CITY of ALBUQUERQUE
TWENTY SEVENTH COUNCIL

COUNCIL BILL NO. R-26-74 ENACTMENT NO. _____

SPONSORED BY: Nichole Rogers

RESOLUTION

MAKING FINDINGS IN CONNECTION WITH THE SOUTH CAMPUS TAX INCREMENT DEVELOPMENT DISTRICT RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF SOUTH CAMPUS TAX INCREMENT DEVELOPMENT DISTRICT TAXABLE SHORT-TERM TAX INCREMENT REVENUE BOND, SERIES 2026 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $160,000, TO FINANCE THE ACQUISITION OF AND PAYMENT OF, OR REIMBURSEMENT FOR, CERTAIN PUBLIC INFRASTRUCTURE IMPROVEMENTS, TO BE SECURED BY GROSS RECEIPTS TAX INCREMENT REVENUES GENERATED WITHIN THE DISTRICT; RATIFYING AND APPROVING THE ISSUANCE AND SALE OF THE SERIES 2026 BOND AS SUBSTANTIALLY CONSISTENT WITH THE REQUIREMENTS OF CITY RESOLUTION ENACTMENT NO. R-2021-072 AND CITY RESOLUTION ENACTMENT NO. R-2022-009.

WHEREAS, pursuant to the petition and joint application of the Regents of the University of New Mexico by and through Lobo Development Corporation, a New Mexico nonprofit corporation formed under the Research Park and Economic Development Act ("Lobo Development"), owned, controlled and established by the Regents of the University of New Mexico (the "Regents") and the City of Albuquerque, New Mexico (the "City"), Formation Resolution Enactment No. R-2021-072, MDA Approval Resolution Enactment No. R-2022-009, and Intent Resolution Enactment No. R-2021-056 (the "Formation Resolution"), the South Campus Tax Increment Development District (the "District") was duly created by the City pursuant to the Tax Increment for Development Act, Sections 5-15-1 through 5-15-28 NMSA 1978 (the "Act") and City Ordinance Bill No. O-06-44, Enactment No. O-36-2006, as amended (the "TIDD Ordinance"); and

WHEREAS, pursuant to Section 5-15-15(B) NMSA 1978 and Section 7 of the Formation Resolution, the City has dedicated seventy-five percent (75%) of the

City Gross Receipts Tax Increment Revenue generated within the District for the financing, construction, acquisition and dedication of Public Infrastructure (the "TIDD Infrastructure Improvements"), as identified in the Tax Increment Development Plan for the District (the "Tax Increment Development Plan"); and

WHEREAS, pursuant to Section 5-15-15(E) NMSA 1978 and Resolution No. AR 2022-131 adopted by the County on November 15, 2022, the County has dedicated seventy-five percent (75%) of the County Gross Receipts Tax Increment Revenue and seventy-five percent (75%) of the revenues attributable to the incremental receipts distributed to the County pursuant to Section 7-1-6.47 NMSA 1978, for the financing of the TIDD Infrastructure Improvements, as identified in the Tax Increment Development Plan; and

WHEREAS, pursuant to Section 5-15-15(D) NMSA 1978 and a resolution of the State Board of Finance adopted on December 20, 2022, and Sections 5-15C-1 through 5-15C-4, NMSA 1978, the State has dedicated the State Gross Receipts Tax Increment Revenue for the financing of the TIDD Infrastructure Improvements, as identified in the Tax Increment Development Plan; and

WHEREAS, pursuant to Section 5(L) of the TIDD Ordinance, the City, the District and Lobo Development have entered into a Tax Increment Development District Infrastructure Construction Development Agreement dated as of October 4, 2021 (the "Development Agreement") providing for, among other matters, the construction of TIDD Infrastructure Improvements by Lobo Development in compliance with applicable standards and requirements of the City with respect to the improvements to be dedicated to the City; the issuance of bonds by the District for the purpose of financing the construction and acquisition of TIDD Infrastructure Improvements, subject to the satisfaction of the City No Net Expense Requirement (as referred to in the TIDD Ordinance); and the dedication of TIDD Infrastructure Improvements to the City and other public agencies with authority to accept, own and operate such improvements; and

WHEREAS, the District and SimonCRE Gibson II, LLC, an Arizona limited liability company ("SimonCRE") entered into an Ancillary Infrastructure Development Agreement dated April 7, 2026, as amended and supplemented from time to time (the "Ancillary Development Agreement") providing for, among other matters, the construction of TIDD Infrastructure Improvements by SimonCRE; the

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issuance of bonds by the District for the purpose of financing the construction and acquisition of TIDD Infrastructure Improvements; and the dedication of TIDD Infrastructure Improvements to the City, the University of New Mexico and other public agencies with authority to accept, own and operate such improvements; and

WHEREAS, pursuant to the Formation Resolution, the Tax Increment Development Plan, the Development Agreement and the Ancillary Development Agreement, the District is authorized to issue Tax Increment Revenue Bonds secured by Tax Increment Revenue, in an aggregate maximum principal amount for the District not to exceed $267,000,000 in net proceeds, as adjusted for inflation after January 1, 2026; and

