CITY of ALBUQUERQUE
TWENTY SEVENTH COUNCIL

COUNCIL BILL NO. R-26-60 ENACTMENT NO. ______________________

SPONSORED BY: Nichole Rogers, by request

RESOLUTION

RELATING TO THE APPROVAL OF A REDEVELOPMENT TAX ABATEMENT FOR THE SICHLER FARMS DEVELOPMENT PROJECT IN THE CENTRAL HIGHLAND/UPPER NOB HILL METROPOLITAN REDEVELOPMENT AREA.

WHEREAS, the City of Albuquerque (the "City") is a legally and regularly created, established, organized, and existing municipal corporation of the State of New Mexico (the "State"); and

WHEREAS, the New Mexico Metropolitan Redevelopment Code, Section 3-60A-l et seq. NMSA 1978 (the "MR Code"), confers certain powers upon the municipality to promote catalytic developments within areas that have been deemed blighted by the governing body of the municipality and authorizes the municipality to create a Metropolitan Redevelopment Agency (MRA) for the purpose of elimination or prevention of slum or blight; and

WHEREAS, pursuant to the MR Code, Sections 3-60A-12 through 3-60A-13.1, as amended (the "Act"), the City is authorized to acquire projects by construction, purchase, gift or lease, and to finance, sell, lease, or otherwise dispose of, projects, as well as exempt property from taxes; and

WHEREAS, SB 58 amended Section 3-60A-13.1 of the Act to allow exemptions from property taxation and assessments for up to fourteen years from the date of acquisition of the property by the local government, while obligating any lessee of a project property or owner of a substantial beneficial interest in a project property, in whose ownership the property would not otherwise be exempt from property taxation, to pay the county treasurer annually a payment in lieu of taxes during the lease period; and

WHEREAS, the City desires to promote redevelopment in areas designated as blighted and contribute to neighborhood stabilization by providing housing, convenient services, job and business support, building upgrades, infrastructure and neighborhood beautification programs for such areas, and to promote the public health, welfare, safety, convenience, and prosperity; and

WHEREAS, the City Council (the "Council"), after notice and public hearing, as required by the MR Code, approved the Central Highland/Upper Nob Hill Redevelopment Area Plan (the “MR Area Plan”), Resolution R-03-230 (Enactment No. R-2003-46); and

WHEREAS, the Council, after notice and public hearing, as required by the MR Code, approved a boundary extension to the Central Highland/Upper Nob Hill Redevelopment Area (Resolution R-25-170, Enactment No. R-2025-058), adding approximately 23 acres to the designated area, including the property addressed 820 San Mateo Boulevard NE; and

WHEREAS, the Council adopted an ordinance establishing the Albuquerque Development Commission (the "Development Commission") to review metropolitan redevelopment projects proposed to be owned and leased by the City pursuant to City Resolution No. 16-1985, as amended; and

WHEREAS, Sichler Farms LLC, a New Mexico limited liability company (together with its successors and assigns, the “Company”) presented to the Development Commission and the Council a proposed metropolitan redevelopment project application for the expansion of the existing Sichler Farms seasonal farm stand, located at 820 San Mateo Boulevard NE with required supplemental materials (the “Application”) whereby the City will, pursuant to the Act, acquire from the Company land and existing improvements located within the corporate limits of the city, and within the Central Highland/Upper Nob Hill Metropolitan Redevelopment Area (the “Project”); and

WHEREAS, the Development Commission reviewed the Application, held a public hearing on the Project, and recommended approval of the Project to the Council on July 16, 2026, based on the findings that the Project will benefit the City's efforts to revitalize the Central Highland/Upper Nob Hill Metropolitan

Redevelopment Area, and is consistent with the goals and objectives of the MR Area Plan and the MR Code; and

WHEREAS, the City will effectuate the transfer and sale of real property with the Company related to the Project, as proposed in the Application and as authorized by this Resolution; and

WHEREAS, under the Company's proposal, after the City's acquisition of the Property through a special warranty deed, the City and the Company will enter into a Lease Agreement (the "Lease") by which the Company will lease and agree to purchase the land and improvements comprising the Project from the City, and the Company shall comply with the obligations incurred under the provisions of the Lease and this Resolution; and

WHEREAS, the Lease and Deed, collectively referred to in the Resolution as the "Project Documents," have been filed with the City Clerk and approved by the Council; and

WHEREAS, the Council has determined that it is in the best interest of the City to approve the Project and to execute and deliver the Project Documents, and other documents related thereto; and

WHEREAS, the City is authorized to execute the Project Documents under the Act and this Resolution, and has concluded that it is desirable at this time to approve the Project which constitutes a valid public purpose.

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

Section 1. RATIFICATION. All actions not inconsistent with the provisions of this Resolution previously taken by the Council and the officials of the City directed toward approval of the Application and the Project should be approved and the same hereby are ratified, approved and confirmed.

Section 2. FINDINGS. The Council hereby declares that it has considered all relevant information presented to it relating to the Application and the Project and hereby finds and determines that approval of the Application and the Project, and the execution of the Project Documents, pursuant to this Resolution are necessary and advisable and in the interest of and will promote the public health, safety, morals, convenience, education, economy, and welfare of the city and the residents of the city. The Council finds that:

(1) The proposed activities under the Project aid in the elimination or prevention of slum or blight;

(2) The Project is consistent with the Albuquerque/Bernalillo County Comprehensive Plan and the Central Highland/Upper Nob Hill Metropolitan Redevelopment Area Plan, and meets the threshold and application criteria of the Redevelopment Tax Abatement program;

(3) The Project affords maximum opportunity consistent with the needs of the community for the rehabilitation or redevelopment of the area by private enterprise or persons, and the objectives of the Project justify the proposed activities as public purposes and needs;

(4) The developer of the Project property is the Company; and

(5) The Project advances the goals of the Central Highland/Upper Nob Hill Metropolitan Redevelopment Area Plan by expanding an existing seasonal farm stand into a year-round retail and restaurant use accommodating approximately 62 interior diners and 35 exterior patio guests. The project will transform an underutilized lot on the prominent San Mateo Boulevard corridor, bringing more commercial activity and safety to an underutilized area, thus contributing to the economic development and stability of the Central Highland/Upper Nob Hill MR Area.

Section 3. THE PROJECT. The City shall acquire the Property, as described in Exhibit A, for the purposes hereinabove described, and the Project shall be located at all times within the corporate limits of the city and within the Central Highland/Upper Nob Hill Metropolitan Redevelopment Area.

Section 4. APPLICATION APPROVAL.

A. The Application, as attached as Exhibit B, and made a part hereof, is approved in all respects.

B. Prior to execution of the Project Documents and upon approval of the Application, the Company shall provide to the City all documentation required to ensure conformance with the Application and conditions for approval as recommended by the Albuquerque Development Commission.

Section 5. AUTHORIZATION OF OFFICERS; APPROVAL OF DOCUMENTS; ACTIONS TO BE TAKEN.

A. The form, terms, and provisions of the Project Documents in the form on deposit in the office of the City Clerk, as attached as Exhibit C, and made a part hereof, are in all respects approved, authorized, and confirmed.

B. The Mayor or Chief Administrative Officer of the City is authorized to execute and deliver in the name and on behalf of the City, and the City Clerk or Deputy City Clerk is hereby authorized to attest, as necessary, the Project Documents with such changes therein as are not inconsistent with this Resolution.

C. The Mayor, Chief Administrative Officer, Treasurer and City Clerk are further authorized to execute, authenticate and deliver such certifications, instruments, documents, letters and other agreements and to do such other acts and things as are necessary or appropriate to consummate the transactions contemplated by the Application and the Project Documents.

D. The officers of the City shall take such action as is necessary to effectuate the provisions of the Application and shall take such action as is necessary in conformity with the Act for the Project and for carrying out other transactions as contemplated by this Resolution, the Application and the Project Documents.

E. The Project Documents shall not be executed until Construction of the Project is complete, as exemplified by a final Certificate of Occupancy, or prior at the sole discretion of the City.

Section 6. LEASE TERM. The Lease term shall not exceed seven years.

Section 7. FINDINGS REGARDING PROPERTY TAX ABATEMENT AND OTHER MATTERS. The Council makes the following determinations and findings:

A. The Company is committed to providing fair consideration under the Lease through planned improvements to the Project property pursuant to the Application, Project Documents, and the Act, and complying with the terms of the Lease.

B. It shall not be necessary to deposit any amount in a controlled account for the maintenance of the Project property.

C. The Lease requires that the Company maintain the Project property in good repair and condition (excepting reasonable wear and tear) and carry all proper insurance with respect to the Project property.

D. In accordance with Section 7-36-3.1, NMSA 1978, as amended and supplemented, the Project property shall be exempt from property taxation on the improvements to the Project for the shorter of the period of time in which the City owns the Project or December 31 of the year in which the Lease expires.

Section 8. LIMITED OBLIGATIONS. Nothing contained in the Resolution or in the Project Documents or any other instrument shall be construed as obligating the City (except with respect to the Project property as provided in the Project Documents), nor as incurring a pecuniary liability or a charge upon the general credit of the City or against its taxing power, nor shall the breach of any agreement contained in this Resolution, the Project Documents or any other instrument be construed as obligating the City (except with respect to the Project property as provided in the Project Documents), nor as incurring a pecuniary liability or a charge upon the general credit of the City or against its taxing power, the City having no power to pay out of its general funds, or otherwise contribute any part of the costs of constructing or furnishing the Project property.

Section 9. APPROVAL OF INDEMNIFICATION. The Council specifically approves the provisions of the Lease relating to indemnification which provide that the Company shall indemnify and hold harmless the City and its City Councilors, officials, members, officers, employees and agents against liability to the Company, or to any third parties that may be asserted against the City or its City Councilors, officials, members, officers, employees, or agents with respect to the City's ownership of the Project property and arising from the condition of the Project property or the acquisition, construction, and operation of the Project property by the Company, except to the extent Section 56-7-1, New Mexico Statutes Annotated, 1978 Compilation, applies, and except claims for any loss or damage arising out of or resulting from the gross negligence or willful misconduct of the City or any member, officer, employee or agent of the City.

Section 10. REPEALER. All bylaws, orders, resolutions and ordinances, or parts thereof, inconsistent with this Resolution are repealed by this Resolution but only to the extent of that inconsistency. This repealer shall not be construed to revive any bylaw, order, resolution or ordinance, or part thereof, previously repealed.

Section 11. SEVERABILITY. If any section, paragraph, sentence, clause, word, or phrase of this Resolution is for any reason held to be invalid or unenforceable by any court of competent jurisdiction, such decision shall not affect the validity of the remaining provisions of this Resolution. The Council hereby declares that it would have passed the Resolution and each section, paragraph, sentence, clause, word, or phrase thereof, irrespective of any provision being declared unconstitutional or otherwise invalid.

Section 12. EFFECTIVE DATE. This Resolution shall take effect five days after publication by title and general summary.

CITY OF ALBUQUERQUE

Albuquerque, New Mexico

Office of the Mayor

Mayor Timothy M. Keller

INTER-OFFICE MEMORANDUM

July 24, 2026

TO: Klarissa J. Peña, President, City Council

FROM: Timothy M. Keller, Mayor

SUBJECT: RELATING TO THE APPROVAL OF A REDEVELOPMENT TAX ABATEMENT FOR THE SICHLER FARMS DEVELOPMENT PROJECT IN THE CENTRAL HIGHLAND/UPPER NOB HILL METROPOLITAN REDEVELOPMENT AREA

Sichler Farms LLC ("Applicant") has applied for a 7-year Redevelopment Tax Abatement ("RTA") for the expansion of an existing seasonal chile farm stand. The project site is located at 820 San Mateo Boulevard NE in the Central Highland/Upper Nob Hill Metropolitan Redevelopment ("MR") Area. The project will expand an existing seasonal use into a year-round, farm-to-table café and restaurant, accommodating approximately 62 interior diners and 35 exterior patio guests, bringing more commercial activity and safety to an underutilized area, thus contributing to the economic development and stability of the Central Highland/Upper Nob Hill MR Area. The application for the RTA is attached to the project resolution.

The current year property tax bill for the property is $5,205. Following completion of the Project, the new annual property tax amount is estimated to be $19,987. The estimated cost savings of the property tax abatement on the Project, equivalent to the estimated taxes after development minus pre-development taxes, would be $14,781 annually, or $103,789 over a period of 7 years.

On July 16, 2026, the Albuquerque Development Commission recommended to City Council the approval of the Sichler Farms Redevelopment Tax Abatement for a period of 7 years based on the following findings:

- The proposed activities under the Project aid in the elimination or prevention of slum or blight.
- The Project is consistent with the Comprehensive Plan for the City as a whole and the Central Highland/Upper Nob Hill Metropolitan Redevelopment Area Plan, and meets the threshold and application criteria of the Redevelopment Tax Abatement program.

- The Project affords maximum opportunity consistent with the needs of the community for the rehabilitation or redevelopment of the area by private enterprise or persons, and the objectives of the Project justify the proposed activities as public purposes and needs.
- The Project advances the goals of the Central Highland/Upper Nob Hill Metropolitan Redevelopment Area Plan by creating a new commercial development, contributing to increased economic activity and safety in the area.

RELATING TO THE APPROVAL OF A REDEVELOPMENT TAX ABATEMENT FOR THE SICHLER FARMS DEVELOPMENT PROJECT IN THE CENTRAL HIGHLAND/UPPER NOB HILL METROPOLITAN REDEVELOPMENT AREA

Approved:

Samantha Sengel 8/11/26

Dr. Samantha Sengel Date
Chief Administrative Officer

Approved as to Legal Form:

DocuSigned by:
Lauren Keefe
1A21D96D32C74EE...
7/30/2026 | 6:45 PM MDT

City Attorney Date

Recommended:

DocuSigned by:
Terry Brunner
4C3ED98C24E342D...
7/29/2026 | 7:52 AM MDT

Terry Brunner Date
Interim Director

Cover Analysis

1. **What is it?** This resolution will approve a seven-year Redevelopment Tax Abatement (RTA) for the Sichler Farms restaurant and retail expansion, located at 820 San Mateo Blvd NE, in the Central Highland/Upper Nob Hill Metropolitan Redevelopment (MR) Area. The Project will expand an existing seasonal farm stand, remodeling existing structures and converting the seasonal use into a year-round farm-to-table café and restaurant with on-site parking and other streetscape improvements. The seven-year tax abatement will enable the transformation of underutilized structures on the prominent San Mateo Blvd corridor into a hub of commercial activity. This project, if approved, will bring more pedestrian activity and safety to a usually-vacant area, thus contributing to the economic development and stability of the Central Highland/Upper Nob Hill MR Area.

2. **What will this piece of legislation do?** As provided for in the State Metropolitan Redevelopment Code, this resolution will allow the City to take title to the property and lease the property back to the developer for a seven-year period, during which time the property will be exempt from property tax increases. The applicant will continue to pay a payment-in-lieu-of-taxes (PILT) to Bernalillo County equivalent to the current pre-development property tax amount. The estimated value of the property tax abated on the Project is $14,781 annually (estimated taxes after development minus PILT), or $103,789 over the proposed 7-year period.

3. **Why is this project needed?** The subject property is currently used only seasonally, contributing little value to the surrounding neighborhood and minimally to the city's tax base. In its current condition, the property is mostly vacant and represents an eyesore to the community during most of the year. The redevelopment of the site will contribute to increased safety and improved conditions in the area by bringing more commercial activity to the neighborhood, supporting a local business expansion, and thus meeting the goals of the Central Highland/Upper Nob Hill MR Area.

4. **How much will it cost and what is the funding source?** The RTA program has a net-zero impact on the City's budget. MRA charges an administrative fee to cover staff time dedicated to the project. During the RTA period, the City continues to receive its portion of the PILT from Bernalillo County, so there is no loss of tax revenue. After the RTA period, there will be a net positive to the City's tax base due to redevelopment at the site and reassessed property values, which will have a long-term positive impact on property tax collections. Additionally, a year-round business that includes a restaurant will greatly increase the gross receipts tax revenue generation potential for the site.

5. **Is there a revenue source associated with this contract? If so, what level of income is projected?** The MRA will charge a one-time fee to

effectuate the lease agreement with the developer. Then, during the 7-year tax abatement period, MRA will collect an annual administrative fee equal to 10% of the value of the abatement. Following the 7-year tax abatement period, the property taxes generated at the property are anticipated to increase from approximately $5,205 to $19,987, of which the City will receive its property tax share, increasing the City's tax base.

6. **What will happen if the project is not approved?** If the RTA is not approved, the project as proposed is not financially viable, as demonstrated by the analysis in the attached staff report. If left undeveloped, the project property will continue to remain blighted and underutilized for most of the year, and the Central Highland/Upper Nob Hill MR Area will lose the opportunity for the development of this new commercial project. The City will also lose out on its future increased property tax share anticipated after the RTA period as well as the increased gross receipts generated by a year-round business.

7. **Is this service already provided by another entity?** No. MRA is the only City Department with the authority to extend development incentives to private developers.

FISCAL IMPACT ANALYSIS

TITLE: RELATING TO THE APPROVAL OF A REDEVELOPMENT TAX ABATEMENT FOR THE SICHLER FARMS DEVELOPMENT PROJECT IN THE CENTRAL HIGHLAND/UPPER NOB HILL METROPOLITAN REDEVELOPMENT AREA

R: O:
FUND: 275

DEPT: DFAS

[X] No measurable fiscal impact is anticipated, i.e., no impact on fund balance over and above existing appropriations.

[ ] (If Applicable) The estimated fiscal impact (defined as impact over and above existing appropriations) of this legislation is as follows:

	Fiscal Years 2026	2027	2028	Total
Base Salary/Wages				-
Fringe Benefits at				-
Subtotal Personnel	$ -	$ -	$ -	$ -
Operating Expenses	$ -	$ -	$ -	$ -
Property	$ -	$ -	$ -	$ -
Indirect Costs	$ -	$ -	$ -	$ -
Total Expenses	$ -	$ -	$ -	$ -
[X] Estimated revenues not affected				
[ ] Estimated revenue impact				
Revenue from program	$ -	$ -	$ -	$ -
Amount of Grant	$ -	$ -	$ -	$ -
City Cash Match	$ -	$ -	$ -	$ -
City Inkind Match	$ -	$ -	$ -	$ -
City IDOH	$ -	$ -	$ -	$ -
Total Revenue	$ -	$ -	$ -	$ -

These estimates do not include any adjustment for inflation.
* Range if not easily quantifiable.

Number of Positions created 0

COMMENTS: The tax abatement program has no net impact on the City's budget. It does abate increases in property taxes during the RTA period; however, the City continues to receive its portion of the PILT from Bernalillo County, so there is no loss of tax revenue. After the RTA period, there will be a net positive to the City's tax base due to redevelopment at the site, which typically results in a large increase in taxes. After the RTA, reassessed property values are expected to have a long-term positive impact on property tax collections.

COMMENTS ON NON-MONETARY IMPACTS TO COMMUNITY/CITY GOVERNMENT:
The subject property is currently used only seasonally, contributing little value to the surrounding neighborhood and little to the city's tax base. The expansion of the existing business will contribute to increased safety and improved conditions in the area by bringing more commercial activity to the neighborhood, supporting the expansion of a local business, and thus meeting the goals of the Central Highland/Upper Nob Hill MR Area.

PREPARED BY: DocuSigned by:
Daphany Martin 7/29/2026 | 9:27 AM MDT
FISCAL ANALYST

APPROVED: DocuSigned by:
Terry Brunner 7/29/2026 | 9:24 AM MDT
DIRECTOR (date)

REVIEWED BY: Signed by:
Donna Sandoval 7/29/2026 | 9:32 AM MDT
EXECUTIVE BUDGET ANALYST

DocuSigned by:
Kevin E. Noel 7/30/2026 | 3:01 PM
BUDGET OFFICER (date)

Signed by:
Christine Boerner 7/30/2026 | 3:06 PM MDT
CITY ECONOMIST

Tim Keller, Mayor

EXHIBIT A

METROPOLITAN REDEVELOPMENT AGENCY

July 16, 2026

To: Albuquerque Development Commission

From: China Osborn, Redevelopment Project Manager

Subject: Redevelopment Tax Abatement for Sichler Farms in the Central Highland/Upper Nob Hill MR Area, located at 820 San Mateo Blvd. NE

ADC Case #: 2026-17

Executive Summary. Sichler Farms LLC ("Applicant") requests approval of a Redevelopment Tax Abatement for the Sichler Farms restaurant and retail expansion ("Project"), located at 820 San Mateo Blvd NE. The proposed project will expand an existing seasonal farm stand, remodeling existing structures and converting the seasonal use into a year-round farm-to-table café and restaurant. The project is located within the Central Highland/Upper Nob Hill Metropolitan Redevelopment (MR) Area and is therefore eligible for a Redevelopment Tax Abatement (RTA). Based on the application materials provided and alignment with the Community Benefit Matrix, MRA staff recommends approval of the request for a 7-year tax abatement.

