered or mailed to Lessee, by which such breach must be cured; and

iv. that failure to cure such breach on or before the date specified in the notice will result in termination of the Lease Agreement.

B. Lessee may terminate this Lease Agreement with written notice to Lessor at least thirty (30) days prior to the termination date.

13. NOTICE

Any required notice will be deemed delivered, given and received (i) when personally hand delivered, or (ii) five days after the same are deposited in the United States mail, postage prepaid, registered, addressed to the applicable party at the address indicated below for such party, or at such other address as may be designated by either party in a written notice to the other party:

To Lessor:	To Lessee:
City Manager	Sylvia Barela, Executive Director
City of Santa Fe	Santa Fe Recovery Center, Inc.
P. O. Box 909	4100 Lucia Lane
Santa Fe, NM 87504	Santa Fe, NM 87507

14. NO WAIVER

No waiver of a breach of any of the provisions contained in this Lease Agreement shall be construed to be a waiver of any succeeding breach of the same or any other provisions.

15. SEVERABILITY

In the event that one or more of the provisions contained in this Lease Agreement or any application thereof shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and any other application thereof shall not in any way be affected or impaired thereby.

16. ENTIRE AGREEMENT

The foregoing constitutes the entire Lease Agreement between the Parties, represents their entire understanding, and defines all of their respective rights, title and interests as well as all of their duties, responsibilities and obligations. Any and all prior lease agreements and

understandings between the Parties related to the Premises, if any, are merged herein. This Lease Agreement shall not be modified or amended except by a written document signed by the Parties.

17. BINDING EFFECT

This Lease Agreement shall be binding upon and insure to the benefit of the Parties hereto and their respective successors and permitted assigns.

18. LITIGATION EXPENSE

In the event of litigation between the Parties, Lessee shall pay any necessary costs, including reasonable attorney's fees, expenses and other costs of collection or otherwise, which Lessor shall incur in enforcing this Lease Agreement or in recovering any and all damages caused to the Premises by Lessee, or Lessee's contractors, agents, employees or permitted assigns.

19. HEADINGS

The section headings contained in this Lease Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Lease Agreement.

20. APPLICABLE LAW; VENUE

In any action, suit or legal dispute arising from this Lease Agreement, Lessee agrees that the laws of the State of New Mexico shall govern. The Parties agree that any action or suit arising from this Lease Agreement shall be commenced in a federal or state court of competent jurisdiction in New Mexico. Any action or suit commenced in the courts of the State of New Mexico shall be brought in the First Judicial District Court.

21. AMENDMENT

This Lease Agreement shall not be altered, changed or modified except by an amendment in writing executed by the Parties hereto.

[REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY]

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have hereunto set their hands and seals as of this 15th day of AUGUST, 2018.

LESSOR:
CITY OF SANTA FE

Renee Martinez for EL
ERIK J. LITZENBERG, CITY MANAGER

ATTEST:

Yolanda Y. Vigil
YOLANDA Y. VIGIL, CITY CLERK CLW

APPROVED AS TO FORM:

MDM FOR
ERIN K. McSHERRY, CITY ATTORNEY

APPROVED:

Mary McCoy
MARY T. McCOY, FINANCE DIRECTOR MM

BUSINESS UNIT.LINE ITEM:
51910.460150

LESSEE:
SANTA FE RECOVERY CENTER, INC.

Sylvia Barela
SYLVIA BARELA, EXECUTIVE DIRECTOR

ACKNOWLEDGEMENT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

The foregoing instrument was acknowledged before me this 13th day of August 2018, by Sylvia Barela, Executive Director of Santa Fe Recovery Center, Inc., a New Mexico non-profit corporation.

NOTARY PUBLIC

My Commission Expires: February 13, 2020

OFFICIAL SEAL
Geralyn F. Cardenas
NOTARY PUBLIC
STATE OF NEW MEXICO
My Commission Expires: 02-13-2020

EXHIBIT A

(TYP. FLOOR PLAN BUILDINGS 6B-1 & 6B-2)

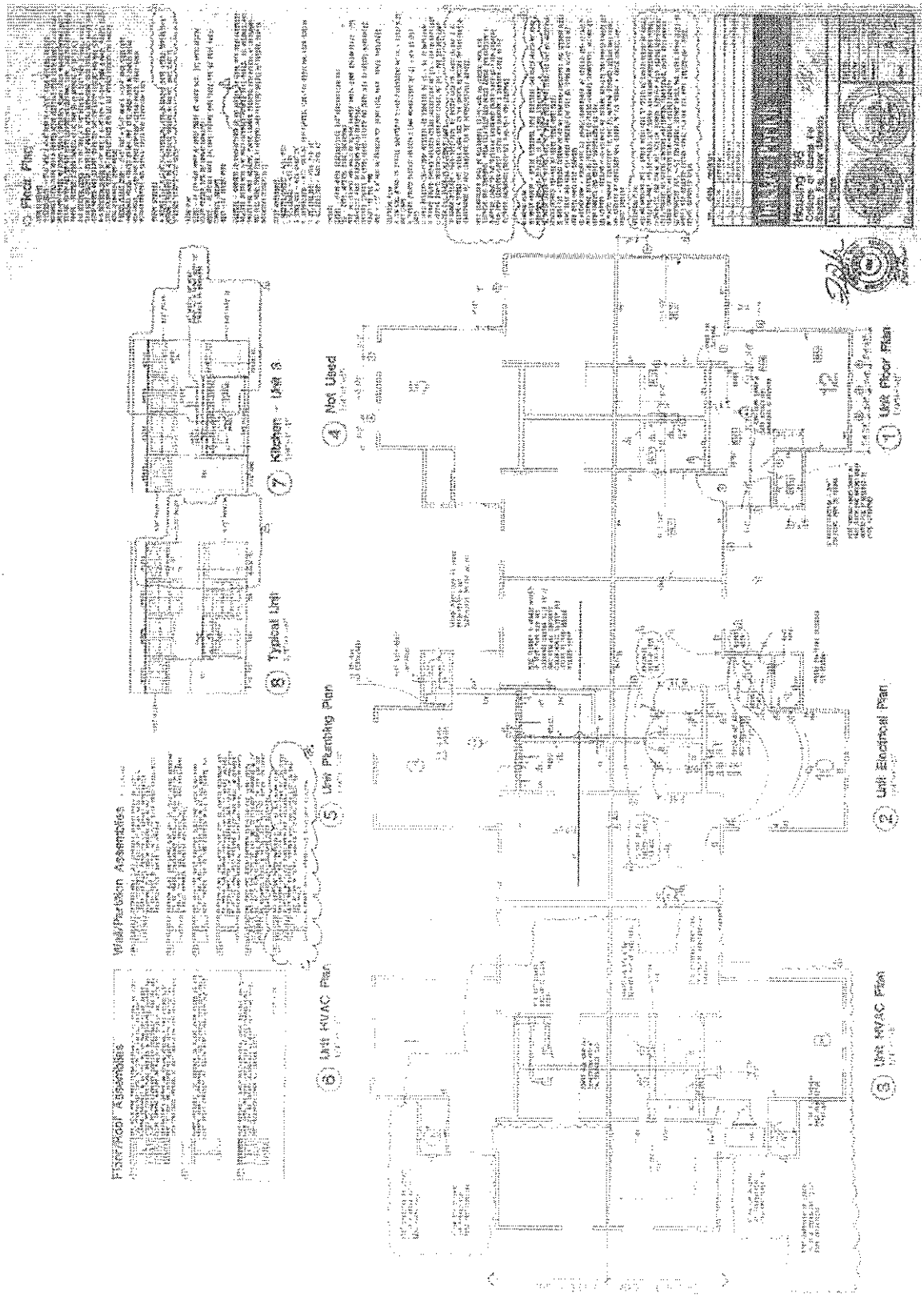


EXHIBIT A

(FLOOR PLAN – LAUNDRY/OFFICE)

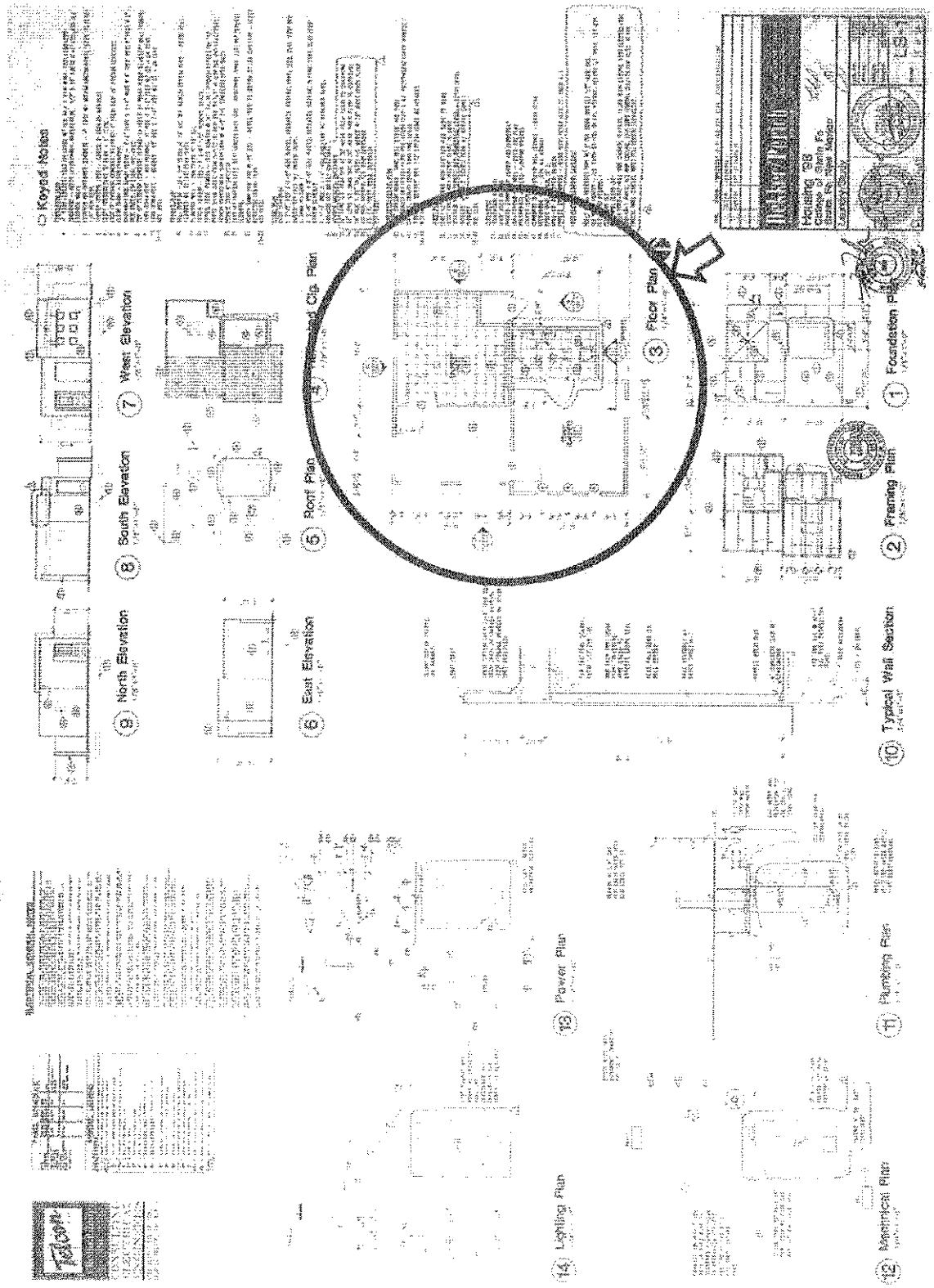


EXHIBIT A

(BUILDING 12 –PORTION OF KING HALL)

LEASE PREMISES

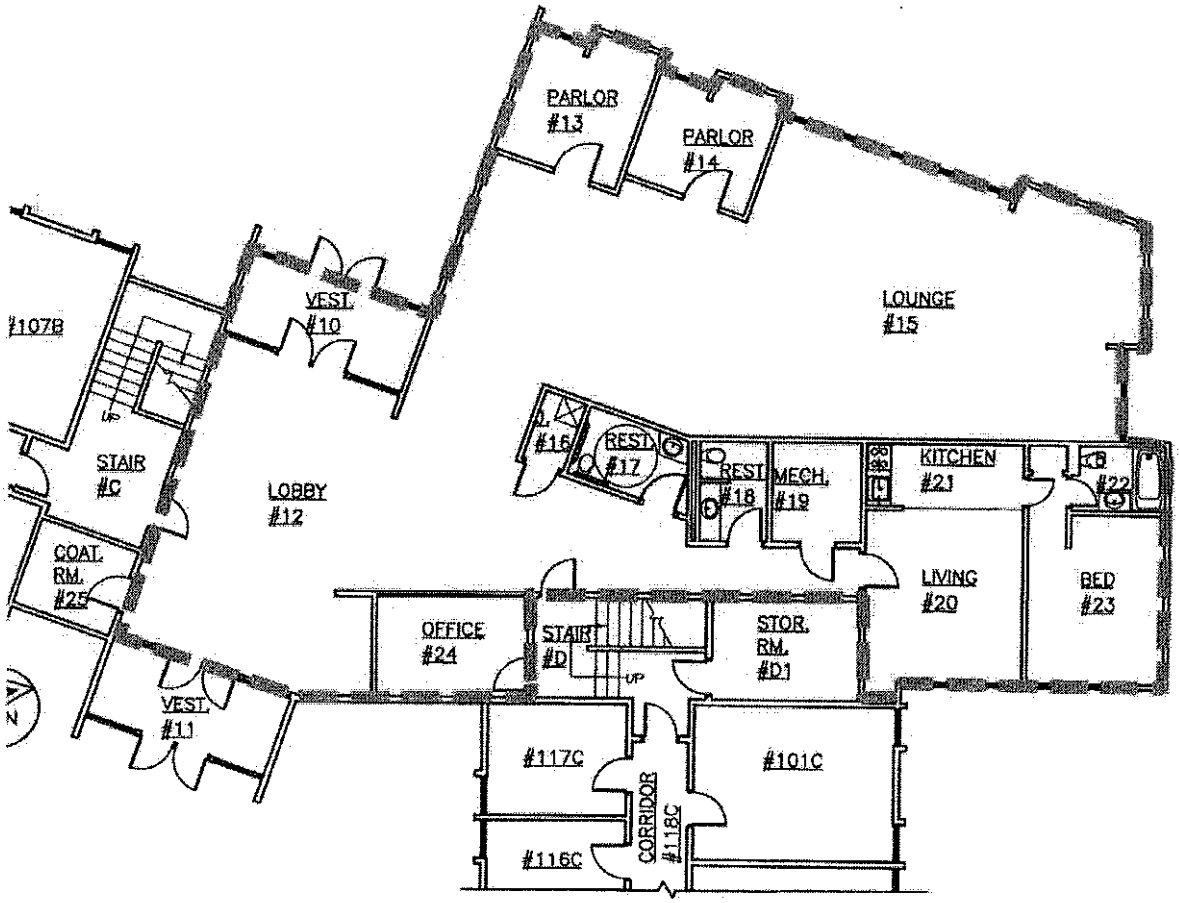


EXHIBIT B

ESTIMATE OF REPAIRS (See Lease Section 5.B.)

Building 6B-1		
C-1		
C----No fire extinguishers.	$	30
A----Exhaust Fan not working.	$	275
C-2		
C----No fire extinguisher.	$	30
C----Bathtub leaking.	$	45
C----Bathtub diverter broken.	$	45
C-3		
C----Missing window screens x 3	$	90
C----Water damage under window.	$	150
C----No fire extinguisher.	$	30
A----No power to bathroom outlet.	$	45
C----Shower leaks.	$	45
C-4		
C----Kitchen fluorescent.	$	15
C----No fire extinguisher.	$	30
C---- Missing window screens x 4	$	120
C----Broken shower heads.	$	15
C----No toilet seat.	$	35
C-5		
C----No fire extinguisher.	$	30
C----Missing window screens. x 4	$	120
C----No smoke detectors.	$	25
C----Broken heat lamp.	$	20
C-6		
A----C----Smokers unit-. (Unit need to be painted.)	$	1,500
C----VCT coming up at entry.	$	250
C----No fire extinguisher.	$	30
C----B-2 missing window screens x 3	$	90
C----Broken shower head.	$	15
C-7		
A----Water damage under sink. (Possible mold)	$	2,500
C----No fire extinguisher.	$	30
C----No screen on kitchen window. x 3	$	90
C----Bathroom toilet does not run water.	$	45
C----Broken shower heads.	$	15
A----Ceiling fan does not work.	$	225
C-8		
C----No fire extinguisher.	$	30
C----No smoke alarms.	$	25
C-9		
C----Kitchen window missing screen.	$	30
C----No smoke detectors.	$	25
C----Broken shower heads.	$	15
A----Exhaust fan in B-1 broken.	$	275
C----Missing light cover.	$	25
C-10		
C----Exhaust fan not working.	$	225
C----Garbage disposal broken.	$	225
C-11		
A----C----Garbage disposal not working.	$	225
C----Broken shower head.	$	15
C----Missing window screen.	$	30
C-12		
C----No fire extinguisher.	$	30
A----Broken garbage disposal.	$	225
C---- Missing window screens. x 3	$	90
C----Missing smoke detectors.	$	25
C----No heat lamp.	$	20
C----Living room ceiling fan not working.	$	225
A----A/C cover on floor.	$	100
A----Heat/ exhaust not working.	$	275
Building 6B-1 Total	**$**	**8,120**

Building 6B-2		
D-1		
A----No hot/ cold valves	$	150
C----Living room window missing screen.	$	30
D-2		
A----Broken sink faucet.	$	250
C----No fire extinguishers.	$	30
C----Missing shower head.	$	15
D-3		
A----C----B-2 tub diverter missing.	$	15
A----Broken exhaust fan.	$	275
D-4		
C----Broken fridge handle.	$	150
C----No fire extinguisher.	$	30
A----Broken garbage disposal.	$	225
C----Fluorescent lights not working; missing cover.	$	20
A----Bathroom GFCI not working.	$	45
D-5		
C----Stove missing knob.	$	30
C----No fire extinguisher.	$	30
A----Shower handle taken apart. (need a new one).	$	300
A----C----Damaged sink cabinet.	$	375
C----Missing window screens. x 3	$	90
A----C----Bath room missing sink faucet.	$	150
D-6		
A----Exhaust fan not working.	$	225
C----No area lamp.	$	25
D-7		
A----Broken ceiling fan.	$	225
A----Broken garbage disposal.	$	225
C----Missing shower heads.	$	15
D-8		
A----Exhaust fan not working.	$	225
D-9		
A----Garbage disposal not working.	$	225
C----No fire extinguishers	$	30
C----Missing window screen.	$	30
D-10		
A----Garbage disposal not working.	$	225
C----Broken blind.	$	30
C----Missing window screen.	$	30
D-11		
C----No fire extinguishers.	$	30
A----B-2 water damage on floor around toilet. (Leak	$	200
A----Water damage on wall under sink. (Mold)	$	2,500
C----Missing window screens. x 2	$	60
D-12		
A----No power to kitchen GFCI.	$	45
C----Missing window screen.	$	30
Building 6B-2 Total	**$**	**6,585**

Office		
A----Mold on walls throughout room.	$	2,500
A----Water shut off to unit.		
Office Total	**$**	**2,500**

GRAND TOTAL (All Items)	**$**	**17,205**

EXHIBIT A1

(TYP. FLOOR PLAN BUILDINGS 6B-1 & 6B-2)

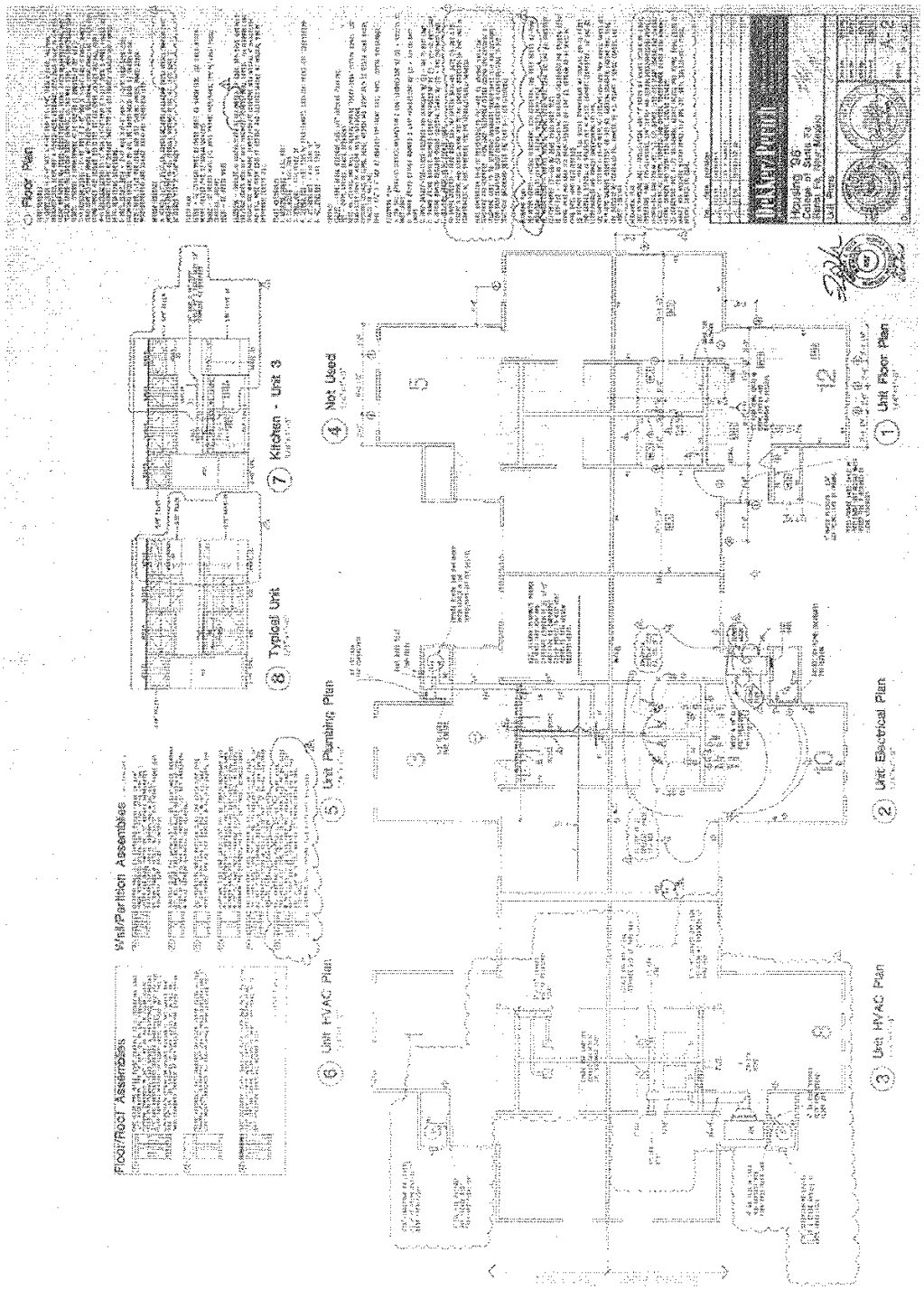
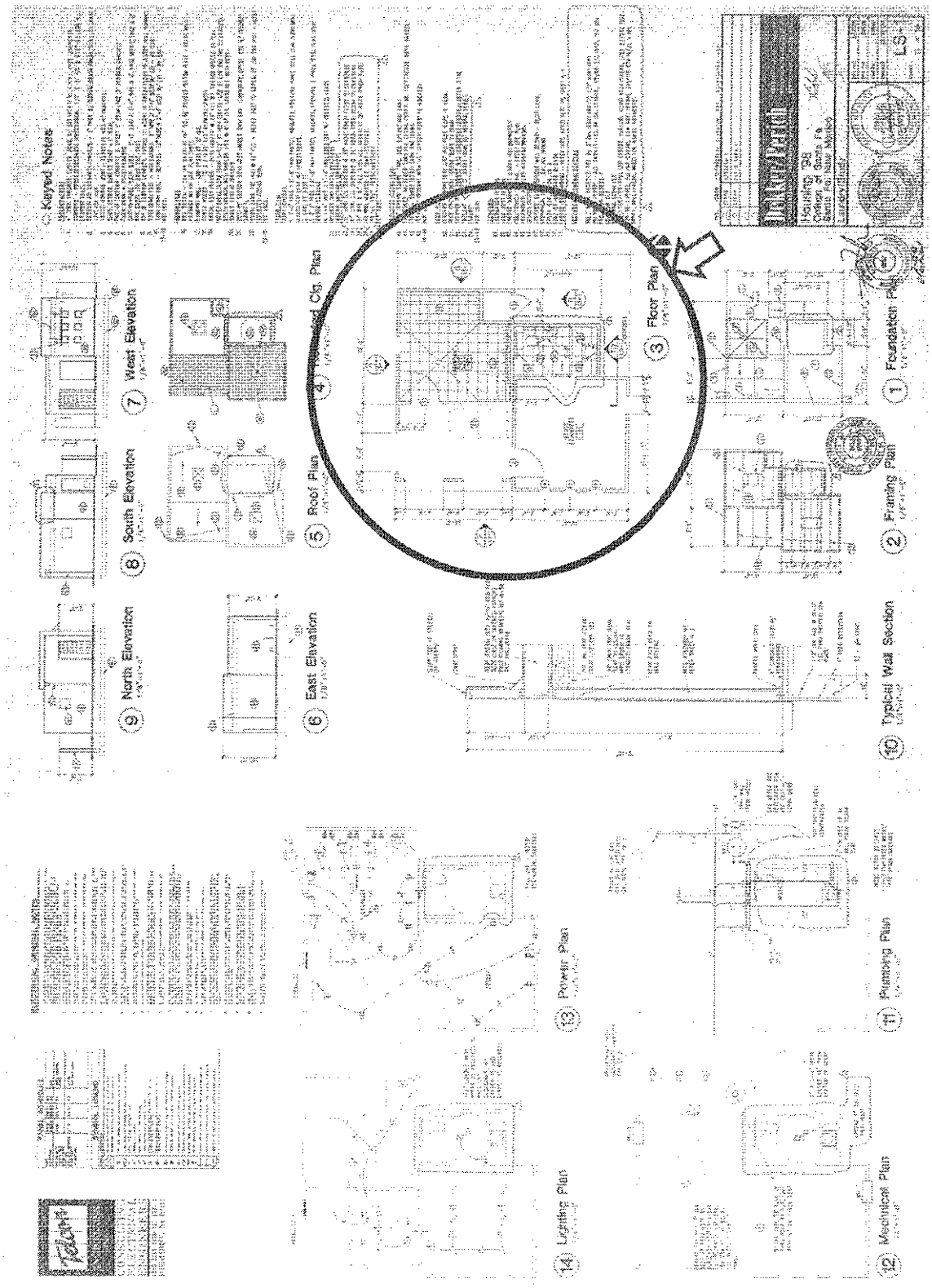


EXHIBIT A1

(FLOOR PLAN – LAUNDRY/OFFICE)



