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1 Winrock Partners LLC (the “Developer”), the City and the Districts, and further
2 amended the Development Agreement pursuant to City Council Resolution No.
3 R-15-170, Enactment No. R-2015-027, by which the Developer will construct
4 the TIDD Infrastructure Improvements to serve approximately 83 acres of land,
5 located wholly within the corporate boundaries of the City; and

6 WHEREAS, Chapter 58, Laws of New Mexico 2009 authorizes the Districts
7 to issue TIDD Bonds in an aggregate maximum principal amount for the
8 Districts of \$137,000,000 in net proceeds, as adjusted for inflation after
9 January 1, 2009, which shall be payable from Gross Receipts Tax Increment
10 and Property Tax Increment, for the purpose of financing the TIDD
11 Infrastructure Improvements, subject to certain requirements set forth in the
12 Formation Resolution and the Development Agreement, as amended; and

13 WHEREAS, pursuant to the Development Agreement, as amended, the
14 TIDD Infrastructure Improvements will be financed by the Districts’ issuance
15 of multiple series of TIDD Bonds as provided in the Act; and

16 WHEREAS, pursuant to the Development Agreement, as amended, all TIDD
17 Infrastructure Improvements to be acquired by the Districts will be designed
18 and constructed according to all applicable City standards, will be suitable for
19 dedication to the City upon completion, and will be acquired by the Districts
20 and then, as applicable, reconveyed to, owned and operated by the City; and

21 WHEREAS, at the time of adoption of the Formation Resolution and the
22 appointment of the Governing Body of the Districts, there were no qualified
23 resident electors residing in the Districts; and

24 WHEREAS, the Developer constructed the following dedicated
25 infrastructure projects within the Districts:

26 An approximately 930 space two-level subterranean parking garage located
27 in District 1, including access ramps, pedestrian circulation (stairs and
28 elevators), fire system, mechanical systems, electrical system, security
29 system and plumbing system;

30 A portion of Ring Road located in District 1, and associated infrastructure,
31 including, without limitation, sidewalks, landscaping features, landscape
32 buffer and street lighting;

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1 A main entrance drive north of the existing BJ’s restaurant and another
2 entrance drive south of the existing Macaroni Grill restaurant that continues
3 east, both located in District 2; a portion of Ring Road located in District 2 that
4 borders District 2’s southwestern and southern boundaries and a north/south
5 road adjacent to the west side of District 2; improvements to the Indian School
6 Road right-in/right-out access and its adjoining road headed south into the
7 property, the installation of a new access point and associated drive off of
8 America’s Parkway headed east into the site, all of which are located in
9 District 2, including sidewalks, landscaping features, landscape buffer, street
10 lighting and other public utilities associated with such entrance drives and
11 roads; and other public infrastructure improvements located in District 2 that
12 serve District 2, consisting of water lines, sewer lines and storm drains; and

13 Various public infrastructure improvements previously paid by the
14 Developer including, without limitation, storm drains located in District 1, a
15 portion of Ring Road located in District 1 (east of the portion of Ring Road
16 listed above) and an access point and associated drive to Indian School Road,
17 including sidewalks, landscaping features, landscape buffer and street
18 lighting located in District 2 (collectively, the “Series 2015 Project”); and

19 WHEREAS, the Council, pursuant to City Council Resolution No. R-2015-
20 195, Enactment No. R-2015-051, approved the issuance of the first series of
21 TIDD Bonds, which were issued to finance the Series 2015 Project, and the
22 transaction documents related thereto; and

23 WHEREAS, District 1 has heretofore issued its Winrock Town Center Tax
24 Increment Development District 1 Senior Lien Gross Receipts Tax Increment
25 Bonds, Series 2015 in the aggregate principal amount of \$43,325,000 (the
26 “Series 2015 Bonds”) to finance the Series 2015 Project; and

27 WHEREAS, the Developer has commenced or will commence the
28 construction of the following dedicated infrastructure projects within the
29 Districts, in addition to Series 2015 Project:

30 Various public infrastructure improvements including, without limitation,
31 architectural, legal, engineering, planning, consulting and design costs, most
32 of which being previously paid by the Developer, including a portion of Road
33 B located in District 1, and associated infrastructure, including, without