The RTA, if approved, will freeze the property taxes at pre-development levels for 7 years after construction, making the project feasible and contributing to the elimination of "blight" in the area. The approval of the RTA ***does not*** change zoning or approve any variances to zoning requirements for the project.

Project Description. Sichler Farms LLC is proposing a renovation and expansion of its existing seasonal chili retail site at 820 San Mateo Blvd NE. The project involves the rehabilitation of an existing structure totaling 3,766 sq. ft., adding a new 877 sq. ft. enclosed addition, and a 523 sq. ft. outdoor patio. The project also includes the demolition and removal of a second structure (1,875 sq. ft.) and improvements to a 360 sq. ft. roasting area, resulting in a total developed footprint of 5,526 sq. ft.

The redeveloped site will operate year-round as a farm-to-table café and restaurant, accommodating approximately 62 interior diners, 35 exterior patio guests, and 8 bar seats. The Project includes a produce market and retail store replacing the current seasonal-only storefront. An on-site greenhouse will also be used to grow flowers and plants for retail. Site upgrades include a reconfigured 24-stall parking area with access and streetscape improvements.

(*See Attachments A and B for site location, photos, and project design.*)

Value of RTA. The project site consists of one parcel, and the estimated 2026 tax bill is $5,205. Following completion of the project, the new annual property tax amount is estimated to be approximately $19,987. Therefore, the estimated value of the property tax abated *(after development tax minus pre-development tax)* on the Project would be $14,781 annually, or $103,789 over a period of 7 years, helping contribute to the feasibility of this project.

The Applicant will be required to continue annual payments to the Bernalillo County Treasurer equal to the pre-development property taxes in the form of a Payment In Lieu of Taxes (PILT) and an administrative fee equal to 10% of the abated taxes to the Metropolitan Redevelopment Agency (MRA) during the 7-year abatement period.

Application Criteria. The following section summarizes how the project meets the RTA Threshold Criteria and Evaluation Criteria. The full Application and supplemental materials can be found in Attachment C of this report.

RTA Threshold Criteria

Criterion	Staff Evaluation
MR Area. Projects must be located in a designated MR Area with an approved MR Area Plan.	The project is located in the Central Highland/Upper Nob Hill MR Area, with an MR Area Plan approved in 2005. (See Attachment A for site location.) *The criterion is met.*
Site Control. Applicant must demonstrate site control.	The applicant submitted a property deed as proof of site control. *The criterion is met.*
Minimum Project Size. The scope of the Project must meet the following criteria: • Minimum hard construction costs of $1 million; **and** • A minimum of *eight* residential units are created; ***OR*** • A minimum of *5,500 sq. ft*. of commercial space is created or put into active use.	The Project meets two of the minimum size criteria: • The estimated total construction cost is approximately $1.3 million; **and** • 5,526 sq ft of commercial will be activated. *The criterion is met.*
Community Benefit. A Project must achieve a minimum Community Benefit Matrix (CBM) score of 40 - 65 based on the RTA term requested.	The project scores 43 points. See the Community Benefit Matrix in the next section for details. *The criterion is met.*

Community Benefit Matrix

Category	Points Earned
Economic Impact	
5,500 - 15,000 square feet: Retail, commercial, or artisan or light manufacturing space is activated.	5
Supports Local & Minority Businesses. Legal Applicant entity is a local business	2
Supports Local & Minority Businesses. General Contractor is a local business.	2
Sustainability	
Reuse of Existing Structures. 50% of project footprint utilizes existing structures	3
Leadership in Energy & Environmental Design (LEED), or Equivalent, Certification. Qualified for USDA REAP grant for energy efficiency similar to LEED.	8
Placemaking	
Historic Preservation. Project preserves and enhances culturally significant Sichler Farms signage.	3
Enhanced Streetscape. An urban furniture component and an outdoor patio enhance the pedestrian realm.	5
Culture, Art & Community. Project includes a significant artistic feature (hand-carved bench) within prominent public view.	5
Safety and Security. Project incorporates Crime Prevention Through Environmental Design (CPTED) principles and has completed the CPTED review through APD.	5
Bonus Points	
Shovel Ready. Project is planned to be completed within 18 months of RTA approval.	5
Total Points Earned	43

The project meets all required RTA Threshold Criteria.

RTA Evaluation Criteria

☒ **Criterion A: Removal of Blighted Conditions and Conformance with Metropolitan Redevelopment Area Plan.** The applicant must demonstrate that the Project meets the relevant Metropolitan Redevelopment Plan goals.

- ☒ **Project results in the removal of slum or blighted conditions.**
- ☒ **Project furthers the goals and objectives of the adopted Metropolitan Redevelopment Area Plan.**
- ☒ **Relocation of existing residents and businesses has been/will be avoided.**

Staff Evaluation: The subject property currently has two underutilized, barely-maintained structures. The site has been operated for decades only as a seasonal chili-roasting stand each fall, leaving the property vacant and unattended during the majority of the year. In its current condition, it provides little economic benefit to the surrounding community, nor does it contribute to the vitality of the neighborhood on a year-round basis. The redevelopment of the site will only lead to increased safety and improved conditions in the area, bringing more commercial activity to the site and removing the current conditions of underutilization and blight.

With respect to the Goals and Objectives of the Metropolitan Redevelopment Area Plan, the proposal "improve the aesthetics, vitality, and public image of the plan area" by redeveloping a long-underutilized site, improving the structures, pedestrian realm and visual quality of the site. Furthermore, the proposal will "attract public and private investment to stimulate commercial revitalization" and "expand the range of existing goods and services" in the neighborhood, taking advantage of programs available through MRA to add a year-round market and restaurant component to a seasonal farm stand business.

The Project does not displace any existing residents or businesses on the subject property, because the Project involves only the expansion of the existing business operations.

☒ **Criterion B: Design.** RTA Projects shall meet the following enhanced design criteria to ensure high-quality projects that are recognized as exemplary:

- ☒ Buildings shall have exterior building materials and colors that are aesthetically pleasing and compatible with the overall site plan. Construction material shall provide variation in color, texture, and scale.
- ☒ The development must meet the strictest of the Design Standards in the City's Integrated Development Ordinance (IDO) applicable to the proposed use of the structure, regardless of zone district, as follows:
  - i. Residential, Multi-family and Mixed-use see IDO Subsection 5-11(E)
  - ii. Non-residential see IDO Subsection 5-11(F)
  - iii. Industrial see IDO Subsection 5-11(G)

Staff Evaluation: The Applicant has submitted renderings of the proposal (See Attachment B), showing that the colors of the proposed building are consistent with one of the City's recommended color palettes. The proposed design provides visual interest and aesthetically pleasing elements, such as a front porch and public art features. The development meets the strictest of the Design Standards in the City's Integrated Development Ordinance (IDO) for mixed-use buildings.

☒ **Criterion C: Applicant Experience.** Applicant must demonstrate a record of financing, constructing, and managing Projects of this type and size, and provide convincing evidence that the Project will be completed.

Staff Evaluation: The Applicant is the current business owner that has been operating since 1987 at this location. While not a developer, the applicant has demonstrated their ability to carry out the project, meeting various pre-development thresholds.

The project meets all required RTA Evaluation Criteria.

Recommendation: Subject to the following findings and conditions of approval, that the ADC recommends approval of the Redevelopment Tax Abatement to City Council for the Sichler Farms expansion, located at 820 San Mateo Blvd NE in the Central Highland/Upper Nob Hill Metropolitan Redevelopment Area, to be developed by Sichler Farms LLC.

Findings:

1. The proposed activities under the Project aid in the elimination or prevention of slum or blight.
2. The Project is consistent with the Comprehensive Plan for the City as a whole and the Central Highland/Upper Nob Hill Metropolitan Redevelopment Area Plan, and meets the threshold and application criteria of the Redevelopment Tax Abatement program.
3. The Project affords maximum opportunity consistent with the needs of the community for the rehabilitation or redevelopment of the area by private enterprise or persons, and the objectives of the Project justify the proposed activities as public purposes and needs.
4. The Project advances the goals of the Central Highland/Upper Nob Hill Metropolitan Redevelopment Area Plan by creating a new residential development, contributing to increased economic activity and safety in the area.

Conditions of Approval:

1. Concurrent with building permit submittal, the applicant shall submit the final building permit plans to MRA staff for review for consistency with the Community Benefit Matrix. Any Community Benefit Points benchmarks that were not addressed will be identified and non-compliance with Community Benefit points may cause the RTA approval to be reevaluated or rescinded by MRA.
2. After final approval of the RTA, the Applicant, at their own expense, shall collocate a promotional banner designed by MRA at the property line construction fencing, visible from the public right of way during the entire construction of the Project.
3. After final approval of the RTA and prior to the start of construction, the Applicant, at their own expense, shall coordinate a groundbreaking ceremony at the property, including MRA and other City leaders.
4. The Applicant shall, after the final Certificate of Occupancy and prior to the signing of the Lease effectuating the Redevelopment Tax Abatement, request the presence of MRA staff and other City representatives at the discretion of MRA at a ribbon-cutting ceremony to mark the opening of the Project.
5. The Lease Documents required to execute the Redevelopment Tax Abatement shall not be executed until construction of the Project is complete, including all required Community Benefit commitments, as exemplified by a final Certificate of Occupancy, or prior at the sole discretion of the City. The Lease must be entered into and effective within three (3) years of the date of City Council Approval, or the Project approval will be void.
6. The lease term shall not exceed seven (7) years.

7. The Lease Documents required to execute the Redevelopment Tax Abatement shall include any compliance and reporting requirements with any commitments agreed to in the Community Benefit Matrix associated with the approved project.

Attachment A

Site Location

Site Photos

View from NE corner of San Mateo & San Juan NE, looking NE

Photo of Sichler Farms chili stand when in seasonal operations.

View of W property line from San Mateo, looking E

View of existing unused warehouse building to be remodeled and expanded.

Attachment B
Project Design & Renderings

Proposed Project (Rendering):

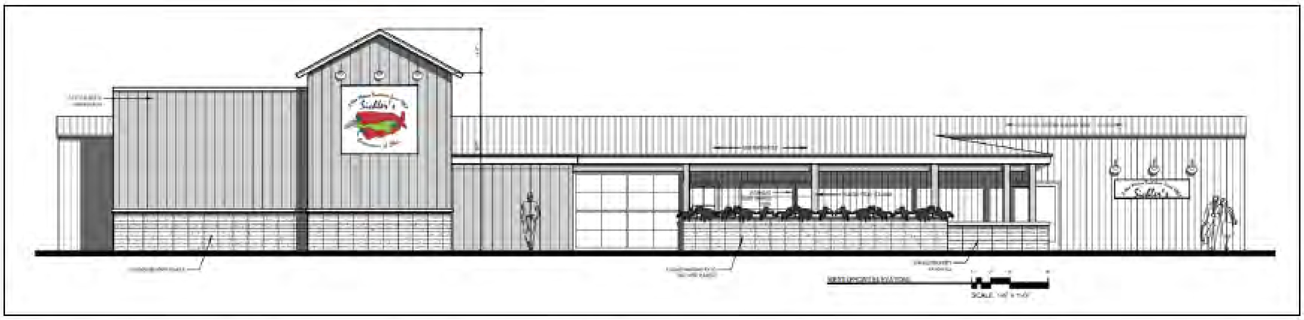
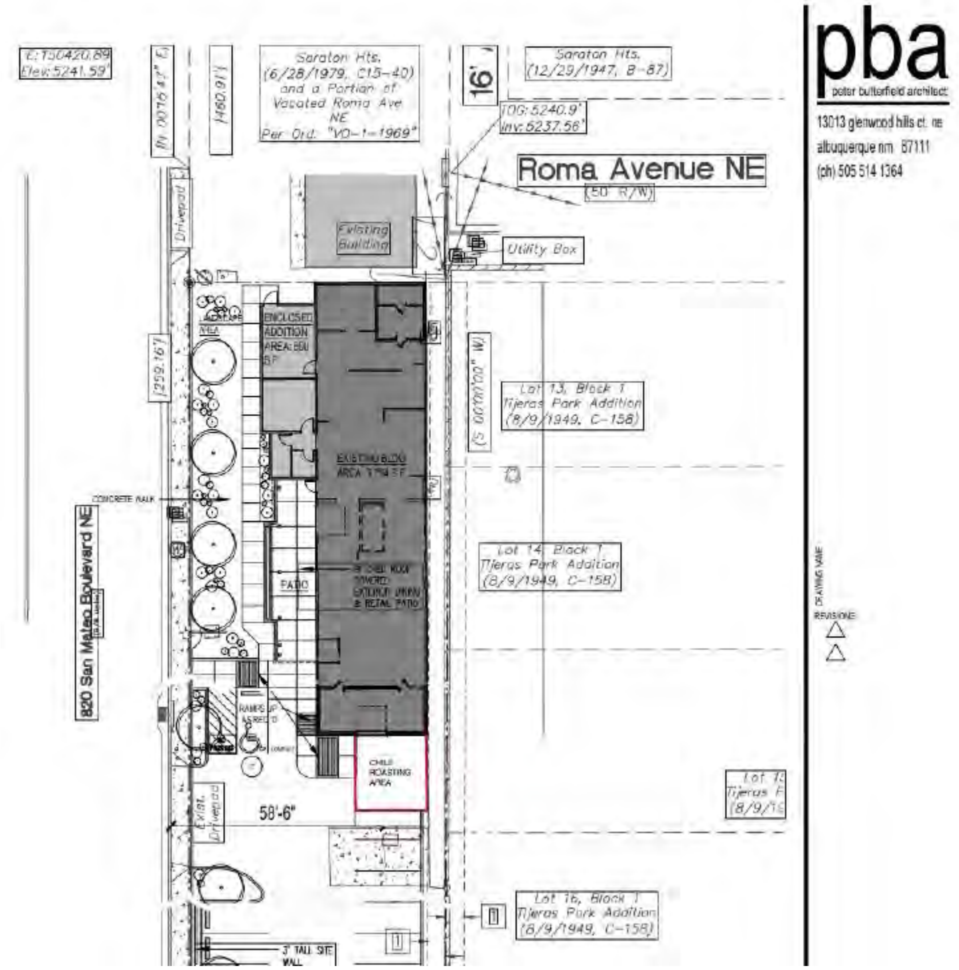


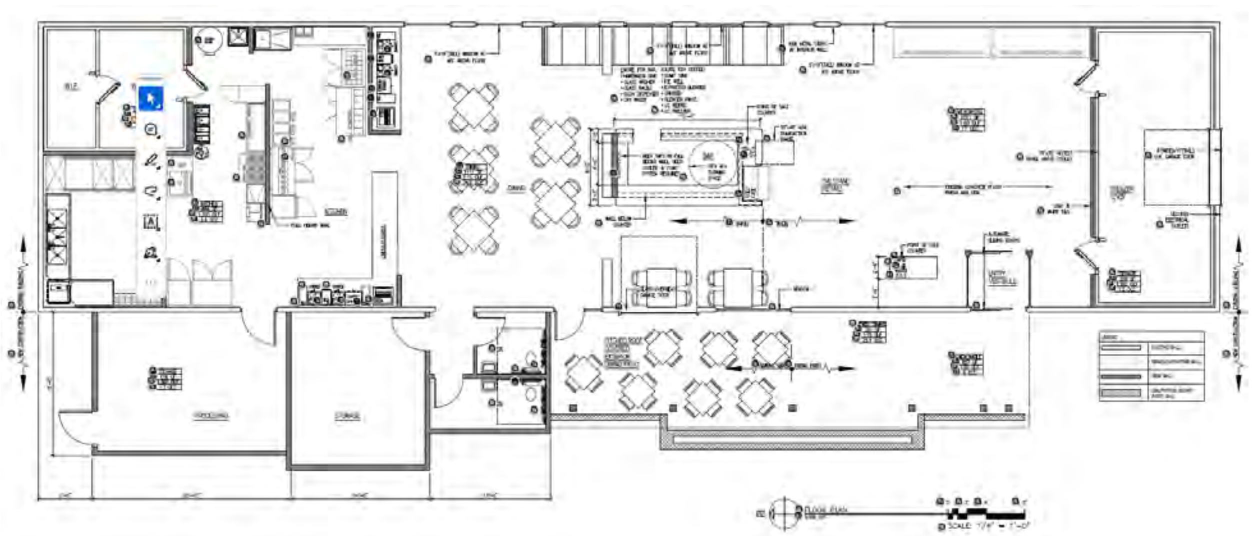
Figure 2: *West Elevation Rendering, Front Façade. Architectural rendering of the proposed west (front) elevation facing San Mateo Blvd NE, showing the new vertical black metal siding addition (left), existing renovated barn structure (center), covered outdoor patio with masonry walls (right), and the reinstated Sichler's brand signage and chile logo.*

(subject to change)
View from San Mateo Blvd, Western Property line

Proposed Site/Landscape Plan:



Floor Plan:



Attachment C

Project Application on following pages.

EXHIBIT B

METROPOLITAN REDEVELOPMENT TAX ABATEMENT APPLICATION FORM

Name of Project Sichler Farms

Location of Project 820 San Mateo, NE Albuquerque, NM 87108

Legal Description of All Parcels

Commercial property

Bernalillo County UPC Code of all Parcels

PARID: 101805701246224301

Applicant Name Eleanor Sichler

Contact Person Tim Sichler

Telephone 617-366-7753

Email elsichler@gmail.com

Address 820 San Mateo, NE Albuquerque, NM 87108

Amount of Fee Submitted n/a

Total Project Square Footage 5,526

Building Construction Type Non-residential

Estimated Building Permit Valuation (Include Formula, see Appendix E) 263.07*5,526=1,45M

Form of Documented Site Control included in Application

- [x] Warranty deed
- [ ] Option to purchase (expires no sooner than 4 months from application date)
- [ ] Long term lease (at least 50 years)

Project Size

Number of additional residential units created by project n/a

Total square feet of commercial space 5,526

Total Parcel(s) Acreage 0.4821

Number of Stories 1

Appendix H

Certification & Acknowledgement of Redevelopment Tax Abatement Program Risks and Responsibilities

I, Eleanor Sichler (Name), authorized signer for Sichler Farms, LLC (Company) (the "Applicant"), acknowledge the following in relation to Sichler Farms (Project Name) (the "Project") at 820 San Mateo Blvd. NE, Albuquerque, NM 8710 (Address) ("Property") as it relates to my application for a Redevelopment Tax Abatement (the "Program"). I hereby certify that, to the best of my knowledge, the information provided in my application is true and accurate.

1. Applicant understands that the Program is effectuated by the City of Albuquerque taking title to the property and by signing a 7-year lease agreement.
2. Applicant acknowledges and has read the terms of the Sample Lease Agreement, which is included in the Application & Program Instructions as Appendix D.
3. Applicant understands that it is the Applicant's responsibility to work with any lender it may engage related to financing for real property development at the Project as it relates to the Program. Such issues may concern, but are not limited to, subordination of the City's interest to loans or mortgages secured, the Lease Agreement form, or title position. The City will work with the Applicant's lender to address issues of subordination and title position as it relates to the Project within reason.
4. Applicant understands that there is a risk that the Project could not be approved by the Albuquerque City Council. Any pre-development expenses or expenses incurred to apply for this program are at the Applicant's sole expense and risk.
5. Applicant acknowledges that if the Applicant submits for building permit, or begins any pre-construction or construction activity, prior to full City Council approval of the Project, these activities are at the sole expense and risk of the Applicant.
6. Applicant acknowledges that default on any loans tied to the Project or Property may result in the immediate termination of the tax abatement on the relevant property.
7. Applicant acknowledges that it is required to continue to pay Payments in Lieu of Property Taxes to Bernalillo County for the Property value assessed the year prior to the execution of a lease agreement and related property transfer documents. Failure to pay this fee may result in the termination of tax abatement on the Property.
8. Applicant acknowledges that it must pay an annual fee equal to 10% of the value of the tax abatement savings to the Metropolitan Redevelopment Agency for the term of the tax abatement. Failure to pay this fee may result in the termination of tax abatement on the Property.