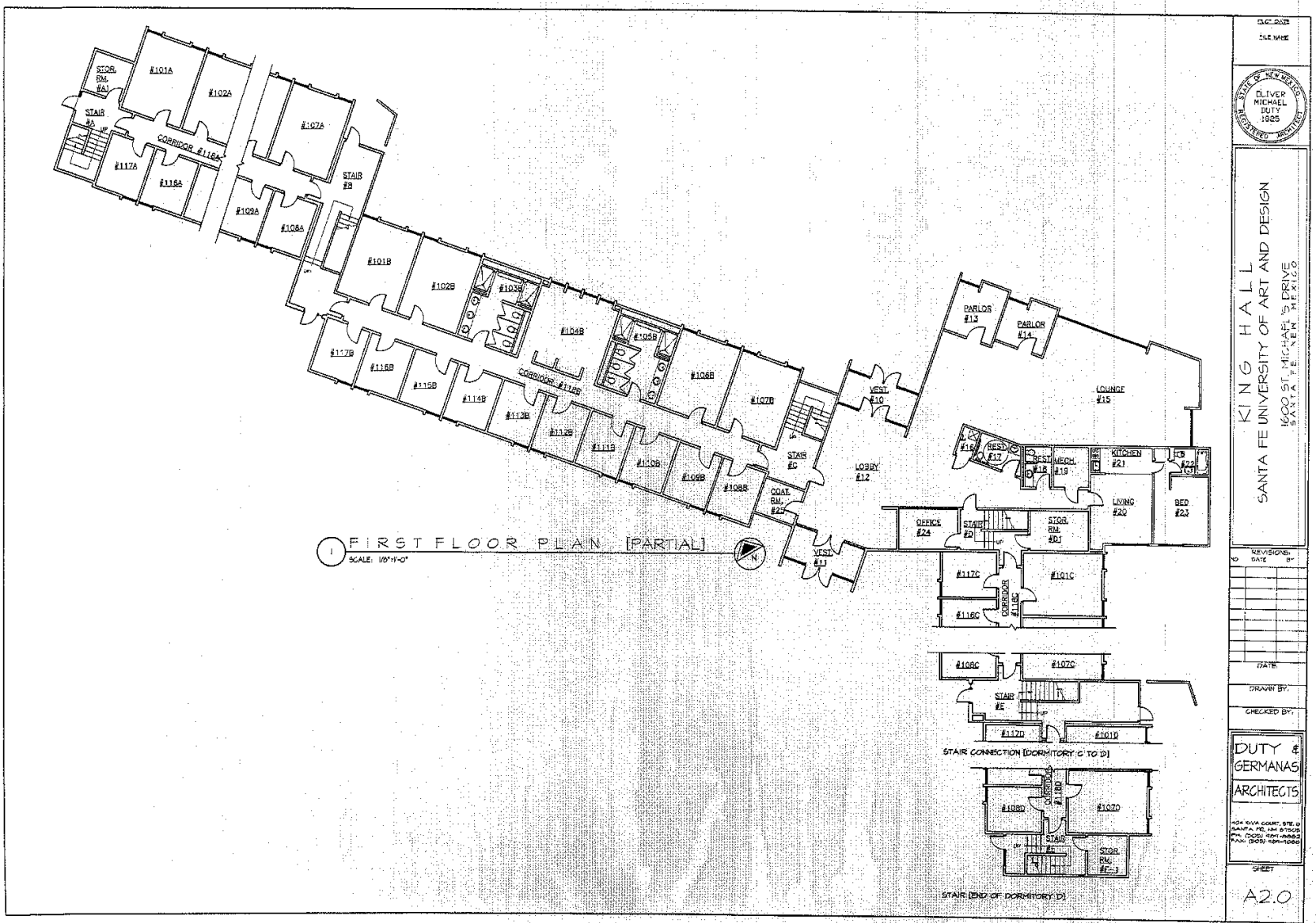

STOR. RM. #A1
#101A
#102A
STAIR #A
CORRIDOR #116A
#117A
#116A
#107A
STAIR #B
#109A
#108A
#101B
#102B
#103B
#104B
#105B
#106B
#107B
#117B
#116B
#115B
#114B
#113B
#112B
#111B
#110B
#109B
#108B
CORRIDOR #106B
STAIR #C
VEST. #10
LOBBY #12
COAT RM. #22
VEST. #11
PARLOR #13
PARLOR #14
LOUNGE #15
#16
RESD. #17
REST #18
MECH. #19
KITCHEN #21
FCB #22
LIVING #20
BED #23
OFFICE #24
STAIR #D
STOR. RM. #D1
#117C
#116C
CORRIDOR #116C
#101C
#108C
#107C
STAIR #E
#117D
#101D
STAIR CONNECTION (DORMITORY C TO D)
#108D
CORRIDOR #116D
#107D
STAIR #E
STOR. RM. #E-1
STAIR (END OF DORMITORY D)
1 FIRST FLOOR PLAN (PARTIAL)
SCALE: 1/8"=1'-0"
N
FILE DATE
FILE NAME
STATE OF NEW MEXICO
OLIVER MICHAEL DUTY
1925
REGISTERED ARCHITECT
KING HALL
SANTA FE UNIVERSITY OF ART AND DESIGN
1600 ST. MICHAEL'S DRIVE
SANTA FE, NEW MEXICO
NO
REVISIONS:
DATE
BY
DATE:
DRAWN BY:
CHECKED BY:
DUTY & GERMANAS
ARCHITECTS
404 KIVA COURT, STE. D
SANTA FE, NM 87505
PH. (505) 471-4002
FAX (505) 984-1002
SHEET
A2.0

EXHIBIT B1

Loss of Use of Premises for 12 month period:
August 1, 2018 – August 31, 2019

1. APARTMENTS *2 apartments were not livable due to mold and other issues*
   - cost for each apartment: $700 per apartment;
   - 2 apts x $700/month x 12 months = $16,800

2. Laundry Room: *not livable due to mold and other issues*
   - 400 sq. ft. x $1.11 $/sq. ft. $444.00 x 12 months = total of
   - $444.00/month x 12 months = $5,328.00

Total Rent Credit *claimed from loss of use of premises for 12 months*
- $22,128.00

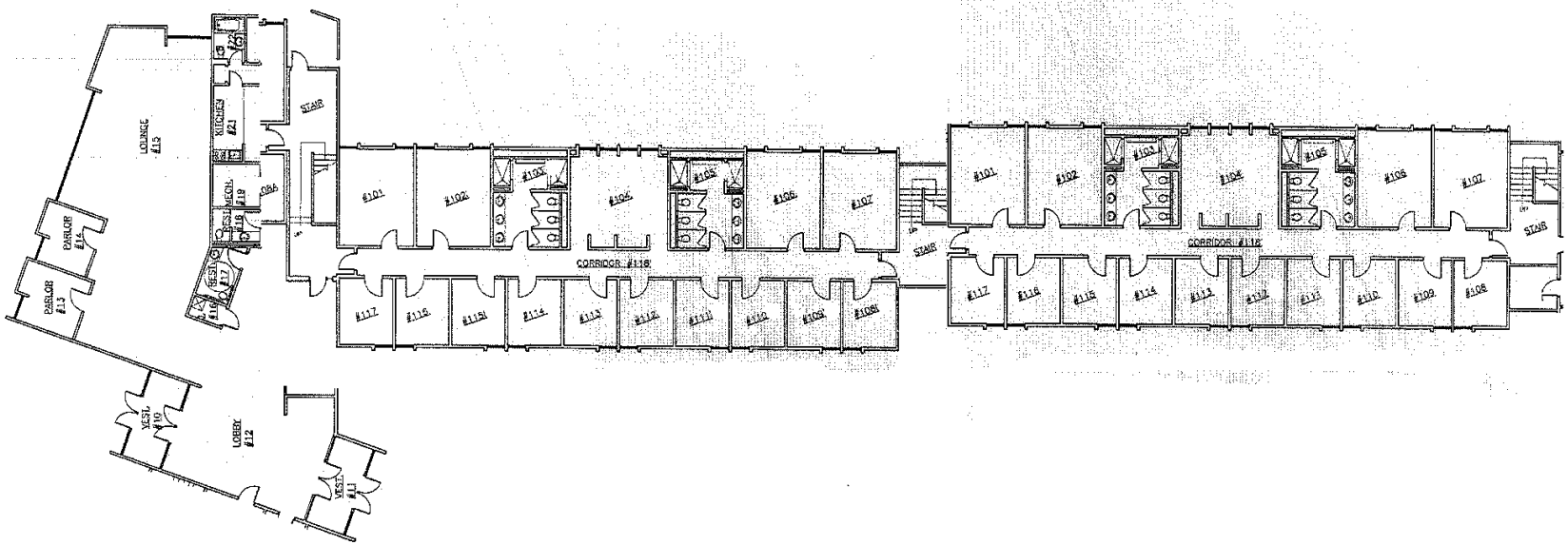

LOUNGE #15
KITCHEN #21
STAIR
PARLOR #14
PARLOR #13
VESTIBULE #17
VESTIBULE #18
VESTIBULE #19
VESTIBULE #20
VESTIBULE #16
VESTIBULE #10
LOBBY #12
VESTIBULE #11
#101
#102
#103
#104
#105
#106
#107
CORRIDOR #118
STAIR
#117
#116
#115
#114
#113
#112
#111
#110
#109
#108
#101
#102
#103
#104
#105
#106
#107
CORRIDOR #118
STAIR
#117
#116
#115
#114
#113
#112
#111
#110
#109
#108

EXHIBIT A1

(TYP. FLOOR PLAN BUILDINGS 6B-1 & 6B-2)

EXHIBIT A1
(FLOOR PLAN – LAUNDRY/OFFICE)

EXHIBIT A1
(BUILDING 12 –PORTION OF KING HALL)

▬ ▬ ▬ LEASE PREMISES

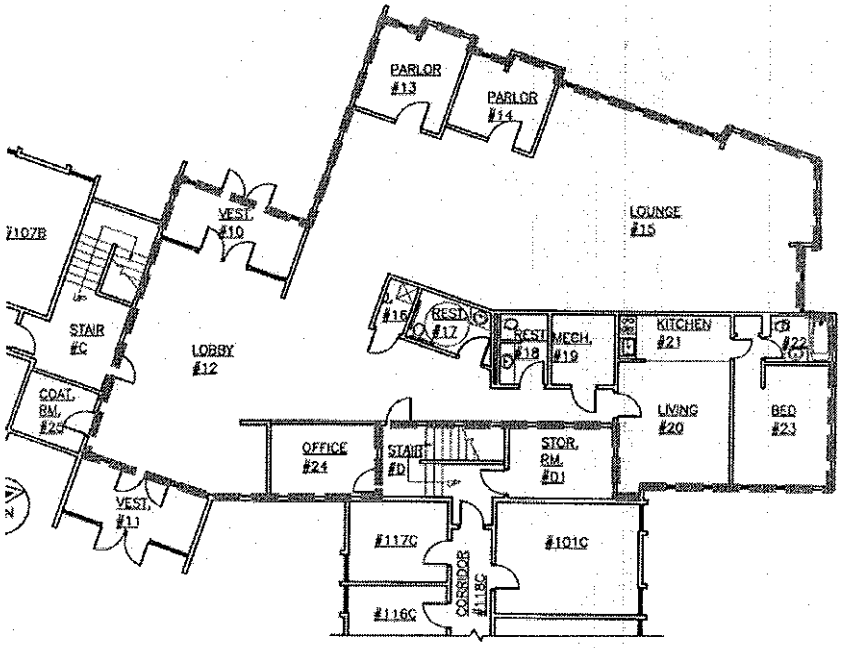


EXHIBIT B1

ESTIMATE OF REPAIRS (See Lease Section 5.B.)

Building 6B-1

C-1		
Building 6B-1 extinguishers	$	30
CA1---Exhaust Fan not working.	$	275
C-2 No fire extinguishers.	$	30
A---Exhaust Fan not working.	$	275
C-2---Bathtub leaking.	$	45
C---No fire extinguisher broken.	$	30
C-3 Bathtub leaking.	$	45
C---Bathtub/shower broken x 3	$	450
C-3---Water damage under window.	$	150
C---Missing window screens x 3	$	90
CA---Water damage under window.	$	150
C---No fire extinguisher.	$	30
A-4 No power to bathroom outlet.	$	45
C---Shower leak.	$	45
C-4---No fire extinguisher.	$	30
C---Kitchen fluorescent lights x 4	$	120
C---No fire extinguisheds.	$	30
C---Missing window screens x 4	$	120
C-5 Broken shower heads.	$	15
C---No fire extinguisher.	$	30
C-5---Missing window screens. x 4	$	120
C---No fire extinguishers.	$	30
C---Missing window screens. x 4	$	120
C-6 No smoke detectors.	$	25
CA---Broken faucet unit. (Unit need to be painted.)	$	1,200
C-6---VCT coming up at entry.	$	250
A---Cabinets (Unit need to be painted.)	$	1,500
C---VCT coming up at entry.	$	250
C---Missing window screens x 3	$	90
C---No fire extinguisher.	$	30
C-7 B-2 missing window screens x 3	$	90
CA---Broken faucet under sink. (Possible mold)	$	2,500
C-7---No fire extinguisher.	$	30
A---Water damage under sink. (Possible mold)	$	2,500
C---No fire extinguishers on the water.	$	30
C---No screen on kitchen window. x 3	$	90
CA---Bathroom toilet does not drain water.	$	450
C-8 Broken shower heads.	$	15
A---Ceiling damage/ repair.	$	225
C-8---No smoke alarms.	$	25
C-9 No fire extinguisher.	$	30
C---No screen on window missing screen.	$	90
C-9---No smoke detectors.	$	75
C---Kitchen window missing screen.	$	90
CA---No smoke detectors broken.	$	75
C---Broken shower heads.	$	15
A-10 Exhaust fan in B-1 broken.	$	275
C---Missing light covers.	$	75
C-10 Garbage disposal broken.	$	225
C-11 Exhaust fan not working.	$	225
CA---Garbage disposal broken not working.	$	225
C-11 Broken shower head.	$	15
A---CA---Garbage disposal not working.	$	225
C-12 Broken shower head.	$	15
C---Missing window screen.	$	300
CA12 Broken garbage disposal.	$	225
C---No fire extinguishers. x 3	$	300
A---Broken garbage disposal.	$	225
C---No fire window screens. x 3	$	900
C---Missing smoke detectors not working.	$	75
CA---No/dead/arms floor.	$	100
CA---Living room ceiling fan not working.	$	225
A---A/C cover on floor.	$	100
Building 6B-1 fan not working.	$	8,120

Building 6B-1 Total	$	8,120

Building 6B-2

D-1		
Building 6B-2 cold valves	$	150
D-1---Living room window missing screen.	$	30
A-D-2 No hot/ cold valves	$	150
CA---Living room window missing screen.	$	300
D-2---No fire extinguishers.	$	30
C---Broken/ missing head.	$	255
D-3 No fire extinguishers.	$	30
CA---Missing shower head missing.	$	135
D-3---Broken exhaust fan.	$	275
A-D-4 C---B-2 tub diverter missing.	$	15
A---Broken valves handle.	$	2,150
D-4---No fire extinguisher.	$	30
CA---Broken garbage disposal.	$	1,385
C---No fire extinguisher not working; missing cover.	$	330
A---Broken garbage disposal.	$	225
D-5 Fluorescent lights not working; missing cover.	$	20
A---Bathroom GFCI not working.	$	450
D-5---No fire extinguisher.	$	30
CA---Stove/ refrigerator broken apart. (need a new one).	$	300
CA---No fire extinguisher cabinet.	$	300
A---Shower valve/ escutcheon. (need a new one).	$	3000
A---C---Burnished/ nickel single sink faucet.	$	3150
D-6 Missing window screens. x 3	$	90
A---C---Bath/ faucet not working/ sink faucet.	$	1,200
D-6---No area lamp.	$	75
A-D-7 Exhaust fan not working.	$	225
CA---Kitchen ceiling fan.	$	225
D-7---Broken garbage disposal.	$	225
A---Broken/ missing/ handles.	$	225
A-D-8 Broken garbage disposal.	$	225
CA---Missing shower/ working.	$	135
D-8		
AA---Kitchen sink sprayer broken/ working.	$	225
D-9---No fire extinguishers	$	30
A---Garbage disposal system working.	$	225
D-10 No fire extinguishers	$	30
CA---Missing window/ screen not working.	$	300
D-10 Broken blind.	$	30
A---Garbage disposal not working.	$	225
D-10 Broken blind.	$	30
C---Missing window screen.	$	300
D-11 B-2 water damage on floor around toilet. (Leak	$	200
CA---No fire extinguisher/ wall under sink. (Mold)	$	2,800
A---Bad/ wash/ damage on floor around toilet. (Leak	$	2000
A-D-12 Water damage on wall under sink. (Mold)	$	2,500
CA---Master window screen CK ?	$	685
D-12 Missing window screen.	$	30
A---No power to kitchen GFCI	$	45
Building 6B-2 Total screen.	$	6,585

Building 6B-2 Total	$	6,585

Office

A---Mold on walls throughout room.	$	2,500
Office Water shut off to unit		
A---Mold on walls throughout room.	$	2,500
Office Total ut off to unit.	$	2,500

Office Total	$	2,500

GRAND TOTAL (All Items)	$	17,205

EXHIBIT B

GRAND TOTAL (All Items)	$	17,205

NEW MEXICO
GENERAL SERVICES DEPARTMENT
RISK MANAGEMENT DIVISION

EVIDENCE OF COVERAGE

MEMORANDUM NUMBER: RMD-EOC-FY21

This Evidence of Coverage is used as a matter of information only and confers no rights upon the Certificate Holder. This Evidence of Coverage does not amend, extend, or alter the coverage afforded by the Tort Claims Act or the applicable Certificates of Coverage or policies for the type(s) of coverage listed below.

CERTIFICATE HOLDER INFORMATION

INSURED: STATE OF NEW MEXICO and UNIVERSITY OF NEW MEXICO (96900)

LOSS PAYEE: TO WHOM IT MAY CONCERN

Coverage Period:
12:00 AM 07/01/2020 to 11:59 PM 06/30/2021

This is to certify that the Insured has the coverages listed below for the period indicated. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this Evidence of Coverage may be used or may pertain, the coverages indicated in this Evidence of Coverage are subject to all terms, exclusions, and conditions of the Certificates of Coverage and other insurance policy(s) to which this Evidence of Coverage pertains. Property and Liability Certificates of Coverage may be obtained by contacting the State of New Mexico's Risk Management Division at 505-827-2036.

Type of Coverage	Limit of Liability/Coverage
A) Liability i. General Liability ii. Automobile Liability iii. Law Enforcement iv. Civil Rights	Statutory Limit NMSA § 41-4-19
B) Workers Compensation.....	Statutory Limits NMSA § 52-1-1 et seq.
C) Property..... i. Auto Physical Damage	$550,000,000.00 Limit Actual Cash Value (ACV)
D) Medical Malpractice	Statutory Limit NMSA § 41-4-19
E) Boiler & Machinery.....	$100,000,000.00 Limit
F) Fine Arts.....	$300,000,000.00

Per 66-5-207, NMSA 1978, - A motor vehicle owned by the United States Government, any state, or political subdivision of the state, is exempt from the Mandatory Financial Responsibility Act.

Per 66-6-15(E), NMSA 1978, - A vehicle or trailer owned by and used in the service of the State of New Mexico or any county or municipality thereof need not be registered but must continually display plates furnished by the Transportation Services Division of the General Services Department.

Should any of the above coverages for the Covered Party be changed or withdrawn prior to the expiration date issued above, the State of New Mexico will notify the Certificate Holder, but failure of such notification shall impose no obligation or liability of any kind upon the State of New Mexico, its agents, or representatives.

Authorized Representative: Mark Tyndall, Director, Risk Management Division, GSD

Date Issued: 7-1-2020

For questions please contact the Loss Prevention and Control Bureau at 505-827-2036 or GSD.LPCB@state.nm.us

N. M. S. A. 1978, § 41-4-19

§ 41-4-19. Maximum liability

Effective: July 1, 2020

A. Unless limited by Subsection B of this section, in any action for damages against a governmental entity or a public employee while acting within the scope of the employee's duties as provided in the Tort Claims Act, the liability shall not exceed:

(1) the sum of two hundred thousand dollars ($200,000) for each legally described real property for damage to or destruction of that legally described real property arising out of a single occurrence;

(2) the sum of three hundred thousand dollars ($300,000) for all past and future medical and medically related expenses arising out of a single occurrence; and

(3) the sum of four hundred thousand dollars ($400,000) to any person for any number of claims arising out of a single occurrence for all damages other than real property damage and medical and medically related expenses as permitted under the Tort Claims Act.

B. The total liability for all claims pursuant to Paragraphs (1) and (3) of Subsection A of this section that arise out of a single occurrence shall not exceed seven hundred fifty thousand dollars ($750,000).

ACTION SHEET
PUBLIC WORKS AND UTILITES COMMITTEE MEETING OF 08/24/2020

ISSUE NO. 8K

Request for Approval of Lease Agreement Amendment #1 with the Santa Fe Recovery Center for extended use of the King Hall Dormitory located at Midtown Santa Fe. (Sam Burnett, Public Works Property Maintenance Manager, jsburnett@santafenm.gov, 955-5933)

COMMITTEE REVIEW

Governing Body (Scheduled) 08/26/2020

PUBLIC WORKS AND UTILITES COMMITTEE ACTION: Approved on Consent Agenda to forward to 08/24/2020 Governing Body.

SPECIAL CONDITIONS OR AMENDMENTS:

STAFF FOLLOW UP:

VOTE:	FOR	AGAINST	ABSTAIN
COUNCILOR RIVERA, CHAIR	X		
COUNCILOR GARCIA	X		
COUNCILOR ABEYTA	X		
COUNCILOR LINDELL	X		
COUNCILOR VIGIL COPPLER	X		

The Recovery Center

If my calculations are correct, the city is currently leasing over 24,000 sf of space in total for the use of the recovery center. It is unclear what the amount due per month—is the figure $35,255.16 based on a quarterly amount? If so the city receives less than 9,000 per month—about 40 cents per sf.…How much does the city spend on city staff to maintain that space? Etc—just asking The leasing of an additional 6000 sf for less than 4000 additional dollars over a three month period is an even lower per sf rental space. I think the public has the right to transparency on this type of spending.

PUBLIC COMMENT 26 Aug 20
I wonder why the Fire Dept rescue team could not find the injured hiker even though John Utsey apparently gave them GPS coordinates and a good description of the location. Fortunately it did not cost the injured man his life.

I wonder why the Historic Preservation Division staff did not get the notice of hearing for yesterday's meeting to the paper on time.

From my first use of the automated complaint system, required by your staff, it does not appear there is any confidentiality—for those of you asking concerning stepped up nuisance law

Lack of Transparency
Why does the land use director and the head of historic preservation put out false narratives and describe the work on a permit to be much less than is actually approved? How did the city verify that the permit had been posted within 24 hours? How can neighbors assess change on an adjoining property when it is misrepresented as to scope?

The permit on 845 B Don Cubero says ReRoof—nothing about restucco and interior renovation. See photo. The gate had been removed from the start of the project and not visible until after Moquino's visit when the gate was put back in place. I watched the stucco project multiple times in the past three weeks. Then the reroof began. There is no permit on the main house (845)(Photo). Note how Ms Roach refers to multiple permits and work being done at each address..

From: "ROACH, LISA X." <lxroach@santafenm.gov>
To: "info@nmmediate.com" <info@nmmediate.com>
CC: "MOQUINO, GARY S." <gsmoquino@santafenm.gov>, "ISAACSON, ELIAS S." <esisaacson@santafenm.gov>, "ROMERO-WIRTH , CAROL" <cromero-wirth@santafenm.gov>, "GARCIA, MICHAEL J." <mjgarcia@santafenm.gov>
Subject: Re: 845 B Don Cubero
Date: Thu, 20 Aug 2020 13:37:24 +0000
Gary checked it out in response to your complaint, as we are required to follow up on such things. We did check our system in advance and saw that <u>both projects have permits, and Gary verified that they are posted properly</u>.
Lisa

From: info@nmmediate.com <info@nmmediate.com>
Sent: Wednesday, August 19, 2020 7:08:17 PM
To: ROACH, LISA X. <lxroach@santafenm.gov>
Cc: MOQUINO, GARY S. <gsmoquino@santafenm.gov>; ISAACSON, ELIAS S. <esisaacson@santafenm.gov>; ROMERO-WIRTH , CAROL <cromero-wirth@santafenm.gov>; GARCIA, MICHAEL J. <mjgarcia@santafenm.gov>
Subject: Re: 845 B Don Cubero

ROACH, LISA I thought they were supposed to be publicly posted. Exactly where are they? I have passed this property for several days and never saw

one posted on the guest unit facing the street as required or even on the
main house. And if they had a permit why did Gary have to check it out?
Don't you look at the computer system first to see if it was issued.
Sounds pretty sketchy to me...
Did he check out the historic wall on West Houghton alley as well?
Stefanie Beninato

Lisa X. writes:
Gary went by the properties and verified that there are permits for all work being done at 845/845B Don Cubero and within West Houghton alley.
Lisa Gavioli Roach
Historic Preservation Division Manager
Land Use Department
> City of Santa Fe

****

City of Santa Fe
Land Use Department
Building Permit Division
200 Lincoln Ave, Santa Fe, New Mexico 87504-0909
(505) 955-6588
NOTICE
CONSTRUCTION
PERMIT
for construction has been issued by the
City of Santa Fe, New Mexico
Re-Roof
Location Bet B Don Cubero
Permit No. 20-0837 Date 7-1-20
Approved By Elias Escarcega
Owner Richard Rosen
Bet B Don Cubero
Contractor Power Loft License # 398695
3750 Vol mesa
Staff Comments
08 20 2020

BETTER BUILT
TOYOTA
CENTENNIAL 1912-2012
NEW MEXICO
LAND OF ENCHANTMENT
08 20 2020

16. PETITIONS FROM THE FLOOR

Name: Stefanie Beninato
Comment - 08/26/2020 12:49 PM: (No Vote)
PUBLIC COMMENT 26 Aug 20
I wonder why the Fire Dept rescue team could not find the injured hiker even though John Utsey apparently gave them GPS coordinates and a good description of the location. Fortunately it did not cost the injured man his life.

I wonder why the Historic Preservation Division staff did not get the notice of hearing for yesterday's meeting to the paper on time.

Lack of Transparency
Why does the land use director and the head of historic preservation put out false narratives and describe the work on a permit to be much less than is actually approved.? How did the city verify that the permit had been posted within 24 hours? How can neighbors assess change on an adjoining property when it is misrepresented as to scope?

The permit on 845 B Don Cubero says ReRoof—nothing about restucco and interior renovation. See photo. The gate had been removed from the start of the project and not visible until after Moquino's visit when the gate was put back in place. There is no permit on the main house (845)(Photo). Note how Ms Roach refers to multiple permits and work being done on each unit.
I am sending part of the emails in this email and part in a second one since they exceed length.
From: "ROACH, LISA X." <lxroach@santafenm.gov>
To: "info@nmmediate.com" <info@nmmediate.com>
CC: Subject: Re: 845 B Don Cubero
Date: Thu, 20 Aug 2020 13:37:24 +0000
Gary checked it out in response to your complaint, as we are required to follow up on such things. We did check our system in advance and saw that both projects have permits, and Gary verified that they are posted properly.
Lisa
From: info@nmmediate.com <info@nmmediate.com>
LISA I thought they were supposed to be publicly posted. Exactly
where are they? I have passed this property for several days and never saw
one posted on the guest unit facing the street as required or even on the
main house
Gary went by the properties and verified that there are permits for all work being done at 845/845B Don Cubero and within West Houghton alley.
Lisa Gavioli Roach
PHOTOS SUBMITTED EITHER TO YOUR CITY EMAIL OR BY CITY CLERK

City of Santa Fe, New Mexico

memo

DATE: **August 20, 2020**

TO: **City Council**

FROM: **Mayor Alan Webber**

RE: **Appointments**

I would like to make the following appointments:

Bicycle and Trail Advisory Committee

Khalil J. Spencer – Reappointment – term ending 6/2022
Sky Tallman – Reappointment – term ending 6/2022
Judith Gabriele.– to fill unexpired term ending 6/2022 (Resume attached)
Yvette Serrano – to fill unexpired term ending 6/2022 (Resume attached)

JUDITH GABRIELE, M.P.H.