WHEREAS, SimonCRE is undertaking the design and construction of a portion of certain TIDD Infrastructure Improvements for the Lobo Crossing Project (as defined in the Ancillary Development Agreement), with actual aggregate costs reflected in one or more requisitions for reimbursement delivered by SimonCRE to the Chair or Treasurer of the District in compliance with the Ancillary Development Agreement; and

WHEREAS, the District Board adopted Resolution No. 2026-13 on October 14, 2026 (the "District Authorizing Resolution"), pursuant to which it authorized, subject to first obtaining City approval, the issuance of the South Campus Tax Increment Development District Taxable Short-Term Tax Increment Revenue Bond, Series 2026 (the "Bond") in an aggregate principal amount not to exceed $160,000, to finance the reimbursement of a portion of the cost of the TIDD Infrastructure Improvements for the Lobo Crossing Project, including interest on the cost thereof, such Bond to be secured by Gross Receipts Tax Increment Revenues generated within the District; and

WHEREAS, the District has caused to be placed on file with the City a copy of the District Authorizing Resolution; and

WHEREAS, the City Council has considered the District Authorizing Resolution in connection with the requirements for issuance by the District of the Bond set forth in the TIDD Ordinance and the Formation Resolution and has determined by this Resolution to approve the issuance of the Bond.

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BE IT RESOLVED BY THE CITY COUNCIL, THE GOVERNING BODY OF THE CITY OF ALBUQUERQUE:

Section 1. Findings. The City hereby declares that it has considered the District Authorizing Resolution and all other relevant information and finds as follows:

A. The District Authorizing Resolution authorizes the issuance of the Bond in an aggregate amount not to exceed $160,000, at a maximum annual interest rate not to exceed ten (10) percent per annum, which rate and other details of the Bond will be specifically determined by the District and approved in a pricing certificate to be executed by the District.

B. The Bond proceeds will be issued for TIDD Infrastructure Improvements as authorized by the Act and the TIDD Ordinance and are consistent with the Formation Resolution, the Development Agreement, and the District Authorizing Resolution.

C. The District Authorizing Resolution provides that the Bond will be the obligations solely of the District, and will not be backed by the faith, credit, general funds or resources of the City in any manner. Owners of the Bond will have no right to require that the City or the District impose ad valorem property taxes to pay the Bond.

D. The City's Debt Committee has reviewed and approved the District's proposed Bond.

E. The District Authorizing Resolution provides for the following parameters:

(i) The maximum principal amount of the Bond shall not exceed $160,000.

(ii) The Bond shall be sold in a private placement to a "qualified institutional buyer" within the meaning of Securities and Exchange Commission Rule 144A (17 CFR §230.144A).

(iii) The maximum net effective interest rate on the Bond shall not exceed 10% per annum.

(iv) The Bond shall be dated as of the date of delivery of the Bond.

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(v) The Bond shall mature within thirty (30) days after the date of delivery and shall mature no later than December 16, 2026.

(vi) Interest on the Bond shall be includable in gross income for federal tax purposes under the Internal Revenue Code of 1986, as amended.

(vii) Prior to selling the Bond, any required approval by the City shall first have been obtained.

Section 2. Ratification and Approval of Issuance and Sale of the Bond. Pursuant to the District Authorizing Resolution and based upon the findings set forth in Section 1 of this Resolution, the issuance and sale of the Bond as set forth in the District Authorizing Resolution are hereby authorized and approved.

Section 3. Repealer. All ordinances or resolutions, or parts thereof in conflict with the provisions of this Resolution, are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any ordinance or resolution, or part thereof, heretofore repealed.

Section 4. Severability. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall in no manner affect any remaining provisions of this Resolution.

Section 5. Publication of Notice of Adoption of Resolution. The Clerk is hereby directed to publish a notice of this Resolution, in substantially the following form:

Notice is hereby given of the title and general summary of the subject matter contained in a resolution duly adopted and approved by the City Council of the City of Albuquerque, New Mexico relating to ratification and approval of the issuance and sale of the South Campus Tax Increment Development District Taxable Short-Term Tax Increment Revenue Bond, Series 2026. Complete copies of the resolution are available for public inspection during the regular business hours of the City Clerk, City of Albuquerque, New Mexico.

The title of the Resolution is as follows:

RESOLUTION

MAKING FINDINGS IN CONNECTION WITH THE SOUTH CAMPUS TAX INCREMENT DEVELOPMENT DISTRICT RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF SOUTH CAMPUS TAX INCREMENT DEVELOPMENT

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DISTRICT TAXABLE SHORT-TERM TAX INCREMENT REVENUE BOND, SERIES 2026 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $160,000, TO FINANCE THE ACQUISITION OF AND PAYMENT OF, OR REIMBURSEMENT FOR, CERTAIN PUBLIC INFRASTRUCTURE IMPROVEMENTS, TO BE SECURED BY GROSS RECEIPTS TAX INCREMENT REVENUES GENERATED WITHIN THE DISTRICT; RATIFYING AND APPROVING THE ISSUANCE AND SALE OF THE SERIES 2026 BOND AS SUBSTANTIALLY CONSISTENT WITH THE REQUIREMENTS OF CITY RESOLUTION ENACTMENT NO. R-2021-072 AND CITY RESOLUTION ENACTMENT NO. R-2022-009.

A summary of the subject matter of the Resolution is contained in its title.

(End of Form of Summary of Resolution for Publication)

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