Signature: Signed by: Eleanor Sichler 5FE2698A2E81472... Date: 04/27/2026

Name: Eleanor Sichler Title: Owner

Company: Sichler Farms, LLC

Property Owner? (Y/N): Y (if no, legal Property Owner must also complete this form)

Substitute Form **W9**

Request for Applicant Information

SECTION 1: CONTACT INFORMATION

NAME (as shown on your income tax return). Name is required on this line; do not leave this line blank.
John Sichler

BUSINESS NAME/ disregarded entity name, if different from above.
Sichler Farms

PRIMARY BUSINESS ADDRESS (number, street, and apt or suite no)	**MAILING ADDRESS** (number, street, and apt or suite no or P. Box)
820 San Mateo Blvd NE	12 Blackberry Lane
CITY, STATE, and ZIP CODE	**MAILING CITY, STATE, and ZIP CODE**
Albuquerque, NM 87108	Los Lunas, NM 87031
PHONE	**EMAIL ADDRESS**
505 255 3338 (cell phone 505 620 2997)	john@sichlerfarms.com

TAX CLASSIFICATION (check only one)

- [ ] INDIVIDUAL/SOLE PROPRIETOR or single-member LLC
- [ ] C CORPORATION
- [ ] S CORPORATION
- [ ] PARTNERSHIP
- [ ] TRUST/ESTATE
- [x] LIMITED LIABILITY COMPANY– Enter the tax classification (C=C Corporation, S=S Corporation, P=Partnership) C

Note: For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single- member owner.

- [ ] 501(C)3/NON-PROFIT ORGANIZATION
- [ ] OTHER (SEE INSRUCTIONS)

SECTION 2: BUSINESS DEMOGRAPHICS (CHECK ALL THAT APPLY)

- [x] **Local Business** - Headquartered and maintains its principal office and place of business within the Greater Albuquerque Metropolitan Area (City of Albuquerque or Bernalillo County).
- [ ] **Doing Business Locally -** Either not headquartered or does not maintain its principal office and place of business here, but maintains a storefront in the Greater Albuquerque Metropolitan Area and employs one or more City of Albuquerque or Bernalillo County residents.
- [ ] **Woman Owned Business -** At least 51% owned and controlled by one or more women, in the case of a publicly-owned business, at least 51% of the stock of which is owned by one or more women.
- [ ] **Minority Business Enterprise (MBE) Owned -** At least 51% owned and controlled by one or more racial/ethnic minorities or, in the case of a publicly-owned business, at least 51% of the stock of which is owned by one or more racial/ethnic minorities. Please specify the race/ethnicity of minority owners (question to the right).
- [ ] **LGBTQ+ Owned Business** - At least 51% owned and controlled by one or more LGBTQ+ individuals, in the case of a publicly-owned business, at least 51% of the stock of which is owned by one or more LGBTQ+ individuals.
- [ ] **None of the Above Categories Apply**

If your business is MBE-owned, please specify the race/ethnicity of minority owner(s). Check all that apply:

- [ ] Hispanic American
- [ ] Native American
- [ ] Black or African American
- [ ] Asian-Indian American
- [ ] Asian-Pacific American

SECTION 3: [NOT APPLICABLE FOR RTA PROJECTS]

SECTION 4: CERTIFICATION

Under penalties of perjury, I certify that:

~~1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and~~

2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined in the instructions); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification Instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest or dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN.

The Internal Revenue Service does not require your consent to any provision on this document other than the certifications required to avoid backup withholding.

SIGNATURE of U.S. person	**DATE** June 8, 2026
PRINT NAME John Sichler	**TITLE** Co owner

City of Albuquerque
600 2nd St NW, Albuquerque, NM
505-924-3890

BUSINESS LICENSE CERTIFICATE

Business Name:	Sichler Farms	**Business Type(s):**	445230 Fruit and Vegetable Retailers
Business Location:	820 SAN MATEO BLVD NE Albuquerque, NM 87108	**Mailing Address:**	12 BLACKBERRY LN LOS LUNAS, NM 87031-9520
Owner/Registered Agent:	Eleanor Sichler		
License Number:	COM-2026-008356	**License Type:**	Commercial
Issued Date:	05/28/2026	**Classification:**	Commercial
Expiration Date:	05/28/2027	**Fees Paid:**	$135.00

HAVING COMPLIED WITH THE FEE REQUIREMENTS OF CHAPTER 13 ARTICLE 1 OF THE REVISED ORDINANCES. LICENSE REGISTRATION WITH THE CITY OF ALBUQUERQUE AND PAYMENT OF FEES IS NOT A LICENSE TO CONDUCT BUSINESS WITHIN THE CITY AND DOES NOT CONSTITUTE A WAIVER OF ANY REQUIREMENTS OR PROVISIONS CONTAINED AT ANY LAW. THE ACTIVITY/BUSINESS PROPOSED TO BE CONDUCTED AT ANY LOCATION WITHIN THE CITY SHALL BE APPROVED BY THE CITY'S ZONING ENFORCEMENT OFFICER PRIOR TO COMMENCING THE ACTIVITY/BUSINESS. THE FIRE AND LIFE SAFETY FEE APPLIES TO ALL NEW AND EXISTING BUSINESSES WHERE A PERMIT AND/OR INSPECTION CERTIFICATE IS REQUIRED INCLUDING RESIDENTIAL BUSINESSES BEING USED FOR COMMERCIAL PURPOSES, SUCH AS ADULT ASSISTED FACILITIES AND CHILD DAYCARE.

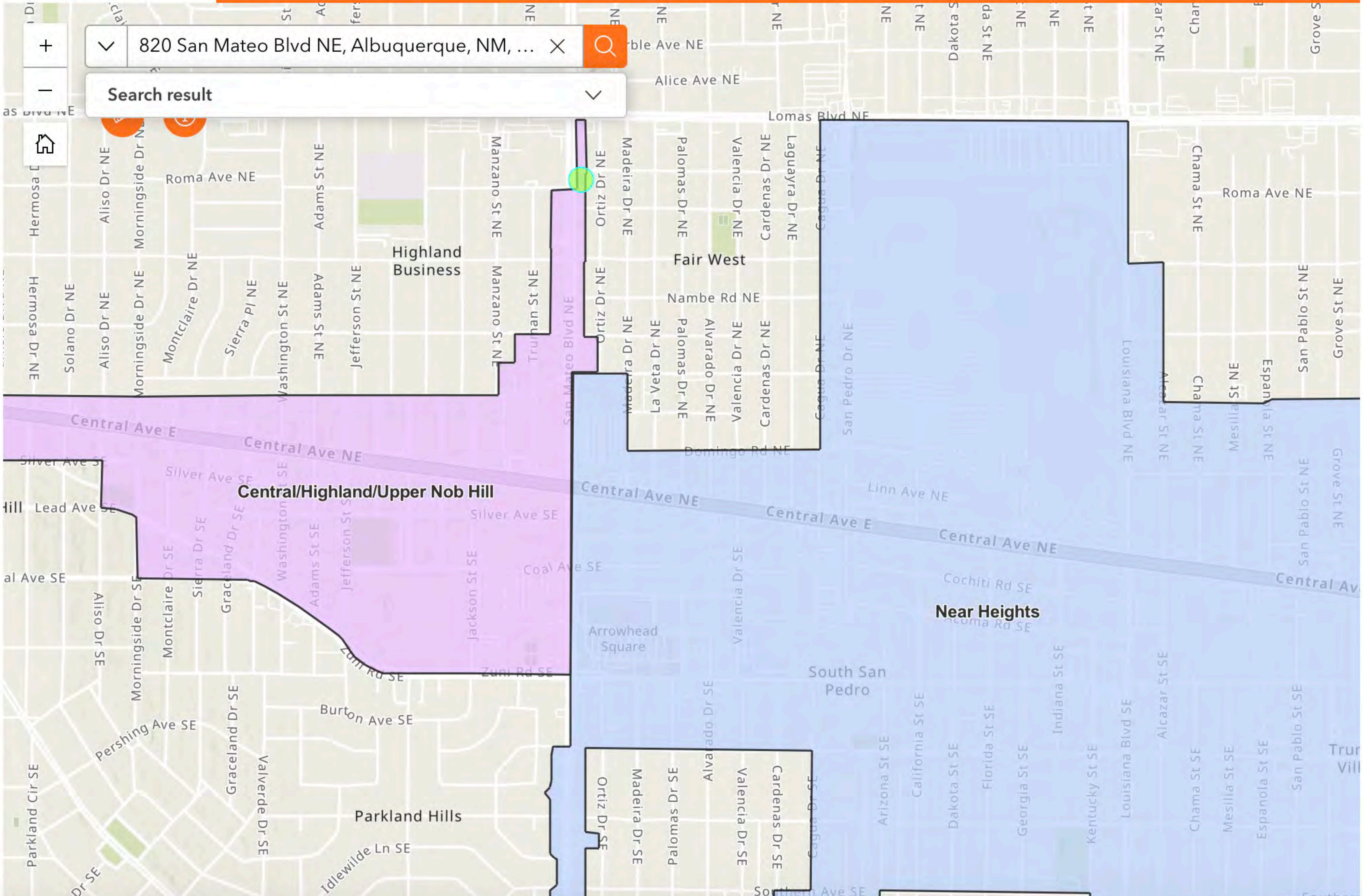
§ 13-1-3 BUSINESS LICENSE REQUIRED. (A)Beginning on July 1, 2025, all persons are required to obtain a Business License in order to operate a Place of Business within the City's municipal boundaries.
(B) A Separate license must be obtained for each branch establishment or separate Place of Business.
§ 13-1-9 BUSINESS LICENSE RENEWAL. Within 10 days prior to the expiration of the Business License, any person operating a Place of Business in the City shall apply to renew the Business License and shall pay an annual Business License.
§ 13-1-10 BUSINESS LICENSE LATE FEE. The City may impose a late fee in the amount of $10.00 per calendar day upon each delinquent license fee in the event the business does not pay the license fee before it commences business or in the event the any renewal fee is not paid prior to expiration.
§ 13-1-11 FEES NONREFUNDABLE. All established fees charged and collected by the City pursuant to this article shall be nonrefundable unless otherwise specified
§ 13-1-16 CIVIL FINE. (A) The Mayor may impose a civil fine of $100 per day for the failure to comply with the Business License Ordinance.

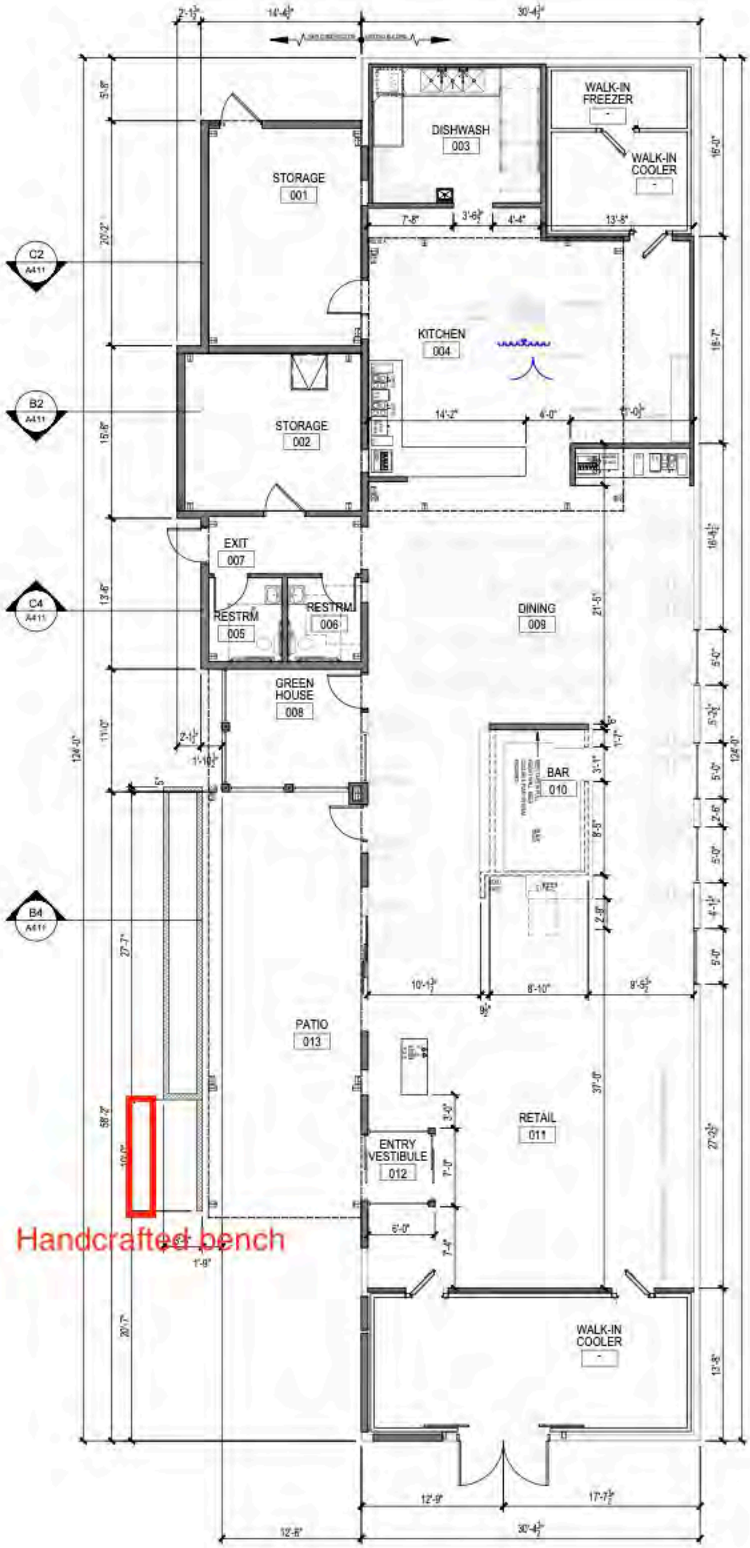
REQUIRED TO BE POSTED IN CONSPICUOUS PLACE PER § 13-1-8 BUSINESS LICENSES TO BE DISPLAYED; EXHIBITION UPON DEMAND

METROPOLITAN REDEVELOPMENT TAX ABATEMENT
APPLICANT EXPERIENCE MATRIX (APPENDIX F)

Example	1	2	3	4	5
Project Name/Address	Sichler Farms Retail Operation – 820 San Mateo Blvd NE, Albuquerque, NM				
Proposer Entity	Sichler Farms LLC				
Participating Development Team member & role	Sichler Family - Owners				
Project Type (residential, retail, etc)	Agricultural / Retail				
# of housing units	N/A				
Total Square Feet	5,526 sq. ft.				
Project Budget	Ongoing operational investment				
% Over Budget	N/A				
Construction Commencement Date	1987				
Construction Completion Date	Ongoing				
Months to Complete Construction	Ongoing				
Other Comments/Notes	Continuous retail operation since 1987. Multi-generational family business with roots dating back to 1869. Demonstrates long-term site management, customer base development, and operational continuity.				

Metropolitan Redevelopment Areas





DISHWASH
003
WALK-IN FREEZER
WALK-IN COOLER
STORAGE
001
KITCHEN
004
STORAGE
002
EXIT
007
RESTRM
005
RESTRM
006
DINING
009
GREEN HOUSE
008
BAR
010
PATIO
013
RETAIL
011
ENTRY VESTIBULE
012
WALK-IN COOLER
C2
A411
B2
A411
C4
A411
B4
A411
Handcrafted bench

REDEVELOPMENT TAX ABATEMENT APPLICATION NARRATIVE

Sichler Farms, LLC | 820 San Mateo Blvd NE, Albuquerque, NM 87108

Parcel: Lots 1–12, Tijeras Park Addn | Zone: MX-M | UPC: 018057012462243O1
Submitted to: City of Albuquerque Metropolitan Redevelopment Agency
Contact: Tim Sichler | tim@sichlerfarms.com | +1 (617) 366-7753

1. PROJECT INFORMATION

a. Description of Proposed Development

Sichler Farms LLC is proposing a renovation and expansion of its existing retail site at 820 San Mateo Blvd NE in Albuquerque, New Mexico. The project involves the rehabilitation of an existing structures totaling 3,766 sq ft., the demolition and removal of a second structure (1,875 sq. ft.), a new 877 sq ft. enclosed addition, a 523 sq ft. outdoor patio, and a 360 sq ft. roasting area resulting in a total developed footprint of 5,526 sq ft. *(see Table 1: Building Area Data, Appendix).*

The redeveloped site will operate year-round as a neighborhood destination centered around three complementary uses:

- Farm-to-table café and restaurant (approximately 930 sq. ft. interior dining + 523 sq. ft. covered outdoor patio): A full-service dining operation offering New Mexican cuisine prepared with farm-grown and locally sourced ingredients, including Sichler Farms' chile varieties. Seating accommodates approximately 62 interior diners, 35 exterior patio guests, and 8 bar seats.
- Produce market and retail store (approximately 1,002 sq. ft. mercantile floor + 598 sq. ft. storage): An upgraded, year-round retail environment featuring fresh seasonal produce, packaged goods (chile powders, salsas, ristras), and specialty New Mexico food products, replacing the current seasonal-only storefront.
- Greenhouse (approximately 127 sq. ft.): An on-site greenhouse used to grow flowers and plants for retail, providing a connection to the farm's agricultural roots.

The project also includes a full commercial kitchen (approximately 805 sq. ft.), walk-in cooler and freezer, upgraded restrooms, and a reconfigured 24-stall parking area with a 30% IDO-compliant reduction (see Table 2: Parking Requirements, Appendix).

Construction type is V-B, 1-story, non-sprinklered. The project is classified as Alteration Level 3 with a Change of Occupancy and Additions. The architect of record is Peter Butterfield (PBA), 13013 Glenwood Hills Ct. NE, Albuquerque, NM 87111.

b. Existing Site Conditions

The property at 820 San Mateo Blvd NE has been home to Sichler Farms' Albuquerque retail operation since 1987. The site currently consists of multiple metal building structures used on a seasonal basis as a produce stand, with operations concentrated during the chile harvest season from mid-August through October. Outside of that window, activity at the site is limited (see Figure 1: Aerial View of Existing Site, Appendix).

The existing buildings spans multiple structures, which require improvements to support the proposed year-round operations. One structure (1,875 sq. ft.) is slated for full demolition as part of this project. The remaining structures, while structurally sound, were not designed for year-round or food-service occupancy and lack the mechanical, plumbing, and kitchen infrastructure required to support the proposed mixed-use operation.

The property has frontage along San Mateo Blvd NE (west), with additional access provided from Roma Avenue NE (north) and San Juan Road NE (south) (see the Appendix for an aerial view of the site). The legal description is Lots 1–12, Tijeras Park Addn.

Pre-construction site work to date includes full architectural design development with Peter Butterfield (Architect), and city pre-approval review submissions. Pre-approvals have been received for the site plan (FIRE1), refuse/solid waste plan (SW-1), and traffic circulation layout (TCL-1, TCL-2). No construction has commenced.

c. Entitlements

The property is zoned MX-M per the City of Albuquerque Integrated Development Ordinance (IDO), UPC 101805701246224301. The MX-M zone supports the proposed restaurant, retail, and accessory greenhouse uses.

The following entitlements have been received or are anticipated as part of this project:

- City pre-approvals received: Site Plan (FIRE1), Refuse/Solid Waste Site Plan (SW-1), Traffic Circulation Layout (TCL-1, TCL-2) have been approved by applicable city departments.
- Parking reduction: IDO 5-5(C)(5)(a) - 20% reduction; IDO 5-5(C)(5)(c) - 10% reduction for proximity to transit. Total 30% reduction results in a final requirement of 15 stalls; 24 stalls are provided.

2. COMMUNITY BENEFIT SUMMARY

Sichler Farms LLC claims 40 points across three Community Benefit categories (Economic Impact, Sustainability, and Placemaking). Each qualifying subcategory is addressed below. The completed Community Benefit Matrix is also included as an attachment.

Economic Impact (9 Points)

Community-Scale Commercial (5 pts): The project creates 5,526 sq. ft. of active commercial floor area, consisting of a farm-to-table café/restaurant, a year-round produce market, a green house, a patio, and a roasting area. The existing structures totals 3,766 sq ft., the new enclosed addition totals new 877 sq ft., the patio is a 523 sq ft., and the roasting area is 360 sq ft. All space is dedicated to commercial use.

Attachments: *Site plan and floor plan with square footage calculations.*

Local business (2 pts): Sichler Farms LLC is a New Mexico LLC that has operated continuously at this address since 1987, owned by a six-generation New Mexico farming family.

Attachments: *W-9 and business license.*

Local business general contractor (2 pts): The project's general contractor is Tanglewood Construction, a New Mexico-based firm located in Rio Rancho, NM.

Attachments: *W-9 and business license.*

Sustainability (13 Points)

Reuse of Existing Structures (5 pts): The project retains 3,766 sq. ft. of existing structures, approximately 70% of the proposed total floor area. Only one structure (1,875 sq. ft.) is being removed where necessary to accommodate the new addition and reconfigured site layout. This exceeds the 50% reuse threshold.