SUMMARY OF QUALIFICATIONS

- ***Seasoned, passionate public servant with more than thirty years of extensive experience developing, implementing, and evaluating public health programs***
- ***Strategic thinker and creative problem solver***
- ***Exceptional leadership, administrative, supervisory, program management, and budgeting skills***

OBJECTIVE

As a soon-to-be-retired long-time public health professional, I'm seeking opportunities to work on social justice, health equity, and public policy so all Santa Feans can attain their full potential.

WORK EXPERIENCE

August 2017 – September 2020

Deputy Bureau Chief - Population and Community Health Bureau, Public Health Division, NM Department of Health, Santa Fe, NM

- Provide leadership and direction to staff of the Population and Community Health Bureau;
- Assist staff to engage in core public health functions, provide essential public health services and strengthen public health infrastructure in the context of the Department of Health (DOH) Strategic Plan and the State Health Improvement Plan to achieve DOH's and the Public Health Division's mission, vision, goals, objectives, and strategic direction;
- Increase coordination across bureau programs and with Public Health Division regions by pro-actively and strategically identifying and implementing initiatives that share staff, financial and other resources;
- Supervise and support the managers of the Diabetes Prevention and Control; Obesity, Nutrition and Physical Activity; Oral Health; Primary Care and Rural Health; and Tobacco Use Prevention and Control programs.
- Assure accountability to the Department, funders, legislators, and constituents through comprehensive programmatic reporting and performance measure monitoring.

April 2005 – February 2018

Staff Manager - Diabetes Prevention and Control Program, Public Health Division, NM Department of Health, Santa Fe, NM

Oversee the delivery of essential public health services related to diabetes prevention and control, including surveillance and evaluation, assessment, community mobilization, policy development, and linking people to needed health services

- Effectively manage a comprehensive chronic disease prevention and management program with seven staff and a 2+ million-dollar budget with four different funding sources;
- Develop, monitor, and evaluate funding applications, Requests for Proposal, and contracts, assuring compliance with the State of New Mexico procurement code and alignment with the current priorities of the Program, Division, Department, and funders;
- Oversee the provision of customer-centered and culturally competent technical assistance to contractors, health systems, community organizations, and other public health partners;
- Assure accountability to the Department, funders, legislators, and constituents through comprehensive programmatic reporting and performance measure monitoring;
- Increase coordination across chronic disease programs and Public Health Division regions by pro-actively and strategically identifying and executing opportunities to share staff, financial and other resources

February 2001 – April 2005

Line Manager - District II (now Northeast Region) Health Promotion, Public Health Division, NM Department of Health, Santa Fe, NM

Administered a health promotion program for nine counties in northeast New Mexico, managing a program of nine Health Promotion Specialists and overseeing the development, implementation, and evaluation of health promotion initiatives

January 2000 - February 2001
Health Consultant - Coletta Reid and Associates, Santa Fe, NM
Consulted on public health initiatives with local and state organizations such as Santa Fe Public Schools, NM Department of Health Tobacco Use Prevention and Control Program, New Mexicans Concerned About Tobacco, and NM Department of Health Behavioral Health Services Division

January 1994 - January 2000
Health Educator - District II Health Promotion, Public Health Division, New Mexico Department of Health, Santa Fe, NM
Provided public health leadership and health promotion services for Los Alamos, San Miguel, and Harding counties

August 1987 - December 1993
Administrative Aide to the Director of Health - Windsor Health Department, Windsor, CT
Assisted Director of Health in all aspects of administration of the Windsor Health Department and developed the community's first state-mandated health promotion program

September 1982 - August 1987
Histologist - Stauffer Environmental Health Center, Farmington, CT

August 1980 - June 1982
Research Assistant II - University of Connecticut School of Dental Medicine, Farmington, CT

EDUCATION AND TRAINING
- *Master of Public Health*, University of Connecticut, Farmington, CT, 1990
- *Bachelor of Science in Biology*, with a minor concentration in Chemistry, Cum Laude, Salve Regina College (now Salve Regina University), Newport, RI, 1980
- Evidence-Based Public Health: A Course in Chronic Disease Prevention, National Association of Chronic Disease Directors, March 2015
- *Mindful Leadership*, Suzanne Kryder/The Mind to Lead
- *Basic Mediation*, State of New Mexico, Santa Fe, NM, May 2004
- *Coaching for Managers*, UNM Anderson School of Management, Albuquerque, NM, 2002
- *Basic Management*, UNM Anderson School of Management, Albuquerque, NM, 2001
- *Histologic Technician Certification*, American Society of Clinical Pathologists, Chicago, IL, 1984

ADDITIONAL PUBLIC HEALTH ACTIVITIES
2018-September 2020
Board Secretary, National Association of Chronic Disease Directors

2014 - 2018
Board Member at-large, National Association of Chronic Disease Directors

2010 - 2015
Chair-elect, Chair, Past-chair, National Association of Chronic Disease Directors Diabetes Council

2007 - 2011
Spokesperson, WomenHeart, the National Coalition for Women with Heart Disease and NM Chapter of the American Heart Association Speaker's Bureau

2007 – 2010
Board Member/Regional Representative, New Mexico Public Health Association

1999 - 2005
Editor, New Mexico Public Health Association Healthletter

1990-1993
Lyme Disease Speaker's Bureau Presenter, State of Connecticut Department of Health Services

1988-1993
Committee Member, Hartford, CT region of the American Cancer Society Public Education Committee

1987-1988
Hotline Counselor, AIDS Project Hartford

PROFESSIONAL MEMBERSHIP
New Mexico Public Health Association

VOLUNTEER EXPERIENCE
2016-2019
Volunteer, City of Santa Fe Bandstand

REFERENCES
Available upon request

Yvette Serrano

EXPERIENCE

Chainbreaker Collective, Bicycle Resource Center Organizer
May 2019 - Present
I lead the Bicycle Resource Center project and organize community members. I also support outreach efforts through design and promotional materials.

Meridel Rubenstein, Assistant
Dec. 2017 - Present
I assist with a number of tasks including: studio/digital maintenance, pay bills, balance checkbook, and design promotional materials.

Cisneros Design, Graphic Designer
June 2018 - May 2019
I worked with a team in the design and production of both print and digital material, including; flyers, programs, posters, ads, branding identities, and concept work.

Radius Books, Design Intern
Feb. 2017 - May 2017
Produced promotional material for book releases, including press releases and catalog design. I also produced book mockups, and helped package and ship products.

Genghis Kern, Printer's Devil
Feb. 2015 - Aug. 2016
Worked with a small team to design posters, branding identity, promotional material, and editorial layouts. Letterpress printed material, and helped in various tasks including: duplexing, scoring, die-cutting, gluing, and cutting paper.

EDUCATION

Santa Fe University of Art and Design
BFA Communication Design
2018

VOLUNTEER

Press of the Palace of the Governors
June 2017 - February 2018
Assisted in various shop duties such as: letterpress printing, setting type, distributing type, cleaning, and organizing the shop.

SKILLS

Fluent in Spanish
Proficient in Adobe Creative Suite, Microsoft Office.
Letterpress printing

ACTION SHEET
PUBLIC WORKS AND PUBLIC UTILITES COMMITTEE MEETING OF 06/08/2020

ISSUE NO. 7Q

Consideration of Bill No. 2020-__: An Ordinance Amending Section 5-13.3 to Correct a Reference Citation. (Councilor Lindell) (Jesse Guillen, Legislative Liaison, jbguillen@santafenm.gov, 955-6518)

COMMITTEE REVIEW

Quality of Life Committee (Approved)	06/03/2020
Governing Body (Request to Publish) (Scheduled)	06/10/2020
Governing Body (Public Hearing) (Scheduled)	06/24/2020

PUBLIC UTILITES COMMITTEE ACTION: Pulled by Councilor Vigil Coppler for further information on wording of the amendment. Unanimously approved to forward to 6/10/2020 Governing Body

SPECIAL CONDITIONS OR AMENDMENTS:

STAFF FOLLOW UP:

VOTE:	FOR	AGAINST	ABSTAIN
COUNCILOR RIVERA, CHAIR	X		
COUNCILOR GARCIA	X		
COUNCILOR ABEYTA	X		
COUNCILOR LINDELL	X		
COUNCILOR VIGIL COPPLER	X		

ACTION SHEET
ITEM FROM QUALITY OF LIFE COMMITTEE MEETING OF 06/03/2020
FOR CITY COUNCIL MEETING OF 07/08/2020

ISSUE:

a. Consideration of Bill No. 2020-__: An Ordinance Amending Section 5-13.3 to Correct a Reference Citation. (Councilor Lindell) (Jesse Guillen, Legislative Liaison: jbguillen@santafenm.gov, 505-955-6518)

Committee Review:
Public Works and Utilities: 06/08/2020
City Council (request to publish) (scheduled): 6/10/20
Finance Committee (scheduled): 6/15/20
City Council (public hearing) (scheduled): 7/8/20

QUALITY OF LIFE COMMITTEE ACTION: Approved on consent

SPECIAL CONDITIONS OR AMENDMENTS:

SEND TO:
Governing Body (scheduled): 06/10/2020
Public Works and Utilities: 06/08/2020
Finance Committee (scheduled): 6/15/2020

VOTE	FOR	AGAINST	ABSTAIN
CHAIRPERSON ROMERO-WIRTH	X		
COUNCILOR VILLARREAL	X		
COUNCILOR RIVERA	X		
COUNCILOR GARCIA	X		
COUNCILOR CASSUTT-SANCHEZ	X		

City of Santa Fe, New Mexico

LEGISLATIVE SUMMARY

Bill No. 2020-__

Dog Park Reference Fix

SPONSOR(S): Councilor Li ndell

SUMMARY: Subsection 5-13.3(B) regarding the disposal of pet waste refers to a subsection that was repealed in 2004. This Bill amends that subsection reference to the correct subsection.

PREPARED BY: Jesse Guillen, Legislative Liaison

FISCAL IMPACT: None

DATE: May 27, 2020

ATTACHMENTS: Resolution
Fiscal Impact Report

CITY OF SANTA FE, NEW MEXICO

BILL NO. 2020-__

INTRODUCED BY:

Councilor Signe I. Lindell

AN ORDINANCE

AMENDING SECTION 5-13.3 TO CORRECT A REFERENCE CITATION.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE:

Section 1. Section 5-13.3 of SFCC 1987 (being Ord. No. 1999-26, § 6,) is amended to read:

5-13.3 Applicability.

A. All persons wishing to run their dogs off-leash (except on their own premises) must do so within the established limits and boundaries of an official city designated dog park. It is the intent of this section for the city to designate enough dog parks that dog owners may walk to them and to not unduly impact any one (1) dog park.

B. Protocol for the users of dog parks or areas shall include, but not be limited to the following:

(1) People must clean up after their pets and dispose of all feces left by their dog in accordance with subsection [~~5-7.14~~] 5-7.6 SFCC 1987.

(2) No aggressive dogs shall be allowed. Dogs showing aggression

underscored material = new [bracketed material] = delete

towards people or other dogs must be immediately leashed and removed from the dog park. If a person continues to bring an aggressive dog to a dog park, such individual shall be cited in accordance with subsection 5-5.3 SFCC 1987.

(3) Dogs must be wearing up-to-date rabies vaccination and city license tags at all times.

(4) Dog owners or those having charge or custody of a dog are legally responsible for their dogs and any injuries caused by their dogs. Under no circumstances shall the city assume any liability for the actions of dogs or their owners.

(5) People must remain with their dogs in the dog park, and must keep their dog in sight and must carry a leash at all times.

(6) Leaving dogs unattended is absolutely prohibited. Dogs must be leashed before entering and leaving the dog park.

(7) With the exception of puppies under five (5) months of age, all dogs using the dog park should be spayed or neutered. No dogs in heat are allowed in the dog park.

(8) A limit of three (3) dogs per person per visit.

(9) Young children must be closely supervised.

(10) People must not permit their dogs to dig or to unduly disturb the terrain or vegetation. Any holes created by an individual's dog must be filled by that person.

(11) Professional dog trainers may not use this facility for the conduct of their business.

C. The governing body is authorized to designate a dog park or to rescind such designation.

APPROVED AS TO FORM:

ERIN K. McSHERRY, CITY ATTORNEY

Legislation/2020/Bills/Dog Park Reference Fix

FIR No. 3253

FISCAL IMPACT REPORT

General Information:

(Check) Bill: X Resolution: _____

Short Title(s): Dog Park Reference Fix

Sponsor(s): Councilor Lindell

Revie wing Department(s): Legislative Services

Staff Completing FIR: Jesse Guillen Date: 5/14/20 Phone: 955-6518

Revie wed by City Attorney: Date: May 28, 2020

Revie wed by Finance Director: Mary McCoy Date: May 28, 2020

Summary:
Subsection 5-13.3(B) regarding the disposal of pet waste refers to a subsection that was repealed in 2004. This Bill amends that subsection to reference the correct subsection.

Departments Affected:
Parks and Recreation, Police Department (Animal Services).

Consequences of Not Enacting Legislation:
There will continue to be an inaccurate citation in Section 5-13.3 which creates confusion for the public and the inability of enforcement officers to issue accurate citations.

Conflict, Duplication, Companionship, or Relationship to Other Legislation:
None identified.

Performance and Administrative Implications:
City enforcement will be able to cite to the correct section of Chapter V.

Fiscal Implications:
None identified.

Fiscal Impact

X Check here if no fiscal impact

Expenditures

Expenditure Type	FYE __	FYE __	FYE __	Require BAR (Y/N)	Recurring (R) or Non-recurring (NR)	Fund	3-Year Total Cost
Personnel and	$	$	$				
Benefits*							
Capital Outlay	$	$	$				
Contractual/	$	$	$				
Professional Services							
Operating	$	$	$				$
Total:	$	$	$				$

* This includes all staff time associated with executing the job functions of the proposed legislation.

Expenditure Narrative:

Revenue

Revenue Type	FYE __	FYE __	FYE __	Recurring (R) or Non-recurring (NR)	Fund
General Fund	$	$	$		
Special Revenue	$	$	$		
CIP	$	$	$		
Enterprise	$	$	$		
Internal Service	$	$	$		
Trust and Agency	$	$	$		
Federal	$	$	$		
Other	$	$	$		
Total	$	$	$		

Revenue Narrative:

CITY OF SANTA FE, NEW MEXICO
PROPOSED AMENDMENT(S) TO BILL NO. 2020-13
Dog Park Reference Fix

Mayor and Members of the City Council:

I propose the following amendment(s) to Bill No. 2020-13:

1. On page 1, line 17 ***strike*** "persons" and ***insert*** in lieu thereof "owner s of animal s"
2. On page 1, line 19 ***strike*** "dog owners" and ***insert*** in lieu thereof "owners of animals"
3. On page 1, line 21 ***strike*** "users of" and ***insert*** in lieu thereof "owners of animals at"
4. On page 1, line 23 ***strike*** "people" and ***insert*** in lieu thereof "owners of animal"
5. On page 2, line 2 ***strike*** "a person" and ***insert*** in lieu thereof "owner of animal "
6. On page 2, line 6 ***strike*** "Dog owners or those having charge or custody of a dog" and ***insert*** in lieu thereof "owner of animals"
7. On page 2, lines 8 and 9 ***strike*** "their owners" and ***insert*** in lieu thereof "the owners of animals"
8. On page 2, line 10 ***strike*** "people" and ***insert*** in lieu thereof "owners of animal"
9. On page 2, line 17 ***strike*** "people" and ***insert*** in lieu thereof "owner of animal"
10. On page 2, line 19 ***strike*** People" and ***insert*** in lieu thereof "Owners of animal"
11. On page 2, line 20 ***strike*** "individual's" and ***insert*** in lieu thereof "owner of animal's"

Respectfully submitted,

_____
Councilor JoAnne Vigil Coppler

Approved as to Form:

_____
Erin K. McSherry, City Attorney

ADOPTED: _____
NOT ADOPTED: _____
DATE: _____

_____
Yolanda Y. Vigil, City Clerk

10174.1(A)

ACTION SHEET
ITEM FROM QUALITY OF LIFE COMMITTEE MEETING OF 08/19/2020
FOR CITY COUNCIL MEETING OF 08/26/2020

ISSUE:
Consideration of Bill No. 2020-20: An Ordinance Relating to Creating Efficiencies, Enhancing Effectiveness, and Eliminating Silos by Reorganizing Certain City Departments, Organizing the Economic Development Division, Affordable Housing Office, Land Use Department, Tourism Santa Fe Department, Recreation Division, and the Arts and Culture Department as Divisions of a Community Development Department; Organizing the Community Services Department, Police Department, Fire Department, and Office of Emergency Management as Divisions of a Community Health and Safety Department; and Placing the Constituent and Council Relations Department into the City Clerk's Office; Amending 2.6-3; Replacing Section 2-8 SFCC 1987 with a New Section 2-8 SFCC that Establishes all City Departments; Reorganizing Existing Sections 2-8, 2-14, 2-15, 2-19, and 2-10 as Subsections of the New Section 2-9; Establishing in Ordinance the Existing Information Technology and Telecommunications Department and the Constituent and Council Services Department; and Repealing the Sections of Chapter 2 that Establish Departments that Are Either Becoming Divisions or No Longer Exist, Sections 2-9, 2-10, 2-11, 2-12, 2-13, 2-16, 2-19, 2-21, and 2-23 SFCC 1987; Amending Section 2-22 SFCC 1987 to Provide Contract Internal Audit Functions; and Amending Sections 26-1.6 and 26-3.5 Regarding the Office of Affordable Housing. (Jesse Guillen, Legislative Liaison jbguillen@santafenm.gov, 955-6518; Erin K. McSherry, City Attorney; ekmcsherry@santafenm.gov, 955-6512, Jarel LaPan Hill, City Manager, jlapanhill@santafenm.gov 955-6534)

COMMITTEE REVIEW
Governing Body (Request to Publish): 07/29/2020
Quality of Life Committee (Scheduled): 08/19/2020
Public Works (Scheduled): 08/24/2020
Governing Body (Public Hearing): 08/26/2020

QUALITY OF LIFE COMMITTEE ACTION: pulled from consent by Councilors Villarreal and Garcia. Approved.

SPECIAL CONDITIONS OR AMENDMENTS:

SEND TO:
Public Works; Governing Body

VOTE	FOR	AGAINST	ABSTAIN
CHAIRPERSON ROMERO-WIRTH	X		
COUNCILOR VILLARREAL			X
COUNCILOR RIVERA	X		
COUNCILOR GARCIA	X		
COUNCILOR CASSUTT-SANCHEZ	X		

ACTION SHEET
ITEM FROM FINANCE COMMITTEE MEETING OF 08/17/2020
FOR CITY COUNCIL MEETING OF 08/26/20

c) Consideration of Bill No. 2020-20: An Ordinance Relating to Creating Efficiencies, Enhancing Effectiveness, and Eliminating Silos by Reorganizing Certain City Departments, Organizing the Economic Development Division, Affordable Housing Office, Land Use Department, Tourism Santa Fe Department, Recreation Division, and the Arts and Culture Department as Divisions of a Community Development Department; Organizing the Community Services Department, Police Department, Fire Department, and Office of Emergency Management as Divisions of a Community Health and Safety Department; and Placing the Constituent and Council Relations Department into the City Clerk's Office; Amending 2.6-3; Replacing Section 2-8 SFCC 1987 with a New Section 2-8 SFCC that Establishes all City Departments; Reorganizing Existing Sections 2-8, 2-14, 2-15, 2-19, and 2-10 as Subsections of the New Section 2-9; Establishing in Ordinance the Existing Information Technology and Telecommunications Department and the Constituent and Council Services Department; and Repealing the Sections of Chapter 2 that Establish Departments that Are Either Becoming Divisions or No Longer Exist, Sections 2-9, 2-10, 2-11, 2-12, 2-13, 2-16, 2-19, 2-21, and 2-23 SFCC 1987; Amending Section 2-22 SFCC 1987 to Provide Contract Internal Audit Functions; and Amending Sections 26-1.6 and 26-3.5 Regarding the Office of Affordable Housing. (Jesse Guillen, Legislative Liaison jbguillen@santafenm.gov, 955-6518; Erin K. McSherry, City Attorney; ekmcsherry@santafenm.gov, 955-6512, Jarel LaPan Hill, City Manager, jlapanhill@santafenm.gov 955-6534)

COMMITTEE	**REVIEW**
Governing Body (Request to Publish):	07/29/2020
Quality of Life Committee (Scheduled):	08/19/2020
Public Works (Scheduled):	08/24/2020
Governing Body (Public Hearing): 08/26/2020	

FINANCE COMMITTEE ACTION:
Approved on Discussion

FUNDING SOURCE:

SPECIAL CONDITIONS OR AMENDMENTS-

VOTE	**FOR**	**AGAINST**	**ABSTAIN**
CHAIRPERSON ABEYTA	X		
COUNCILOR LINDELL	X		
COUNCILOR ROMERO-WIRTH	X		
COUNCILOR VILLARREAL	X		
COUNCILOR CASSUTT-SANCHEZ	X		

3-19-18

CITY OF SANTA FE, NEW MEXICO

BILL NO. 2020-20

INTRODUCED BY:

AN ORDINANCE

CREATING EFFICIENCIES, ENHANCING EFFECTIVENESS, AND ELIMINATING SILOS BY REORGANIZING CERTAIN CITY DEPARTMENTS, ORGANIZING THE ECONOMIC DEVELOPMENT DIVISION, AFFORDABLE HOUSING OFFICE, LAND USE DEPARTMENT, TOURISM SANTA FE DEPARTMENT, RECREATION DIVISION, AND THE ARTS AND CULTURE DEPARTMENT AS DIVISIONS OF A COMMUNITY DEVELOPMENT DEPARTMENT; ORGANIZING THE COMMUNITY SERVICES DEPARTMENT, POLICE DEPARTMENT, FIRE DEPARTMENT, AND OFFICE OF EMERGENCY MANAGEMENT AS DIVISIONS OF A COMMUNITY HEALTH & SAFETY DEPARMENT; AND PLACING THE CONSTITUENT AND COUNCIL RELATIONS DEPARTMENT INTO THE CITY CLERK'S OFFICE; AMENDING SECTION 2.6-3; REPLACING SECTION 2-8 SFCC 1987 WITH A NEW SECTION 2-8 SFCC 1987 THAT ESTABLISHES ALL CITY DEPARTMENTS; REORGANIZING EXISTING SECTIONS 2-8, 2-14, 2-15, 2-19, AND 2-10 AS SUBSECTIONS OF THE NEW SECTION 2-8; ESTABLISHING IN ORDINANCE THE EXISITING INFORMATION TECHNOLOGY AND TELECOMMUNICATIONS DEPARTMENT AND THE CONSTITUENT AND COUNCIL SERVICES DEPARTMENT; AND REPEALING THE SECTIONS OF CHAPTER 2 THAT ESTABLISH DEPARTMENTS THAT ARE EITHER BECOMING DIVISIONS OR NO LONGER EXIST, SECTIONS 2-9, 2-10, 2-11, 2-12, 2-13, 2-16, 2-19, 2-21, AND 2-23 SFCC

underscored material = new [~~bracketed material~~] = delete

1987; AMENDING SECTION 2-22 SFCC 1987 TO PROVIDE CONTRACT INTERNAL AUDIT FUNCTIONS; AND AMENDING SECTIONS 26-1.6 AND 26-3.5 REGARDING THE OFFICE OF AFFORDABLE HOUSING.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE:

Section 1. Section 2-6.3 SFCC 1987 (being Code 1953, § 2-60; Code 1973, § 2-84; SFCC 1981, § 2-1-24, as amended) is hereby amended to read:

2-6.3 - Duties of the city clerk. The city clerk shall:

A. Keep in custody all minutes, ordinances and resolutions approved by the governing body;

B. Attend all meetings of the governing body;

C. Record all proceedings, ordinances and resolutions of the governing body;

D. Upon request, furnish copies of municipal records. The city clerk may charge a reasonable fee for the cost of furnishing copies of municipal records;

E. Administer the municipal election and perform other election duties required pursuant to Articles 8 and 9, Chapter 3 NMSA 1978;

F. Have custody of, and safely keep, all official records and documents, such as contracts, agreements, deeds, of the city, the originals of which are to stay in the office, except upon request of the city attorney for purposes of litigation;

G. Administer and process the filing and release of liens for the city as prescribed by Article 36, Chapter 3 NMSA 1978 or as otherwise provided by law; [~~and~~]

H. Administer and manage the Constituent and Council Services Department; and

I. [~~H~~]. Perform other duties prescribed by law, ordinance or city rules and regulations.

Section 2. Section 2-8 SFCC 1987 (being Ord. No. 1983-33, § 4, as amended) is hereby repealed.

Section 3. A new Section 2-8 SFCC 1987 is hereby ordained to read:

[NEW MATERIAL] 2-8 CITY DEPARTMENTS.

2-8.1 Finance Department.

A. Creation of department.

There is created a department of city government to be known as the "finance department".

B. Finance officer.

(1) *Position Established.* The position of finance officer is established. The finance officer is the city treasurer and manager of the finance department of the city. The designation as finance officer shall not be considered separate employment nor occasion any additional salary.

(2) *Duties.* The finance officer shall:

(a) Receive all money due and payable to the city;

(b) Keep his accounts and records in the manner prescribed by generally accepted accounting principles;

(c) Keep the money of the city separate from any other money in his possession;

(d) Expend the money only as directed by the governing body;

(e) Submit monthly, or more often if required by the governing body, a report of the receipts and expenditures of the city;

(f) Supervise the depositing and safekeeping of all money belonging to the city;

(g) With the advice and consent of the governing body designate banks qualified to receive or deposit money entrusted in his care;

(h) Prepare annually, for the close of the fiscal year, a comprehensive annual financial report showing the receipts, expenditures and balances for each fund. A copy of the financial report shall be filed in the finance officer; and

(i) Perform other duties prescribed by law, ordinance or city rules and regulations.

(3) *Reports to Governing Body.* The finance officer shall be responsible and report to the governing body through the city manager.

(4) *Records Open for Inspection.* The records of the finance officer shall be open to inspection by any citizen during the regular business hours of the city.

2-8.2 Community Health and Safety Department.

A. Creation of department.

There is created a department of city government to be known as the "community health and safety department", comprised of four divisions: the police department, the fire department, the community services department, and the office of emergency management.

B. Police Department.

(1) Powers and duties generally. Police officers shall execute and return all writs and processes directed to them by the municipal judge and, in criminal cases or cases of violations of city ordinances, they may serve the same in any part of the country. They shall suppress all riots, disturbances and breaches of the peace, apprehend all disorderly persons within the city and shall pursue and arrest any person fleeing from justice. They shall apprehend any person in the act of committing any offense against the laws of the state or the ordinances of the city, and forthwith bring such persons before a competent authority for examination and trial. They shall have, in the discharge of their

proper duties, like powers and be subject to like responsibilities as sheriffs or constables in similar cases.

(2) Appointment of police officers; commissions.

No person shall assume or exercise the functions, powers, duties and privileges incident or belonging to the office of municipal policeman without first having received his appointment in writing, known as his "commission", from the governing body. The advice of the chief of police shall be obtained in the employment and commissioning of all policemen of the department.

(3) Training schools and examinations.

(a) There shall be held and conducted at such times as may be prescribed by the chief of police, with the approval of the governing body, schools for training in modern police methods and practices. The schools for training and the checking of the qualifications and general fitness of applicants for positions in the police department shall be under the direction and supervision of the chief of police.

(b) All members of the police department shall take such examinations as may be prescribed.

(c) In the taking of all written examinations there shall be assigned to each applicant a number which shall be endorsed on his examination papers, and the grading of the examinations shall be by number only.