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1 limitation, paving, sidewalks, storm drains, sewer, water, fire lines, reuse water
2 lines and infrastructure, landscaping features, irrigation facilities, landscape
3 buffer, street lighting, streetscape, canopy renovation and pedestrian walkway
4 associated with the parking garage financed with proceeds of the Series 2015
5 Bonds and other pedestrian walkways (estimated cost \$6,000,000);
6 The community park situated in District 1 at the core of the site including
7 without limitation, architectural, legal, engineering, planning, consulting and
8 design costs, water feature and infrastructure, gazebo, children’s play area,
9 outdoor performance space, walking paths, bridges, landscaping, irrigation
10 facilities, benches, trash cans, other pedestrian and hardscape amenities, that
11 portion of green energy sources allocable to the park, and public restrooms
12 (estimated cost \$8,000,000);
13 Various public infrastructure improvements including, without limitation,
14 architectural, legal, engineering, planning, consulting and design costs for
15 roads serving the community park located in Districts 1 and 2, and associated
16 infrastructure, including, without limitation, paving, sidewalks, storm drains,
17 sewer, water, fire lines, reuse water lines and infrastructure, landscaping
18 features, irrigation facilities, landscape buffer, street lighting, streetscape and
19 other pedestrian walkways (estimated cost \$1,000,000); and
20 To the extent of any monies remaining after payment of the foregoing TIDD
21 Infrastructure Improvements, a water treatment plant to serve Districts 1 and
22 2, water reuse lines throughout Districts 1 and 2, and additional portions of the
23 internal public roads including utilities, landscape, streetscape and lighting;
24 (collectively, the “Series 2020 Project”); and

25 WHEREAS, the financing of the Series 2020 Project is an authorized
26 purpose and appropriate use of a tax increment development district as set
27 forth in the Act and the TIDD Ordinance; and

28 WHEREAS, the Governing Body of District 1 has adopted Resolution No.
29 2020-17 (the “Bond Resolution”) authorizing the issuance of the “Winrock
30 Town Center Tax Increment Development District 1 Subordinate Lien Gross
31 Receipts Tax Increment Bonds, Series 2020” (the “Series 2020 Bonds”) to pay,
32 or to reimburse the Developer amounts previously paid by it for, a portion of

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1 the costs of the Series 2020 Project, all subject to the ratification and approval
2 of the Series 2020 Bonds by the Council; and

3 WHEREAS, the Governing Body of District 1 has adopted Resolution No.
4 2020-__ (“Resolution No. 2020-__”) approving the execution and delivery of
5 certain transaction documents related to the issuance of the Series 2020
6 Bonds; and

7 WHEREAS, the Council has considered the Bond Resolution and
8 Resolution No. 2020-__ in connection with the requirements for the issuance
9 by District 1 of the Series 2020 Bonds set forth in the TIDD Ordinance and the
10 Formation Resolution.

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

13 Section 1. Findings. The City hereby declares that it has considered the
14 Bond Resolution, Resolution No. 2020-__ and all other relevant information
15 and finds as follows:

16 A. The Bond Resolution authorizes the issuance of the Series 2020
17 Bonds in an aggregate principal amount not to exceed \$30,000,000, at a
18 maximum net effective interest rate not exceed 10% per annum and provides
19 that no Series 2020 Bond shall bear interest at a rate exceeding 10% per
20 annum, which rates and other details of the Series 2020 Bonds will be
21 specifically determined and approved by the Chairperson or the Vice
22 Chairperson (the “Designated Officer”) of District 1 as set forth in certificate
23 (the “Sale Certificate”) executed by such person, all as authorized by the Bond
24 Resolution.

25 B. The Series 2020 Bonds will be issued for the purpose of financing of
26 a portion of the Series 2020 Project which is an authorized purpose and
27 appropriate use of a tax increment development district as set forth in the Act,
28 the TIDD Ordinance, the Formation Resolution, the Development Agreement,
29 as amended, the Bond Resolution and Resolution No. 2020-__.