Attachments: *Site plan with building area data.*

Leadership in Energy & Environmental Design (8 pts): Qualified for USDA REAP grant for energy efficiency.

Attachments: *Technical report from Adam Dirth, at Sustainable Engineering LLC.*

Placemaking (18 Points)

Culturally Significant Signage (3 pts): The Sichler's brand identity has appeared continuously on this building's façade since 1987 and is a recognized local landmark on San Mateo Blvd NE. The redevelopment preserves and prominently reinstates this signage as a primary architectural feature of the renovated façade, qualifying as preservation of culturally significant exterior decoration (see Figure 2: West Elevation Rendering, Appendix).

Attachments: *West elevation drawings showing sign location.*

Minimum Front Setback (5 pts): The outdoor patio edge is aligned to the minimum front setback permitted by the IDO for the MX-M zone.

Attachments: *Site plan.*

Significant artistic feature (5 pts): Inspired by Champagne Ranch near Hatch, New Mexico, we're creating a handcrafted wood-and-stone bench. The stone base is carved to accommodate flower plantings, with the stone elements also serving as the bench's legs, creating a functional piece that blends seating, landscaping, and artistic design. It will be located at the primary pedestrian entrance along San Mateo Blvd NE, providing an artistic feature visible from the street (see Figure 5, Appendix).

Attachments: *Site plan.*

Safety and Security (5 pts): The project incorporates all four CPTED principles. Natural surveillance is provided through large storefront glazing and an active outdoor patio with clear sightlines to the public sidewalk. Territorial reinforcement is established through the stacked masonry patio wall and consistent brand signage. Access control is maintained through two defined vehicle entry points (south and west drives) and a single primary pedestrian entry from San Mateo Blvd NE. We have connected with Sr. Crime Prevention Specialist, Laura Kuehn.

Attachments: *Site plan and narrative above.*

3. ALIGNMENT WITH METROPOLITAN REDEVELOPMENT AREA PLAN

a. Removal of Slum/Blighted Conditions

The property at 820 San Mateo Blvd NE currently exhibits conditions consistent with the statutory definition of a blighted area under NMSA 1978, Section 3-60A-4(I). Specifically:

- Deteriorated and deteriorating structures: The metal building structures on the site were not designed for year-round commercial use and lack the plumbing, mechanical, and kitchen infrastructure required for the proposed program. One structure (1,875 sq. ft.) will be removed to accommodate site improvements, including reconfigured parking.
- Low levels of commercial activity: The site currently operates only during the harvest season (mid-August through October), leaving it underutilized for approximately eight

months of the year. This seasonal limitation suppresses economic activity and diminishes the site's contribution to the surrounding area.

- Obsolete conditions of use: The existing structures cannot support year-round restaurant or food-service operations without the renovation and new construction proposed here.

The proposed redevelopment directly eliminates each of these conditions. The project demolishes the most deteriorated structure, fully renovates and upgrades the remaining buildings, introduces new construction to support a year-round mixed-use program, and improves all site infrastructure, including parking, utilities, and landscaping. Upon completion, the site will operate 12 months per year as a functioning restaurant, produce market, and community gathering space, materially improving conditions on the surrounding block.

b. Alignment with MRA Plan Goals

The Sichler Farms project aligns with the core goals common across Albuquerque's MRA framework, and with the specific redevelopment objectives of the applicable MRA plan:

- Reinvestment by an existing stakeholder: This project is not displacement of existing uses, it is reinvestment by the property owner and long-standing business operator. The Sichler family has held this site for nearly four decades and is committing capital to its permanent and meaningful improvement.
- Activation of underperforming commercial street: San Mateo Blvd NE is a major commercial street with significant redevelopment potential. The Sichler Farms project converts a seasonal, low-intensity use into a year-round neighborhood destination, increasing foot traffic, and overall activity along the street.
- Support for locally owned, community-serving businesses: Consistent with MRA goals to preserve and strengthen locally owned enterprises, this project sustains and grows a six-generation New Mexico family business that is already known, trusted, and loved by the surrounding community.
- Enhanced gathering space: The addition of indoor seating, an outdoor dining patio, and a greenhouse increases activity at the front of the site and creates a space for neighborhood gathering that does not currently exist at this location.
- Improved access to fresh food: Year-round operation of a produce market and farm-to-table café improves access to fresh, locally grown food for residents of the surrounding area, consistent with broader city health and equity goals.

c. Relocation Plan

This project does not require the relocation of any existing residents or tenants. The property is entirely owner-occupied and operated by Sichler Farms LLC. No residential uses exist on the site, and no third-party business tenants occupy the property.

4. DESIGN

The design of the Sichler Farms redevelopment was prepared by Peter Butterfield (Architect). It reflects the character of the brand, with a focus on its agricultural roots and a simple, contemporary approach appropriate for a neighborhood-serving commercial site.

a. Color

The primary exterior color palette combines dark charcoal/black vertical metal siding with warm natural wood tones, creating a contemporary yet grounded aesthetic aligned with the brand's farm-to-table identity. Painted steel columns at the new covered porch entry provide a clean structural accent. Stacked masonry patio walls at the outdoor dining area introduce a warm and natural textural element at the ground plane.

Signage will follow the Sichler Farms brand. Wall-mounted signage locations are indicated on the building elevations.

b. Materials

The project uses a deliberate palette of materials that provides variation in color, texture, and scale across the building facades:

- Vertical black metal siding: The main exterior material for the new addition, creating strong contrast and a simple, modern look that fits with the existing buildings.
- Stacked masonry patio walls with planters: At the outdoor patio perimeter, stacked masonry introduces a natural, durable material that grounds the building to the site and creates a welcoming impression.
- Painted steel columns: At the new covered porch entry, painted steel columns provide a clean structural element that reflects the project's agricultural character.
- 1x6 tongue-and-groove wood ceiling (V-groove facing down): Used in the interior dining areas and porch ceilings to add warmth and a natural feel.
- Exposed wood trusses, painted dark gray: Roof structure in the main dining area is painted dark gray, consistent with the modern-industrial aesthetic of the interior.

c. Building Design

The building design responds to both the functional requirements of a mixed-use food and retail program and the community character goals of the applicable MRA area. New construction is integrated with the retained existing structures, and the overall architectural composition elevates the site well above its current condition.

Key design features include:

- Defined street presence on San Mateo Blvd NE: The west (front) elevation presents a legible facade with a new covered porch entry, large sliding storefront doors, and prominent brand signage (see Figure 2: West Elevation Rendering, Appendix).
- Outdoor patio: A 523-square-foot covered patio with masonry walls and open-air dining extends activity to the front of the property and creates a more inviting presence along the street.
- Greenhouse: The on-site greenhouse is a visible part of the building and reflects the farm-to-table identity.
- Interior material quality: The dining space features exposed wood trusses, pendant LED lighting centered over tabletops, tongue-and-groove wood ceilings, and open-air refrigerated display cases that connect the retail and restaurant experiences.

Full building elevations (West, East, North, South), floor plan, roof plan, and site plan prepared by Peter Butterfield (Architect) are included as attachments to this application.

5. APPLICANT EXPERIENCE

The development entity is Sichler Farms LLC, a New Mexico company owned and operated by the Sichler family. The family brings a track record of long-term operational stewardship, managing land, customer relationships, and a multi-channel business across multiple decades and multiple generations. The relevant experience includes:

- 155 years of New Mexico agricultural operation: The Sichler family has been farming in New Mexico since 1869, beginning with orchards and vineyards in Los Lentes, NM. Ernest and Edna Sichler were among the first to cultivate green chile in the early 1900s. Jack Sichler studied horticulture in the 1940s and expanded the family's chile program. Today, the family grows chile varieties in the Las Uvas Valley in four heat levels, a product line that has become a defining feature of their regional brand.
- 38 years of retail operations at 820 San Mateo Blvd NE: John and Eleanor Sichler opened the Albuquerque retail store at this address in 1987, with their two kids, Naomi and Tim. The business has operated continuously at this location through multiple economic cycles, developing a loyal customer base that includes multiple generations of Albuquerque families.
- Multi-channel business development: Over the past decade, Sichler Farms has expanded to include an e-commerce platform (Sichlers.com). The team has demonstrated the ability to manage operational complexity across channels while maintaining consistent product quality and brand integrity.

The Sichler family's core expertise is agricultural production, retail operations, and brand stewardship. The redevelopment proposed here is a rehabilitation and adaptive reuse of property the family already owns and has operated for nearly four decades, executed with experienced contractors and architects. The scope is well-matched to the team's capabilities and their long-term commitment to this site.

The Sichler Farms operation has also received local and regional media recognition, including coverage by KRQE highlighting its inclusion in a Netflix documentary focused on New Mexico chile culture, and by The Paper. identifying the site as a destination for fresh roasted chile and local products during major city events such as Balloon Fiesta *(see Figure 3 & 4, Appendix)*.

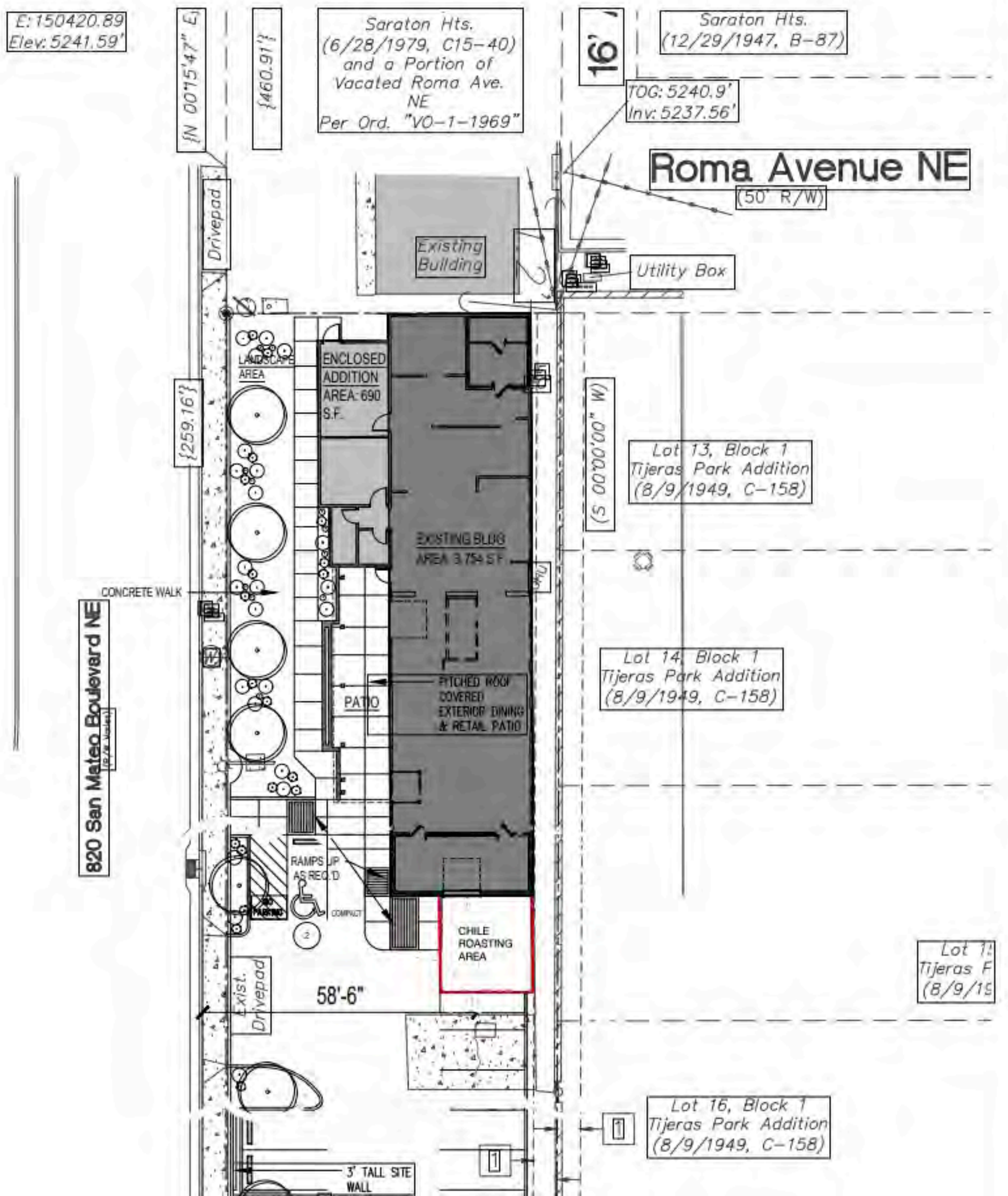
APPENDIX

BUILDING AREA DATA	
EXISTING BUILDINGS:	3,766 S.F.
	1,875 S.F.
TOTAL EXISTING AREA:	5,641 S.F.
AREA REMOVED	1,875 S.F.
ADDITION AREA (ENCLOSED AREA):	877 S.F.
ADDITION AREA (EXTERIOR PATIO):	523 S.F.
TOTAL NEW AREA:	4,643 S.F.

Table 1: *Building Area Data. Summary of existing building areas, area removed, new addition, and total proposed gross floor area. Does not include the roasting area.*

PARKING REQUIREMENTS:	
RESTAURANT - 2908 sf	
INTERIOR	
2,506 SF/178 SF REQUIRES:	14 STALLS
EXTERIOR PATIO	
523 SF/333 SF REQUIRES:	1 STALLS
RETAIL	
2,137 SF/285 SF REQUIRES:	7 STALLS
total parking required:	*22 stalls*
PARKING REDUCTIONS	
IDO 5-5(C)(5)(a) MT REDUCTION (20% reduction):	
IDO 5-5(C)(5)(c) REDUCTION FOR PROXIMITY TO TRANSIT (10% REDUCTION)	
TOTAL REDUCTION: 22 x 30% REDUCTION (7 STALLS)	
FINAL REQUIRED:	15 STALLS
PREVIOUS REQUIRED 5,641 S.F. / 285 = 19 STALLS	

Table 2: *Parking Requirements. IDO parking calculations for the proposed mixed-use development, including applicable reductions for mixed-use intensity and transit proximity per IDO 5-5(C)(5).*



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DRAWING NAME

REVISIONS

Community Benefit Matrix for Redevelopment Tax Abatement			APPENDIX B
Category. Subcategory.	**Total Points Available**	**Points Earned by Applicant**	**Additional information required with application and /or at building permit**
Economic Impact: Pockets of commercial activity can be impactful to communities, by supporting local and small businesses. Small and mid-size commercial and residential projects are prioritized as part of a strategy to focus on in-fill developments that create vibrant urban districts. Additionally, projects that support underrepresented populations will be prioritized.	**Total Points Available per Subcategory**	**Points Earned (fill in white boxes)**	**Additional information required to qualify for points, submitted at:**
(Choose one category.) **Community-Scale Commercial**			
5,500 - 15,000 square feet: Retail, commercial, or artisan or light manufacturing space (for commercial user and not to be used as residential leasing or amenity space)	5	**5**	Application: Site plan/floor plans with calculation Building Permit: confirm on site plan with calculation Lease: Annual occupancy reporting requirements will be written into lease.
Large-Scale Commercial or Industrial	-OR-		
Over 15,000 square feet: Large retail, commercial, or industrial space, includes a flexible design concept for access, loading, or other infrastructure or facilities to allow for a variety of uses and tenants, both current and future.	3	**0**	Application: In narrative & site plan/floor plans with design concept Building Permit: Confirm on site plan Lease: Annual occupancy reporting requirements will be written into lease.
Maximum Points for Subcategory	**5**	**5**	
Shared uses: Interior commercial and/or retail spaces will have a shared-business model, such as a food hall, craft or artisan market, etc.	5	**0**	Application: In narrative & site plan/floor plans showing shared space and how it will be used Building Permit: Confirm on site plan Lease: Annual occupancy reporting requirements will be written into lease.
Maximum Points for Subcategory	**5**	**0**	
Housing - Adds Density: Mixed-Use and Residential-only Projects.			
Choose one.			
8 - 16 du/acre	5	**0**	Application: Provide site plan with calculation
16.01 - 32 dwelling units/acre	7	**0**	Building Permit: Confirm on site plan with calculation
32.01 - 48 dwelling units/acre	9	**0**	
> 48.01 dwelling units/acre	10	**0**	
Maximum Points for Subcategory	**10**	**0**	
Creates Affordable or Workforce Housing. *Housing must meet Federal/City HHH Dept. definitions and guidelines for affordable and/or workforce housing available to residents at or below 80% AMI to receive points in this category.* ***Choose one*** *(select most appropriate by rounding up or down to the nearest whole number)*			
< 20% of the residential units will be affordable	2	**0**	Application: Provide site plan with calculation
21% - 50% of the residential units will be affordable	4	**0**	
> 50% of the residential units will be affordable	5	**0**	
Maximum Points for Subcategory	**5**	**0**	
Supports Local and Underrepresented Businesses.			
Legal applicant entity is a minority, LGBTQ+, veteran, or women-owned business	3	**0**	Application: Applicable third party certification
Legal applicant entity is a local business	2	**2**	Application: W-9 self-certification; business license
General Contractor is a minority, LGBTQ+, veteran, or women-owned business	3	**0**	Application: Applicable third party certification Building Permit: Prior to groundbreaking, provide contract with entity identified in application, or other entity that meets the criteria
General Contractor is a local businesses	2	**2**	Application: W-9 self-certification; business license Building Permit: Prior to groundbreaking:, provide contract with entity identified in application, or other entity that meets the criteria
Maximum Points for Subcategory	**10**	**4**	
Total Available Points for Category	**35**	**9**	
Sustainability: To counteract the urban heat-island effect and the disproportionate impact of climate change on disenfranchised communities, priority will be given to projects that incorporate sustainable design practices into the development.	**Total Points Available per Subcategory**	**Points Earned (fill in white boxes)**	**Additional information required to qualify for points, submitted at:**
Reuse of Existing Structures. *If/when feasible and appropriate given existing site conditions. Choose one.*			
25% of project footprint utilizes existing structures	3	**0**	Application: Conceptual site plan with calculation
50% of project footprint utilizes existing structures	5	**5**	Building Permit: Confirm on site plan
Maximum Points for Subcategory	**5**	**5**	
On-Site Renewable Energy. On-site generated renewable energy will meet at least 20% of building's anticipated energy needs.	12	**0**	Application: Calculation letter by professional electrical engineer Building Permit: Reconfirmation letter by professional electrical engineer
Maximum Points for Subcategory	**12**	**0**	
Sustainable Building Design and Construction. ***Please chose one of the following two subcategories if seeking sustainable construction points.*** *The assumption is that if the project is LEED compliant, energy efficiency will be met. If the project is not LEED compliant, then points may be gained by adding energy efficient components.*			
LEED			
Leadership in Energy & Environmental Design (LEED), or Equivalent, Certification. For new construction or retrofits, demonstrate how applicant intends to design and construct a highly energy efficient project that meets a LEED, or similar, standard.			
LEED Certified	8	**8**	Application: Provide a description of specific LEED certification sought (e.g., for Building Design & Construction, for Building Operations & Maintenance), as well as level (e.g., Certified, Silver, Gold, or Platinum) and how the applicant intends to meet requirements.
LEED Silver	10	**0**	
LEED Gold	12	**0**	
LEED Platinum	15	**0**	
Integrated Energy Efficiency	-OR-		
Water Efficiency (fixtures). *ABCWUA Watersmart Application (Install high efficiency WaterSense-labeled fixtures and water efficient equipment);	3	**0**	Application: Submit ABCWUA Water Smart CPR application Building Permit: Approved ABCWUA Water Smart CPR application
Water Efficiency (landscape). *ABCWUA Xeriscape rebate application (at least 80% of landscaping is desert-friendly xeriscape with drought-tolerant plants and trees, passive water harvesting, and drip irrigation methods)	3	**0**	Application: Submit ABCWUA Xeriscape rebate application (requires inspection) Building Permit: Approved Xeriscape rebates (requires inspection and/or receipts)