(d) Except as otherwise provided, no member shall be retained in the police department and no applicant shall be appointed to the police department unless such member or applicant, after taking the prescribed training courses, has successfully passed the prescribed examinations, written and oral; provided, that the minimum educational qualifications required by the City Personnel Act shall not apply to members of the present police department who are otherwise

qualified under the provisions hereof; provided further, that in passing on the qualifications of members of the present police department, consideration shall be given to:

(i) Length of service and faithfulness to duty; and

(ii) General aptitude for police work as disclosed by the individual records of such members to be confirmed by oral examinations.

(4) Extra or emergency police officers.

The city manager may employ on behalf of the city such extra or emergency police officers as may be required in the proper administration of municipal affairs.

(5) Police department reserve.

(a) Created. There is created the city "police department reserve force", hereinafter referred to as the "reserve".

(b) Control by Chief of Police. The reserve is under the exclusive control of the chief of the city police department who shall have the sole and exclusive authority to:

(i) Summarily discipline or dismiss members without appeal to any body or tribunal;

(ii) Approve or disapprove all bylaws, rules and regulations of the reserve; and

(iii) Approve or disapprove all officers, employees or agents of the reserve.

c. Authority. The reserve and its individual members shall only have authority in law enforcement on specific request by the city police chief. A specific request shall be made for each individual instance of service.

d. Powers and Duties.

(i) The duties of the reserve are to assist in enforcement of law by cooperating with all law enforcement agencies and regulatory bodies.

(ii) The reserve or its members when acting upon call, and only when acting upon call, of the city police chief, for the city or for another law enforcement agency or regulatory authority, shall be possessed of the same powers and duties as a city police officer or an officer of such law enforcement agency or regulatory authority.

e. Call of Members. When the city police chief calls up the members of the reserve, the call shall be in writing, list the names of each member of the reserve called, the purpose of the call, and the date and time the call begins and terminates. Except when on call, reserve members shall have no more authority in law enforcement than that of any private citizen.

f. Requests for Assistance. Should any law enforcement agency or regulatory body desire assistance from the reserve, the request shall be made to the city police chief who may authorize it, if:

(i) Reserve members are fully covered by the workman's compensation insurance policy of the assisted agency or body, and this is evidenced by a writing presented to the chief; and

(ii) Any and all liability that may arise against the city, its officers, employees or agents, the reserve, or its members as a result of such assistance, is assumed in writing by the assisted agency or body.

g. Workmen's Compensation. The city shall immediately take steps to provide necessary workmen's compensation insurance for the reserve and necessary liability insurance covering liability that may arise against the city, its officers, employees or agents as a result of the activities of the reserve on behalf of the

city. If any or a portion of such liability is to be self-insured, the self-insurance fund shall be increased accordingly.

C. Fire Department.

(1) Volunteer firefighters. There is created in the city "fire department, volunteer firefighters force", hereinafter referred to as the volunteer firefighters.

(a) The volunteer firefighters shall be subject to all regulations of the fire department of the city of Santa Fe and along with paid firemen be subject to the authority of the chief of city fire department who shall have sole and exclusive authority to:

(i) approve or disapprove of membership in the volunteer firefighters.

(ii) discipline or dismiss members of the volunteer firefighters subject to the same grievance procedure as set out in Ordinance No. 1983-44.

(b) The volunteer firefighters and its individual members shall have authority in fire protection only upon request by the city fire dispatch.

(c) Volunteer firefighters; powers and duties.

(i) The duties of the volunteer firefighters are to provide safe and efficient fire fighting by adhering to any and all city of Santa Fe standard operating procedures, as referenced herein, or as may be amended from time to time, in Exhibit A, attached hereto.

(ii) The volunteer firefighters shall be summoned and will respond simultaneously with fire apparatus. Volunteer firefighters and paid firefighters shall possess the same powers and perform the same duties.

(d) Volunteer firefighters; insurance.

(i) The city shall provide necessary liability insurance covering liability that may arise against the city, its officers, employees, volunteer

firefighters, or agents as a result of activities of the volunteer firefighters on behalf of the city. If any or a portion of such liability is to be self-insured, the self-insurance fund shall be increased accordingly.

(ii) Active volunteer firefighter members are covered by an accident, sickness, or disability insurance policy which is paid by the City of Santa Fe.

(2) Department authority and powers.

(a) Pursuant to Section 3-18-1F. and G. NMSA 1978 and 3-18-11B(1), the city may provide proper means for protection from fire and protect the property of its municipality and its inhabitants and preserve the health, safety, peace and order within the municipality. Therefore, the stated purpose of this subsection is to grant the fire department all authority necessary to protect life and property from the hazards created by fire, explosion, and similar emergencies.

(b) The fire department shall have full and complete authority in connection with fighting, mitigating, and preventing the spread of any fire that may arise within the city, with the power to do and perform all necessary or expedient acts for the fighting of fire. When called to a fire, the fire department shall have:

(i) Full and complete authority of the premises to which it has been summoned until the fire has been extinguished and the premises are deemed safe by the fire department; and

(ii) By emergency vehicle or by foot, the right of ingress and egress on all public or private streets, alleyways, roads, driveways, and thoroughfares located within the city limits or the city annexation areas.

(c) The fire department shall have full and complete authority in connection with the provision of prehospital emergency medical services within the city, with the power to do and perform all necessary or expedient acts for the provision of these services.

(d) The fire chief shall have full authority to sign agreements, approved by the city attorney's office, with landowners to implement fire hazard mitigation activities.

(3) Department members designated as special police officers. Every member duly enrolled and in good standing in the fire department shall be a special police officer of the city with power to act as such from the time of the sounding of any fire alarm until the apparatus and equipment for fighting fire has been returned to the fire station.

(4) Obstructing or interfering with firemen. It is unlawful for any person to obstruct, annoy, or interfere with firemen wile in the discharge of their duties.

(D) Community Services Division. The community services division includes senior services, libraries, and family and youth services.

(F) Office of Emergency Management.

(1) In accordance with Section 12-10-5, the "office of emergency management," shall consist of:

(a) An emergency manager who shall be appointed in accordance with Section 12-10-5 NMSA 1978, and who shall be subject to the personnel system of the city;

(b) Additional professional and administrative personnel as may be required to effectively carry out the emergency management program; and

(c) All other city officers and employees, together with those volunteer forces enrolled to aid the city during periods of disaster or emergency.

(2) Definitions.

Civil emergency means conditions of unrest, including but not limited to riot, civil disturbance, unlawful assembly, hostile military or paramilitary action, war, terrorism, or sabotage.

Comprehensive emergency management plan (CEMP) means a written document that describes the city's overall emergency management plan. A CEMP specifies the purpose, organization, responsibilities, and facilities of the agencies and officials of the city in the mitigation of, preparation for, response to, and recovery from emergencies and disasters.

Curfew means a period of time declared by the mayor, during which no person or persons, other than persons authorized by the mayor by administrative order, may be upon the public streets, sidewalks, grounds, or semi-public property, either on foot or in vehicles of any type, within the city.

Disaster means the occurrence of a natural catastrophe, technological accident, or human-caused event that has resulted in environmental damage, property damage, deaths, and/or multiple injuries, which may exceed the response capability of the local jurisdiction, necessitating state, and potentially federal, involvement.

Emergency means any occasion or instance, such as a terrorist attack, terrorist threat, civil unrest, wildland and urban fire, flood, hazardous materials spill, nuclear accident, aircraft accident, earthquake, hurricane, tornado, tropical storm, tsunami, war-related disaster, public health or medical emergency, other occurrence requiring an emergency response, or any other condition that warrants action to protect life, property, or the environment.

Emergency management means an approach to prevent, protect against, respond to, recover from, and mitigate the effects of incidents.

Emergency operations center (EOC) means the physical location at which the coordination of information and resources to support incident management (on-scene operations) activities normally takes place.

Emergency plan means an ongoing plan for responding to a wide variety of potential hazards.

Hazard mitigation plan means the representation of the city's commitment to reduce risks from natural hazards, serving as a guide for decision makers as they commit resources to reducing the effects of natural hazards.

National Incident Management System (NIMS) means the federal government's standardized framework of doctrines, concepts, principles, terminology, and organizational processes for emergency management.

(3) Purpose.

(a) The purpose of the office of emergency management is to coordinate the efforts of all municipal agencies and employees, nongovernmental agencies, and private sector partners to prepare for and function in the event of disasters and emergencies endangering the lives of persons in the city, property of the residents of the city, or public property in the city.

(b) The duty of the office of emergency management is to coordinate the development of emergency plans for the effective employment of municipal resources to protect the lives and health of the residents of the city and the private and public property therein from the effects of emergencies or natural or man-caused disasters.

(c) The office of emergency management shall coordinate the implementation of such plans in preparation for, during, and after periods of emergency or disaster. Such plans shall be coordinated with those of the county and in

consonance with the state emergency management plans.

(4) Emergency manager. The emergency manager shall:

(a) Be responsible to the [~~city manager~~] Director of Community Health and Safety for the organization, administration, and operation of the emergency management program of the city;

(b) Coordinate the emergency management activities of all municipal departments and agencies of the city, nongovernmental agencies, and private sector partners;

(c) Be the liaison and cooperate with the emergency management agencies of the federal government, the state, the county, and the other political subdivisions therein;

(d) Develop an organizational structure for the office of emergency management, subject to the approval of the governing body and recommend appointments to fill the positions established therein subject to the city manager's authority;

(e) Manage the emergency operations center ("EOC"); establish the overall structure, roles, responsibilities, and direction for the operation of the EOC; and ensure that the EOC is appropriately sited, staffed, equipped, and maintained;

(f) Maintain written emergency plans, including but not limited to all chapters, annexes, and appendices of the Comprehensive Emergency Management Plan and Hazard Mitigation Plan, and annually review the plans to identify any recommendations for revisions; and

(g) Maintain records documenting compliance with requirements of federal and state emergency management programs, including the National Incident Management System.

(5) Financing.

(a) Funds for necessary expenses of the office of emergency management, including salaries for approved positions, may be made available through appropriations by the governing body in accordance with Section 12-10-7 NMSA 1978.

(b) The emergency manager shall prepare and submit to the governing body an annual proposed budget for emergency management expenditures and shall indicate those amounts eligible for matching funds under the federal grant programs.

(c) During an emergency, purchases may be exempt from the city's procurement code, as permitted pursuant to Section 11-13 SFCC 1987.

2-8.3 Community Development Department.

There is created a department of city government to be known as the "community development department" that shall include the following divisions: economic development division, office of affordable housing, land use division, tourism Santa Fe division, recreation division, and the arts and culture division.

2-8.4 Information Technology and Telecommunications Department.

There is created a department of city government to be known as the "information technology and telecommunications department".

2-8.5 Public Works Department.

There is created a department of city government to be known as the "public works department".

2-8.6 Public Utilities Department.

There is created a department of city government to be known as the "public utilities department".

2-8.7 Human Resources Department.

There is created a department of city government to be known as the "human resources department".

2-8.8 . Council and Constituent Relations Department.

There is created a department of city government to be known as the "council and constituent relations department," within the office of the city clerk.

Section 4. Section 2-9 SFCC 1987 (being _____) is hereby repealed.

Section 5. Section 2-10 SFCC 1987 (being _____) is hereby repealed.

Section 6. Section 2-11 SFCC 1987 (being Ord. No. 1983-33, § 1, as amended) is hereby repealed.

Section 7. Section 2-12 SFCC 1987 (being Ord. No. 2007-45) is hereby repealed.

Section 8. Section 2-13 SFCC 1987 (being Ord. No. 1987-26, § 2, as amended) is hereby repealed.

Section 9. Section 2-16 SFCC 1987 (being Ord. No. 1975-20, as amended) is hereby repealed.

Section 10. Section 2-19 SFCC 1987 (being Ord. No. 2014-22, § 2) is hereby repealed.

Section 11. Section 2-21 SFCC 1987 (being Ord. No. 2014-22, § 3) is hereby repealed.

Section 12. Section 2-22 SFCC 1987 (being Ord. No. 1983-33, § 4, as amended) is hereby amended to read:

2-22 INTERNAL AUDIT [~~DEPARTMENT~~].

2-22.1 Short title.

Section 2-22 SFCC 1987 shall be cited as the "Internal Audit [~~Department~~] Ordinance."

2-22.2 Findings; purpose; goals.

A. The governing body finds that good governance, transparency and accountability are critical in the public sector for the effective and credible functioning of a healthy democracy, and in fulfilling the government's responsibility to citizens and taxpayers.

B. Transparent and reliable reporting and effective auditing in government serve to promote accountability, enhance the effectiveness of government services to its citizens, and increase the public's confidence in their government.

C. The members of the governing body share a duty to insure that the actions of public officials, employees and contractors of the city are carried out in the most responsible manner possible and that city policies, budgets, goals and objectives are fully implemented.

D. To accomplish this, the city requires the services of an independent office or contractor to provide independent, objective assurance and review services designed to promote transparency, accountability, efficiency and effectiveness of city government.

E. The governing body does hereby establish the internal audit department, an independent city department of city government or an independent contractor reporting to the city manager, which shall oversee the functions hereby established. To ensure independence and compliance with generally accepted governmental auditing standards, the internal auditor:

(1) Shall report results to the city manager, the audit committee, the finance committee and the governing body;

(3) Has access to the governing body in accordance with the Open Meeting Act; and

(4) Is sufficiently removed from political pressures to conduct audits and report findings, opinions, and conclusions objectively without fear of political reprisal.

F. The [~~governing body also directs the~~] internal audit department, in cooperation with the audit committee, shall establish job descriptions and department policies

and procedures based on generally accepted governmental auditing standards; and to adopt the Code of Ethics as defined by the Institute of Internal Auditors.

2-22.3 Definitions.

For the purpose of this section, the following definitions shall apply, unless the context clearly indicates or requires a different meaning.

Auditees mean the city related departments, programs, activities, agencies, vendors, contractors, employees, public officials or other city related entities affected by an audit or investigation.

Committee means the City of Santa Fe audit committee.

Contractors mean all city contractors.

Employee means a city employee.

Internal auditor means the internal auditor who is the head of the internal audit department or the city's primary contact for the internal audit contractor.

Official means the mayor or a city councilor.

Report means an audit, a special audit, an investigation and/or an examination.

Special investigation or special audit means additional procedures or audits undertaken because the need was not previously foreseen.

2-22.4 Creation of the internal audit department; resources; staff.

A. The internal audit department is created as an independent office of city government. The internal auditor [~~is~~] shall either be the head of the internal audit department or an independent contractor and shall report to the city manager.

B. The audit committee shall review applications for and make a recommendation to the city manager for hiring an internal auditor[~~, a city employee~~].

C. The internal auditor shall review applications and make recommendations to the city manager for hiring other internal audit department employees[~~;~~] or procuring independent contractors [~~to be procured~~] for assistance with the internal audit [~~department~~].

D. In accordance with law and in consultation with the city attorney's office, the city manager shall report proposed personnel actions, such as hiring, discipline, or termination, relating to the internal auditor to the audit committee in executive session, in accordance with the New Mexico Open Meetings Act. Nothing in this paragraph shall prohibit the city manager from immediately placing the internal auditor on administrative leave due to a proposed personnel action; however, the city manager shall report the proposed personnel action to the audit committee, within seven (7) business days from the date the internal auditor is placed on administrative leave.

E. The internal auditor's work shall result in a complete written final report being made of each annual audit, special audit, investigation and/or examination made ("report") and shall be delivered to the city manager, except if the city manager is the subject of the audit, then the report shall be delivered to the mayor. The internal auditor shall also notify the governing body in writing that the final report has been delivered. Each report, in its final form, shall set out in detail, in a separate section, any violation of law or good accounting practices found. Such reports are confidential under this section until placed on the finance committee's agenda or put in their final form, whichever occurs first. Reports shall not exist in a draft form for more than thirty (30) days without presentation to the finance committee. Final reports shall also be timely presented to the audit committee. If the draft report is not ready to be delivered to the city manager in its final form or is not ready to be presented to the finance committee after thirty (30) days, then staff shall inform the finance committee, in writing, the specific date, absent court order not exceeding twenty (20) days, when the final

report will be delivered to the city manager or presented to the finance committee and the stated basis for the additional time needed.

F. Any final report for presentation to city committees or the governing body shall be included in the meeting packet and such meeting packets shall be posted on the city's website.

G. Prior to the committee meeting a final report placed on a committee agenda shall be accessible by all members of the governing body and the public, and at such time shall become a public record consistent with the Inspection of Public Records Act and its exemptions.

H. Within thirty (30) days after receipt of the report, the employee and/or division and/or department audited may notify the internal auditor of any errors in the report. If the internal auditor is satisfied from data or documents at hand, or by an additional investigation, that the report is erroneous, the internal auditor shall correct the report and furnish copies of the corrected report to all parties receiving the original report.

I. The internal auditor may disclose audit information or audit documentation that is confidential, without losing the confidentiality under this Ordinance to an independent external auditor in connection with a special audit, performance audit, attestation engagement, or other existing or potential engagement regarding the financial affairs and transactions of the city.

J. The auditor's budget shall be reflected in the city manager's proposed budget as a separate department. The budget shall be sufficient to allow the organization to carry out its responsibilities, including sufficient funding for annual continuing professional education requirements and professional certification as required by the generally accepted governmental auditing standards. The auditor's proposed budget shall be prepared and presented to the finance director and the city manager.

2-22.5 Internal auditor's duties; responsibilities; authority; administrative subpoena power.

A. If the internal auditor detects instances of possible fraud, waste, or abuse or potential violations of law by an auditee, [~~he~~] the auditor shall report the irregularities to the city manager and the audit committee.

(1) In accordance with Section 12-6-6 NMSA 1978 and state auditor's Rule 2.2.2.10K(3), a notification letter regarding the possible fraud, waste, or abuse shall also be sent to the state auditor's office whether or not an investigation by the internal auditor is conducted.

(2) If the irregularity is criminal in nature, the internal auditor shall immediately refer the irregularity to the appropriate prosecuting authority.

(3) If the irregularity warrants a special investigation, audit, and/or special audit, then the internal auditor shall conduct a special investigation, audit and/or special audit. The report shall be submitted to the city manager, the audit committee, the auditee, the governing body through the finance committee.

(4) The internal auditor shall not accept complaints related to discrimination or labor law matters. In some cases, it may be appropriate for internal audit to work with investigators or legal authorities, or withdraw from or defer further audit work on the audit or portion of the audit to avoid interfering with an ongoing investigation or legal proceeding.

B. The internal auditor shall adhere to generally accepted governmental auditing standards in conducting its work and will be considered independent as defined by those standards.

C. The internal auditor's work ~~department~~ is subject to a peer review by an appropriate professional non-partisan objective group every three (3) to five (5) years if the

internal auditor is an employee; contract internal auditors shall serve for no more than four consecutive years. A copy of the written report by an objective group shall be furnished to the city manager, audit committee, and governing body, via the finance committee.

D. The internal auditor shall have the power to subpoena witnesses, administer oaths, and require the production of records subject to the New Mexico Rules of Civil Procedure. In the case of a refusal to obey a subpoena issued to any person, the internal auditor may make application to any district court in the state that shall have the jurisdiction to order the witness to appear before the internal auditor and to produce evidence if so ordered, or to give testimony touching on the matter in question.

2-22.6 Scope of audits.

A. Audits, except for special audits or special investigations/examinations, will be conducted based on an annual audit plan developed in accordance with applicable professional auditing standards. This plan and any modifications thereof, are to be reviewed by the audit committee and recommended for approval.

(1) Within sixty (60) days before the beginning of each fiscal year, the internal auditor shall submit a one-to-five-year audit plan to the audit committee, the city manager and the governing body for review and comments, but the internal auditor shall have final authority to select the audits planned. The proposed plan shall include the rationale for the selections, for auditing departments, offices, boards, activities, subcontractors and agencies for the period. This plan may be amended after review;

(2) The final plan and any amendments will be presented to the audit committee, the city manager, and subject to approval of the governing body;

(3) In the selection of audit areas and audit objectives, the determination of audit scope and the timing of audit work, the internal auditor should

consult with federal, state, and other external auditors so that the desirable audit coverage is provided and audit effort is properly coordinated.

B. The internal auditor is authorized to conduct the following audits as defined in generally accepted governmental auditing standards:

(1) *Performance/Management Audits.* Performance audits are defined as engagements that provide assurance or conclusions based on an evaluation of sufficient and appropriate evidence against stated criteria, such as specific requirements, measures, or defined business practices.

(2) *Financial Audits.*

(3) *Attestation Engagements.* Attestation engagements result in an examination, a review, or agreed upon procedures about a subject matter that is the responsibility of another party. This includes special audits.

(4) *Advisory (Non-Audit) Services.* This includes special investigations. The issued report shall not include an opinion statement or a statement indicating the investigation was done in accordance with generally accepted government auditing standards. These services are subject to applicable professional standards.

C. The auditor shall have the authority to conduct performance and financial audits, attestation engagements or to provide advisory (non-audit) services to independently and objectively determine whether:

(1) The city, state or federal law authorizes the implemented activities and programs that are the subject of the audit;

(2) The objectives intended by city, state, or federal law are efficiently and effectively accomplished in the implementation of activities and programs;

(3) The expenditure of funds was or is in compliance with applicable laws;

(4) The revenues were or are properly collected, deposited, and accounted for;

(5) The entity, programs, activities, functions, or policies are effective, including the identification of any causes of inefficiencies or uneconomical practices;

(6) The desired result or benefits are being achieved;

(7) Resources, including funds, property and personnel, were or are adequately safeguarded, controlled, and used in a faithful, effective, and efficient manner;

(8) Financial and other reports fairly and fully disclosed all information as required by law necessary to evaluate and ascertain the nature and scope of programs and activities;

(9) Management established operating and administrative procedures and practices, accounting internal control systems and internal management controls were and are adequate and functioning as intended;

(10) City policies, budgets, goals, and objectives were and are fully implemented; and

(11) Indications of fraud, waste, abuse, or illegal acts are valid and need further investigation.

2-22.7 Reports.

A. The internal auditor shall report results of all types of audits, investigations and/or engagements in their final report form to the audit committee, the city manager, the auditees, and the governing body via the finance committee.

B. All types of audit reports, investigations, and/or engagements, in their final report form, are public records, available for public inspection.

C. The internal auditor's reports, including attestation engagements, shall follow the guidelines as specified in generally accepted governmental auditing standards, or in the case of a non-audit service applicable professional auditing standards.

D. At a minimum audit and attestation engagement reports should include:

(1) Statements describing the objectives, scope and methodology of the audit;

(2) A statement that the audit was performed in accordance with generally accepted government auditing standards;

(3) Background information, audit results, and findings as appropriate;

(4) A conclusion based on the audit objectives and the audit findings~~;~~ and

(5) The findings in the audit report should present sufficient, appropriate evidence to support the conclusion in relation to the audit objectives.

E. Responses submitted by the city manager relevant to the audit findings must include a remediation plan specifying dates and corrective action to be taken to resolve the issue.

(1) A response is required within fourteen (14) days of receipt of a final report;

(2) If no response is received, the internal auditor will note that fact in the transmittal letter and will release the report without a remediation plan.

F. The internal auditor shall submit an annual report to the audit committee, city manager, and governing body via the finance committee within sixty (60) days after fiscal year end indicating all audits, investigations, and/or engagements completed, major findings, corrective actions taken by administrative managers, and significant issues which have not been fully addressed by management.

2-22.8 Reporting.

The internal auditor shall follow the internal audit plan, report to the governing body via the finance committee, the auditees, the city manager, and the audit committee regarding all audit activities, results, and conclusions. Depending on the type of audit, the internal auditor shall report more frequently when requested.

2-22.9 Contract auditors, consultants, and experts.

Within budgetary constraints, the internal auditor may obtain the services of certified public accountants, qualified management consultants, certified fraud examiners, forensic auditors, or other professional experts necessary to perform the functions of the internal audit department. Contractors performing an audit shall not have any financial interest in the affairs of the auditees, officials, or employees. The internal auditor shall coordinate and monitor auditing performed by persons under contract to the internal auditor.

2-22.10 Penalty; cooperation; retaliation prohibited.

A. All city officials, employees, and contractors shall provide the internal auditor full and unrestricted access to all city offices, employees, records, information, data, reports, plans, projections, matters, contracts, memoranda, correspondence, electronic data, property, equipment and facilities, and any other materials within their custody. At the internal auditor's request, an official, employee, or contractor shall prepare reports and provide interviews. If an auditee, official, employee, vendor, or contractor fails to produce the requested information, the internal auditor shall notify the city manager requesting his assistance in causing a search to be made and germane exhibits to be taken from any book, paper, or record, written or electronic, excepting personal property. The city manager shall require the officials, employees, vendors, or contractors to produce the requested information. Further, all contracts with outside contractors and subcontractors shall contain a "right-to-audit" clause providing the internal auditor access to the contractor's employees and to all financial and performance

related records, property, and equipment purchased in whole or in part with governmental funds.

B. No person shall retaliate against, punish, or penalize any other person for complaining to, cooperating with, or assisting the internal auditor in the performance of his office. The internal auditor, all city employees and public officials, and any person cooperating with the internal auditor in performance of duties has the same protections as provided for in the Federal Whistle Blower Protection Act and the New Mexico Whistleblower Protection Act, Sections 10-16C-1 et seq. NMSA 1978.

C. Any official or employee who violates this section may be subject to discipline as may be specified in applicable city ordinances or any applicable collective bargaining agreement.

2-22.11 Audits and the Inspection of Public Records Act.

A. This subsection is adopted pursuant to the general welfare and police powers conferred upon the city of Santa Fe by § 3-17-1 et seq. and § 3-18-1 et seq. NMSA 1978, pursuant to the powers conferred upon the city of Santa Fe by the New Mexico Constitution, Article X §§ 6(D) and 6(E) and the Municipal Charter Act § 3-15-1 et seq. NMSA 1978, which have been exercised by the city's adoption of the Santa Fe Municipal Charter. The purpose of this subsection is within both the city's home rule powers and the delegated powers that all municipalities have to provide for the general welfare of their residents by the general welfare clause in Section 3-17-1(B) NMSA 1978 and police power to "protect generally the property of its municipality and its inhabitants" and to "preserve peace and order within the municipality" by Section 3-18-1(F) and (G) NMSA 1978.

B. At all times during the audit process and after the report becomes a public record; the internal auditor shall follow applicable standards and 2.2.2 NMAC regarding the release of any information relating to the audit. Applicable standards include but are not

limited to the AICPA Code of Ethics Rule 301 and related interpretations and guidance, Institute for Internal Auditors interpretations and guidance and GAGAS 4.30 to 4.32 and GAGAS 4.40 to 4.44.

Section 13. Section 2-23 SFCC 1987 (being Ord. No. 2020-3, § 1, as amended) is hereby repealed.

Section 14. 26-1.6 SFCC 1987 (being Ord. No. 2005-30(A), § 35 and Ord. #2007-45, § 30, as amended) is hereby amended to read:

26-1.6 - Creation of office of affordable housing.

A. The office of affordable housing shall be established to administer the Santa Fe homes program in accordance with the provisions of this chapter, and to administer the city's other affordable housing programs. [~~The office of affordable housing shall be an independent department responsible to the city manager.~~]

B. In administering this chapter, the office of affordable housing shall work with the land use [~~department~~] division to eliminate conflict and duplication in the permitting and development approval process.

C. The office of affordable housing shall administer any agreements previously executed by the city and others.

Section 15. 26-3.5 SFCC 1987 (being Ord. No. 2007-23, § 8, as amended) is hereby amended to read:

26-3.5 - Definitions.

AHTF means the affordable housing trust fund.

Administrative procedures refer to the administrative procedures adopted by resolution that outline application, evaluation, and all other administrative procedures associated with the AHTF.