30 C. The Bond Resolution provides that the Series 2020 Bonds will be the
31 obligations solely of the Districts, and will not be backed by the faith, credit,
32 general funds or resources of the City, the County or the State in any manner.
33 Owners of the Series 2020 Bonds will have no right to require that the City, the

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1 County or the Districts impose ad valorem property taxes to pay TIDD Bonds,
2 including but not limited to, the Series 2020 Bonds.

3 D. The City's Debt Committee has reviewed and approved the Series
4 2020 Bond transaction.

5 E. The City hereby waives Section 6(B)(ii) of the Formation Resolution
6 requiring a contribution or other credit facility to be provided by the
7 Developer, based upon the marketing plan for the Series 2020 Bonds, the
8 sophistication of the intended purchasers of the Series 2020 Bonds and
9 recommendations made by the underwriter of the Series 2020 Bonds and the
10 financial advisor to the City.

11 F. The Bond Resolution, the master indenture and supplemental
12 indenture provide for the following terms and parameters for the Series 2020
13 Bonds:

14 (i) The maximum principal amount of the Series 2020 Bonds shall
15 not exceed \$30,000,000;

16 (ii) The Series 2020 Bonds shall be sold pursuant to a limited public
17 offering;

18 (iii) the purchase price of the Series 2020 Bonds (including
19 underwriting discount, original issue premium and original issue discount)
20 shall be not less than 85% of the aggregate principal amount of the Series
21 2020 Bonds and the underwriting discount will not exceed 2.50% of the
22 aggregate principal amount of the Series 2020 Bonds;

23 (iv) The maximum annual net effective interest rate on the Series 2020
24 Bonds shall not exceed 10% per annum;

25 (v) The Series 2020 Bonds shall be dated as of the date of delivery of
26 the Series 2020 Bonds;

27 (vi) the Series 2020 Bonds shall be issued only as fully registered
28 bonds in a book entry only system in minimum denominations of \$500,000,
29 and any integral multiple of \$1,000 in excess thereof;

30 (vii) The Series 2020 Bonds shall each be numbered consecutively
31 from one upwards;

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- 1 (viii) The Series 2020 Bonds may mature in serial or term maturities
2 with the last such maturity no later than 25 years from the date of initial
3 delivery or issuance of the Series 2015 Bonds;
- 4 (ix) the Series 2020 Bonds shall be subject to optional redemption not
5 later than May 1, 2030 and at a redemption price not exceeding 103% of the
6 principal amount thereof plus accrued interest to the redemption date;
- 7 (x) The amount of principal of the Series 2020 Bonds maturing, or
8 subject to mandatory sinking fund redemption, in any particular year shall
9 not exceed \$4,000,000;
- 10 (xi) District 1 shall establish, on the date of issuance of the Series
11 2020 Bonds, a debt service reserve fund to secure the Series 2020 Bonds in
12 an amount equal to the least of (a) the maximum annual debt service
13 requirements on the Series 2020 Bonds, calculated as of the date of
14 issuance of the Series 2020 Bonds, deducting the amount deposited in the
15 debt service reserve fund from the principal due on the final maturity date
16 of the Series 2020 Bonds, based on the assumption that such amount will
17 be used to pay a portion of the principal of the Series 2020 Bonds on such
18 final maturity date of the Series 2020 Bonds; (b) 125% of the average
19 annual debt service requirements on the Series 2020 Bonds, calculated as
20 of the date of issuance of the Series 2020 Bonds; or (c) 10% of the
21 aggregate principal amount of the Series 2020 Bonds; and
- 22 (xii) The Designated Officer of District 1 shall approve and execute the
23 Sale Certificate for the Series 2020 Bonds.
- 24 G. District 1 has designated BOKF, NA to serve as trustee (the
25 “Trustee”) pursuant to an indenture of trust. The Trustee may exercise the
26 rights and remedies of District 1 for the protection of bondholders and the
27 appointment of a receiver or other agent to protect and enforce the rights of
28 any holder of the Series 2020 Bonds in the event of a default in the payment of
29 debt service on the Series 2020 Bonds, which default cannot be cured by
30 drawing on the debt service reserve funds established for the Series 2020
31 Bonds or drawing on available funds deposited in the bond funds established
32 for the Series 2020 Bonds.

1 H. District 1 has designated, and the City hereby designates, D.A.
2 Davidson & Co. to act as underwriter for the sale of the Series 2020 Bonds.