Shift to Electric. Residential units do not include gas hookups (i.e., no gas stoves, gas water heaters, etc.) - electric appliances only.	3	**0**	Application: Narrative description
Cool/Permeable Parking. Project includes cool surface treatments, such as cool pavements, or surface parking is permeable or porous pavement, gravel or another permeable surface. Handicap spaces are exempt from permeable surface material requirements to meet ADA requirements. For parking structures, cool treatment is applied to surface parking/top level of	3	**0**	Application: Detailed site plan for the parking lot showing pavement material Building Permit: Confirm site plan
Green Spaces. Landscaping or usable open space is at least 20% above required IDO requirements; OR rooftop garden covers at least 15% of rooftop area.	3	**0**	Application: Detailed landscape plan showing pavement materials, along with number, location and coverage of plantings; OR Roof plan showing measurements of total and green roof area.
Maximum Points for Subcategory	**15**	**8**	
Sustainable Development Patterns			
Encourages Alternative Transportation. Project cannot provide more parking than minimally required by the IDO* and one of the following criteria are met: 1. Site Plan includes at least one EV capable parking space or dedicated ride share loading space. 2. Project includes a dedicated area for sheltered (interior or covered exterior) bike storage. 3. The project incorporates a shared parking agreement to reduce the overall required on-site parking. 4. Project provides at least one dedicated carshare vehicle per 200 units or 20,000 square feet of commercial space. ** Exceptions may only be made for renovations of existing structures that do not include upgrades or changes to existing on-site parking.*	5	**0**	Application: Site plan with parking calculations and dedicated rideshare loading space; narrative statement regarding bike parking and carshare vehicle Building Permit: Site verifying parking spaces, floor plan with bike space, agreement with ride share company (or other)
On-Site Electric Vehicle Charging Stations. For projects less than 100 residential units or that require less than 200 parking spaces, project includes two EVSE installed parking spaces.	3	**0**	Application: Narrative statement Building Permit: Confirm on site plan
Maximum Points for Subcategory	**8**	**0**	
Total Available Points for Category	**40**	**13**	
Placemaking: Projects that preserve and protect neighborhood character, provide community gathering spaces and green spaces, and provide focal points for public art will be prioritized.	**Total Points Available per Subcategory**	**Points Earned (fill in white boxes)**	**Additional information required to qualify for points, submitted at:**
Historic Preservation. *If applicable.*			
Project protects and preserves historic structures, districts, sites, objects, or designed landscapes from deterioration or destruction. Building or landscape being preserved must be officially recognized by the City of Albuquerque, State of New Mexico, or listed in the National Register of Historic Places.	7	**0**	Application: Documentation of historic registration and description of how the asset will be preserved through this project
Project preserves historically or culturally significant signage, exterior decoration or other façade elements, accredited by architect or historic expert.	3	**3**	Application: Narrative statement
Maximum Points for Subcategory	**10**	**3**	
Enhanced Streetscape			
Minimum Setback. Building structure or outdoor seating area edge (if restaurant/bar use) is aligned to minimum front setback allowed by the IDO.	5	**5**	Application: Provide site plan/landscape plan Building Permit: Confirm on site/landscape plan
Streetscape Improvements. Project includes at least two improvements to increase walkability and the pedestrian urban experience, such as the following: 1. Widened sidewalks by at least 2-feet above IDO minimum 2. Urban furniture components with public access (e.g., benches, chairs, etc.) 3. Pedestrian-scale lighting along sidewalk 4. Parking is located in rear of building 5. Other streetscape amenity or improvement as approved by MRA	5	**0**	Application: Provide site plan/landscape plan and include description of which streetscape improvements are being met. Request more instructions from MRA staff for earning increased landscaping points Building Permit: Confirm on site/landscape plan
Maximum Points for Subcategory	**10**	**5**	
Culture, Art & Community.			
Project includes a mural that is at least 64 square feet that is within prominent public view	5	**0**	Application: Provide site plan Building Permit: Confirm on site plan
Project includes a significant artistic feature such a sculpture, artistic lighting, etc. within prominent public view.	5	**5**	Application: Provide site plan Building Permit: Confirm on site plan
Project includes a meeting or gathering space that is available to the public or broader community, such as a theatre, classroom space, public art gallery, conference rooms, etc.	5	**0**	Application: Provide site plan and explanation of IDO usable open space minimum requirements Building Permit: Confirm on site plan Lease: Written into lease agreement
Maximum Points for Subcategory	**15**	**5**	
Rooftop or Elevated Deck. Project includes an outdoor deck on the second floor or higher. Deck must be at least 500 square feet. Deck must be available for use by public patrons such as hotel guests/restaurant or bar patrons/office users (dependent on building type). Rooftop decks available exclusive for residential	5	**0**	Application: Provide site plan/landscape plan Building Permit: Confirm on site/landscape plan
Maximum Points for Subcategory	**5**	**0**	
Safety and Security. Project incorporates Crime Prevention Through Environmental Design (CPTED) principles: Natural Surveillance - Encourage "eyes everywhere" by shaping the environment to allow easy visibility; Territorial Reinforcement - Establish boundaries to promote ownership and protection; Access Control - Limit entry and egress points; Maintenance and	5	**5**	Application: Provide site plan and narrative (APD review of site plan at application) Building Permit: Confirm on site plan, architecture plans
Maximum Points for Subcategory	**5**	**5**	
Total Available Points for Category	**45**	**18**	
TOTAL POINTS FOR ALL CATEGORIES	**120**	**40**	

BONUS POINTS

Bonus Points for Residential Developments	Total Bonus Points Available per Category	Points Earned by Applicant	Additional information required to qualify for points, submitted at:
Universal Design Standards. More than 20% of the units meet universal design standards for accessibility for all ages. See Housing Choices for Albuquerque's Older Adults report for guidelines: https://www.cabq.gov/seniors/age-friendly-albuquerque	5	0	Application: Project narrative, provide site plan/building drawings with notes Building Permit: Confirm on site/building plans
Activates Neighborhood. Project reactivates or removes a structure that has been abandoned (vacant) and has become blighted.	5	0	Application: Narrative statement Building Permit: Confirm on site plan/building plans
Adds Missing-Middle Housing. Project adds housing to an urban infill lot of less than one acre in size (no minimum density required).	5	0	Application: Narrative statement
TOTAL AVAILABLE BONUS POINTS	15	0	
	Minimum Points Required	Total Points Earned	Minimum Required Points = 30%(Total Points for all Categories) Total Points Earned = Points Earned for All Categories + Total Bonus Points Earned. 1-39 points = Not qualified; 40-135 points = Qualified
TOTAL POINTS	40	40	

Figure 1: *Aerial View of Existing Site. Aerial photograph of 820 San Mateo Blvd NE and surrounding context, showing the site's location along San Mateo Blvd NE with Roma Avenue NE to the north and San Juan Road NE to the south.*

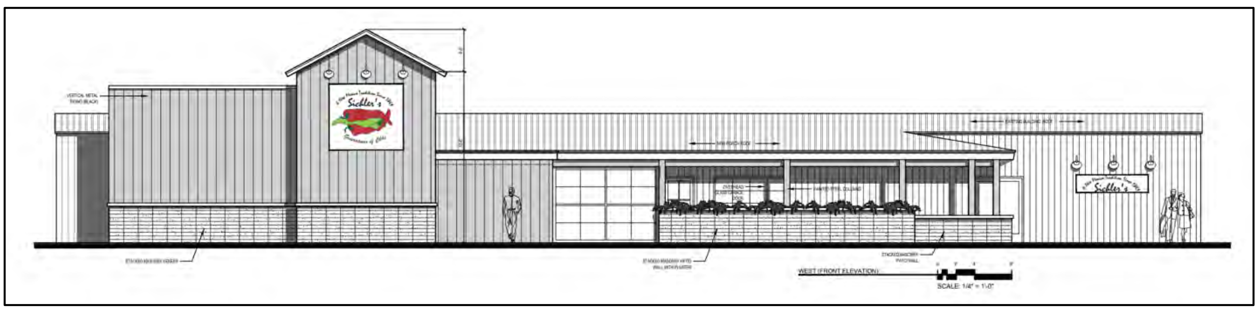

Figure 2: *West Elevation Rendering, Front Façade. Architectural rendering of the proposed west (front) elevation facing San Mateo Blvd NE, showing the new vertical black metal siding addition (left), existing renovated barn structure (center), covered outdoor patio with masonry walls (right), and the reinstated Sichler's brand signage and chile logo.*

Construction Timeline

Sichler Farms: 820 San Mateo Blvd NE (Tentative Schedule)

May – Jun 2025

Pre-Construction

Steel & structural orders (in progress) · Kitchen equipment orders (in progress)

Late May 2025

Demolition Begins

Demolish Building 2 (1,875 SF) · Site clearing

Jun – Jul 2025

Ground Break

Foundation for new addition

CHILE SEASON

Aug – Oct 2025

Chile Season (Retail Runs Normally)

Interior and structural work paused · Exterior / parking work continues · Site remains open for customers

Oct 2025 – Jul 2026

Full Construction

Construction · Kitchen equipment installation · Interior finishes · Paving and landscaping

TARGET

Aug 2026

Grand Opening

Sichler Farms 2.0: full café, produce market, and greenhouse open year-round · All construction complete before chile season

A New Mexico Tradition Since 1869
Sichler's
"Generations of Chile"

USDA REAP Technical Report
and
Energy Audit

Sichler Farms

820 San Mateo Blvd. NE, Albuquerque, NM 87108

Performed by Sustainable Engineering LLC
September 2024

SUSTAINABLE
ENGINEERING

Table of Contents

Limitations

This site survey was conducted following standard practices and guidelines. Regardless of the thoroughness of any site survey, it is possible that some areas having visible mold growth, water damage, and/or elevated moisture content or other indicators of poor indoor air quality were inaccessible or not evident during the visual inspections.

The findings and recommendations included represent conditions evident at the time of the site survey. Building conditions related to indoor air quality and energy usage may be subject to change on a daily basis, particularly after catastrophic events. Therefore, the conditions observed and reported herein may not be evident in the future. If additional information becomes available which may affect Sustainable Engineering's findings and recommendations, an opportunity should be presented to evaluate the information and modify this report and recommendations as appropriate.

Sustainable Engineering has endeavored to meet what it believes is the applicable standard of care ordinarily exercised by others in conducting this energy assessment. No other warranty, express or implied, is made regarding to the information contained in this report.

This report has been prepared for the sole and exclusive use of the client subject to previously agreed-upon terms and conditions. This report may not be suitable for the needs of others. Therefore, any reliance by other parties on the contents of this report is not granted and any such reliance shall be at the sole risk of the user.

1 EXECUTIVE SUMMARY

This Technical Report and Energy Audit was prepared for Sichler Farms physically located at 820 San Mateo Blvd. NE, Albuquerque, NM 87108. The business operations occur in a 1960's steel building/warehouse and farm stand. The existing warehouse building is steel framed with steel exterior paneling. There is minimal ceiling insulation with most of the walls having no insulation. Many of the windows are broken and boarded up with many doors having large gaps in them allowing for outside air infiltration. There are HVAC units with natural gas heating already installed in the warehouse, but they cannot keep up with cooling demand loads with the poor state of the building envelope. An on-demand natural gas hot water heater is installed, but not functional. Additionally, there is a greenhouse found in the warehouse. The greenhouse will be moved outside, and the warehouse building will be renovated into a multiuse building including a small restaurant, produce stands, and storage/processing areas. These renovations will include upgrading the outdated poorly insulated walk-in refrigeration systems that are currently found outside. Sustainable Engineering LLC audited, analyzed, and recommends the following opportunities for energy efficiency improvements (EEI):

- R-28 Rooftop Insulation
- R-14 Wall Insulation
- HVAC improvements
- Hot Water Heater Improvements
- Walk-In Refrigerator with R-29
- Walk-In Freezer with R-32
- LED Lighting
- Windows & Glazing R-2.5
- Upgraded Doors

Table 1 – Summary of significant energy saving measures.

Energy Improvement Measures		
	Benefit	**Potential Energy Savings**
Warehouse envelope and insulation	Occupant safety and comfort, reduced HVAC system sizing requirements.	With the workspace fully occupied and future loads applied the addition of upgraded wall insulation, roof insulation, and doors and windows could save 18% of overall building energy use.
Heat Pump Water Heating (HPWH)	No change to facility environment.	HPWH provides up to 385% efficiency improvement over natural gas with huge CO2 emission reduction. Setback thermostat control allows reduced temperature setting during winter months when the owner is away providing an overall 17% reduction in existing building energy use.
HVAC Heat Pumps	Occupant safety with no onsite fuel combustion, better regulation of space temperature.	Heat pumps can be up to 300% efficient during heating operations compared to less than 100% for gas fired furnaces. With the workspace fully occupied and future loads applied the installation of an HVAC heat pump could reduce oval annual energy consumption by 19%.
Walk-In Refrigeration	Keeps produce and food from spoiling, reduces system sizing requirements.	Moving the walk-in refrigeration units inside helps to save energy by reducing exposure to high summer temperatures. Furthermore, updating the cooler box insulation provides the highest energy savings second to mechanical system updates. 1% savings was still realized even with a 2,060 ft^3 increase in cold storage capacity.
LED Lighting	Improved lighting color and reduction in waste heat.	There is an increase in lighting density through the facility retrofit. Though there might be future lighting energy savings via passive lighting during daytime hours.

1.1 Qualifications of the Auditor / Assessor

Sustainable Engineering LLC is an ENERGY STAR Partner, a Department of Energy 50001 Ready Partner, and a BBB Registered PNM Authorized Contractor. Randy Rankin and Adam Dirth are both registered Professional Engineers. Mr. Rankin is registered in NM license # 11380, and Mr. Dirth registered in TX license #145521.

<u>Sustainable Engineering LLC:</u>
DUNS: 11-821-5663
UEI: T4J3YFQ9M515
Phone: (575) 649-1086

2 PROJECT DESCRIPTION

This energy audit provides supplemental information of technical merit to justify energy savings meeting the requirements of the United States Department of Agriculture (USDA) Rural Energy for America Program (REAP) Energy Efficiency Grant.

Sichler Farms LLC is a family business in transition to the next generation. The old warehouse and greenhouse will become a farm stand and restaurant serving the community in Albuquerque. The building is located in a disadvantaged community and this project would be part of a revitalization effort for the area to increase economic prosperity.

Existing in an urban environment they cling to their farming heritage by growing fresh vegetables in a greenhouse on the property at 820 San Mateo Blvd. NE, Albuquerque, NM 87108 while serving as a market to sell Hatch Green Chile to their local clients.

This Energy Efficiency Improvement project is a major upgrade to the original auto garage, now identified as the Primary Warehouse with minimal insulation and antiquated outdoor refrigeration systems to new walk-in refrigeration systems, replacement of existing HVAC units with heat pump units, upgraded building envelope (wall insulation, roof insulation, windows & doors), conversion of natural gas hot water heaters to heat pump hot water heaters, and LED lighting systems. Figures 1 and 2 are photos of the current site and plans to upgrade the building.

Figure 1 -Sichler Farms produce greenhouse.

Figure 2 - The current Sichler Farms Primary Warehouse (Right) and refrigeration units (Left).

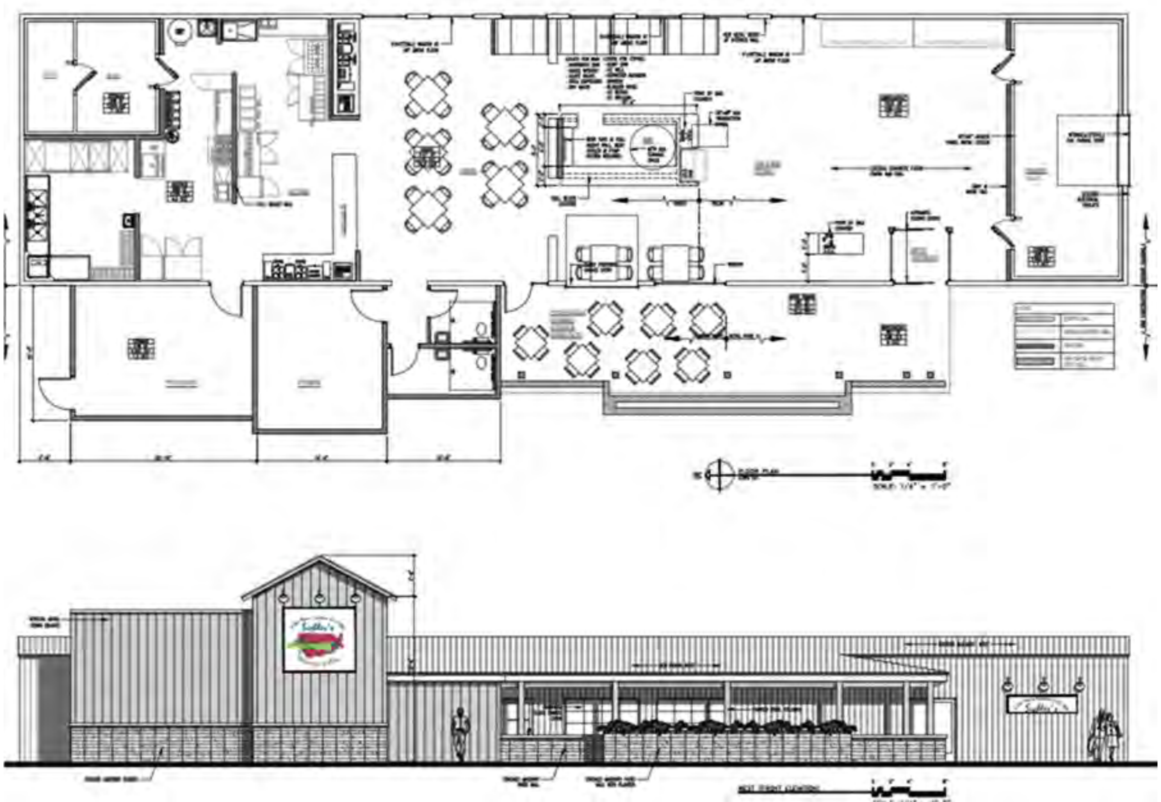

Figure 3- The planned Building Upgrade brining the original Primary Warehouse up to building insulation code and highly efficient HVAC and Refrigeration.

3 ENERGY AUDIT

3.1 Energy Assessment Methodology

This study will develop an energy model of the facility using the existing building envelope and mechanical equipment. This baseline model is compared to various Energy Efficiency Improvements (EEI) such as insulating the building envelope, updating ventilation equipment, Light Emitting Diode (LED) lighting, water heating, and HVAC updates. The energy model accommodates how an improvement affects the entire building system.

3.2 Investigative Work

Sustainable Engineering LLC performed an on-site investigation at 820 San Mateo Blvd. NE, Albuquerque, NM 87108 on August 16th, 2024, by Adam Dirth of Sustainable Engineering LLC. The weather was hot and sunny during the site visit. Each building area was inspected and documented collecting lighting and logging temperature, measurement and inspection of windows and doors, refrigeration, inventory of equipment, and investigation of the HVAC system operation. A key part of the on-site work is interviewing the building owner. All this data was compiled and used in this analysis.

3.3 Facility Description

Building Information

The Sichler Farms LLC property houses one primary warehouse mid left in Figure 4 roughly 121' x 29', a Small 12'x 22' building on the south side of the property. On the south side is the farm stand are two coolers (11.5'w x 17.5'L x 8'8"h and 7.5'wx 15'Lx7'h).

The primary warehouse is steel construction. The Farm Stand and Small North Building are 2x4 built up structures. Note: The Farm Stand is not part of the EEI project and not evaluated in this audit. The larger Hatch cooler appears to be a dated refrigeration box, and the smaller Produce cooler is made from a Connex cargo container.

Figure 4- Aerial view of Sichler Farm property showing the warehouse center left, farmstand right, and coolers.

3.3.1 Building Use and Type

Sichler Farms Primary Warehouse, Small Building/Fruit Stand, and Coolers are categorized as warehouse space according to the Commercial Buildings Energy Consumption Survey (CBECS). The Farm Stand is not evaluated in this audit.

The upgraded facility will be of mixed use with a combination of food sales and food service and refrigerated warehouse space.

3.3.2 Building Envelope

Roof

The primary warehouse roof is a 7.5° sloped metal deck with 1” batt insulation inside. The Small building/fruit stand is asphalt roof with an unknown amount of insulation.

External Walls

The primary warehouse walls are sheet metal. The east wall has built out walls with R-13 insulation. The west, north, and south walls have no insulation.

The small building/fruit stand walls are 2x4 build with wood paneling. There is an unknown amount insulation in this building.

The produce cooler walls are sheet metal exterior with a fiber board interior with little to no insulation, as measurements captured an R-value equivalent to 3. The Hatch cooler walls are sheet metal exterior with plastic interior walls. Heat flux measurement captured the coolers walls at an insulative value of R-13.

Fenestration

The windows and doors are dated, and some broken. All glass fixtures are boarded up as seen in Figure 5. Most if not all fenestration is from west or south facing walls.

Figure 5- Boarded up glass windows and doors in the existing Primary Warehouse.