Affordable housing means residential housing primarily for persons or households of low

or moderate income.

Allowable uses means those uses for the AHTF which are set forth in subsection 26-3.4 SFCC 1987.

Community housing priorities means priorities established from time to time by the governing body to guide the allocation of funds from the AHTF.

Comprehensive housing strategy means a services delivery system that addresses the full continuum of housing needs from the homeless to the homebuyer.

Eligible households means a person or households of low or moderate income as defined in rules adopted by the New Mexico Mortgage Finance Association.

Leverage means the dollar value of other resources committed to projects for which an application and approval has been received for a loan or grant from the AHTF. Each dollar committed to the project that is not generated from the AHTF shall be considered as leverage.

Office of affordable housing means the [~~department~~] division of the city of Santa Fe or its successor administering affordable housing programs.

APPROVED AS TO FORM:

ERIN K. McSHERRY, CITY ATTORNEY

Legislation/2020/Bills/Department Reorganization

2020-20 Department Reorg

Final Audit Report 2020-07-24

Created:	2020-07-24
By:	Jeff Norris (jtnorris@ci.santa-fe.nm.us)
Status:	Signed
Transaction ID:	CBJCHBCAABAAQJs9ffrQiGwv8DW4nxzjJ3gNqhAHnzO5

"2020-20 Department Reorg" History

Document created by Jeff Norris (jtnorris@ci.santa-fe.nm.us)
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ACTION SHEET
PUBLIC WORKS AND PUBLIC UTILITES COMMITTEE MEETING OF 07/27/2020

ISSUE NO. 7E

Request for Approval to Publish Notice of Public Hearing on August 29, 2020: BILL 2020-20. An Ordinance Relating to Creating Efficiencies, Enhancing Effectiveness, and Eliminating Silos by Reorganizing Certain City Departments, Organizing the Economic Development Division, Affordable Housing Office, Land Use Department, Tourism Santa Fe Department, Recreation Division, and the Arts and Culture Department as Divisions of a Community Development Department; Organizing the Community Services Department, Police Department, Fire Department, and Office of Emergency Management as Divisions of a Community Health and Safety Department; and Placing the Constituent and Council Relations Department into the City Clerk's Office; Amending 2.6-3; Replacing Section 2-8 SFCC 1987 with a New Section 2-8 SFCC that Establishes all City Departments; Reorganizing Existing Sections 2-8, 2-14, 2-15, 2-19, and 2-10 as Subsections of the New Section 2-9; Establishing in Ordinance the Existing Information Technology and Telecommunications Department and the Constituent and Council Services Department; and Repealing the Sections of Chapter 2 that Establish Departments that Are Either Becoming Divisions or No Longer Exist, Sections 2-9, 2-10, 2-11, 2-12, 2-13, 2-16, 2-19, 2-21, and 2-23 SFCC 1987; Amending Section 2-22 SFCC 1987 to Provide Contract Internal Audit Functions; and Amending Sections 26-1.6 and 26-3.5 Regarding the Office of Affordable Housing. (Jesse Guillen, Legislative Liaison jbguillen@santafenm.gov, 955-6518; Erin K. McSherry, City Attorney; ekmcsherry@santafenm.gov, 955-6512)

COMMITTEE REVIEW

Governing Body (Request to Publish)	07/29/2020
Quality of Life Committee (Scheduled)	08/05/2020
Governing Body (Public Hearing)	08/26/2020

PUBLIC UTILITES COMMITTEE ACTION: Pulled by Councilor Vigil Coppler to inform the public about the meeting. Unanimously approved to forward to 7/29/2020 Governing Body.

SPECIAL CONDITIONS OR AMENDMENTS:

STAFF FOLLOW UP:

VOTE:	FOR	AGAINST	ABSTAIN
COUNCILOR RIVERA, CHAIR	X		
COUNCILOR GARCIA	X		
COUNCILOR ABEYTA	X		
COUNCILOR LINDELL	X		
COUNCILOR VIGIL COPPLER	X		

SUBSTITUTE BILL

CITY OF SANTA FE, NEW MEXICO

BILL NO. 2020-20

INTRODUCED BY:

Mayor Alan Webber

AN ORDINANCE

CREATING EFFICIENCIES, ENHANCING EFFECTIVENESS, AND ELIMINATING SILOS BY REORGANIZING CERTAIN CITY DEPARTMENTS, ORGANIZING THE ECONOMIC DEVELOPMENT DIVISION, OFFICE OF AFFORDABLE HOUSING [~~OFFICE~~], PLANNING AND LAND USE DEPARTMENT, TOURISM SANTA FE DEPARTMENT, [~~RECREATION DIVISION,~~] AND THE ARTS AND CULTURE DEPARTMENT AS DIVISIONS OF A COMMUNITY DEVELOPMENT DEPARTMENT; ORGANIZING THE COMMUNITY SERVICES DEPARTMENT, POLICE DEPARTMENT, FIRE DEPARTMENT, RECREATION DIVISION, AND OFFICE OF EMERGENCY MANAGEMENT AND SAFETY AS DIVISIONS OF A COMMUNITY HEALTH AND SAFETY DEPARMENT; AND PLACING [~~THE~~] CONSTITUENT AND COUNCIL RELATIONS [~~DEPARTMENT~~] INTO THE CITY CLERK'S OFFICE TO FORM AN OFFICE OF COMMUNITY ENGAGEMENT; AMENDING SECTION 2.6-3; REPLACING SECTION 2-8 SFCC 1987 WITH A NEW SECTION 2-8 SFCC 1987 THAT ESTABLISHES ALL CITY DEPARTMENTS; REORGANIZING EXISTING SECTIONS 2-8, 2-14, 2-15, 2-19, AND 2-10 AS

underscored material = new [~~bracketed material~~] = delete

SUBSECTIONS OF THE NEW SECTION 2-8; ESTABLISHING IN ORDINANCE THE EXISTING INFORMATION TECHNOLOGY AND TELECOMMUNICATIONS DEPARTMENT AND [~~THE~~] CONSTITUENT AND COUNCIL SERVICES [~~DEPARTMENT~~]; AND REPEALING THE SECTIONS OF CHAPTER 2 THAT ESTABLISH DEPARTMENTS THAT ARE EITHER BECOMING DIVISIONS OR NOLONGER EXIST, SECTIONS 2-9, 2-10, 2-11, 2-12, 2-13, 2-16, 2-19, 2-21, AND 2-23 SFCC 1987; AMENDING SECTION 2-22 SFCC 1987 TO PROVIDE CONTRACT INTERNAL AUDIT FUNCTIONS; [~~AND~~] AMENDING SECTIONS 26-1.6 AND 26-3.5 REGARDING THE OFFICE OF AFFORDABLE HOUSING; AND MAKING SUCH OTHER CHANGES AS ARE NECESSARY.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE:

Section 1. Section 2-6.3 SFCC 1987 (being Code 1953, § 2-60; Code 1973, § 2-84; SFCC 1981, § 2-1-24, as amended) is hereby amended to read:

2-6.3 Duties of the city clerk. The city clerk shall:

A. Keep in custody all minutes, ordinances and resolutions approved by the governing body;

B. Attend all meetings of the governing body;

C. Record all proceedings, ordinances and resolutions of the governing body;

D. Upon request, furnish copies of municipal records. The city clerk may charge a reasonable fee for the cost of furnishing copies of municipal records;

E. Administer the municipal election and perform other election duties required pursuant to Articles 8 and 9, Chapter 3 NMSA 1978;

F. Have custody of, and safely keep, all official records and documents, such as contracts, agreements, deeds, of the city, the originals of which are to stay in the office, except

upon request of the city attorney for purposes of litigation;

G. Administer and process the filing and release of liens for the city as prescribed by Article 36, Chapter 3 NMSA 1978 or as otherwise provided by law; [~~and~~]

H. Administer and manage the office of community engagement, which includes constituent and council services [~~Department~~]; and

[~~H~~] I. Perform other duties prescribed by law, ordinance or city rules and regulations.

Section 2. Section 2-8 SFCC 1987 (being Ord. No. 1983-33, § 4, as amended) is hereby repealed.

Section 3. A new Section 2-8 SFCC 1987 is hereby ordained to read:

[NEW MATERIAL] 2-8 CITY DEPARTMENTS.

2-8.1 Finance Department.

A. Creation of department.

There is created a department of city government to be known as the "finance department".

B. Finance officer.

(1) *Position Established.* The position of finance officer is established. The finance officer is the city treasurer and manager of the finance department of the city. The designation as finance officer shall not be considered separate employment nor occasion any additional salary.

(2) *Duties.* The finance officer shall:

(a) Receive all money due and payable to the city;

(b) Keep his accounts and records in the manner prescribed by generally accepted accounting principles;

(c) Keep the money of the city separate from any other money in his possession;

(d) Expend the money only as directed by the governing body;

(e) Submit monthly, or more often if required by the governing body, a report of the receipts and expenditures of the city;

(f) Supervise the depositing and safekeeping of all money belonging to the city;

(g) With the advice and consent of the governing body designate banks qualified to receive or deposit money entrusted in his care;

(h) Prepare annually, for the close of the fiscal year, a comprehensive annual financial report showing the receipts, expenditures and balances for each fund. A copy of the financial report shall be filed in the finance officer; and

(i) Perform other duties prescribed by law, ordinance or city rules and regulations.

(3) *Reports to Governing Body.* The finance officer shall be responsible and report to the governing body through the city manager.

(4) *Records Open for Inspection.* The records of the finance officer shall be open to inspection by any citizen during the regular business hours of the city.

2-8.2 Community Health and Safety Department.

A. Creation of department.

There is created a department of city government to be known as the "community health and safety department", comprised of [~~four~~] five divisions: the police department, the fire department, the community services department, the recreation division, and the office of emergency management and safety.

B. Police Department.

(1) Powers and duties generally. Police officers shall execute and return all

writs and processes directed to them by the municipal judge and, in criminal cases or cases of violations of city ordinances, they may serve the same in any part of the country. They shall suppress all riots, disturbances and breaches of the peace, apprehend all disorderly persons within the city and shall pursue and arrest any person fleeing from justice. They shall apprehend any person in the act of committing any offense against the laws of the state or the ordinances of the city, and forthwith bring such persons before a competent authority for examination and trial. They shall have, in the discharge of their proper duties, like powers and be subject to like responsibilities as sheriffs or constables in similar cases.

(2) Appointment of police officers; commissions. No person shall assume or exercise the functions, powers, duties and privileges incident or belonging to the office of municipal [~~policeman~~] police officers without first having received his appointment in writing, known as his "commission", from the governing body. The advice of the chief of police shall be obtained in the employment and commissioning of all [~~policemen~~] police officers of the department.

(3) Training schools and examinations.

(a) There shall be held and conducted at such times as may be prescribed by the chief of police, with the approval of the governing body, schools for training in modern police methods and practices. The schools for training and the checking of the qualifications and general fitness of applicants for positions in the police department shall be under the direction and supervision of the chief of police.

(b) All members of the police department shall take such examinations as may be prescribed.

(c) In the taking of all written examinations there shall be assigned

to each applicant a number which shall be endorsed on his examination papers, and the grading of the examinations shall be by number only.

(d) Except as otherwise provided, no member shall be retained in the police department and no applicant shall be appointed to the police department unless such member or applicant, after taking the prescribed training courses, has successfully passed the prescribed examinations, written and oral; provided, that the minimum educational qualifications required by the City Personnel Act shall not apply to members of the present police department who are otherwise qualified under the provisions hereof; provided further, that in passing on the qualifications of members of the present police department, consideration shall be given to:

(i) Length of service and faithfulness to duty; and

(ii) General aptitude for police work as disclosed by the individual records of such members to be confirmed by oral examinations.

(4) Extra or emergency police officers.

The city manager may employ on behalf of the city such extra or emergency police officers as may be required in the proper administration of municipal affairs.

(5) Police department reserve.

(a) Created. There is created the city "police department reserve force", hereinafter referred to as the "reserve".

(b) Control by Chief of Police. The reserve is under the exclusive control of the chief of the city police department who shall have the sole and exclusive authority to:

(i) Summarily discipline or dismiss members without

appeal to any body or tribunal;

(ii) Approve or disapprove all bylaws, rules and regulations of the reserve; and

(iii) Approve or disapprove all officers, employees or agents of the reserve.

c. Authority. The reserve and its individual members shall only have authority in law enforcement on specific request by the city police chief. A specific request shall be made for each individual instance of service.

d. Powers and Duties.

(i) The duties of the reserve are to assist in enforcement of law by cooperating with all law enforcement agencies and regulatory bodies.

(ii) The reserve or its members when acting upon call, and only when acting upon call, of the city police chief, for the city or for another law enforcement agency or regulatory authority, shall be possessed of the same powers and duties as a city police officer or an officer of such law enforcement agency or regulatory authority.

e. Call of Members. When the city police chief calls up the members of the reserve, the call shall be in writing, list the names of each member of the reserve called, the purpose of the call, and the date and time the call begins and terminates. Except when on call, reserve members shall have no more authority in law enforcement than that of any private citizen.

f. Requests for Assistance. Should any law enforcement agency or regulatory body desire assistance from the reserve, the request shall be made to the city police chief who may authorize it, if:

(i) Reserve members are fully covered by the workman's compensation insurance policy of the assisted agency or body, and this is evidenced by a writing presented to the chief; and

(ii) Any and all liability that may arise against the city, its officers, employees or agents, the reserve, or its members as a result of such assistance, is assumed in writing by the assisted agency or body.

g. Workmen's Compensation. The city shall immediately take steps to provide necessary workmen's compensation insurance for the reserve and necessary liability insurance covering liability that may arise against the city, its officers, employees or agents as a result of the activities of the reserve on behalf of the city. If any or a portion of such liability is to be self-insured, the self-insurance fund shall be increased accordingly.

C. Fire Department.

~~[(1) Volunteer firefighters. There is created in the city "fire department, volunteer firefighters force", hereinafter referred to as the volunteer firefighters.~~

~~(a) The volunteer firefighters shall be subject to all regulations of the fire department of the city of Santa Fe and along with paid firemen be subject to the authority of the chief of city fire department who shall have sole and exclusive authority to:~~

~~(i) approve or disapprove of membership in the volunteer firefighters.~~

~~(ii) discipline or dismiss members of the volunteer firefighters subject to the same grievance procedure as set out in Ordinance No. 1983-44.~~

~~(b) The volunteer firefighters and its individual members shall~~

~~have authority in fire protection only upon request by the city fire dispatch.~~

~~(c) Volunteer firefighters; powers and duties.~~

~~(i) The duties of the volunteer firefighters are to provide safe and efficient fire fighting by adhering to any and all city of Santa Fe standard operating procedures, as referenced herein, or as may be amended from time to time, in Exhibit A, attached hereto.~~

~~(ii) The volunteer firefighters shall be summoned and will respond simultaneously with fire apparatus. Volunteer firefighters and paid firefighters shall possess the same powers and perform the same duties.~~

~~(d) Volunteer firefighters; insurance.~~

~~(i) The city shall provide necessary liability insurance covering liability that may arise against the city, its officers, employees, volunteer firefighters, or agents as a result of activities of the volunteer firefighters on behalf of the city. If any or a portion of such liability is to be self insured, the self insurance fund shall be increased accordingly.~~

~~(ii) Active volunteer firefighter members are covered by an accident, sickness, or disability insurance policy which is paid by the City of Santa Fe.]~~

[~~(2)~~](1) Department authority and powers.

(a) Pursuant to Section 3-18-1F. and G. NMSA 1978 and 3-18-11B(1), the city may provide proper means for protection from fire and protect the property of its municipality and its inhabitants and preserve the health, safety, peace and order within the municipality. Therefore, the stated purpose

of this subsection is to grant the fire department all authority necessary to protect life and property from the hazards created by fire, explosion, and similar emergencies.

(b) The fire department shall have full and complete authority in connection with fighting, mitigating, and preventing the spread of any fire that may arise within the city, with the power to do and perform all necessary or expedient acts for the fighting of fire. When called to a fire, the fire department shall have:

(i) Full and complete authority of the premises to which it has been summoned until the fire has been extinguished and the premises are deemed safe by the fire department; and

(ii) By emergency vehicle or by foot, the right of ingress and egress on all public or private streets, alleyways, roads, driveways, and thoroughfares located within the city limits or the city annexation areas.

(c) The fire department shall have full and complete authority in connection with the provision of prehospital emergency medical services within the city, with the power to do and perform all necessary or expedient acts for the provision of these services.

(d) The fire chief shall have full authority to sign agreements, approved by the city attorney's office, with landowners to implement fire hazard mitigation activities.

(3) Department members designated as special police officers. Every member duly enrolled and in good standing in the fire department shall be a special police officer of the city with power to act as such from the time of the sounding of any

fire alarm until the apparatus and equipment for fighting fire has been returned to the fire station.

(4) Obstructing or interfering with firemen. It is unlawful for any person to obstruct, annoy, or interfere with firemen wile in the discharge of their duties.

D. Community Services [~~Division~~] Department. The community services [~~division~~] department includes senior services, libraries, and family and youth services.

F. Office of Emergency Management and Safety.

(1) In accordance with Section 12-10-5 NMSA 1978, the "office of emergency management and safety," shall consist of:

(a) An emergency manager who shall be appointed in accordance with Section 12-10-5 NMSA 1978, and who shall be subject to the personnel system of the city;

(b) Additional professional and administrative personnel as may be required to effectively carry out the emergency management program; and

(c) All other city officers and employees, together with those volunteer forces enrolled to aid the city during periods of disaster or emergency.

(2) Definitions.

Civil emergency means conditions of unrest, including but not limited to riot, civil disturbance, unlawful assembly, hostile military or paramilitary action, war, terrorism, or sabotage.

Comprehensive emergency management plan (CEMP) means a written document that describes the city's overall emergency management plan. A CEMP specifies the purpose, organization, responsibilities, and facilities of the agencies and officials of the city in the mitigation of, preparation for, response to, and recovery from

emergencies and disasters.

Curfew means a period of time declared by the mayor, during which no person or persons, other than persons authorized by the mayor by administrative order, may be upon the public streets, sidewalks, grounds, or semi-public property, either on foot or in vehicles of any type, within the city.

Disaster means the occurrence of a natural catastrophe, technological accident, or human-caused event that has resulted in environmental damage, property damage, deaths, and/or multiple injuries, which may exceed the response capability of the local jurisdiction, necessitating state, and potentially federal, involvement.

Emergency means any occasion or instance, such as a terrorist attack, terrorist threat, civil unrest, wildland and urban fire, flood, hazardous materials spill, nuclear accident, aircraft accident, earthquake, hurricane, tornado, tropical storm, tsunami, war-related disaster, public health or medical emergency, other occurrence requiring an emergency response, or any other condition that warrants action to protect life, property, or the environment.

Emergency management means an approach to prevent, protect against, respond to, recover from, and mitigate the effects of incidents.

Emergency operations center (EOC) means the physical location at which the coordination of information and resources to support incident management (on-scene operations) activities normally takes place.

Emergency plan means an ongoing plan for responding to a wide variety of potential hazards.

Hazard mitigation plan means the representation of the city's commitment to reduce risks from natural hazards, serving as a guide for decision makers as they commit resources to reducing the effects of natural hazards.

National Incident Management System (NIMS) means the federal government's standardized framework of doctrines, concepts, principles, terminology, and organizational processes for emergency management.

(3) Purpose.

(a) The purpose of the office of emergency management and safety is to coordinate the efforts of all municipal agencies and employees, nongovernmental agencies, and private sector partners to prepare for and function in the event of disasters and emergencies endangering the lives of persons in the city, property of the residents of the city, or public property in the city.

(b) The duty of the office of emergency management and safety is to coordinate the development of emergency plans for the effective employment of municipal resources to protect the lives and health of the residents of the city and the private and public property therein from the effects of emergencies or natural or man-caused disasters.

(c) The office of emergency management and safety shall coordinate the implementation of such plans in preparation for, during, and after periods of emergency or disaster. Such plans shall be coordinated with those of the county and in consonance with the state emergency management plans.

(d) The office of emergency management and safety shall ensure that safety is a priority throughout the city's operations and coordinate and oversee safety protocols and implementation for the city.

(4) Emergency manager. The emergency manager shall:

(a) Be responsible to the [~~city manager~~] director of community

health and safety for the organization, administration, and operation of the emergency management program of the city;

(b) Coordinate the emergency management activities of all municipal departments and agencies of the city, nongovernmental agencies, and private sector partners;

(c) Be the liaison and cooperate with the emergency management agencies of the federal government, the state, the county, and the other political subdivisions therein;

(d) Develop an organizational structure for the office of emergency management and safety, subject to the approval of the governing body and recommend appointments to fill the positions established therein subject to the city manager's authority;

(e) Manage the [~~emergency operations center ("~~]EOC[~~")~~]; establish the overall structure, roles, responsibilities, and direction for the operation of the EOC; and ensure that the EOC is appropriately sited, staffed, equipped, and maintained;

(f) Maintain written emergency plans and safety protocols, including but not limited to all chapters, annexes, and appendices of the comprehensive emergency management plan and hazard mitigation plan, and annually review the plans to identify any recommendations for revisions; and

(g) Maintain records documenting compliance with requirements of federal and state emergency management programs, including the [~~national incident management system~~] NIMS.

(5) Financing.

(a) Funds for necessary expenses of the office of emergency

management and safety, including salaries for approved positions, may be made available through appropriations by the governing body in accordance with Section 12-10-7 NMSA 1978.

(b) The emergency manager shall prepare and submit to the governing body an annual proposed budget for emergency management and safety expenditures and shall indicate those amounts eligible for matching funds under the federal grant programs.

(c) During an emergency, purchases may be exempt from the city's procurement code, as permitted pursuant to Section 11-13 SFCC 1987.

2-8.3 Community Development Department.

There is created a department of city government to be known as the "community development department" that shall include the following divisions: economic development division, office of affordable housing, planning and land use [~~division~~] department, TOURISM Santa Fe [~~division~~] department, [~~recreation,~~] and the arts and culture [~~division~~] department.

2-8.4 Information Technology and Telecommunications Department.

There is created a department of city government to be known as the "information technology and telecommunications department".

2-8.5 Public Works Department.

There is created a department of city government to be known as the "public works department".

2-8.6 Public Utilities Department.

There is created a department of city government to be known as the "public utilities department".

2-8.7 Human Resources Department.

There is created a department of city government to be known as the "human resources

department".

[~~2-8.8 Council and Constituent Relations Department.~~

~~There is created a department of city government to be known as the "council and constituent relations department," within the office of the city clerk.~~]

Section 4. Section 2-9 SFCC 1987 (being Code 1953, § 18-1; Code 1973, § 25-1; SFCC 1981, § 5-1-1) is hereby repealed.

Section 5. Section 2-10 SFCC 1987 (being Ord. No. 1987-55 § 1, as amended) is hereby repealed.

Section 6. Section 2-11 SFCC 1987 (being Ord. No. 1983-33, § 1, as amended) is hereby repealed.

Section 7. Section 2-12 SFCC 1987 (being Ord. No. 2007-45) is hereby repealed.

Section 8. Section 2-13 SFCC 1987 (being Ord. No. 1987-26, § 2, as amended) is hereby repealed.

Section 9. Section 2-16 SFCC 1987 (being Ord. No. 1975-20, as amended) is hereby repealed.

Section 10. Section 2-19 SFCC 1987 (being Ord. No. 2014-22, § 2) is hereby repealed.

Section 11. Section 2-21 SFCC 1987 (being Ord. No. 2014-22, § 3) is hereby repealed.

Section 12. Section 2-22 SFCC 1987 (being Ord. No. 1983-33, § 4, as amended) is hereby amended to read:

2-22 INTERNAL AUDIT [~~DEPARTMENT~~].

2-22.1 Short title.

Section 2-22 SFCC 1987 shall be cited as the "Internal Audit [~~Department~~] Ordinance."

2-22.2 Findings; purpose; goals.

A. The governing body finds that good governance, transparency and accountability are critical in the public sector for the effective and credible functioning of a healthy democracy, and in fulfilling the government's responsibility to citizens and taxpayers.

B. Transparent and reliable reporting and effective auditing in government serve to promote accountability, enhance the effectiveness of government services to its citizens, and increase the public's confidence in their government.

C. The members of the governing body share a duty to insure that the actions of public officials, employees and contractors of the city are carried out in the most responsible manner possible and that city policies, budgets, goals and objectives are fully implemented.

D. To accomplish this, the city requires the services of an independent office or contractor to provide independent, objective assurance and review services designed to promote transparency, accountability, efficiency and effectiveness of city government.

E. The governing body does hereby establish the internal audit department, an independent city department of city government or an independent contractor reporting to the city manager, which shall oversee the functions hereby established. To ensure independence and compliance with generally accepted governmental auditing standards, the internal auditor:

(1) Shall report results to the city manager, the audit committee, the finance committee and the governing body;

(3) Has access to the governing body in accordance with the Open Meeting Act; and

(4) Is sufficiently removed from political pressures to conduct audits and report findings, opinions, and conclusions objectively without fear of political reprisal.

F. The [~~governing body also directs the~~] internal audit department, in cooperation with the audit committee, shall establish job descriptions and department policies

and procedures based on generally accepted governmental auditing standards; and to adopt the Code of Ethics as defined by the Institute of Internal Auditors.

2-22.3 Definitions.

For the purpose of this section, the following definitions shall apply, unless the context clearly indicates or requires a different meaning.

Auditees mean the city related departments, programs, activities, agencies, vendors, contractors, employees, public officials or other city related entities affected by an audit or investigation.

Committee means the City of Santa Fe audit committee.

Contractors mean all city contractors.

Employee means a city employee.

Internal auditor means the internal auditor who is the head of the internal audit department or the city's primary contact for the internal audit contractor.

Official means the mayor or a city councilor.

Report means an audit, a special audit, an investigation and/or an examination.

Special investigation or special audit means additional procedures or audits undertaken because the need was not previously foreseen.

2-22.4 Creation of the internal audit department; resources; staff.

A. The internal audit department is created as an independent office of city government. The internal auditor [~~is~~] shall either be the head of the internal audit department or an independent contractor and shall report to the city manager.

B. The audit committee shall review applications for and make a recommendation to the city manager for hiring an internal auditor[~~, a city employee~~].

C. The internal auditor shall review applications and make recommendations to the city manager for hiring other internal audit department employees[~~;~~] or procuring

independent contractors [~~to be procured~~] for assistance with the internal audit [~~department~~].

D. In accordance with law and in consultation with the city attorney's office, the city manager shall report proposed personnel actions, such as hiring, discipline, or termination, relating to the internal auditor to the audit committee in executive session, in accordance with the New Mexico Open Meetings Act. Nothing in this paragraph shall prohibit the city manager from immediately placing the internal auditor on administrative leave due to a proposed personnel action; however, the city manager shall report the proposed personnel action to the audit committee, within seven (7) business days from the date the internal auditor is placed on administrative leave.

E. The internal auditor's work shall result in a complete written final report being made of each annual audit, special audit, investigation and/or examination made ("report") and shall be delivered to the city manager, except if the city manager is the subject of the audit, then the report shall be delivered to the mayor. The internal auditor shall also notify the governing body in writing that the final report has been delivered. Each report, in its final form, shall set out in detail, in a separate section, any violation of law or good accounting practices found. Such reports are confidential under this section until placed on the finance committee's agenda or put in their final form, whichever occurs first. Reports shall not exist in a draft form for more than thirty (30) days without presentation to the finance committee. Final reports shall also be timely presented to the audit committee. If the draft report is not ready to be delivered to the city manager in its final form or is not ready to be presented to the finance committee after thirty (30) days, then staff shall inform the finance committee, in writing, the specific date, absent court order not exceeding twenty (20) days, when the final report will be delivered to the city manager or presented to the finance committee and the stated basis for the additional time needed.