3 I. District 1 has designated, and the City hereby designates, Sherman
4 & Howard L.L.C. to act as bond and disclosure counsel and to prepare bond
5 and disclosure documents necessary to effectuate the sale of the Series 2020
6 Bonds to the public.

7 J. District 2 has pledged and assigned to the Trustee, all Gross
8 Receipts Tax Increment generated in District 2 in order to secure the payment
9 of the principal of, premium, if any, and interest on the Series 2020 Bonds and
10 such pledge and assignment satisfies Section 7(D) of the TIDD Ordinance
11 which provides that “Gross Receipts Tax Increment Bonds shall be payable
12 from the gross receipts taxes generated from taxable activities located in the
13 TIDD” and the tenth Whereas Clause of the Formation Resolution which
14 provides “pursuant to the Application and as provided for in the TIDD Act, the
15 Applicant anticipates that the TIDD Infrastructure Improvements will be
16 financed, in part through the issuance by each of the Districts of separate
17 series of Bonds secured by the portion of gross receipts tax increment
18 revenues and property tax increment revenues generated within each of the
19 Districts and dedicated to the City, and the City will have no responsibility for
20 construction of the TIDD Infrastructure Improvements, payment of the Tax
21 Increment Bonds, or other financial obligations of the Districts.”

22 K. The sale of the Series 2020 Bonds in minimum denominations of
23 \$500,000 satisfies the second paragraph of Section 7(D)(4) of the TIDD
24 Ordinance which provides: “Privately placed bonds need not be rated;
25 however, the purchasers of such bonds must be ‘qualified institutional buyers’
26 (as such term is defined in Rule 144A of the Securities Exchange Commission)
27 and must agree not to resell the bonds except to ‘qualified institutional
28 buyers’ or ‘accredited investors’, as such terms are defined by the SEC, in a
29 private placement. If appropriate, the Applicant shall enter into a ‘Continuing
30 Disclosure Undertaking’ (as required by Rule 15c2-12 of the Securities
31 Exchange Commission) relating to the issuance of the bonds.”

32 L. Section 4(A)(ii) of the Development Agreement, as amended,
33 provides that “The maximum aggregate principal amount of TIDD Bonds

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1 issued by any District shall not exceed the actual costs of the TIDD
2 Infrastructure serving the District plus amounts to be used to fund debt
3 service reserves, capitalized interest, credit enhancement, costs of issuance,
4 and other costs normally associated with the issuance of TIDD Bonds
5 pursuant to statute;” which supersedes Section 5(D)(ii) of the Formation
6 Resolution which provides “The maximum aggregate principal amount of
7 Increment Bonds issued by each TIDD shall not exceed 100% of the initial cost
8 of the public improvements serving that TIDD, as determined at the time that
9 TIDD issues a series of Bonds.”

10 M. The Developer has represented to District 1 and the City that prior to
11 the date hereof it has paid not less than 20% of the costs of the sum of (i) the
12 Series 2015 Project and (ii) the Series 2020 Project in satisfaction of the
13 requirements of Section 5-15-20B NMSA 1978, as amended and Section
14 5(D)(iii) of the Formation Resolution. The City hereby waives compliance with
15 Section 4(A)(i) of the Development Agreement, as amended, based on
16 compliance with the requirements of Section 5-15-20B NMSA 1978, as
17 amended, and Section 5(D)(iii) of the Formation Resolution.

18 N. Except as otherwise provided herein, the Bond Resolution is in
19 compliance with the provisions of Section 5 of the Formation Resolution.

20 O. Except as otherwise provided herein, the Bond Resolution and the
21 issuance and sale of the Series 2020 Bonds satisfies in all respects the
22 requirements provided in the Formation Resolution, the TIDD Ordinance and
23 the Act for the issuance of the Series 2020 Bonds.

24 Section 2. Approval of Issuance and Sale of Series 2020 Bonds Pursuant
25 to the Bond Resolution and Resolution No. 2020-__. Based upon the findings
26 set forth in Section 1 of this Resolution, the issuance and sale of the Series
27 2020 Bonds as set forth in the Bond Resolution and Resolution No. 2020-__
28 are hereby approved.