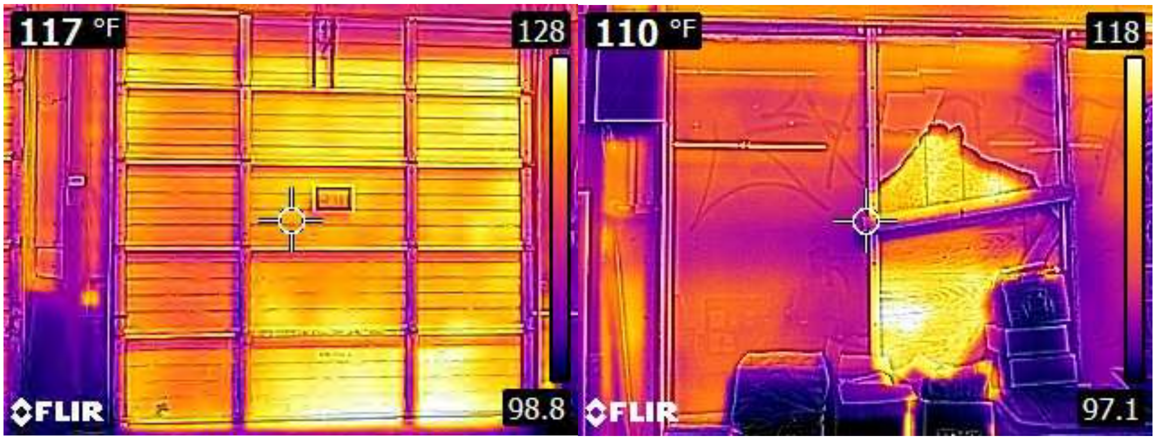

Figure 6- West facing uninsulated roll-up door shows significant heat transfer from solar radiation. A broken window shows even greater heat load from summer heating.

Table 2- Sichler Farms Doors and Windows

Location	Type	Description	Number	Height	Width
South Warehouse: South Wall	Window	Fixed Single Pane - Aluminum Frame	1	4'	6'
South Warehouse: West Wall	Window	Fixed Single Pane - Aluminum Frame	1	4'	9'
South Warehouse: West Wall	Steel Door	Single Steel Door - Insulated	2	7'	3'
South Warehouse: West Wall	Window	Fixed Single Pane - Aluminum Frame	1	6'9"	16'
South Warehouse West Wall	Window	Fixed Single Pane - Aluminum Frame	1	6'9"	10'
South Warehouse: West Wall	Overhead Door	Uninsulated Rollup	1	9'	14'
North Warehouse: West Wall	Overhead Door	Uninsulated Rollup	4	10'	10'
North Warehouse: West Wall	Steel Door	Single Steel Door - Insulated	1	7'	3'

Floor – The floor is unfinished concrete in all areas except the produce cooler which has a wood floor.

Air Infiltration – Air infiltration is unmeasurable. The primary warehouse has several broken windows and daylight around roll-up doors.

The Hatch cooler door seal is non-existent with 1” gaps on all sides. The produce door is left cracked open most of the day as it is exceedingly difficult to close as the latching mechanism is that of a Connex shipping container door.

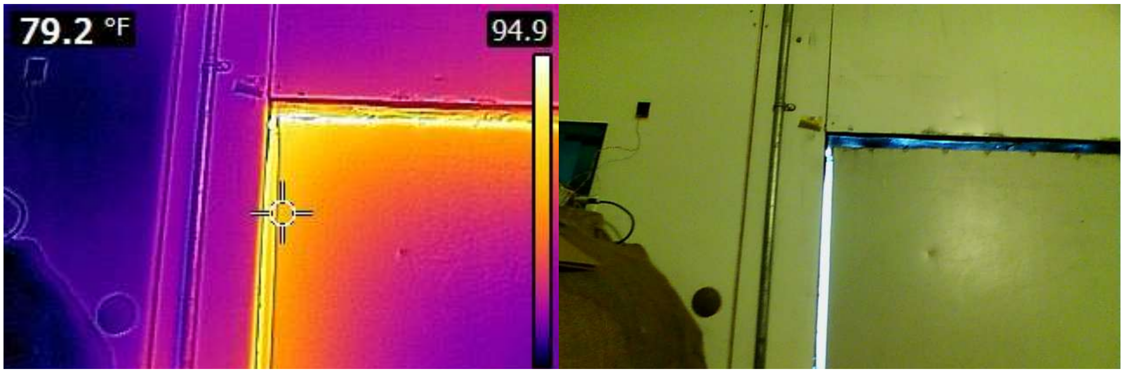

Figure 7- Hatch cooler door seal shown in both IR and visual indicating large heat transfer and infiltration through the door.

3.3.3 HVAC & Refrigeration Mechanical Systems

Sichler Farms mechanical systems range from nearly new to barely operational. The Primary Warehouse has two split units called out in Table 3 that provide cooling. The Primary Warehouse office is also served by a Daikin ductless mini-split and the bathroom with an exhaust fan. Note that NG service is not currently connected to the facility, so no heating occurs except potentially through the Daikin mini split.

The Hatch cooler refrigeration unit appears dated with the condenser exposed. The Produce cooler is in better condition.

Table 3 - HVAC and Refrigeration Mechanical Systems.

Description	Area/System Served	Fuel	Fan (CFM)
Carrier Four (4) ton, Split Unit. Model 58SC0A110E211120. Single Stage (R 404A), ECM Variable Speed Motor.	Primary Warehouse - South	Electric	2000
Carrier Four (4) ton, Split Unit. Model 58SC0A110E211120. Single Stage (R 404A), ECM Variable Speed Motor.	Primary Warehouse - North	Electric	2000
Dakin Ductless Mini-Split	Office	Electric	500
Bathroom Exhaust Fan	Bathroom Primary Warehouse	Electric	200
Hatch Cooler Refrigeration Unit Compressor, Two Stage: Copeland 2hp, 24,500 BTU Model CRD1 0200-PFV. Evaporator: Kramer Trenton	Hatch Cooler	Electric	2500
Produce Cooler Refrigeration Unit: Heatcraft Model CCH0010MBACZA0000. Evaporator: Snyder General LSC-83-1	Produce Cooler	Electric	1400

3.3.4 Lighting

Interior lighting is mixed throughout though most are already LED fixtures. The outside lighting is incandescent.

Table 4 – Lighting counts and power consumption summary.

LOCATION	Fixture Type	Lamp Type	Ballast	Lamps / Fixture	Watts/ Fixture	Number of Fixtures	Weekly Hours
Warehouse South	Troffer 4'x1'	LED T8	Elec	1	15	8	16
Warehouse North	Troffer 4'x1'	LED T8	Elec	1	15	5	16
Bathroom Hallway	Recessed Can	LED PAR	Elec	1	13	3	40
Bathroom	Recessed Can	LED PAR	Elec	1	13	7	16
Office	Recessed Can	LED PAR	Elec	1	13	6	16
Exit Signs	Exit Signs	LED	Elec	1	4	5	168
Hatch Cooler	Screw In Type A	CFL	Elec	1	41	1	48
Fruit Stand	Recessed Can	LED PAR	Elec	1	13	3	16
Exterior	Wall Pack	LED	Elec	1	40	10	84
Exterior	Type A	Incandescent	Elec	2	300	1	84

3.3.5 Equipment Loads

Table 5- Sichler Farms LLC Equipment Loads

Description	Location	Size
Reach In Display Freezer - True Model GDM-49F	Small Building	6'h x 6'w x 2'd
Reach In Display Freezer - True Model GDM-49F	Small Building	6'h x 6'w x 2'd
Compact Chest Freezer - # 197D4092P006	Small Building	32"h x26"d x 48"w
Reach In Display Freezer	Primary Warehouse	5'h x 6'w x 2'd

3.3.6 Water Heaters

There is currently an NPE-180A2 Natural gas fired condensing tankless water heater installed in the existing warehouse. It provides 150,000 kBtu of instantaneous heat at 95% efficiency. However, it requires a natural gas connection and is not currently in use.

4 TECHNICAL ANALYSIS

The following Energy Efficiency Improvements (EEI) found during the site visit led to subsequent analysis.

- R-28 Rooftop Insulation
- R-14 Wall Insulation
- HVAC Improvements
- Hot Water Heater Improvements
- Walk-In Refrigerator with R-29
- Walk-In Freezer with R-32
- LED Lighting
- Windows & Glazing R-2.5
- Upgraded Doors

The current Sichler Primary Warehouse is operated minimally throughout year, so building loads are currently almost non-existent. The upgraded building will be run year-round. For modeling comparison purposes the baseline model simulates the existing Primary Warehouse heated and cooled year-round, with the current mechanical equipment and building envelope. This baseline is then compared to the efficiency upgrades summarized in Section 5. The cooler, large freezer, and small freezer configurations in the new building replace the Hatch and Produce chillers which are presently located outside. These are modeled in their current condition but placed inside the warehouse in the baseline and then compared to the upgraded refrigeration systems in the recommended design. More modeling details are found in Appendix 1.

4.1 LED Lighting

Table 4 in Section 3.3.4 provides the inventory of current lighting and tabulation of 1.2 kW peak load and estimated to consume 4,700 kWh of annual electricity. The upgraded building will have more lighting than the current warehouse with a peak load of 1.8kW. However, it has not yet been decided how the natural lighting from windows and skylights will play into the future lighting operating schedule. More natural lighting is expected for the building upgrade and is likely to contribute to lighting energy savings when compared to the current warehouse lighting and building envelope.

4.2 Building Envelope

The goal of updating the building envelope (wall, roof, doors & windows) is to save space heating and cooling energy while providing safe work conditions and occupant comfort. The current building envelope is in poor shape with most of the walls not having any insulation, roof insulation is at a minimum of 1” (R-4), windows being broken, and overhead doors having large cracks to the outside. The current HVAC systems installed in the warehouse are not sized appropriately for the space with little to no insulation and high air infiltration and cannot meet thermostat set points during extreme temperatures. The building envelope upgrades, besides saving energy also reduce the maximum temperature in the building and allows for the building temperature setpoint to be met more of the time with the current HVAC equipment as outlined below in Table 6. Overall, the upgraded building envelope which included the addition of R-28 roof insulation, R-14 wall insulation, R-2.5 rated windows, and updated doors to improve air infiltration is expected to reduce building energy consumption by 18%.

Table 6- OpenStudio Zone Unmet Temperature Setpoint Hours. Unmet hours are times when the HVAC equipment can't meet the controlled temperature. The lower the number indicates either a better envelope or more capable mechanical systems.

	Zone	Unmet Heating (hr.)	Unmet Cooling (hr.)
Baseline Model	**Dining & Kitchen**	120	1550
	Processing	0	70
	Restrooms	0	45
	Storage	0	770
Upgraded Building Envelope	**Dining & Kitchen**	38	182
	Processing	0	0
	Restrooms	0	0
	Storage	0	0

4.3 High Efficiency Heat Pumps

HVAC heat pumps provide huge energy savings when heating a building compared to traditional Natural Gas fired HVAC units or electric heating elements. Heat pumps offer both DX cooling and heating. In Section 5 we will discuss an economic conundrum that makes the best energy saving solution score lower because of the added electricity use and high price of electricity. A cheap supply of electricity like solar PV is a solution to this problem. Replacing the existing AC and natural gas fired split units that condition much of the current warehouse building with high efficiency heat pump units will provide the required cooling loads during the summer and savings on heating energy in the winter. The climate of Albuquerque, NM and the operating hours of the building produces more balanced HVAC loads between the winter season as heating loads and the summer season as cooling loads. As emphasized in other sections of this report, the electrification of HVAC equipment with the potential future addition of a solar PV system is the most energy efficient, environmentally friendly, and in many cases, the most cost-effective solution. High efficiency heat pump units like the Carrier WeatherMaker® Single-Packaged Rooftop Units with EcoBlue™ Technology 50FCQwith a cooling IEER of 15.0 and HFSP of 8.2 (250% efficiency) will be installed to provide space heating and cooling.[1] This compares to the existing two 4-ton units with cooling EER value of 13.5 and heating efficiency of 95%. These HVAC units are expected to provide 19% annual energy savings with the existing building envelope in place.

It should be noted that as sections of the warehouse are renovated into a café/restaurant that kitchen equipment will be installed such as a kitchen hood exhaust fan and heat pump makeup air unit (MAU). This equipment was included in the models, but there is no energy savings associated with the new equipment in this report and the equipment is not included in the REAP application. Additionally, the mini split unit in the current office space will be removed as the area will be replaced with the new walk-in cooler & freezer unit.

[1] "WeatherMaker® 50FCQ Single-Packaged Rooftop Units with EcoBlue™ Technology," Carrier, accessed September 29, 2024, https://www.carrier.com/commercial/en/us/products/packaged-outdoor/outdoor-packaged-units/50fcq/.

4.4 Walk-In Refrigeration

Sichler Farms currently has two walk-in refrigeration units with poor cooler box insulative properties and high infiltration rates. Despite a larger walk-in cooler and new walk-in freezer unit being installed, the new walk-in freezer equipment is expected to save energy compared to the old equipment, primarily from upgrades to cooler boxes themselves in the form of insulation and air sealing. The table below shows the insulative values of the current and new cooler/freezer boxes. The new cooler boxes will use Extruded Polystyrene (XPS Grey) rigid foam insulation on the walls, roof, and floor (applicable only to the walk-in freezer).

Table 7- Walk-In Cooler Box Envelope (R-Values)

Walk-In Unit	R-Value Before	R-Value After
Hatch Chile/Large Cooler	13	Walls – 29, Floor - NA
Produce Cooler/Small Cooler	3	Walls – 29, Floor - NA
Freezer	NA	Walls – 32, Floor - 28

The evaporator units will be replaced with Electrically Commutated (EC) motors or ECM. The walk-in cooler units will use two speed motors so they can run at a lower speed when workers are not present. Additionally, the refrigeration condensing units will use variable speed fans. ASHRAE 90.1-2013, an update to the current standard includes two addenda affecting motors in commercial buildings. The first will require that fan motors greater than 1/12 horsepower and less than 1 horsepower be ECMs or have a minimum efficiency of 70% with a means to vary speed.[2] The existing walk-in and case evaporator motors are likely Shaded-Pole motors as noted in Table 10 below. These are low starting torque motors and when switched out with ECMs can offer energy savings on average from 30%-50%.

Table 8 – Single-phase Induction Motor Types

Single-phase Induction Motor Type	Peak Efficiency Range	Starting Torque	Relative Cost
Shaded-Pole	20-40%	Low	Least expensive $
Resistance Start Induction Run (RSIR)	50-60%	Medium	$$
Capacitor Start Induction Run (CSIR)	50-60%	High	$$
Permanent Split Capacitor (PSC)	50-70%	Low	$$
Capacitor Split Capacitor Run (CSCR)	50-70%	High	Most expensive $$$

The current Hatch Chile Cooler has a reciprocating compressor and will be replaced with a Copeland Scroll compressor. The Copeland Z series scroll compressors can modulate from 10% to 100% capacity providing flexibility in meeting the demand load. Plus scroll compressor technology is expected to provide more durability and less maintenance than a reciprocating compressor. A recent study conducted out of Burnel University in London showed that efficiency of a hermetic scroll compressor was on

[2] William Goetzler, Timothy Sutherland, and Callie Reis, “Energy Savings Potential and Opportunities for High-Efficiency Electric Motors in Residential and Commercial Equipment,” December 4, 2013, https://doi.org/10.2172/1220812.

average 10% more efficient than a reciprocating compressor[3]. Updating the walk-in refrigeration systems is estimated to save 2,400 kWh annually or 1% in annual savings.

4.5 Heat Pump Hot Water

As discussed in section 3.3.6 the current warehouse has a natural gas fire instant hot water heater currently installed but not in the facility. Hot water demand will increase drastically as the warehouse adds kitchen equipment for the café/restaurant. This equipment includes a dishwasher and multiple kitchen sinks and is not included in this REAP application but is included in this report for modeling and future energy use purposes. Hot water consumption was modeled off a previous REAP grant restaurant project Sustainable Engineering recently completed and verified by an ACEEE case study.[4] Future hot water use is estimated at 1.5 gpm on average for the dishwasher and 1.0 gpm for sinks throughout the building. Heat Pump Water Heater (HPWH) technology offers new opportunities for energy savings. Water Heater efficiency is measured using the Uniform Energy Factor (UEF). The higher the number, the less energy used.

Table 9- Water heater efficiency (UEF) compared to Heat Pump Water Heaters.

Description	Area/ Served	Existing UEF	Replacement HPWH	HPWH UEF	Increase in Efficiency
NPE-180A2 Tankless Water Heater	Entire Building (Dishwasher & Sinks)	0.95	SynCO2	3.75	380%

Using a split heat pump water heater offered by ECO_2 Systems[5] that is like a mini-split air conditioner where the condenser resides outside the building and the water tank sets in the same location as the current water heaters. ECO_2 Systems offers a saleable system for commercial use. Their technology has several benefits including using carbon dioxide as a refrigerant. The entire compressor/evaporator system exists outdoors and is installed with simple water connections that any plumber can install. The equipment is supplied by $SanCO_2$ and has been used in Japan since 2001. It is estimated that $SanCO_2$ system will require 4 heat pumps and a 100-gallon tank to replace the instant gas water heater. Employing a HPWH system for future use is estimated to reduce total site energy consumption by 17%.

4.6 Miscellaneous Equipment

As previously noted throughout this report there will be new equipment installed to support a wide variety of operations including a restaurant and greenhouse that is not currently located in the warehouse. This equipment includes gas & electric cooking equipment, kitchen hood exhaust and MAU HVAC equipment, and other related restaurant electrical plug-in equipment. These loads were estimated to provide a baseline, to forecast future energy use, and have a direct effect on the operation of HVAC & and water heating equipment. This equipment is not part of the REAP grant with no energy savings being realized between the baseline model and final energy model.

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[3] I Grace, D Datta, and S A Tassou, "Comparison Of Hermetic Scroll And Reciprocating Compressors Operating Under Varying Refrigerant Charge And Load," n.d.

[4] Jingjuan Feng et al., "Central Heat Pump Water Heating Systems for Decarbonizing Multifamily Buildings: Market Assessment, Energy Performance and Cost" (ACEEE, 2024), https://www.aceee.org/sites/default/files/proceedings/ssb24/pdfs/Central%20Heat%20Pump%20Water%20Heating%20Systems%20for%20Decarbonizing%20Multifamily%20Buildings.pdf.

[5] "Energy Efficient Eco Friendly Co2 Heat Pump Hot Water | Sanco2 by Eco2 Systems LLC," Eco2systems, accessed June 22, 2024, https://www.eco2waterheater.com.

5 ENERGY SAVINGS & FINANCIAL ANALYSIS

Sustainable Engineering LLC provides an energy savings & financial analysis summary in Table 10. Costs are estimated based on quotes provided by vendors for this project. Energy savings and Greenhouse Gas (GHG) emissions savings associated with each EEI project are highlighted at the bottom the table. CO_2 equivalent emissions associated with the electric grid (kWh) and combusting natural gas (therms) were obtained from the EPAs Simplified GHG Emissions Calculator[6].

Table 10- Results of different OpenStudio® energy efficiency scenarios compared to the baseline.

Model Description / Ref #	Actual Energy Use (Utility Bills)	OpenStudio Model Baseline	Option 1: LED Lighting - #100	Option 2: Building Envelope - #200	Option 3: HVAC Heat Pump - #300	Option 4: Walk-In Refrigeration - #400	Option 5: Heat Pump Hot Water Heater - #500	Option 6: Combined EEI - #600
Total Annual Building Energy Use (kBTU)	920.705	1,224,201	1,261,450	1,005,217	993,112	1,211,746	1,011,639	731,929
Heating (kBTU)		369,507	350,436	175,564	126,325	364,208	369,507	68,717
Cooling (kBTU)		87,493	90,753	65,968	99,653	88,431	87,493	67,466
Lighting (kBTU)		15,895	68,660	15,895	15,895	15,895	15,895	68,660
Equipment (kBTU)		386,577	386,577	386,577	386,557	386,577	386,577	386,577
Fans (kBTU)		22,719	22,994	19,231	22,719	22,795	22,719	19,231
Pumps (kBTU)		0	0	0	0	0	0	0
Domestic Water Heating (kBTU)		283,416	283,416	283,416	283,416	283,416	70,854	70,854
Refrigeration (kBTU)		58,594	58,613	58,575	58,547	50,424	58,594	50,424
Electricity (kWh)	37,503	99,875	116,380	91,755	131,584	97,771	120,641	138,021
Electricity (kBTU)	127,966	340,788	397,105	313,081	448,982	333,608	411,645	470,948
Gas (therms)	0	8,836	8,645.5	6,923.0	5,442.8	8,783.5	6,001.4	2,610.6
Gas (kBTU)	0	883,413	864,340	692,130	544,150	878,140	599,997	261,000
Electricity Peak Demand (kW)		33.3	36.3	31.3	58.3	40.8	38.3	45

[6] OAR US EPA, "Simplified GHG Emissions Calculator," Overviews and Factsheets, August 5, 2015, https://www.epa.gov/climateleadership/simplified-ghg-emissions-calculator.