F. Any final report for presentation to city committees or the governing body

shall be included in the meeting packet and such meeting packets shall be posted on the city's website.

G. Prior to the committee meeting a final report placed on a committee agenda shall be accessible by all members of the governing body and the public, and at such time shall become a public record consistent with the Inspection of Public Records Act and its exemptions.

H. Within thirty (30) days after receipt of the report, the employee and/or division and/or department audited may notify the internal auditor of any errors in the report. If the internal auditor is satisfied from data or documents at hand, or by an additional investigation, that the report is erroneous, the internal auditor shall correct the report and furnish copies of the corrected report to all parties receiving the original report.

I. The internal auditor may disclose audit information or audit documentation that is confidential, without losing the confidentiality under this Ordinance to an independent external auditor in connection with a special audit, performance audit, attestation engagement, or other existing or potential engagement regarding the financial affairs and transactions of the city.

J. The auditor's budget shall be reflected in the city manager's proposed budget as a separate department. The budget shall be sufficient to allow the organization to carry out its responsibilities, including sufficient funding for annual continuing professional education requirements and professional certification as required by the generally accepted governmental auditing standards. The auditor's proposed budget shall be prepared and presented to the finance director and the city manager.

2-22.5 Internal auditor's duties; responsibilities; authority; administrative subpoena power.

A. If the internal auditor detects instances of possible fraud, waste, or abuse or

potential violations of law by an auditee, [~~he~~] the auditor shall report the irregularities to the city manager and the audit committee.

(1) In accordance with Section 12-6-6 NMSA 1978 and state auditor's Rule 2.2.2.10K(3), a notification letter regarding the possible fraud, waste, or abuse shall also be sent to the state auditor's office whether or not an investigation by the internal auditor is conducted.

(2) If the irregularity is criminal in nature, the internal auditor shall immediately refer the irregularity to the appropriate prosecuting authority.

(3) If the irregularity warrants a special investigation, audit, and/or special audit, then the internal auditor shall conduct a special investigation, audit and/or special audit. The report shall be submitted to the city manager, the audit committee, the auditee, the governing body through the finance committee.

(4) The internal auditor shall not accept complaints related to discrimination or labor law matters. In some cases, it may be appropriate for internal audit to work with investigators or legal authorities, or withdraw from or defer further audit work on the audit or portion of the audit to avoid interfering with an ongoing investigation or legal proceeding.

B. The internal auditor shall adhere to generally accepted governmental auditing standards in conducting its work and will be considered independent as defined by those standards.

C. The internal auditor's work ~~department~~ is subject to a peer review by an appropriate professional non-partisan objective group every three (3) to five (5) years if the internal auditor is an employee; contract internal auditors shall serve for no more than four consecutive years. A copy of the written report by an objective group shall be furnished to the city manager, audit committee, and governing body, via the finance committee.

D. The internal auditor shall have the power to subpoena witnesses, administer oaths, and require the production of records subject to the New Mexico Rules of Civil Procedure. In the case of a refusal to obey a subpoena issued to any person, the internal auditor may make application to any district court in the state that shall have the jurisdiction to order the witness to appear before the internal auditor and to produce evidence if so ordered, or to give testimony touching on the matter in question.

2-22.6 Scope of audits.

A. Audits, except for special audits or special investigations/examinations, will be conducted based on an annual audit plan developed in accordance with applicable professional auditing standards. This plan and any modifications thereof, are to be reviewed by the audit committee and recommended for approval.

(1) Within sixty (60) days before the beginning of each fiscal year, the internal auditor shall submit a one-to-five-year audit plan to the audit committee, the city manager and the governing body for review and comments, but the internal auditor shall have final authority to select the audits planned. The proposed plan shall include the rationale for the selections, for auditing departments, offices, boards, activities, subcontractors and agencies for the period. This plan may be amended after review;

(2) The final plan and any amendments will be presented to the audit committee, the city manager, and subject to approval of the governing body;

(3) In the selection of audit areas and audit objectives, the determination of audit scope and the timing of audit work, the internal auditor should consult with federal, state, and other external auditors so that the desirable audit coverage is provided and audit effort is properly coordinated.

B. The internal auditor is authorized to conduct the following audits as defined in

generally accepted governmental auditing standards:

(1) *Performance/Management Audits.* Performance audits are defined as engagements that provide assurance or conclusions based on an evaluation of sufficient and appropriate evidence against stated criteria, such as specific requirements, measures, or defined business practices.

(2) *Financial Audits.*

(3) *Attestation Engagements.* Attestation engagements result in an examination, a review, or agreed upon procedures about a subject matter that is the responsibility of another party. This includes special audits.

(4) *Advisory (Non-Audit) Services.* This includes special investigations. The issued report shall not include an opinion statement or a statement indicating the investigation was done in accordance with generally accepted government auditing standards. These services are subject to applicable professional standards.

C. The auditor shall have the authority to conduct performance and financial audits, attestation engagements or to provide advisory (non-audit) services to independently and objectively determine whether:

(1) The city, state or federal law authorizes the implemented activities and programs that are the subject of the audit;

(2) The objectives intended by city, state, or federal law are efficiently and effectively accomplished in the implementation of activities and programs;

(3) The expenditure of funds was or is in compliance with applicable laws;

(4) The revenues were or are properly collected, deposited, and accounted for;

(5) The entity, programs, activities, functions, or policies are effective,

including the identification of any causes of inefficiencies or uneconomical practices;

(6) The desired result or benefits are being achieved;

(7) Resources, including funds, property and personnel, were or are adequately safeguarded, controlled, and used in a faithful, effective, and efficient manner;

(8) Financial and other reports fairly and fully disclosed all information as required by law necessary to evaluate and ascertain the nature and scope of programs and activities;

(9) Management established operating and administrative procedures and practices, accounting internal control systems and internal management controls were and are adequate and functioning as intended;

(10) City policies, budgets, goals, and objectives were and are fully implemented; and

(11) Indications of fraud, waste, abuse, or illegal acts are valid and need further investigation.

2-22.7 Reports.

A. The internal auditor shall report results of all types of audits, investigations and/or engagements in their final report form to the audit committee, the city manager, the auditees, and the governing body via the finance committee.

B. All types of audit reports, investigations, and/or engagements, in their final report form, are public records, available for public inspection.

C. The internal auditor's reports, including attestation engagements, shall follow the guidelines as specified in generally accepted governmental auditing standards, or in the case of a non-audit service applicable professional auditing standards.

D. At a minimum audit and attestation engagement reports should include:

(1) Statements describing the objectives, scope and methodology of the audit;

(2) A statement that the audit was performed in accordance with generally accepted government auditing standards;

(3) Background information, audit results, and findings as appropriate;

(4) A conclusion based on the audit objectives and the audit findings.; and

(5) The findings in the audit report should present sufficient, appropriate evidence to support the conclusion in relation to the audit objectives.

E. Responses submitted by the city manager relevant to the audit findings must include a remediation plan specifying dates and corrective action to be taken to resolve the issue.

(1) A response is required within fourteen (14) days of receipt of a final report;

(2) If no response is received, the internal auditor will note that fact in the transmittal letter and will release the report without a remediation plan.

F. The internal auditor shall submit an annual report to the audit committee, city manager, and governing body via the finance committee within sixty (60) days after fiscal year end indicating all audits, investigations, and/or engagements completed, major findings, corrective actions taken by administrative managers, and significant issues which have not been fully addressed by management.

2-22.8 Reporting.

The internal auditor shall follow the internal audit plan, report to the governing body via the finance committee, the auditees, the city manager, and the audit committee regarding all audit activities, results, and conclusions. Depending on the type of audit, the internal auditor shall report more frequently when requested.

2-22.9 Contract auditors, consultants, and experts.

Within budgetary constraints, the internal auditor may obtain the services of certified public accountants, qualified management consultants, certified fraud examiners, forensic auditors, or other professional experts necessary to perform the functions of the internal audit department. Contractors performing an audit shall not have any financial interest in the affairs of the auditees, officials, or employees. The internal auditor shall coordinate and monitor auditing performed by persons under contract to the internal auditor.

2-22.10 Penalty; cooperation; retaliation prohibited.

A. All city officials, employees, and contractors shall provide the internal auditor full and unrestricted access to all city offices, employees, records, information, data, reports, plans, projections, matters, contracts, memoranda, correspondence, electronic data, property, equipment and facilities, and any other materials within their custody. At the internal auditor's request, an official, employee, or contractor shall prepare reports and provide interviews. If an auditee, official, employee, vendor, or contractor fails to produce the requested information, the internal auditor shall notify the city manager requesting his assistance in causing a search to be made and germane exhibits to be taken from any book, paper, or record, written or electronic, excepting personal property. The city manager shall require the officials, employees, vendors, or contractors to produce the requested information. Further, all contracts with outside contractors and subcontractors shall contain a "right-to-audit" clause providing the internal auditor access to the contractor's employees and to all financial and performance related records, property, and equipment purchased in whole or in part with governmental funds.

B. No person shall retaliate against, punish, or penalize any other person for complaining to, cooperating with, or assisting the internal auditor in the performance of his office. The internal auditor, all city employees and public officials, and any person

cooperating with the internal auditor in performance of duties has the same protections as provided for in the Federal Whistle Blower Protection Act and the New Mexico Whistleblower Protection Act, Sections 10-16C-1 et seq. NMSA 1978.

C. Any official or employee who violates this section may be subject to discipline as may be specified in applicable city ordinances or any applicable collective bargaining agreement.

2-22.11 Audits and the Inspection of Public Records Act.

A. This subsection is adopted pursuant to the general welfare and police powers conferred upon the city of Santa Fe by § 3-17-1 et seq. and § 3-18-1 et seq. NMSA 1978, pursuant to the powers conferred upon the city of Santa Fe by the New Mexico Constitution, Article X §§ 6(D) and 6(E) and the Municipal Charter Act § 3-15-1 et seq. NMSA 1978, which have been exercised by the city's adoption of the Santa Fe Municipal Charter. The purpose of this subsection is within both the city's home rule powers and the delegated powers that all municipalities have to provide for the general welfare of their residents by the general welfare clause in Section 3-17-1(B) NMSA 1978 and police power to "protect generally the property of its municipality and its inhabitants" and to "preserve peace and order within the municipality" by Section 3-18-1(F) and (G) NMSA 1978.

B. At all times during the audit process and after the report becomes a public record; the internal auditor shall follow applicable standards and 2.2.2 NMAC regarding the release of any information relating to the audit. Applicable standards include but are not limited to the AICPA Code of Ethics Rule 301 and related interpretations and guidance, Institute for Internal Auditors interpretations and guidance and GAGAS 4.30 to 4.32 and GAGAS 4.40 to 4.44.

Section 13. Section 2-23 SFCC 1987 (being Ord. No. 2020-3, § 1, as amended) is hereby repealed.

Section 14. Section 23-4.9 SFCC 1987 (being Ord. No. 1981-39 § 12, as amended) is hereby amended to read:

A. All requests for use of public parks for organized gatherings, including the plaza and plaza park, as well as concessions supporting these events, may be approved by the [~~parks and recreation~~] department authorized to do so by the City Manager.

B. Applicants for use of city parks shall follow and be subject to the procedures, requirements, and restrictions adopted by the governing body.

Section 15. 26-1.6 SFCC 1987 (being Ord. No. 2005-30(A), § 35 and Ord. #2007-45, § 30, as amended) is hereby amended to read:

26-1.6 Creation of office of affordable housing.

A. The office of affordable housing shall be established to administer the Santa Fe homes program in accordance with the provisions of this chapter, and to administer the city's other affordable housing programs. [~~The office of affordable housing shall be an independent department responsible to the city manager.~~]

B. In administering this chapter, the office of affordable housing shall work with the land use [~~department~~] division to eliminate conflict and duplication in the permitting and development approval process.

C. The office of affordable housing shall administer any agreements previously executed by the city and others.

Section 16. 26-3.5 SFCC 1987 (being Ord. No. 2007-23, § 8, as amended) is hereby amended to read:

26-3.5 Definitions.

AHTF means the affordable housing trust fund.

Administrative procedures refer to the administrative procedures adopted by resolution that outline application, evaluation, and all other administrative procedures associated with the

AHTF.

Affordable housing means residential housing primarily for persons or households of low or moderate income.

Allowable uses means those uses for the AHTF which are set forth in subsection 26-3.4 SFCC 1987.

Community housing priorities means priorities established from time to time by the governing body to guide the allocation of funds from the AHTF.

Comprehensive housing strategy means a services delivery system that addresses the full continuum of housing needs from the homeless to the homebuyer.

Eligible households means a person or households of low or moderate income as defined in rules adopted by the New Mexico Mortgage Finance Association.

Leverage means the dollar value of other resources committed to projects for which an application and approval has been received for a loan or grant from the AHTF. Each dollar committed to the project that is not generated from the AHTF shall be considered as leverage.

Office of affordable housing means the [~~department~~] division of the city of Santa Fe or its successor administering affordable housing programs.

Section 16. Editor's Note: SFCC 1987 is hereby amended to strike all references to "land use department" and insert in lieu thereof "planning and land use department".

APPROVED AS TO FORM:

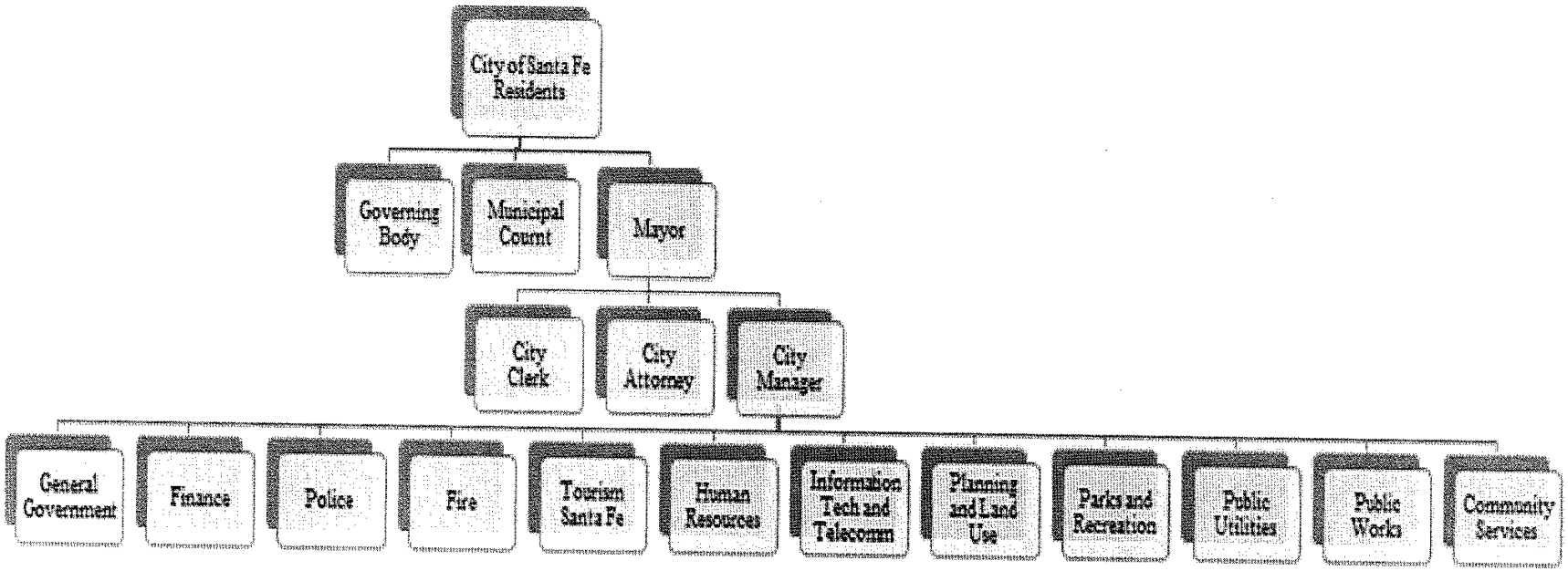
_____

ERIN K. McSHERRY, CITY ATTORNEY

City of Santa Fe
Reorganization Proposal

August 2020

Existing City Organizational Chart*



*This organizational chart that was included in the FY20 Budget Book. After that, the Arts and Culture Department was created. "General Government", a grouping created for budgetary purposes, included several organizational units, including the Office of Affordable Housing, Economic Development Department, Office of Emergency Management, and Constituent and Council Services.

Reorganization Proposal

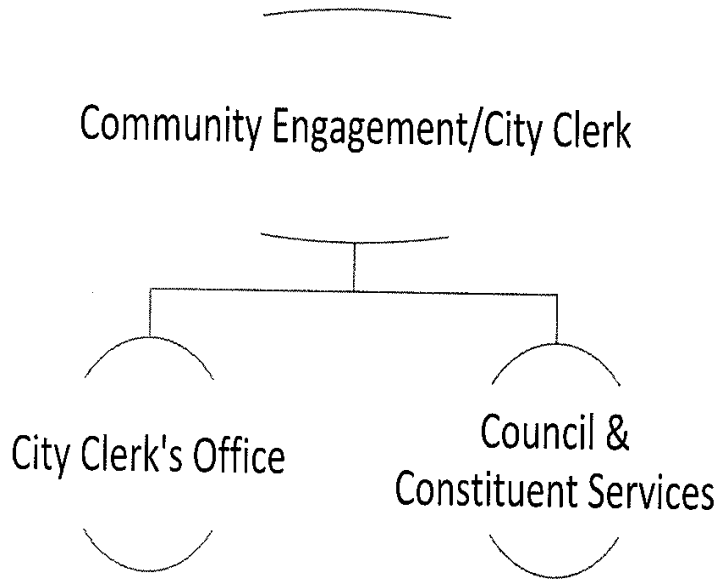
- Three primary re-organizations around the shared theme of Community:
  - Community Engagement
  - Community Development
  - Community Health and Safety

- Parks and Recreation changes, putting "like with like"

- Changes that were included in the FY21 budget that are not contingent on adopting legislation:
  - Creating a Grants Management Division to centralize grant accounting
  - Placing Safety staff in the Office of Emergency Management

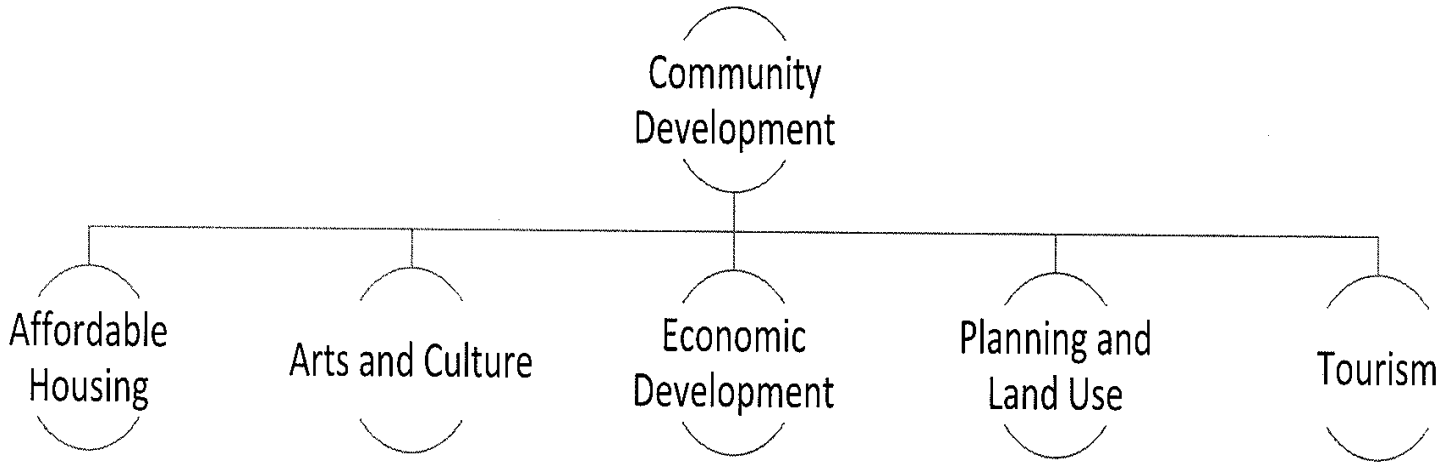
Reorganization Proposal

Relocate Constituent and Council Services into an Office of Community Engagement led by the City Clerk. With this change, the Clerk's office becomes the central hub for all external communications, resident outreach, and ongoing virtual meetings.



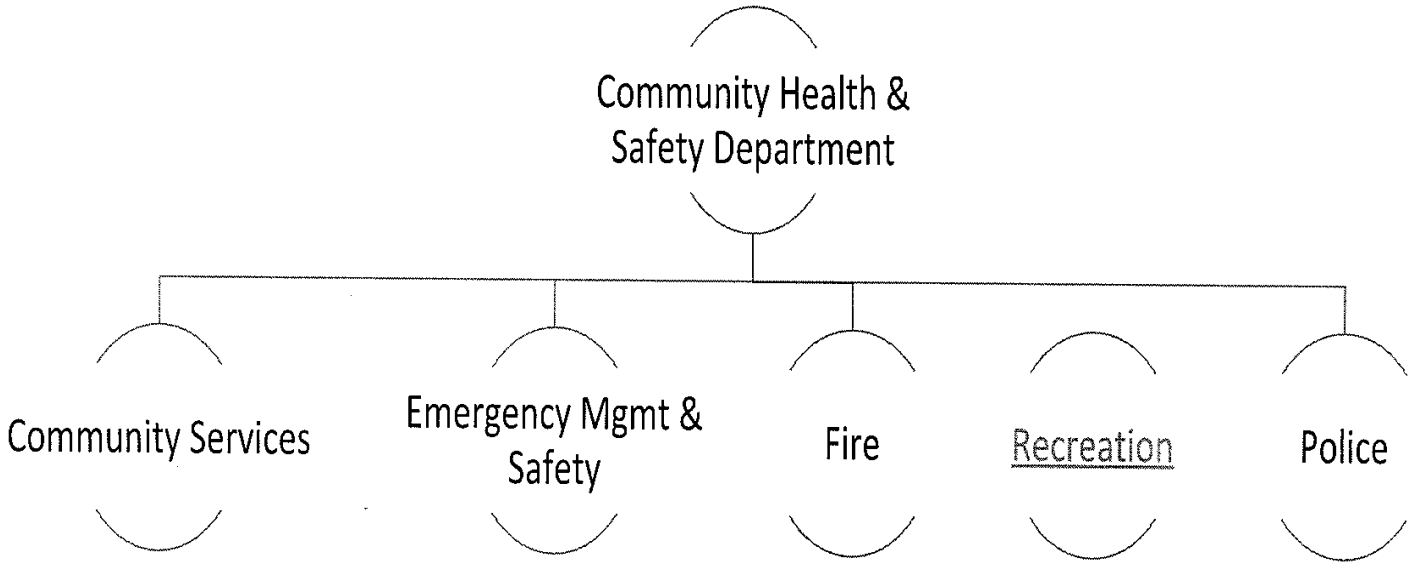
Reorganization Proposal

Bring together five of the City's external facing departments, Arts and Culture, Affordable Housing, Economic Development, Planning and Land Use, and Tourism, into a Community Development Department.



FY21 Recommended Budget Overview
Reorganization Proposal

Bringing together the Police, Fire, Emergency Management and Safety, Community Services, and Recreation, to comprise a Community Health and Safety Department. This department will allow the City to continue to build on a public health approach to public safety.

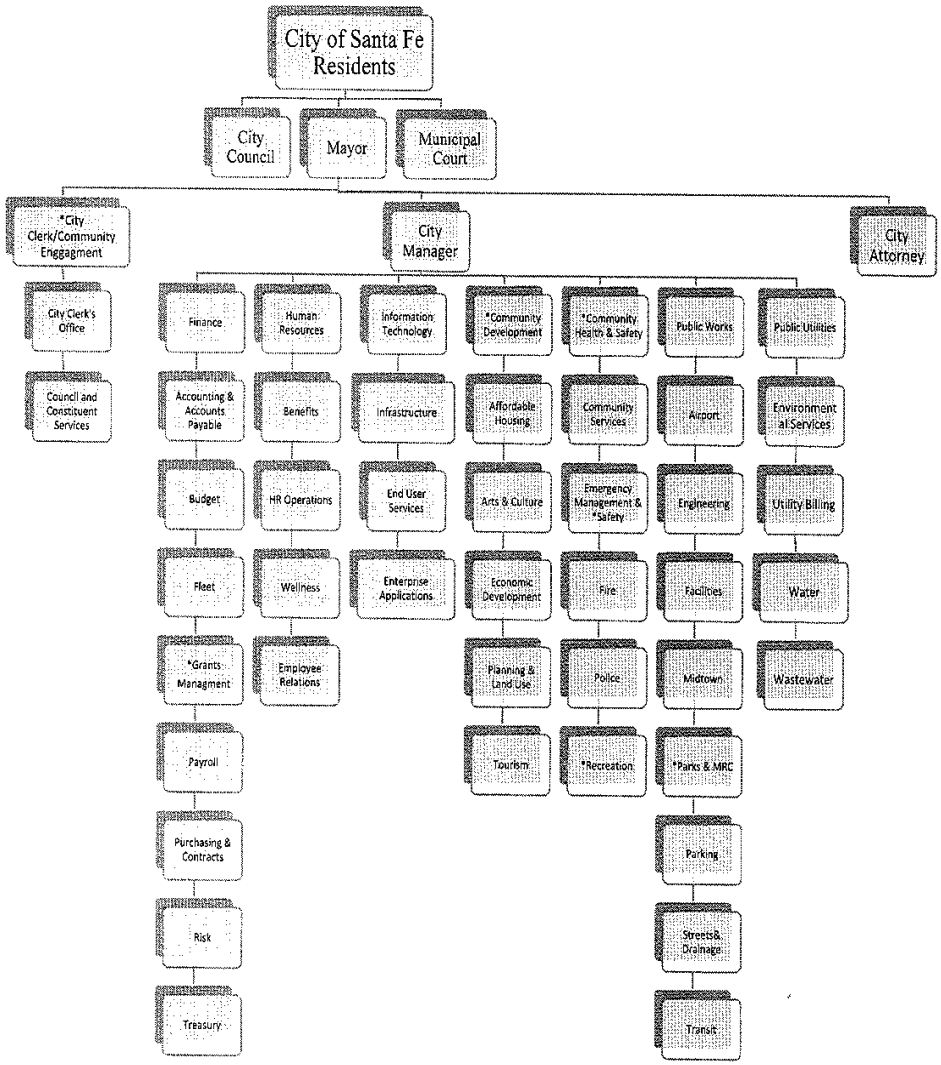


Community Health and Safety Mission Statement

The mission of the Community Health and Safety Department is to provide all people in Santa Fe with a safe, healthy environment in which to live, work, and to visit. We collaborate across the Police, Fire, Community Services, Recreation, and Emergency Management Divisions to help our community members live their best lives.

Community Development Mission Statement

The mission of the Community Development Department is to create a livable and equitable Santa Fe. A place where land use and transportation planning, job growth and economic diversification, housing choices of all kinds, and our unique history and cultural heritage all combine to create vibrant neighborhoods and a city place where everyone is afforded the highest level of quality of life, economic opportunity and self-expression.