29 Section 3. Amendments to Operation Agreement and Construction
30 Agreement. The Chief Administrative Officer of the City, or his designee, is
31 hereby authorized to prepare, negotiate, execute and deliver any amendments
32 to the Operation, Maintenance and License Agreement executed on June 3,
33 2015 between the City and the Developer and the Construction Management

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1 Agreement dated as of July 9, 2015 among the City, the Developer and District
2 1, and other agreements or instruments to which the City is a party relating to
3 the formation of the Districts and the issuance of the Series 2020 Bonds as
4 may be necessary or appropriate to carry out the issuance of the Series 2020
5 Bonds and the related plan of finance and the construction, maintenance and
6 conveyance of the Series 2020 Project.

7 Section 4. Ratification. All actions which have previously been taken by
8 the Council and the officers of the City, or their designees, in connection with
9 the transactions contemplated by any of the foregoing resolutions be, and
10 they hereby are, approved, ratified and confirmed in all respects.

11 Section 5. Repealer. All ordinances or resolutions, or parts thereof in
12 conflict with the provisions of this Resolution, are hereby repealed to the
13 extent only of such inconsistency. This repealer shall not be construed to
14 revive any ordinance or resolution, or part thereof, heretofore repealed.
15 Resolution No. R-___, Enactment No. R-2020-013 is hereby repealed.

16 Section 6. Waiver. All documents, including, without limitation, the
17 Development Agreement, as amended, resolutions and ordinances, or parts
18 thereof, pertaining to the issuance and sale of bonds by District 1 and the
19 financing of TIDD Infrastructure Improvements by District 1 inconsistent
20 herewith are hereby waived to the extent only of such inconsistency.

21 Section 7. Severability. If any section, paragraph, clause or provision of
22 this Resolution shall for any reason be held to be invalid or unenforceable, the
23 invalidity or unenforceability of such section, paragraph, clause or provision
24 shall in no manner affect any remaining provisions of this Resolution.

25 Section 8. Publication of Notice of Adoption of Resolution. The Clerk is
26 hereby directed to publish a notice of this Resolution, in substantially the
27 following form:

28 (Form of Summary of Resolution for Publication)

29 Notice is hereby given of the title and general summary of the subject matter
30 contained in a resolution duly adopted and approved by the City Council of
31 the City of Albuquerque, New Mexico relating to ratification and approval of
32 the issuance and sale of the Winrock Town Center Tax Increment
33 Development District 1 Subordinate Lien Gross Receipts Tax Increment

1 Bonds, Series 2020. Complete copies of the resolution are available for public
2 inspection during the regular business hours of the City Clerk, City of
3 Albuquerque, New Mexico.

4 The title of the Resolution is as follows:

5 **RESOLUTION**

6 **MAKING FINDINGS IN CONNECTION WITH THE RESOLUTION OF WINROCK**
7 **TOWN CENTER TAX INCREMENT DEVELOPMENT DISTRICT 1 AUTHORIZING**
8 **THE ISSUANCE AND SALE OF SUBORDINATE LIEN TAX INCREMENT BONDS;**
9 **RATIFYING AND APPROVING THE ISSUANCE AND SALE OF THE WINROCK**
10 **TOWN CENTER TAX INCREMENT DEVELOPMENT DISTRICT 1 SUBORDINATE**
11 **LIEN GROSS RECEIPTS TAX INCREMENT BONDS, SERIES 2020, AS**
12 **SUBSTANTIALLY CONSISTENT WITH THE REQUIREMENTS OF CITY**
13 **ORDINANCE ENACTMENT NO. O-2006-036 AND CITY COUNCIL RESOLUTION**
14 **NO. R-2008-126, ENACTMENT NO. R 2008-120; AUTHORIZING AMENDMENTS**
15 **TO THE OPERATION AGREEMENT AND THE CONSTRUCTION AGREEMENT**
16 **PREVIOUSLY ENTERED INTO BY THE CITY WITH RESPECT TO SUCH**
17 **DISTRICT; AND REPEALING CITY COUNCIL RESOLUTION NO. R-_____,**
18 **ENACTMENT NO. R-2020-013.**

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

20 (End of Form of Summary of Resolution for Publication)
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