Model Description / Ref #	Actual Energy Use (Utility Bills)	OpenStudio Model Baseline	Option 1: LED Lighting - #100	Option 2: Building Envelope - #200	Option 3: HVAC Heat Pump - #300	Option 4: Walk-In Refrigeration - #400	Option 5: Heat Pump Hot Water Heater - #500	Option 6: Combined EEI - #600
Natural Gas Peak Demand (kBtu/hr)		362	361	295	140	362	259	41
Electricity Savings (kBTU)			-56,317	27,707	-108,194	7,179	-70,857	-130,161
Natural Gas Savings (kBTU)			19,073	191,283	339,263	5,273	283,416	622,413
Total Energy Savings (kBTU)			-37,244	218,990	231,069	12,452	212,559	492,252
Energy Savings %			-3.0%	17.9%	18.9%	1.0%	17.4%	40.2%
Annual Electricity Cost Savings ($0.047115/kBtu)			-$2,653	-$2,653	$1,305	-$5,098	$338	-$3,338
Annual Gas Cost Savings ($0.001058/kBtu)			$154	$1,540	$2,732	$42	$2,282	$5,012
Measure Cost			NA	NA	NA	NA	NA	$986,336
Simple Payback (yrs)			NA	NA	NA	NA	NA	-880.0
GHG Emissions CO2-e (metric tons)		59	62.8	49.9	55.3	58.2	54.3	46.8
GHG Emissions Reduced CO2-e (metric tons)		0	-3.8	9.1	3.7	0.8	4.7	12.2
Notes	CO_2-e (metric tons)/kWh 0.000270338							
EPA Calculator Tool	CO_2-e (metric tons)/therm 0.003621445							

The recommended model "Option 6: Combined EEI #600", entails a fully occupied and utilized building with electrified heating and cooling and consists of the R-28 roof insulation, R-14 wall insulation, double pane windows & upgraded doors, hot water & air sourced heat pumps, LED lighting and highly insulated refrigerated units (R-29 – R-32) with efficient mechanical systems. The recommended systems combined are expected to save 40% of the total annual building energy use, if using the existing warehouse mechanical equipment, electrical equipment, walk-in refrigeration equipment, and building envelope as a baseline model comparison. Though electrifying mechanical equipment such as HVAC and hot water systems, through fuel switching, reduces energy consumption substantially it increases electricity consumption. Currently, electricity rates are 5x greater than natural gas utility rates per BTU of energy. Therefore, energy savings does not always translate into cost savings without some sort of onsite renewable electricity generation such as a solar PV system.

6 APPENDIX - OPENSTUDIO® / ENERGY PLUS

Building Energy Modeling (BEM) is the practice of using computer-based simulation software to perform a detailed analysis of a building's energy use and energy-using systems. OpenStudio® is a collection of software tools to support whole BEM using EnergyPlus and advanced daylight analysis using Radiance, both developed by the US Department of Energy.[7] The simulation software works by enacting a mathematical model that provides an approximate representation of the building. OpenStudio® is an open-source project to facilitate community development, extension, and private sector adoption. The graphical applications include the OpenStudio® Application, and the Parametric Analysis Tool. The OpenStudio® Application is maintained by the OpenStudio® Coalition, which was founded to maintain and develop these graphical applications for the building energy modeling community.[8]

6.1 Methodology and Baseline

An OpenStudio® model of the existing Sichler Farms buildings were developed using the specifications in Table 11. This is referred to the Base model. The Albuquerque, NM weather data was used from the EnergyPlus weather database. The BEM analysis is performed using TMY weather data (an average of approximately 20 years) and outputs calculated data for each hour of that average year.

The current Sichler Primary Warehouse is run minimally throughout the year, so building loads are currently almost non-existent. The upgraded building will be used year-round. For modeling comparison purposes the Baseline model simulates the existing primary warehouse heated and cooled year-round, with the current mechanical equipment and building envelope. This baseline is then compared to the efficiency upgrades summarized in section 4. The small cooler, large cooler, and small freezer configurations in the new building replace the Hatch and Produce chillers which are presently found outside. These are modeled in their current state but placed inside the warehouse in the baseline and then compared to the upgraded refrigeration systems in the final analysis.

Table 11 – Sichler Farm Stand and Restaurant Building Specifications used for the OpenStudio® Energy Model. Note:

Baseline OpenStudio® Model

	Area (ft^2)	Ceiling Height	Construction	Floor
Building	3509	13'6"	Exterior – Sheetmetal Roof – 1" batt insulation Interior – ½" Gypsum	Concrete
Large Cooler	348	8'	4.0" thick AK-XPS4 extruded foam with R-Values of R-29	Concrete
Small Freezer	71	8'	4.5" thick AK-XPS4 extruded foam with R-Values of R-32	R-28 Insulation
Cooler	123	8'	4.0" thick AK-XPS4 extruded foam with R-Values of R-29	Concrete

[7] "OpenStudio," Energy.gov, accessed May 24, 2023, https://www.energy.gov/eere/buildings/articles/openstudio.
[8] "OpenStudio Coalition User Docs," accessed May 24, 2023, https://openstudiocoalition.org/.

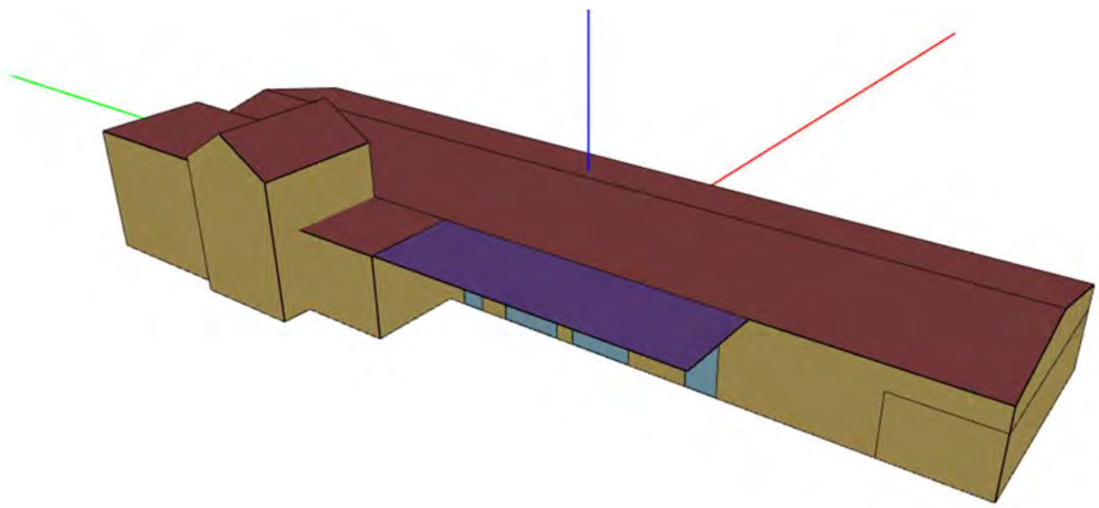


Figure 8 - OpenStudio® 3D model of the planned Sichler Farm building in Albuquerque, NM building. The base model does not include any new additions to the front of the primary warehouse.

7 APPENDIX - UTILITY INFORMATION

Electricity is provided by Public Service Company of New Mexico under Rate 2A Small Power Service which has a flat energy charge and no demand charge. The electricity usage in Table 9 is actual electricity use of the current facility. Copies of the bills are available.

The facility does not currently have Natural Gas connected. Natural Gas is estimated using the New Mexico Gas Company and representative rates for Albuquerque NM. The amount used is forecast from the Base Energy model from Appendix 1 and discussed in the report Technical Analysis.

Table 12 – Sichler Farms LLC Utility Data

Sichler Farms					Electric Meter	5586000, 5586020			Gas Meter	Baseline Model					Annual Energy Use/Cost Summary	
Building Characteristics		**Start Date**	**End Date**	**Usage (kWh)**	**Elec KBTU**	**Fixed Cost**	**Usage Cost**	**Total Cost**	**Therms**	**Gas kBTU**	**Fixed**	**Usage**	**Fees**	**Total Cost**	**Usage - Electricity (kWh)**	
Year Build	1968	11/1/2022	12/1/2022	752	2,566	$31.54	$115.79	$147.33	898	89,822	$ 27.75	$ 665.29	$103.96	$797.00	Usage - Electricity (kWh)	10,991
Floor Area (ft2)	7,381	12/1/2022	1/1/2023	676	2,307	$31.54	$57.24	$88.78	1,226	122,611	$ 27.75	$ 1,332.12	$203.98	$1,563.85	Usage-Electricity (kBtu)	37,503
Weekly Operating Hours	40	1/1/2023	1/30/2023	688	2,348	$31.54	$105.83	$137.37	1,213	121,241	$ 27.75	$ 1,607.92	$245.35	$1,881.02	Usage-Gas (therms)	8,834
Number of Occupants	10	1/30/2023	3/2/2023	621	2,119	$31.54	$95.98	$127.52	990	98,986	$ 27.75	$ 858.02	$132.87	$1,018.64	Usage-Gas (kBtu)	883,202
Number of PC's	7	3/2/2023	4/1/2023	699	2,385	$31.54	$109.12	$140.66	851	85,030	$ 27.75	$ 244.18	$ 40.79	$ 312.72	Usage-Total Energy (kBtu)	920,705
Percent Cooled	100%	4/1/2023	5/1/2023	188	641	$31.54	$32.69	$64.23	606	60,535	$ 27.75	$ 171.11	$ 29.83	$ 228.69	Usage - Electricity % of Total	4%
Percent Heated	100%	5/1/2023	5/31/2023	495	1,689	$31.54	$80.07	$111.61	522	52,167	$ 27.75	$ 143.39	$ 25.67	$ 196.81	Cost-Electricity	$2,145.45
Type of Heating	Electric	5/31/2023	7/1/2023	1,017	3,470	$31.54	$181.18	$212.72	462	46,209	$ 27.75	$ 127.43	$ 23.28	$ 178.46	Cost Gas	$7,444.46
GHG Ton (CO2) from gas	43.5	7/1/2023	8/1/2023	1,736	5,923	$31.54	$305.96	$337.50	464	46,379	$ 27.75	$ 153.13	$ 27.13	$ 208.02	Cost - Total Energy	$9,589.91
GHG Ton (CO2) from electricity	3.9	8/1/2023	8/31/2023	1,817	6,200	$31.54	$310.38	$341.92	466	46,599	$ 27.75	$ 123.42	$ 22.68	$ 173.85	Cost -Electricity % of Total	22%
GHG Metric Ton (CO2) total	47.3	8/31/2023	10/1/2023	1,773	6,050	$31.54	$278.81	$310.35	470	46,939	$ 27.75	$ 298.09	$ 48.88	$ 374.71	Electricity Cost per kWh	$0.195
		10/1/2023	11/1/2023	529	1,805	$31.54	$93.92	$125.46	667	66,684	$ 27.75	$ 416.34	$ 66.61	$ 510.71	Gas Cost per Therm	$0.84
		11/1/2023	12/1/2023	751	2,563	$31.54	$76.06	$107.60	- -					-	Area EUI (kBtu/ft2)	124.7

8 APPENDIX - INCENTIVE OPPORTUNITIES

This energy assessment was conducted to support the Sichler Farms LLC application for the USDA REAP grant. There may be other incentives that can be applied in conjunction with the grant or stand alone. Below is a list of potential incentives that the building owner should investigate.

New Mexico Tax Credit

2021 Sustainable Building Tax Credit: Renovated commercial buildings can receive a flat credit. The awards are limited, and the caps have been met through 2024, so availability is limited for future awards.

Federal Incentives

ITC / IRA – 30% Investment Tax Credit for solar energy PV installations and Energy Efficiency Improvements

9 APPENDIX – RENEWABLE ENERGY OPPORTUNITIES

Solar energy as an abundant resource in New Mexico, has the potential to offset most of the facility's annual electricity use. The NREL's PVWatts® Calculator, depicts an 86 kW-DC solar system, has the potential to offset 100% of the buildings future energy use.

System Capacity: 85.5 kWdc (570 m2)

RESULTS

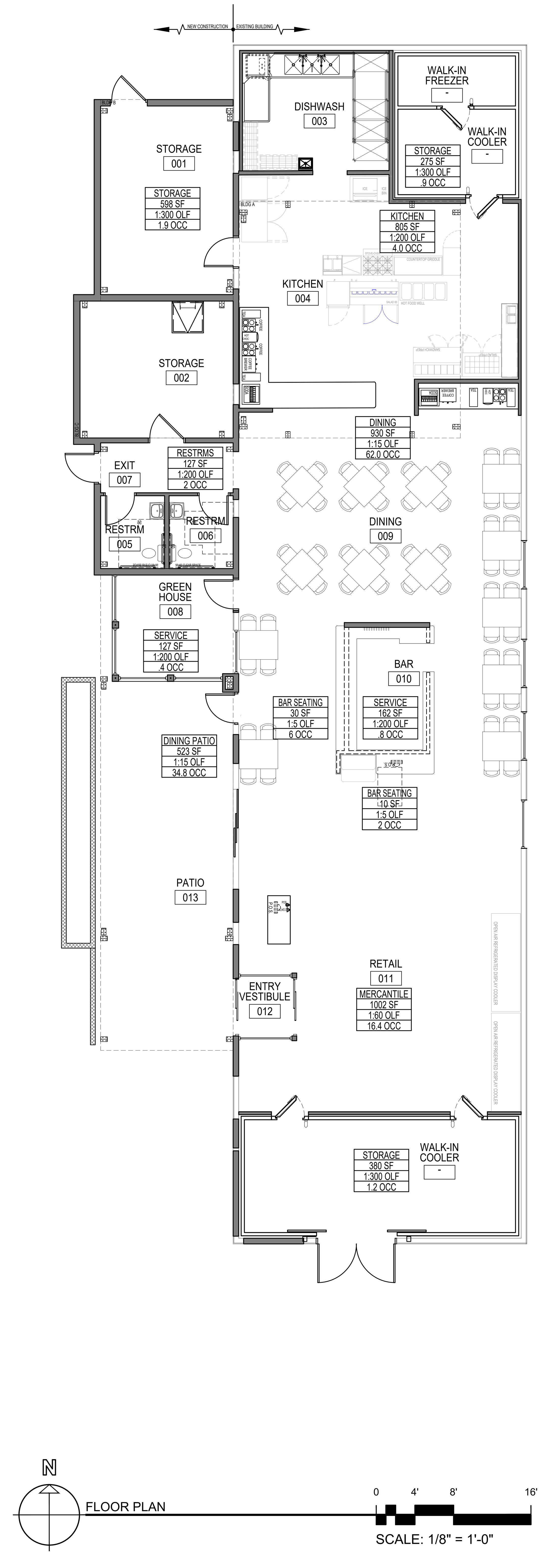
138,207 kWh/Year*

System output may range from 130,149 to 142,588 kWh per year near this location.

Month	Solar Radiation (kWh / m² / day)	AC Energy (kWh)
January	3.70	7,923
February	4.33	8,336
March	5.79	12,067
April	6.82	13,472
May	7.82	15,590
June	8.41	15,651
July	7.64	14,517
August	6.99	13,388
September	5.96	11,317
October	5.16	10,500
November	4.14	8,447
December	3.27	6,999
Annual	5.84	138,207

9.1 Solar PV System

The recommended EEI and electrification systems proposed in this report are expected to consume 138,000 kWh annually. This energy can be met through an 86 kW DC solar PV system. System installation costs are estimated at $3.00/W_{DC}$. The 86 kW DC solar PV system would eliminate 98.5% of Sichler Farms' future electric bill on their current utility rate. Generating 138,000 kWh of electricity annually would save over $22,000 per year. It is estimated that Sichler Farms' annual utility bill could be around $2,500 if the recommended EEI, electrification, and solar PV systems are installed, with the majority of cost coming from natural gas used for a cooking fuel. This is nearly a 92% reduction in the building's annual utility bill when compared to an estimated $25,000 before the installation of the EEI, electrification, and solar PV systems outlined in this report. PV system costs estimated for this project would amount to $255,000 which would equate to a simple payback of just over 11 years before incentives. This project would be eligible for the 30% ITC and RES REAP grant, which would effectively cover up to 80% of the capital cost.



FLOOR PLAN

SCALE: 1/8" = 1'-0"

SITE DATA

EXECUTIVE SUMMARY

PROJECT IS LOCATED IN ZONE GRID MAP LOCATION K-17-Z, ZONED MX-M PER THE INTEGRATED DEVELOPMENT ORDINANCE. IT IS A 3,766+1,875=5,641 TOTAL SQUARE FEET EXISTING RETAIL BUILDINGS WITH AN 877 SQUARE FOOT ADDITION (INTERIOR) AS A RESTAURANT WITH RETAIL SPACE FOR A GROSS FLOOR AREA 4,643 S.F.AND A 523 SQUARE FOOT OUTDOOR PATIO

ZONING DATA:
DESIGNATION: MX-M
UPC: 101805701246224301
OWNER: SICHLER FARMS LLC
LEGAL DESCRIPTION: 1 LOTS 1 - 12 TIJERAS PARK ADDN
TOTAL SITE ACRES: -

PARKING REQUIREMENTS:
RESTAURANT - 2908 sf
INTERIOR
2,506 SF/178 SF REQUIRES: 14 STALLS
EXTERIOR PATIO
523 SF/333 SF REQUIRES: 1 STALLS
RETAIL
2,137 SF/285 SF REQUIRES: 7 STALLS
total parking required: 22 stalls
PARKING REDUCTIONS
IDO 5-5(C)(5)(a) MT REDUCTION (20% reduction):
IDO 5-5(C)(5)(c) REDUCTION FOR PROXIMITY TO TRANSIT (10% REDUCTION)
TOTAL REDUCTION: 22 x 30% REDUCTION (7 STALLS)
FINAL REQUIRED: 15 STALLS

PREVIOUS REQUIRED 5,641 S.F. / 285 = 19 STALLS

VICINITY MAP

NTS

CLASSIFICATION OF WORK
- ALTERATION LEVEL 3
- CHANGE OF OCCUPANCY
- ADDITIONS

APPLICABLE CODES
- 2021 NEW MEXICO COMMERCIAL BUILDING CODE
- 2020 NEW MEXICO ELECTRICAL CODE
- 2021 NEW MEXICO EXISTING BUILDING CODE
- 2021 NEW MEXICO MECHANICAL CODE
- 2021 NEW MEXICO PLUMBING CODE
- 2021 INTERNATIONAL FIRE CODE
- 2024 UNIFORM ADMINISTRATIVE CODE

OCCUPANCY CLASSIFICATION:
ASSEMBLY GROUP A-2 (RESTAURANT)

CONSTRUCTION TYPE:
V-B 1-STORY (NON-SPRINKLERED)

BUILDING AREA DATA

EXISTING BUILDINGS:	3,766 S.F.
	1,875 S.F.
TOTAL EXISTING AREA:	5,641 S.F.
AREA REMOVED	1,875 S.F.
ADDITION AREA (ENCLOSED AREA):	877 S.F.
ADDITION AREA (EXTERIOR PATIO):	523 S.F.
TOTAL NEW AREA:	4,643 S.F.