City of Santa Fe Residents
City Council
Mayor
Municipal Court
*City Clerk/Community Enggagment
City Manager
City Attorney
City Clerk's Office
Council and Constituent Services
Finance
Human Resources
Information Technology
*Community Development
*Community Health & Safety
Public Works
Public Utilities
Accounting & Accounts Payable
Benefits
Infrastructure
Affordable Housing
Community Services
Airport
Environmental Services
Budget
HR Operations
End User Services
Arts & Culture
Emergency Management & *Safety
Engineering
Utility Billing
Fleet
Wellness
Enterprise Applications
Economic Development
Fire
Facilities
Water
*Grants Managment
Employee Relations
Planning & Land Use
Police
Midtown
Wastewater
Payroll
Tourism
*Recreation
*Parks & MRC
Purchasing & Contracts
Parking
Risk
Streets& Drainage
Treasury
Transit

CITY OF SANTA FE, NEW MEXICO
PROPOSED AMENDMENT(S) TO BILL NO. 2020-20
Department Reorganization (Substitute)

Members of the City Council:

I propose the following amendment(s) to Bill No. 2020-20:

1. On page 28, line 20 after the second occurrence of "the" ***insert*** "planning and"

2. On page 28, line 21 remove the brackets and the line through "department" and ***strike*** "division"

Respectfully submitted,

_____
Alan Webber, Mayor

Approved as to Form:

_____
Erin K. McSherry, City Attorney

ADOPTED: _____
NOT ADOPTED: _____
DATE: _____

_____
Yolanda Y. Vigil, City Clerk

10236.1(A)

ACTION SHEET
PUBLIC WORKS AND UTILITES COMMITTEE MEETING OF 08/24/2020

ISSUE NO. 8M

Consideration of Bill No. 2020-20: An Ordinance Relating to Creating Efficiencies, Enhancing Effectiveness, and Eliminating Silos by Reorganizing Certain City Departments, Organizing the Economic Development Division, Affordable Housing Office, Land Use Department, Tourism Santa Fe Department, Recreation Division, and the Arts and Culture Department as Divisions of a Community Development Department; Organizing the Community Services Department, Police Department, Fire Department, and Office of Emergency Management as Divisions of a Community Health and Safety Department; and Placing the Constituent and Council Relations Department into the City Clerk's Office; Amending 2.6-3; Replacing Section 2-8 SFCC 1987 with a New Section 2-8 SFCC that Establishes all City Departments; Reorganizing Existing Sections 2-8, 2-14, 2-15, 2-19, and 2-10 as Subsections of the New Section 2-9; Establishing in Ordinance the Existing Information Technology and Telecommunications Department and the Constituent and Council Services Department; and Repealing the Sections of Chapter 2 that Establish Departments that Are Either Becoming Divisions or No Longer Exist, Sections 2-9, 2-10, 2-11, 2-12, 2-13, 2-16, 2-19, 2-21, and 2-23 SFCC 1987; Amending Section 2-22 SFCC 1987 to Provide Contract Internal Audit Functions; and Amending Sections 26-1.6 and 26-3.5 Regarding the Office of Affordable Housing. (Jesse Guillen, Legislative Liaison jbguillen@santafenm.gov, 955-6518; Erin K. McSherry, City Attorney; ekmcsherry@santafenm.gov, 955-6512, Jarel LaPan Hill, City Manager, jlapanhill@santafenm.gov 955-6534)

COMMITTEE REVIEW
Governing Body (Request to Publish): 07/29/2020
Quality of Life Committee (Scheduled): 08/19/2020
Public Works (Scheduled): 08/24/2020
Governing Body (Public Hearing): 08/26/2020

PUBLIC WORKS AND UTILITES COMMITTEE ACTION: Pulled by Councilor Vigil Coppler. Approved unanimously to forward to 08/26/2020 Governing Body.

SPECIAL CONDITIONS OR AMENDMENTS:

STAFF FOLLOW UP:

VOTE:	FOR	AGAINST	ABSTAIN
COUNCILOR RIVERA, CHAIR	X		
COUNCILOR GARCIA	X		
COUNCILOR ABEYTA	X		
COUNCILOR LINDELL	X		
COUNCILOR VIGIL COPPLER	X		

SUBSTITUTE BILL

CITY OF SANTA FE, NEW MEXICO

BILL NO. 2020-20

INTRODUCED BY:

Mayor Alan Webber

AN ORDINANCE

CREATING EFFICIENCIES, ENHANCING EFFECTIVENESS, AND ELIMINATING SILOS BY REORGANIZING CERTAIN CITY DEPARTMENTS, ORGANIZING THE ECONOMIC DEVELOPMENT DIVISION, OFFICE OF AFFORDABLE HOUSING [~~OFFICE~~], PLANNING AND LAND USE DEPARTMENT, TOURISM SANTA FE DEPARTMENT, [~~RECREATION DIVISION,~~] AND THE ARTS AND CULTURE DEPARTMENT AS DIVISIONS OF A COMMUNITY DEVELOPMENT DEPARTMENT; ORGANIZING THE COMMUNITY SERVICES DEPARTMENT, POLICE DEPARTMENT, FIRE DEPARTMENT, RECREATION DIVISION, AND OFFICE OF EMERGENCY MANAGEMENT AND SAFETY AS DIVISIONS OF A COMMUNITY HEALTH AND SAFETY DEPARMENT; AND PLACING [~~THE~~] CONSTITUENT AND COUNCIL RELATIONS [~~DEPARTMENT~~] INTO THE CITY CLERK'S OFFICE TO FORM AN OFFICE OF COMMUNITY ENGAGEMENT; AMENDING SECTION 2.6-3; REPLACING SECTION 2-8 SFCC 1987 WITH A NEW SECTION 2-8 SFCC 1987 THAT ESTABLISHES ALL CITY DEPARTMENTS; REORGANIZING EXISTING SECTIONS 2-8, 2-14, 2-15, 2-19, AND 2-10 AS

underscored material = new [~~bracketed material~~] = delete

SUBSECTIONS OF THE NEW SECTION 2-8; ESTABLISHING IN ORDINANCE THE EXISTING INFORMATION TECHNOLOGY AND TELECOMMUNICATIONS DEPARTMENT AND [~~THE~~] CONSTITUENT AND COUNCIL SERVICES [~~DEPARTMENT~~]; AND REPEALING THE SECTIONS OF CHAPTER 2 THAT ESTABLISH DEPARTMENTS THAT ARE EITHER BECOMING DIVISIONS OR NOLONGER EXIST, SECTIONS 2-9, 2-10, 2-11, 2-12, 2-13, 2-16, 2-19, 2-21, AND 2-23 SFCC 1987; AMENDING SECTION 2-22 SFCC 1987 TO PROVIDE CONTRACT INTERNAL AUDIT FUNCTIONS; [~~AND~~] AMENDING SECTIONS 26-1.6 AND 26-3.5 REGARDING THE OFFICE OF AFFORDABLE HOUSING; AND MAKING SUCH OTHER CHANGES AS ARE NECESSARY.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE:

Section 1. Section 2-6.3 SFCC 1987 (being Code 1953, § 2-60; Code 1973, § 2-84; SFCC 1981, § 2-1-24, as amended) is hereby amended to read:

2-6.3 Duties of the city clerk. The city clerk shall:

A. Keep in custody all minutes, ordinances and resolutions approved by the governing body;

B. Attend all meetings of the governing body;

C. Record all proceedings, ordinances and resolutions of the governing body;

D. Upon request, furnish copies of municipal records. The city clerk may charge a reasonable fee for the cost of furnishing copies of municipal records;

E. Administer the municipal election and perform other election duties required pursuant to Articles 8 and 9, Chapter 3 NMSA 1978;

F. Have custody of, and safely keep, all official records and documents, such as contracts, agreements, deeds, of the city, the originals of which are to stay in the office, except

upon request of the city attorney for purposes of litigation;

G. Administer and process the filing and release of liens for the city as prescribed by Article 36, Chapter 3 NMSA 1978 or as otherwise provided by law; [~~and~~]

H. Administer and manage the office of community engagement, which includes constituent and council services [~~Department~~]; and

[~~H~~] I. Perform other duties prescribed by law, ordinance or city rules and regulations.

Section 2. Section 2-8 SFCC 1987 (being Ord. No. 1983-33, § 4, as amended) is hereby repealed.

Section 3. A new Section 2-8 SFCC 1987 is hereby ordained to read:

[NEW MATERIAL] 2-8 CITY DEPARTMENTS.

2-8.1 Finance Department.

A. Creation of department.

There is created a department of city government to be known as the "finance department".

B. Finance officer.

(1) *Position Established.* The position of finance officer is established. The finance officer is the city treasurer and manager of the finance department of the city. The designation as finance officer shall not be considered separate employment nor occasion any additional salary.

(2) *Duties.* The finance officer shall:

(a) Receive all money due and payable to the city;

(b) Keep his accounts and records in the manner prescribed by generally accepted accounting principles;

(c) Keep the money of the city separate from any other money in his possession;

(d) Expend the money only as directed by the governing body;

(e) Submit monthly, or more often if required by the governing body, a report of the receipts and expenditures of the city;

(f) Supervise the depositing and safekeeping of all money belonging to the city;

(g) With the advice and consent of the governing body designate banks qualified to receive or deposit money entrusted in his care;

(h) Prepare annually, for the close of the fiscal year, a comprehensive annual financial report showing the receipts, expenditures and balances for each fund. A copy of the financial report shall be filed in the finance officer; and

(i) Perform other duties prescribed by law, ordinance or city rules and regulations.

(3) *Reports to Governing Body.* The finance officer shall be responsible and report to the governing body through the city manager.

(4) *Records Open for Inspection.* The records of the finance officer shall be open to inspection by any citizen during the regular business hours of the city.

2-8.2 Community Health and Safety Department.

A. Creation of department.

There is created a department of city government to be known as the "community health and safety department", comprised of [~~four~~] five divisions: the police department, the fire department, the community services department, the recreation division, and the office of emergency management and safety.

B. Police Department.

(1) Powers and duties generally. Police officers shall execute and return all

writs and processes directed to them by the municipal judge and, in criminal cases or cases of violations of city ordinances, they may serve the same in any part of the country. They shall suppress all riots, disturbances and breaches of the peace, apprehend all disorderly persons within the city and shall pursue and arrest any person fleeing from justice. They shall apprehend any person in the act of committing any offense against the laws of the state or the ordinances of the city, and forthwith bring such persons before a competent authority for examination and trial. They shall have, in the discharge of their proper duties, like powers and be subject to like responsibilities as sheriffs or constables in similar cases.

(2) Appointment of police officers; commissions. No person shall assume or exercise the functions, powers, duties and privileges incident or belonging to the office of municipal [~~policeman~~] police officers without first having received his appointment in writing, known as his "commission", from the governing body. The advice of the chief of police shall be obtained in the employment and commissioning of all [~~policemen~~] police officers of the department.

(3) Training schools and examinations.

(a) There shall be held and conducted at such times as may be prescribed by the chief of police, with the approval of the governing body, schools for training in modern police methods and practices. The schools for training and the checking of the qualifications and general fitness of applicants for positions in the police department shall be under the direction and supervision of the chief of police.

(b) All members of the police department shall take such examinations as may be prescribed.

(c) In the taking of all written examinations there shall be assigned

to each applicant a number which shall be endorsed on his examination papers, and the grading of the examinations shall be by number only.

(d) Except as otherwise provided, no member shall be retained in the police department and no applicant shall be appointed to the police department unless such member or applicant, after taking the prescribed training courses, has successfully passed the prescribed examinations, written and oral; provided, that the minimum educational qualifications required by the City Personnel Act shall not apply to members of the present police department who are otherwise qualified under the provisions hereof; provided further, that in passing on the qualifications of members of the present police department, consideration shall be given to:

(i) Length of service and faithfulness to duty; and

(ii) General aptitude for police work as disclosed by the individual records of such members to be confirmed by oral examinations.

(4) Extra or emergency police officers.

The city manager may employ on behalf of the city such extra or emergency police officers as may be required in the proper administration of municipal affairs.

(5) Police department reserve.

(a) Created. There is created the city "police department reserve force", hereinafter referred to as the "reserve".

(b) Control by Chief of Police. The reserve is under the exclusive control of the chief of the city police department who shall have the sole and exclusive authority to:

(i) Summarily discipline or dismiss members without

appeal to any body or tribunal;

(ii) Approve or disapprove all bylaws, rules and regulations of the reserve; and

(iii) Approve or disapprove all officers, employees or agents of the reserve.

c. Authority. The reserve and its individual members shall only have authority in law enforcement on specific request by the city police chief. A specific request shall be made for each individual instance of service.

d. Powers and Duties.

(i) The duties of the reserve are to assist in enforcement of law by cooperating with all law enforcement agencies and regulatory bodies.

(ii) The reserve or its members when acting upon call, and only when acting upon call, of the city police chief, for the city or for another law enforcement agency or regulatory authority, shall be possessed of the same powers and duties as a city police officer or an officer of such law enforcement agency or regulatory authority.

e. Call of Members. When the city police chief calls up the members of the reserve, the call shall be in writing, list the names of each member of the reserve called, the purpose of the call, and the date and time the call begins and terminates. Except when on call, reserve members shall have no more authority in law enforcement than that of any private citizen.

f. Requests for Assistance. Should any law enforcement agency or regulatory body desire assistance from the reserve, the request shall be made to the city police chief who may authorize it, if:

(i) Reserve members are fully covered by the workman's compensation insurance policy of the assisted agency or body, and this is evidenced by a writing presented to the chief; and

(ii) Any and all liability that may arise against the city, its officers, employees or agents, the reserve, or its members as a result of such assistance, is assumed in writing by the assisted agency or body.

g. Workmen's Compensation. The city shall immediately take steps to provide necessary workmen's compensation insurance for the reserve and necessary liability insurance covering liability that may arise against the city, its officers, employees or agents as a result of the activities of the reserve on behalf of the city. If any or a portion of such liability is to be self-insured, the self-insurance fund shall be increased accordingly.

C. Fire Department**.**

~~[(1) Volunteer firefighters. There is created in the city "fire department, volunteer firefighters force", hereinafter referred to as the volunteer firefighters.~~

~~(a) The volunteer firefighters shall be subject to all regulations of the fire department of the city of Santa Fe and along with paid firemen be subject to the authority of the chief of city fire department who shall have sole and exclusive authority to:~~

~~(i) approve or disapprove of membership in the volunteer firefighters.~~

~~(ii) discipline or dismiss members of the volunteer firefighters subject to the same grievance procedure as set out in Ordinance No. 1983-44.~~

~~(b) The volunteer firefighters and its individual members shall~~

~~have authority in fire protection only upon request by the city fire dispatch.~~

~~(c) Volunteer firefighters; powers and duties.~~

~~(i) The duties of the volunteer firefighters are to provide safe and efficient fire fighting by adhering to any and all city of Santa Fe standard operating procedures, as referenced herein, or as may be amended from time to time, in Exhibit A, attached hereto.~~

~~(ii) The volunteer firefighters shall be summoned and will respond simultaneously with fire apparatus. Volunteer firefighters and paid firefighters shall possess the same powers and perform the same duties.~~

~~(d) Volunteer firefighters; insurance.~~

~~(i) The city shall provide necessary liability insurance covering liability that may arise against the city, its officers, employees, volunteer firefighters, or agents as a result of activities of the volunteer firefighters on behalf of the city. If any or a portion of such liability is to be self-insured, the self-insurance fund shall be increased accordingly.~~

~~(ii) Active volunteer firefighter members are covered by an accident, sickness, or disability insurance policy which is paid by the City of Santa Fe.]~~

[~~(2)~~](1) Department authority and powers.

(a) Pursuant to Section 3-18-1F. and G. NMSA 1978 and 3-18-11B(1), the city may provide proper means for protection from fire and protect the property of its municipality and its inhabitants and preserve the health, safety, peace and order within the municipality. Therefore, the stated purpose

of this subsection is to grant the fire department all authority necessary to protect life and property from the hazards created by fire, explosion, and similar emergencies.

(b) The fire department shall have full and complete authority in connection with fighting, mitigating, and preventing the spread of any fire that may arise within the city, with the power to do and perform all necessary or expedient acts for the fighting of fire. When called to a fire, the fire department shall have:

(i) Full and complete authority of the premises to which it has been summoned until the fire has been extinguished and the premises are deemed safe by the fire department; and

(ii) By emergency vehicle or by foot, the right of ingress and egress on all public or private streets, alleyways, roads, driveways, and thoroughfares located within the city limits or the city annexation areas.

(c) The fire department shall have full and complete authority in connection with the provision of prehospital emergency medical services within the city, with the power to do and perform all necessary or expedient acts for the provision of these services.

(d) The fire chief shall have full authority to sign agreements, approved by the city attorney's office, with landowners to implement fire hazard mitigation activities.

(3) Department members designated as special police officers. Every member duly enrolled and in good standing in the fire department shall be a special police officer of the city with power to act as such from the time of the sounding of any

fire alarm until the apparatus and equipment for fighting fire has been returned to the fire station.

(4) Obstructing or interfering with firemen. It is unlawful for any person to obstruct, annoy, or interfere with firemen wile in the discharge of their duties.

D. Community Services [~~Division~~] Department. The community services [~~division~~] department includes senior services, libraries, and family and youth services.

F. Office of Emergency Management and Safety.

(1) In accordance with Section 12-10-5 NMSA 1978, the "office of emergency management and safety," shall consist of:

(a) An emergency manager who shall be appointed in accordance with Section 12-10-5 NMSA 1978, and who shall be subject to the personnel system of the city;

(b) Additional professional and administrative personnel as may be required to effectively carry out the emergency management program; and

(c) All other city officers and employees, together with those volunteer forces enrolled to aid the city during periods of disaster or emergency.

(2) Definitions.

Civil emergency means conditions of unrest, including but not limited to riot, civil disturbance, unlawful assembly, hostile military or paramilitary action, war, terrorism, or sabotage.

Comprehensive emergency management plan (CEMP) means a written document that describes the city's overall emergency management plan. A CEMP specifies the purpose, organization, responsibilities, and facilities of the agencies and officials of the city in the mitigation of, preparation for, response to, and recovery from

emergencies and disasters.

Curfew means a period of time declared by the mayor, during which no person or persons, other than persons authorized by the mayor by administrative order, may be upon the public streets, sidewalks, grounds, or semi-public property, either on foot or in vehicles of any type, within the city.

Disaster means the occurrence of a natural catastrophe, technological accident, or human-caused event that has resulted in environmental damage, property damage, deaths, and/or multiple injuries, which may exceed the response capability of the local jurisdiction, necessitating state, and potentially federal, involvement.

Emergency means any occasion or instance, such as a terrorist attack, terrorist threat, civil unrest, wildland and urban fire, flood, hazardous materials spill, nuclear accident, aircraft accident, earthquake, hurricane, tornado, tropical storm, tsunami, war-related disaster, public health or medical emergency, other occurrence requiring an emergency response, or any other condition that warrants action to protect life, property, or the environment.

Emergency management means an approach to prevent, protect against, respond to, recover from, and mitigate the effects of incidents.

Emergency operations center (EOC) means the physical location at which the coordination of information and resources to support incident management (on-scene operations) activities normally takes place.

Emergency plan means an ongoing plan for responding to a wide variety of potential hazards.

Hazard mitigation plan means the representation of the city's commitment to reduce risks from natural hazards, serving as a guide for decision makers as they commit resources to reducing the effects of natural hazards.

National Incident Management System (NIMS) means the federal government's standardized framework of doctrines, concepts, principles, terminology, and organizational processes for emergency management.

(3) Purpose.

(a) The purpose of the office of emergency management and safety is to coordinate the efforts of all municipal agencies and employees, nongovernmental agencies, and private sector partners to prepare for and function in the event of disasters and emergencies endangering the lives of persons in the city, property of the residents of the city, or public property in the city.

(b) The duty of the office of emergency management and safety is to coordinate the development of emergency plans for the effective employment of municipal resources to protect the lives and health of the residents of the city and the private and public property therein from the effects of emergencies or natural or man-caused disasters.

(c) The office of emergency management and safety shall coordinate the implementation of such plans in preparation for, during, and after periods of emergency or disaster. Such plans shall be coordinated with those of the county and in consonance with the state emergency management plans.

(d) The office of emergency management and safety shall ensure that safety is a priority throughout the city's operations and coordinate and oversee safety protocols and implementation for the city.

(4) Emergency manager. The emergency manager shall:

(a) Be responsible to the [~~city manager~~] director of community

health and safety for the organization, administration, and operation of the emergency management program of the city;

(b) Coordinate the emergency management activities of all municipal departments and agencies of the city, nongovernmental agencies, and private sector partners;

(c) Be the liaison and cooperate with the emergency management agencies of the federal government, the state, the county, and the other political subdivisions therein;

(d) Develop an organizational structure for the office of emergency management and safety, subject to the approval of the governing body and recommend appointments to fill the positions established therein subject to the city manager's authority;

(e) Manage the [~~emergency operations center ("~~]EOC[~~")~~]; establish the overall structure, roles, responsibilities, and direction for the operation of the EOC; and ensure that the EOC is appropriately sited, staffed, equipped, and maintained;

(f) Maintain written emergency plans and safety protocols, including but not limited to all chapters, annexes, and appendices of the comprehensive emergency management plan and hazard mitigation plan, and annually review the plans to identify any recommendations for revisions; and

(g) Maintain records documenting compliance with requirements of federal and state emergency management programs, including the [~~national incident management system~~] NIMS.

(5) Financing.

(a) Funds for necessary expenses of the office of emergency

management and safety, including salaries for approved positions, may be made available through appropriations by the governing body in accordance with Section 12-10-7 NMSA 1978.

(b) The emergency manager shall prepare and submit to the governing body an annual proposed budget for emergency management and safety expenditures and shall indicate those amounts eligible for matching funds under the federal grant programs.

(c) During an emergency, purchases may be exempt from the city's procurement code, as permitted pursuant to Section 11-13 SFCC 1987.

2-8.3 Community Development Department.

There is created a department of city government to be known as the “community development department” that shall include the following divisions: economic development division, office of affordable housing, planning and land use [~~division~~] department, TOURISM Santa Fe [~~division~~] department, [~~recreation,~~] and the arts and culture [~~division~~] department.

2-8.4 Information Technology and Telecommunications Department.

There is created a department of city government to be known as the "information technology and telecommunications department".

2-8.5 Public Works Department.

There is created a department of city government to be known as the "public works department".

2-8.6 Public Utilities Department.

There is created a department of city government to be known as the "public utilities department".

2-8.7 Human Resources Department.

There is created a department of city government to be known as the "human resources

department".

[~~**2-8.8 Council and Constituent Relations Department.**~~

~~There is created a department of city government to be known as the "council and constituent relations department," within the office of the city clerk.~~]

Section 4. Section 2-9 SFCC 1987 (being Code 1953, § 18-1; Code 1973, § 25-1; SFCC 1981, § 5-1-1) is hereby repealed.

Section 5. Section 2-10 SFCC 1987 (being Ord. No. 1987-55 § 1, as amended) is hereby repealed.

Section 6. Section 2-11 SFCC 1987 (being Ord. No. 1983-33, § 1, as amended) is hereby repealed.

Section 7. Section 2-12 SFCC 1987 (being Ord. No. 2007-45) is hereby repealed.

Section 8. Section 2-13 SFCC 1987 (being Ord. No. 1987-26, § 2, as amended) is hereby repealed.

Section 9. Section 2-16 SFCC 1987 (being Ord. No. 1975-20, as amended) is hereby repealed.

Section 10. Section 2-19 SFCC 1987 (being Ord. No. 2014-22, § 2) is hereby repealed.

Section 11. Section 2-21 SFCC 1987 (being Ord. No. 2014-22, § 3) is hereby repealed.

Section 12. Section 2-22 SFCC 1987 (being Ord. No. 1983-33, § 4, as amended) is hereby amended to read:

2-22 INTERNAL AUDIT [~~DEPARTMENT~~].

2-22.1 Short title.

Section 2-22 SFCC 1987 shall be cited as the "Internal Audit [~~Department~~] Ordinance."

2-22.2 Findings; purpose; goals.

A. The governing body finds that good governance, transparency and accountability are critical in the public sector for the effective and credible functioning of a healthy democracy, and in fulfilling the government's responsibility to citizens and taxpayers.

B. Transparent and reliable reporting and effective auditing in government serve to promote accountability, enhance the effectiveness of government services to its citizens, and increase the public's confidence in their government.

C. The members of the governing body share a duty to insure that the actions of public officials, employees and contractors of the city are carried out in the most responsible manner possible and that city policies, budgets, goals and objectives are fully implemented.

D. To accomplish this, the city requires the services of an independent office or contractor to provide independent, objective assurance and review services designed to promote transparency, accountability, efficiency and effectiveness of city government.

E. The governing body does hereby establish the internal audit department, an independent city department of city government or an independent contractor reporting to the city manager, which shall oversee the functions hereby established. To ensure independence and compliance with generally accepted governmental auditing standards, the internal auditor:

(1) Shall report results to the city manager, the audit committee, the finance committee and the governing body;

(3) Has access to the governing body in accordance with the Open Meeting Act; and

(4) Is sufficiently removed from political pressures to conduct audits and report findings, opinions, and conclusions objectively without fear of political reprisal.

F. The [~~governing body also directs the~~] internal audit department, in cooperation with the audit committee, shall establish job descriptions and department policies

and procedures based on generally accepted governmental auditing standards; and to adopt the Code of Ethics as defined by the Institute of Internal Auditors.

2-22.3 Definitions.

For the purpose of this section, the following definitions shall apply, unless the context clearly indicates or requires a different meaning.

Auditees mean the city related departments, programs, activities, agencies, vendors, contractors, employees, public officials or other city related entities affected by an audit or investigation.

Committee means the City of Santa Fe audit committee.

Contractors mean all city contractors.

Employee means a city employee.

Internal auditor means the internal auditor who is the head of the internal audit department or the city's primary contact for the internal audit contractor.

Official means the mayor or a city councilor.

Report means an audit, a special audit, an investigation and/or an examination.

Special investigation or special audit means additional procedures or audits undertaken because the need was not previously foreseen.

2-22.4 Creation of the internal audit department; resources; staff.

A. The internal audit department is created as an independent office of city government. The internal auditor [~~is~~] shall either be the head of the internal audit department or an independent contractor and shall report to the city manager.

B. The audit committee shall review applications for and make a recommendation to the city manager for hiring an internal auditor[~~, a city employee~~].

C. The internal auditor shall review applications and make recommendations to the city manager for hiring other internal audit department employees[~~;~~] or procuring

independent contractors [~~to be procured~~] for assistance with the internal audit [~~department~~].

D. In accordance with law and in consultation with the city attorney's office, the city manager shall report proposed personnel actions, such as hiring, discipline, or termination, relating to the internal auditor to the audit committee in executive session, in accordance with the New Mexico Open Meetings Act. Nothing in this paragraph shall prohibit the city manager from immediately placing the internal auditor on administrative leave due to a proposed personnel action; however, the city manager shall report the proposed personnel action to the audit committee, within seven (7) business days from the date the internal auditor is placed on administrative leave.

E. The internal auditor's work shall result in a complete written final report being made of each annual audit, special audit, investigation and/or examination made ("report") and shall be delivered to the city manager, except if the city manager is the subject of the audit, then the report shall be delivered to the mayor. The internal auditor shall also notify the governing body in writing that the final report has been delivered. Each report, in its final form, shall set out in detail, in a separate section, any violation of law or good accounting practices found. Such reports are confidential under this section until placed on the finance committee's agenda or put in their final form, whichever occurs first. Reports shall not exist in a draft form for more than thirty (30) days without presentation to the finance committee. Final reports shall also be timely presented to the audit committee. If the draft report is not ready to be delivered to the city manager in its final form or is not ready to be presented to the finance committee after thirty (30) days, then staff shall inform the finance committee, in writing, the specific date, absent court order not exceeding twenty (20) days, when the final report will be delivered to the city manager or presented to the finance committee and the stated basis for the additional time needed.

F. Any final report for presentation to city committees or the governing body

shall be included in the meeting packet and such meeting packets shall be posted on the city's website.

G. Prior to the committee meeting a final report placed on a committee agenda shall be accessible by all members of the governing body and the public, and at such time shall become a public record consistent with the Inspection of Public Records Act and its exemptions.

H. Within thirty (30) days after receipt of the report, the employee and/or division and/or department audited may notify the internal auditor of any errors in the report. If the internal auditor is satisfied from data or documents at hand, or by an additional investigation, that the report is erroneous, the internal auditor shall correct the report and furnish copies of the corrected report to all parties receiving the original report.

I. The internal auditor may disclose audit information or audit documentation that is confidential, without losing the confidentiality under this Ordinance to an independent external auditor in connection with a special audit, performance audit, attestation engagement, or other existing or potential engagement regarding the financial affairs and transactions of the city.

J. The auditor's budget shall be reflected in the city manager's proposed budget as a separate department. The budget shall be sufficient to allow the organization to carry out its responsibilities, including sufficient funding for annual continuing professional education requirements and professional certification as required by the generally accepted governmental auditing standards. The auditor's proposed budget shall be prepared and presented to the finance director and the city manager.

2-22.5 Internal auditor's duties; responsibilities; authority; administrative subpoena power.

A. If the internal auditor detects instances of possible fraud, waste, or abuse or

potential violations of law by an auditee, [~~he~~] the auditor shall report the irregularities to the city manager and the audit committee.

(1) In accordance with Section 12-6-6 NMSA 1978 and state auditor's Rule 2.2.2.10K(3), a notification letter regarding the possible fraud, waste, or abuse shall also be sent to the state auditor's office whether or not an investigation by the internal auditor is conducted.

(2) If the irregularity is criminal in nature, the internal auditor shall immediately refer the irregularity to the appropriate prosecuting authority.

(3) If the irregularity warrants a special investigation, audit, and/or special audit, then the internal auditor shall conduct a special investigation, audit and/or special audit. The report shall be submitted to the city manager, the audit committee, the auditee, the governing body through the finance committee.

(4) The internal auditor shall not accept complaints related to discrimination or labor law matters. In some cases, it may be appropriate for internal audit to work with investigators or legal authorities, or withdraw from or defer further audit work on the audit or portion of the audit to avoid interfering with an ongoing investigation or legal proceeding.

B. The internal auditor shall adhere to generally accepted governmental auditing standards in conducting its work and will be considered independent as defined by those standards.

C. The internal auditor's work ~~department~~ is subject to a peer review by an appropriate professional non-partisan objective group every three (3) to five (5) years if the internal auditor is an employee; contract internal auditors shall serve for no more than four consecutive years. A copy of the written report by an objective group shall be furnished to the city manager, audit committee, and governing body, via the finance committee.

D. The internal auditor shall have the power to subpoena witnesses, administer oaths, and require the production of records subject to the New Mexico Rules of Civil Procedure. In the case of a refusal to obey a subpoena issued to any person, the internal auditor may make application to any district court in the state that shall have the jurisdiction to order the witness to appear before the internal auditor and to produce evidence if so ordered, or to give testimony touching on the matter in question.

2-22.6 Scope of audits.

A. Audits, except for special audits or special investigations/examinations, will be conducted based on an annual audit plan developed in accordance with applicable professional auditing standards. This plan and any modifications thereof, are to be reviewed by the audit committee and recommended for approval.

(1) Within sixty (60) days before the beginning of each fiscal year, the internal auditor shall submit a one-to-five-year audit plan to the audit committee, the city manager and the governing body for review and comments, but the internal auditor shall have final authority to select the audits planned. The proposed plan shall include the rationale for the selections, for auditing departments, offices, boards, activities, subcontractors and agencies for the period. This plan may be amended after review;

(2) The final plan and any amendments will be presented to the audit committee, the city manager, and subject to approval of the governing body;

(3) In the selection of audit areas and audit objectives, the determination of audit scope and the timing of audit work, the internal auditor should consult with federal, state, and other external auditors so that the desirable audit coverage is provided and audit effort is properly coordinated.

B. The internal auditor is authorized to conduct the following audits as defined in

generally accepted governmental auditing standards:

(1) *Performance/Management Audits.* Performance audits are defined as engagements that provide assurance or conclusions based on an evaluation of sufficient and appropriate evidence against stated criteria, such as specific requirements, measures, or defined business practices.

(2) *Financial Audits.*

(3) *Attestation Engagements.* Attestation engagements result in an examination, a review, or agreed upon procedures about a subject matter that is the responsibility of another party. This includes special audits.

(4) *Advisory (Non-Audit) Services.* This includes special investigations. The issued report shall not include an opinion statement or a statement indicating the investigation was done in accordance with generally accepted government auditing standards. These services are subject to applicable professional standards.

C. The auditor shall have the authority to conduct performance and financial audits, attestation engagements or to provide advisory (non-audit) services to independently and objectively determine whether:

(1) The city, state or federal law authorizes the implemented activities and programs that are the subject of the audit;

(2) The objectives intended by city, state, or federal law are efficiently and effectively accomplished in the implementation of activities and programs;

(3) The expenditure of funds was or is in compliance with applicable laws;

(4) The revenues were or are properly collected, deposited, and accounted for;

(5) The entity, programs, activities, functions, or policies are effective,

including the identification of any causes of inefficiencies or uneconomical practices;

(6) The desired result or benefits are being achieved;

(7) Resources, including funds, property and personnel, were or are adequately safeguarded, controlled, and used in a faithful, effective, and efficient manner;

(8) Financial and other reports fairly and fully disclosed all information as required by law necessary to evaluate and ascertain the nature and scope of programs and activities;

(9) Management established operating and administrative procedures and practices, accounting internal control systems and internal management controls were and are adequate and functioning as intended;

(10) City policies, budgets, goals, and objectives were and are fully implemented; and

(11) Indications of fraud, waste, abuse, or illegal acts are valid and need further investigation.

2-22.7 Reports.

A. The internal auditor shall report results of all types of audits, investigations and/or engagements in their final report form to the audit committee, the city manager, the auditees, and the governing body via the finance committee.

B. All types of audit reports, investigations, and/or engagements, in their final report form, are public records, available for public inspection.

C. The internal auditor's reports, including attestation engagements, shall follow the guidelines as specified in generally accepted governmental auditing standards, or in the case of a non-audit service applicable professional auditing standards.

D. At a minimum audit and attestation engagement reports should include:

(1) Statements describing the objectives, scope and methodology of the audit;

(2) A statement that the audit was performed in accordance with generally accepted government auditing standards;

(3) Background information, audit results, and findings as appropriate;

(4) A conclusion based on the audit objectives and the audit findings.; and

(5) The findings in the audit report should present sufficient, appropriate evidence to support the conclusion in relation to the audit objectives.

E. Responses submitted by the city manager relevant to the audit findings must include a remediation plan specifying dates and corrective action to be taken to resolve the issue.

(1) A response is required within fourteen (14) days of receipt of a final report;

(2) If no response is received, the internal auditor will note that fact in the transmittal letter and will release the report without a remediation plan.

F. The internal auditor shall submit an annual report to the audit committee, city manager, and governing body via the finance committee within sixty (60) days after fiscal year end indicating all audits, investigations, and/or engagements completed, major findings, corrective actions taken by administrative managers, and significant issues which have not been fully addressed by management.

2-22.8 Reporting.

The internal auditor shall follow the internal audit plan, report to the governing body via the finance committee, the auditees, the city manager, and the audit committee regarding all audit activities, results, and conclusions. Depending on the type of audit, the internal auditor shall report more frequently when requested.

2-22.9 Contract auditors, consultants, and experts.

Within budgetary constraints, the internal auditor may obtain the services of certified public accountants, qualified management consultants, certified fraud examiners, forensic auditors, or other professional experts necessary to perform the functions of the internal audit department. Contractors performing an audit shall not have any financial interest in the affairs of the auditees, officials, or employees. The internal auditor shall coordinate and monitor auditing performed by persons under contract to the internal auditor.

2-22.10 Penalty; cooperation; retaliation prohibited.

A. All city officials, employees, and contractors shall provide the internal auditor full and unrestricted access to all city offices, employees, records, information, data, reports, plans, projections, matters, contracts, memoranda, correspondence, electronic data, property, equipment and facilities, and any other materials within their custody. At the internal auditor's request, an official, employee, or contractor shall prepare reports and provide interviews. If an auditee, official, employee, vendor, or contractor fails to produce the requested information, the internal auditor shall notify the city manager requesting his assistance in causing a search to be made and germane exhibits to be taken from any book, paper, or record, written or electronic, excepting personal property. The city manager shall require the officials, employees, vendors, or contractors to produce the requested information. Further, all contracts with outside contractors and subcontractors shall contain a "right-to-audit" clause providing the internal auditor access to the contractor's employees and to all financial and performance related records, property, and equipment purchased in whole or in part with governmental funds.

B. No person shall retaliate against, punish, or penalize any other person for complaining to, cooperating with, or assisting the internal auditor in the performance of his office. The internal auditor, all city employees and public officials, and any person

cooperating with the internal auditor in performance of duties has the same protections as provided for in the Federal Whistle Blower Protection Act and the New Mexico Whistleblower Protection Act, Sections 10-16C-1 et seq. NMSA 1978.

C. Any official or employee who violates this section may be subject to discipline as may be specified in applicable city ordinances or any applicable collective bargaining agreement.

2-22.11 Audits and the Inspection of Public Records Act.

A. This subsection is adopted pursuant to the general welfare and police powers conferred upon the city of Santa Fe by § 3-17-1 et seq. and § 3-18-1 et seq. NMSA 1978, pursuant to the powers conferred upon the city of Santa Fe by the New Mexico Constitution, Article X §§ 6(D) and 6(E) and the Municipal Charter Act § 3-15-1 et seq. NMSA 1978, which have been exercised by the city's adoption of the Santa Fe Municipal Charter. The purpose of this subsection is within both the city's home rule powers and the delegated powers that all municipalities have to provide for the general welfare of their residents by the general welfare clause in Section 3-17-1(B) NMSA 1978 and police power to "protect generally the property of its municipality and its inhabitants" and to "preserve peace and order within the municipality" by Section 3-18-1(F) and (G) NMSA 1978.

B. At all times during the audit process and after the report becomes a public record; the internal auditor shall follow applicable standards and 2.2.2 NMAC regarding the release of any information relating to the audit. Applicable standards include but are not limited to the AICPA Code of Ethics Rule 301 and related interpretations and guidance, Institute for Internal Auditors interpretations and guidance and GAGAS 4.30 to 4.32 and GAGAS 4.40 to 4.44.

Section 13. Section 2-23 SFCC 1987 (being Ord. No. 2020-3, § 1, as amended) is hereby repealed.

Section 14. Section 23-4.9 SFCC 1987 (being Ord. No. 1981-39 § 12, as amended) is hereby amended to read:

A. All requests for use of public parks for organized gatherings, including the plaza and plaza park, as well as concessions supporting these events, may be approved by the [~~parks and recreation~~] department authorized to do so by the City Manager.

B. Applicants for use of city parks shall follow and be subject to the procedures, requirements, and restrictions adopted by the governing body.

Section 15. 26-1.6 SFCC 1987 (being Ord. No. 2005-30(A), § 35 and Ord. #2007-45, § 30, as amended) is hereby amended to read:

26-1.6 Creation of office of affordable housing.

A. The office of affordable housing shall be established to administer the Santa Fe homes program in accordance with the provisions of this chapter, and to administer the city's other affordable housing programs. [~~The office of affordable housing shall be an independent department responsible to the city manager.~~]

B. In administering this chapter, the office of affordable housing shall work with the land use [~~department~~] division to eliminate conflict and duplication in the permitting and development approval process.

C. The office of affordable housing shall administer any agreements previously executed by the city and others.

Section 16. 26-3.5 SFCC 1987 (being Ord. No. 2007-23, § 8, as amended) is hereby amended to read:

26-3.5 Definitions.

AHTF means the affordable housing trust fund.

Administrative procedures refer to the administrative procedures adopted by resolution that outline application, evaluation, and all other administrative procedures associated with the

AHTF.

Affordable housing means residential housing primarily for persons or households of low or moderate income.

Allowable uses means those uses for the AHTF which are set forth in subsection 26-3.4 SFCC 1987.

Community housing priorities means priorities established from time to time by the governing body to guide the allocation of funds from the AHTF.

Comprehensive housing strategy means a services delivery system that addresses the full continuum of housing needs from the homeless to the homebuyer.

Eligible households means a person or households of low or moderate income as defined in rules adopted by the New Mexico Mortgage Finance Association.

Leverage means the dollar value of other resources committed to projects for which an application and approval has been received for a loan or grant from the AHTF. Each dollar committed to the project that is not generated from the AHTF shall be considered as leverage.

Office of affordable housing means the [~~department~~] division of the city of Santa Fe or its successor administering affordable housing programs.

Section 16. Editor's Note: SFCC 1987 is hereby amended to strike all references to "land use department" and insert in lieu thereof "planning and land use department".

APPROVED AS TO FORM:

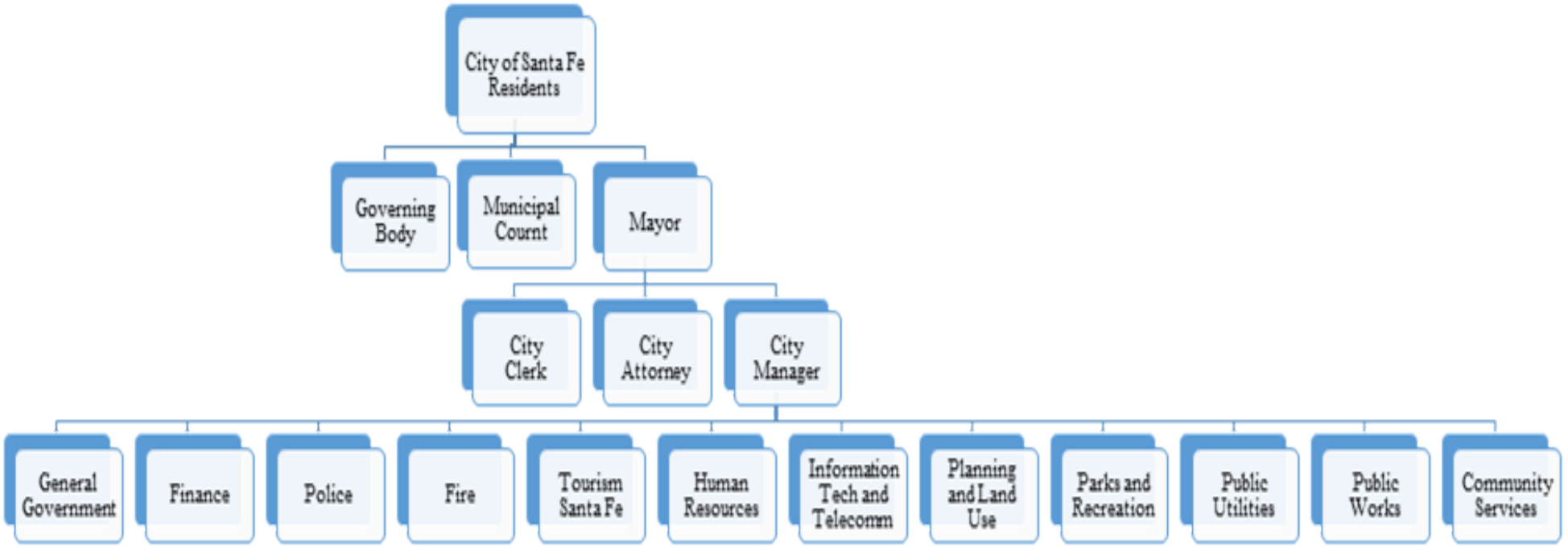
_____

ERIN K. McSHERRY, CITY ATTORNEY

City of Santa Fe
Reorganization Proposal

August 2020

Existing City Organizational Chart*



*This organizational chart that was included in the FY20 Budget Book. After that, the Arts and Culture Department was created. "General Government", a grouping created for budgetary purposes, included several organizational units, including the Office of Affordable Housing, Economic Development Department, Office of Emergency Management, and Constituent and Council Services.

Reorganization Proposal

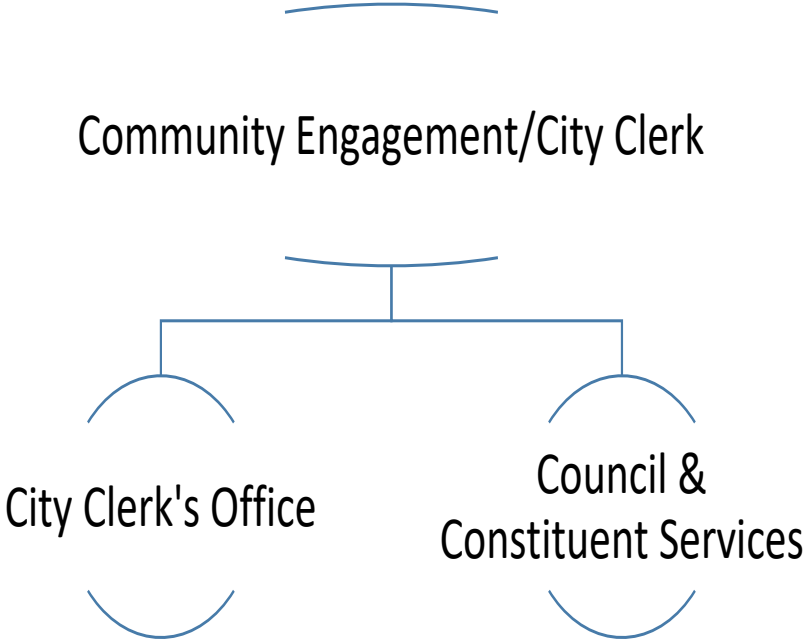
- Three primary re-organizations around the shared theme of Community:
  - Community Engagement
  - Community Development
  - Community Health and Safety

- Parks and Recreation changes, putting "like with like"

- Changes that were included in the FY21 budget that are not contingent on adopting legislation:
  - Creating a Grants Management Division to centralize grant accounting
  - Placing Safety staff in the Office of Emergency Management

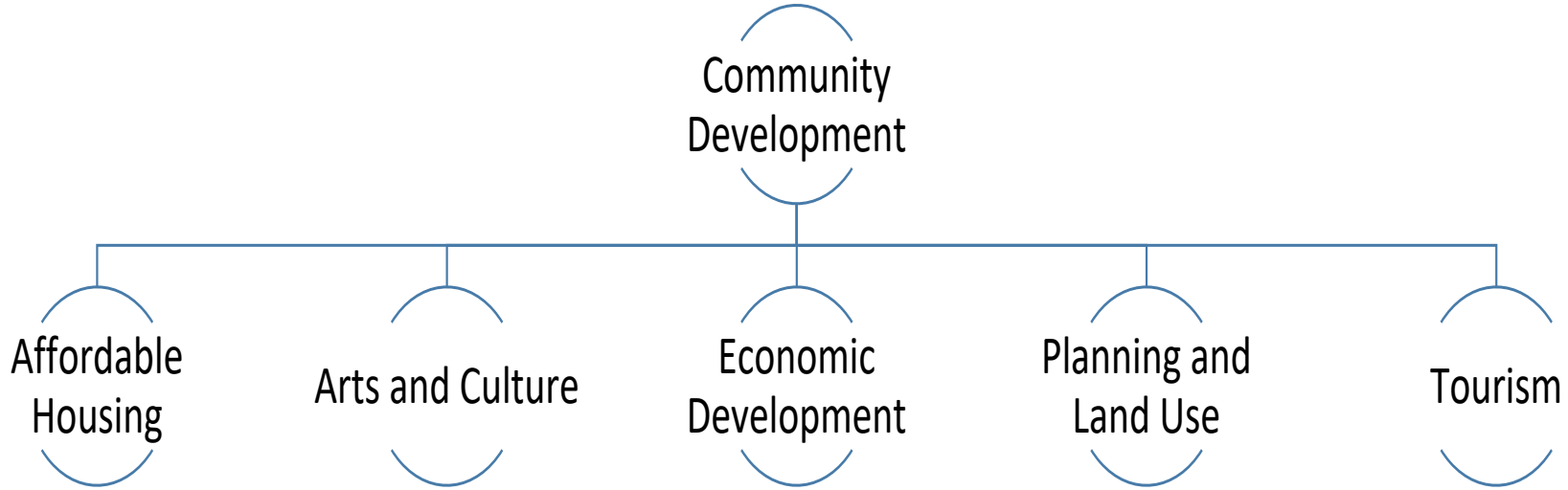
Reorganization Proposal

Relocate Constituent and Council Services into an Office of Community Engagement led by the City Clerk. With this change, the Clerk's office becomes the central hub for all external communications, resident outreach, and ongoing virtual meetings.



Reorganization Proposal

Bring together five of the City's external facing departments, Arts and Culture, Affordable Housing, Economic Development, Planning and Land Use, and Tourism, into a Community Development Department.



FY21 Recommended Budget Overview
Reorganization Proposal

Bringing together the Police, Fire, Emergency Management and Safety, Community Services, and Recreation, to comprise a Community Health and Safety Department. This department will allow the City to continue to build on a public health approach to public safety.

Community Health and Safety Mission Statement

The mission of the Community Health and Safety Department is to provide all people in Santa Fe with a safe, healthy environment in which to live, work, and to visit. We collaborate across the Police, Fire, Community Services, Recreation, and Emergency Management Divisions to help our community members live their best lives.

Community Development Mission Statement

The mission of the Community Development Department is to create a livable and equitable Santa Fe. A place where land use and transportation planning, job growth and economic diversification, housing choices of all kinds, and our unique history and cultural heritage all combine to create vibrant neighborhoods and a city place where everyone is afforded the highest level of quality of life, economic opportunity and self-expression.

City of Santa Fe Residents
City Council
Mayor
Municipal Court
*City Clerk/Community Enggagment
City Clerk's Office
Council and Constituent Services
City Manager
Finance
Accounting & Accounts Payable
Budget
Fleet
*Grants Managment
Payroll
Purchasing & Contracts
Risk
Treasury
Human Resources
Benefits
HR Operations
Wellness
Employee Relations
Information Technology
Infrastructure
End User Services
Enterprise Applications
*Community Development
Affordable Housing
Arts & Culture
Economic Development
Planning & Land Use
Tourism
*Community Health & Safety
Community Services
Emergency Management & *Safety
Fire
Police
*Recreation
Public Works
Airport
Engineering
Facilities
Midtown
*Parks & MRC
Parking
Streets& Drainage
Transit
Public Utilities
Environmental Services
Utility Billing
Water
Wastewater
City Attorney

CITY OF SANTA FE, NEW MEXICO
PROPOSED AMENDMENT(S) TO BILL NO. 2020-20
Department Reorganization (Substitute)

Members of the City Council:

I propose the following amendment(s) to Bill No. 2020-20:

1. On page 28, line 20 after the second occurrence of "the" ***insert*** "planning and"

2. On page 28, line 21 remove the brackets and the line through "department" and ***strike*** "division"

Respectfully submitted,

_____
Alan Webber, Mayor

Approved as to Form:

_____
Erin K. McSherry, City Attorney

ADOPTED: _____
NOT ADOPTED: _____
DATE: _____

_____
Yolanda Y. Vigil, City Clerk

10236.1(A)

CITY OF SANTA FE, NEW MEXICO
PROPOSED AMENDMENT(S) TO BILL NO. 2020-20
Department Reorganization

Mayor and Members of the City Council:

I propose the following amendment(s) to Bill No. 2020-20:

1. On page 3 line 22 ***strike*** "his"
2. On page 3 line 25 ***strike*** "his" and ***insert*** in lieu thereof "the finance officer's"
3. On page 4 line 7 ***strike*** "his" and ***insert*** in lieu thereof "the finance officer's"
4. On page 5 line 12 ***strike*** "his" and ***insert*** in lieu thereof "an"
5. On page 5 line 13 ***strike*** "his" and ***insert*** in lieu thereof "a"
6. On page 6 line 1 ***strike*** "his" and ***insert*** in lieu thereof "the applicant's"
7. On page 8, line 7 ***strike*** "Workmen's" and ***insert*** in lieu thereof "Worker's"
8. On page 8, line 8 ***strike*** "workmen's" and ***insert*** in lieu thereof "worker's"
9. On page 11, line 3 ***strike*** "firemen" and ***insert*** in lieu thereof "firefighters"
10. On page 11, line 3 ***strike*** "annoy,"
11. On page 11, line 3 ***strike*** "firemen" and ***insert*** in lieu thereof "firefighters"
12. On page 13, line 22 ***strike*** "safety" and ***insert*** in lieu thereof "the safety of all city employees"
13. On page 26 line 15 ***strike*** "his" and ***insert*** in lieu thereof "the city manager's"
14. On page 26 line 24 ***strike*** "his" and ***insert*** in lieu thereof "the"

Respectfully submitted,

_____
Renee Villarreal, Councilor

Approved as to Form:

_____
Erin K. McSherry, City Attorney

ADOPTED: _____
NOT ADOPTED: _____
DATE: _____

_____
Yolanda Y. Vigil, City Clerk

10000.1(A)

From: VIGIL, XAVIER I.
To: CARDENAS, GERALYN F.
Subject: FW: Consideration of Bill No. 2020-20 Adoption of Ordinance No. 2020-20
Date: Wednesday, August 26, 2020 2:27:38 PM

-----Original Message-----
From: Mark Garcia <gam69@comcast.net>
Sent: Wednesday, August 26, 2020 2:23 PM
To: VIGIL, XAVIER I. <xivigil@santafenm.gov>
Subject: Consideration of Bill No. 2020-20 Adoption of Ordinance No. 2020-20

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

August 26, 2020

Mark A. Garcia
1949 Hano Rd.
Santa Fe, N.M. 87505

Hi and Good Afternoon ! My name is Mark Garcia and I just wanted to send this quick letter to say that I am against the idea of a : Community Health and Safety Department that would try to organize for efficiency purposes the Community Services Department, the Police Department, the Fire Department, the Recreation Department, the Office of Emergency Management and Safety at a time when there is something much more important for the physical health and mental health of Santa Fe, New Mexico residents.

Two years ago today on 8-26-2018 discrimination occurred when I was approached by 2 City of Santa Fe Police officers at my home because of a " noise complaint " because of that discrimination that occurred and or what is also a legal theory called : Danger creation. I immediately contacted a law firm and sent out 3 torts dated 8-26-2018 to Mayor Alan Webber, Chief of Police Andrew Padilla and Risk management. 9 days later on 9-4-2018 2 City of Santa Fe Police Officers arrested me without giving me a due process. Since 9-4-2018 the 2 Police Officers that arrested me have left to work for the Rio Rancho Police department.

I think instead of organizing these departments into a Community and Health and Safety Department that instead the type of equipment that the Santa Fe Police Department are using to " direct sound " around residents that puts there physical and mental health in very big danger by " attacking " residents not imaginary hearing and privacy as well should be take away and or destroyed and if employed by the City of Santa Fe and using equipment to " attack someone's not imaginary hearing that they should be fired from the City of Santa Fe.

I've met with a Private Detective and he did relay that he can get the equipment to find the source from where my " not imaginary hearing sound " is coming from. My lawsuit was filed on 2-24-2020 in District Court and every day I'm still getting attacked by " directed sound " while I'm trying to read and write for the new College courses I am taking. I've been getting asked continuously in my " not imaginary hearing if I want to be a Policeman and I keep shouting out no that my lawsuit is in a Court room.

I think it's time to bring the Chief of Police Andrew Padilla to state his oath under oath to protect and serve and read the tort I sent him 2 years ago under oath. Instead of : " directing sound " with Police equipment in residents " not imaginary hearing " to create the legal theory called : Danger creation. It's just not right and my mom's and my health are taking a toll from this.

Please Meet with the Chief of Police Andrew Padilla and see about taking away and destroying there military equipment to " direct sound " than looking to be more efficient with combining a lot of department divisions together.

Thank you, Mark A. Garcia. 505-780-5428
Sent from my iPad