ACTUAL & ALLOWABLE BUILDING AREAS & HEIGHT (SECTION 506.2)

OCC. TYPE			ALLOWABLE HT.	STORIES	SQ. FT.
ASSEMBLY GROUP:	A-2	(NON SEPARATED USE)	40'	2	6,000 S.F. (MOST RESTRICTIVE > 4,643 S.F.)
MERCANTILE GROUP:	M	(NON SEPARATED USE)	40'	2	9,000 S.F.
MERCANTILE GROUP:	M	(NON SEPARATED USE)			

OCCUPANT LOAD (FLOOR AREA)

KITCHEN:	4
KITCHEN STORAGE:	.9
BAR SERVICE:	.8
BAR SEATING:	8
TABLE SEATING:	62
GREENHOUSE	.4
MERCANTILE FLOOR	16.4
MERCANTILE STORAGE	3.1
RESTROOMS:	2
	97.6
EXTERIOR TABLE SEATING (PATIO)	34.8

EXITING REQUIREMENTS (TABLE 1005.3.2)
EGRESS WIDTH REQUIRED:
DOOR OPENING WIDTH REQUIRED -
266 OCC x .2 = 53.2"
DOOR OPENING WIDTH PROVIDED - 226"

DINING SURFACES
5% BUT NOT LESS THEN 1 SURFACE REQUIRED TO BE ADA ACCESSIBLE: 33 x 5% = 1.7 (2 PROVIDED)
INTERIOR
5% BUT NOT LESS THEN 1 SURFACE REQUIRED TO BE ADA ACCESSIBLE: 21 x 5% = 1.1 (2 PROVIDED)
EXTERIOR

FIRE EXTINGUISHER
2A-10BC FIRE EXTINGUISHER, WALL MOUNTED (1 PER 3,000 SF, 75' TRAVEL DISTANCE MAX.) - 3-REQUIRED
PROVIDE 1 FIRE EXTINGUISHER (K-TYPE) WITHIN 30' TRAVEL DISTANCE OF COMMERCIAL COOKING EQUIPMENT

TABLE 705.5
FIRE RESISTIVE RATING REQUIREMENTS FOR EXTERIOR WALLS BASED ON FIRE SEPARATION DISTANCE

FIRE SEPARATION DISTANCE	TYPE OF CONSTRUCTION	OCCUPANCY M	OCCUPANCY A,B,E,F-2,I,R,S-2,U
X<5	ALL	2	1
5<X<10	I-A, IVA	2	1
	OTHERS	1	1
10<X<30	I-A, I-B, IVA,IVB	1	1
	II-B, VB	0	0
	OTHERS	1	1
X>30	ALL	0	0

REQUIRED PLUMBING FIXTURES

GROUP - A-2 110.5 OCCUPANTS (56 FEMALE, 56 MALE)
MEN:
WATER CLOSETS REQUIRED (1 PER 75) - .7 REQUIRED
LAVATORIES REQUIRED (1 PER 200) - .2 REQUIRED

WOMEN:
WATER CLOSETS REQUIRED (1 PER 75) - .7 REQUIRED
LAVATORIES REQUIRED (1 PER 200) - .2 REQUIRED

GROUP - M 22 OCCUPANTS (11 FEMALE, 11 MALE)
MEN:
WATER CLOSETS REQUIRED (1 PER 500) - .1 REQUIRED
LAVATORIES REQUIRED (1 PER 750) - .1 REQUIRED

WOMEN:
WATER CLOSETS REQUIRED (1 PER 500) - .1 REQUIRED
LAVATORIES REQUIRED (1 PER 750) - .1 REQUIRED

TOTAL PLUMBING FIXTURES REQUIRED

MEN:		WOMEN:	
WATER CLOSETS REQUIRED	.7 + .1 = .8	WATER CLOSETS REQUIRED	.7 + .1 = .8
WATER CLOSETS PROVIDED	1 WC	WATER CLOSETS PROVIDED	1 WC
LAVATORIES REQUIRED	.2 + .1 = .3	LAVATORIES REQUIRED	.2 + .1 = .3
LAVATORIES PROVIDED	1	LAVATORIES PROVIDED	1

SERVICE SINK PROVIDED 1

2902.1.2 SINGLE USER TOILET AND BATHING ROOM FIXTURES
THE PLUMBING FIXTURES IN SINGLE-USER TOILET AND BATHING ROOMS, INCLUDING FAMILY OR ASSISTED-USE ROOMS REQUIRED BY SECTION 1110.2.1, SHALL CONTRIBUTE TOWARDS THE TOTAL NUMBER OF REQUIRED PLUMBING FIXTURES FOR A BUILDING OR SPACE. SINGLE USER TOILET AND BATHING ROOMS AND FAMILY OR ASSISTED USE TOILET AND BATHING ROOMS SHALL BE IDENTIFIED AS AVAILABLE FOR USE BY ALL PEOPLE REGARDLESS OF SEX.
THE TOTAL REQUIRED FIXTURES CAN BE MET BY SEPARATE FACILITIES, A COMBINATION OF SINGLE-USER AND SEPARATE FACILITIES, OR AN AGGREGATE OF ANY COMBINATION.

2021 ICC DATA

2021 ICC C402.1.3 OPAQUE THERMAL ENVELOPE INSULATION R-VALUE: MINIMUM STANDARDS (METAL BUILDING)
- ZONE 4 -U FACTOR METHOD
- ROOF
  - METAL BUILDING: U-0.035
- WALLS
  - METAL BUILDING: U-0.052
- SLAB ON GRADE FLOOR
  - UNHEATED: F-0.52
- OPAQUE DOORS
  - NON SWINGING: U-0.031

2021 ICC C402.4 BUILDING ENVELOPE FENESTRATION MAXIMUM U-FACTOR & SHGC REQUIREMENTS:
- **U FACTOR:**
  - **FIXED FENESTRATION** .36
  - **OPERABLE FENESTRATION** .45
  - **ENTRANCE DOORS** .63
- **SHGC:**
  - **PF<.2** .36
  - **.2<PF<.5** .43

DRAWING INDEX

PERMIT REVIEW COMMENTS | REVISED | REVISED | REVISED

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64

DRAWING INDEX - CITY PRE-APPROVALS FOR REFERENCE

65	FIRE1	FIRE 1 SITE PLAN - APPROVED
66	SW-1	REFUSE-SOLID WASTE SITE PLAN - APPROVED
67	TCL-1	TRAFFIC CIRCULATION LAYOUT - APPROVED
68	TCL-2	TRAFFIC CIRCULATION LAYOUT DETAILS - APPROVED

pba
peter butterfield architect
13013 glenwood hills ct. ne
albuquerque nm 87111
(ph) 505 514 1364

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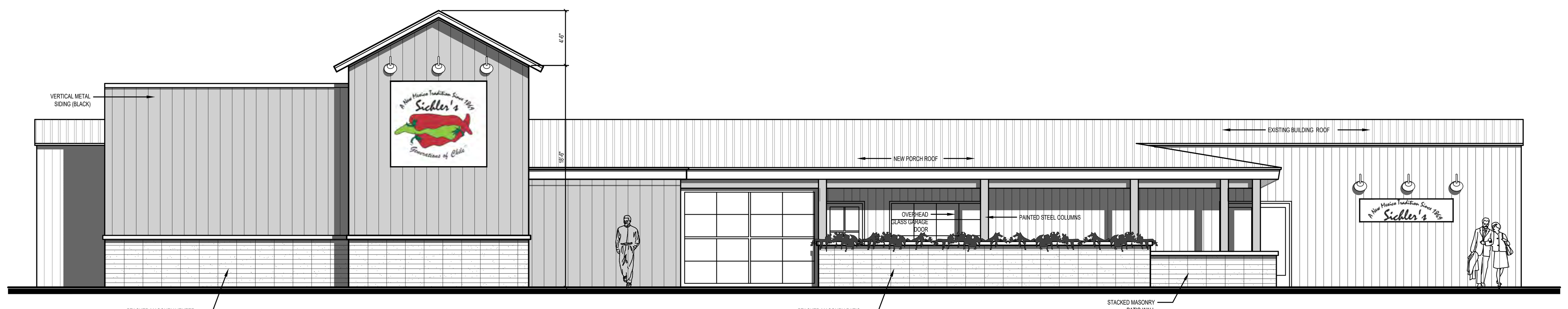
DRAWING NAME

REVISIONS

Sichler Farms Remodel
820 San Mateo Boulevard NE
Albuquerque, New Mexico

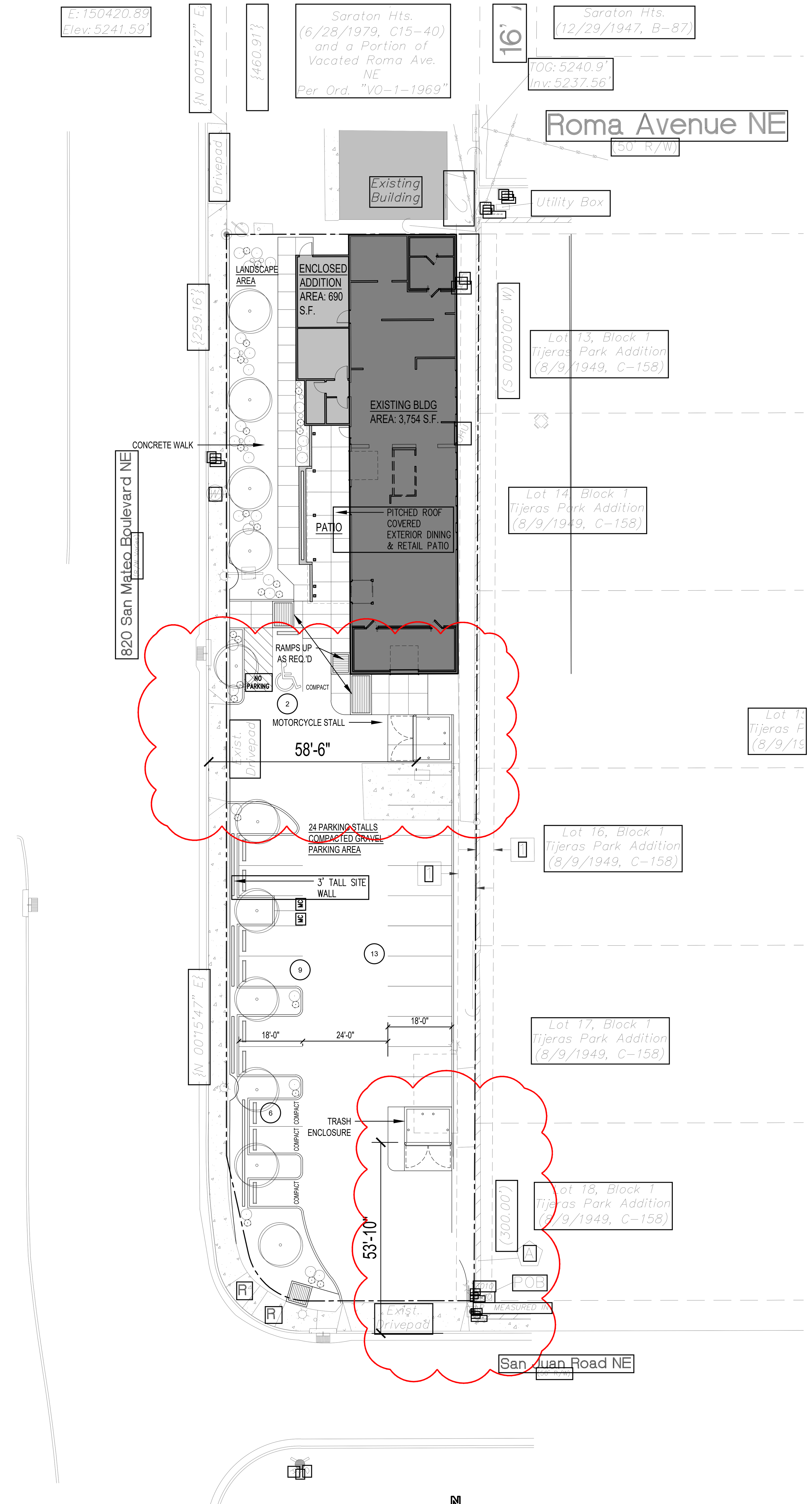
SHEET NO.
A000
11/1/25

ARERIAL VIEW OF EXISTING



WEST (FRONT ELEVATION)

SCALE: 1/4" = 1'-0"



SITE PLAN

SCALE: 1"=20'-0"

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peter butterfield architect
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DRAWING NAME

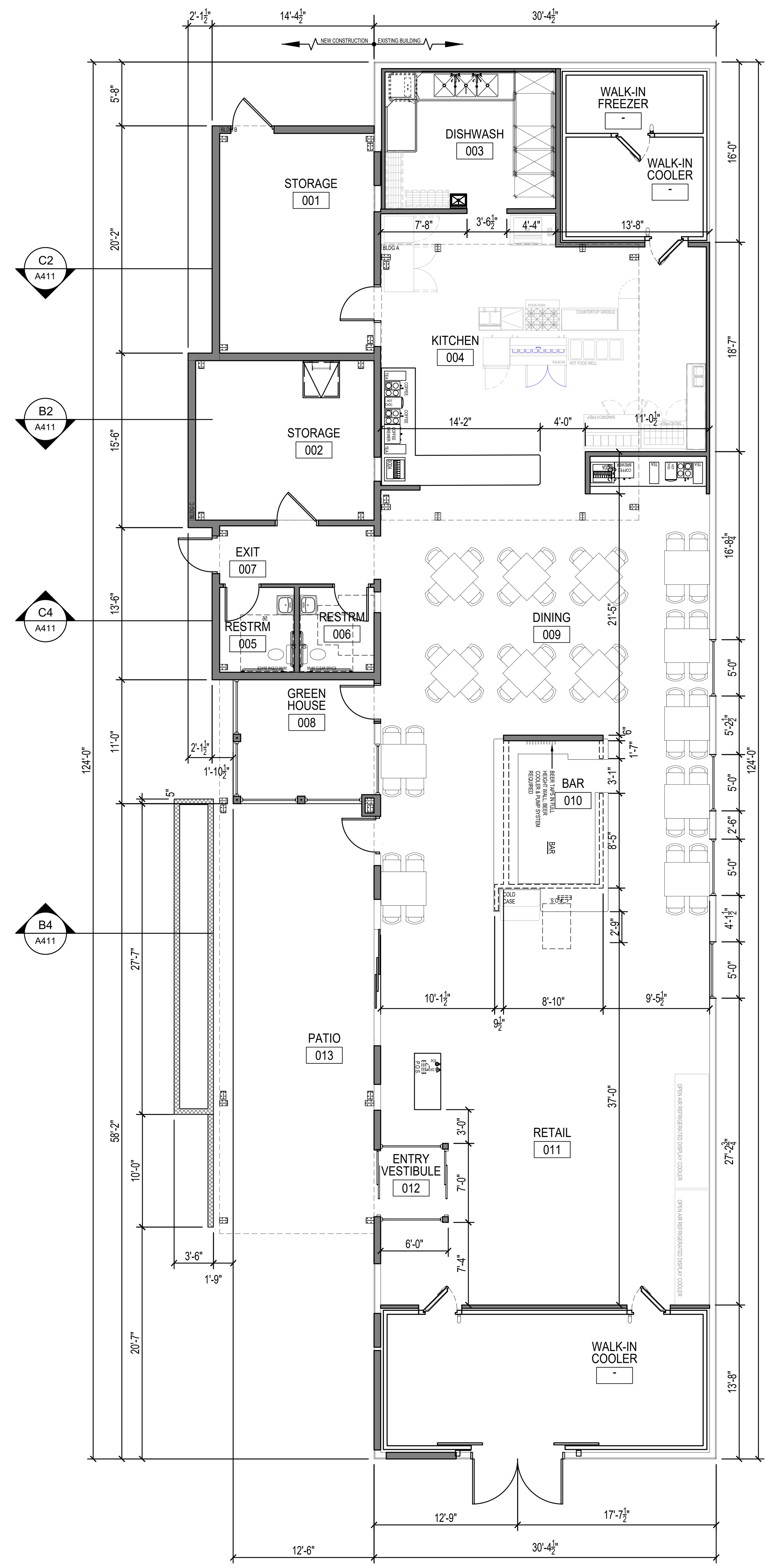
REVISIONS

Sichler Farms Remodel
820 San Mateo Boulevard NE
Albuquerque NM

SHEET NO.

A000(7)

March 14, 2024



N

FLOOR PLAN

0 4' 8' 16'

SCALE: 1/8" = 1'-0"

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DRAWING NAME

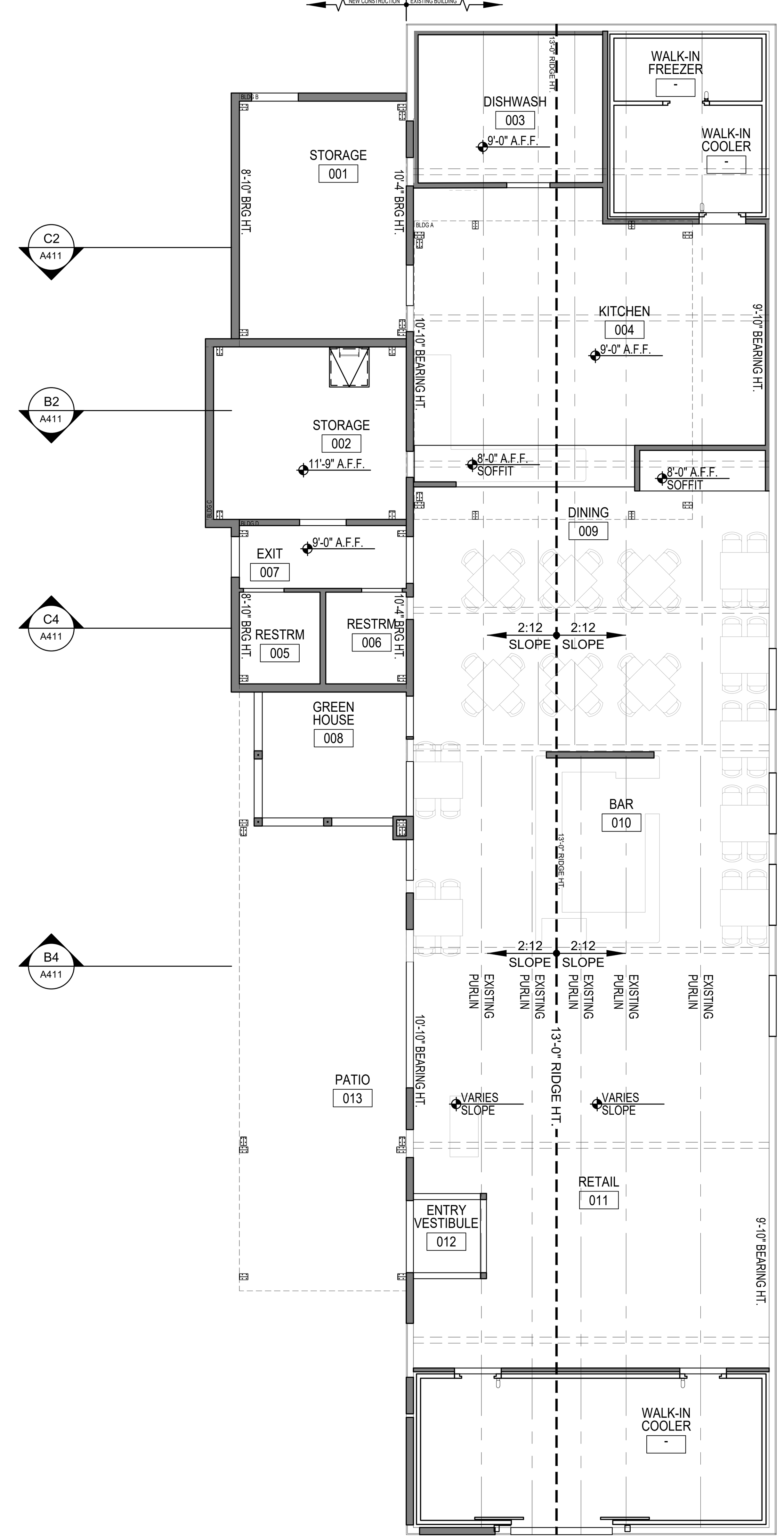
REVISIONS

DRAWING NOT FOR REGULATORY APPROVAL, PERMIT, OR CONSTRUCTION

Sichler Farms Remodel
820 San Mateo Boulevard NE
Albuquerque, New Mexico

SHEET NO.
A111

11/1/25



N

REFLECTED CEILING PLAN

0 4' 8' 16'

SCALE: 1/8" = 1'-0"

GENERAL NOTES

- ALL RECESSED LIGHTS TO BE IN CENTER OF INDIVIDUAL CEILING TIE (U.N.O.)
- COORDINATE LIGHT FIXTURE LOCATIONS WITH FURNITURE LAYOUT, LIGHTING FIXTURES WILL BE CENTERED OVER TABLETOP.
- DECORATIVE PENDANTS WILL BE MOUNTED 7'-0" A.F.F. TO BOTTOM OF PENDANT. VERIFY MOUNTING HEIGHT AND LOCATION WITH DIONS
- ALL DIMENSIONS ON ARCHITECTURAL FLOOR PLAN ARE FACE-TO-FACE OF STUDS UNLESS NOTED OTHERWISE.
- PROVIDE SOUND & FIRE CAULK @ ALL PENETRATIONS AND PERIMETER CONDITIONS
- INSTALL CONTINUOUS BACKER ROD AND SEALANT AT JUNCTION OF ALL EXTERIOR DOORS, WINDOWS, AND OTHER DISSIMILAR MATERIALS.
- NOT ALL ROOF PENETRATIONS ARE INDICATED ON ROOF PLAN. CONTRACTOR IS RESPONSIBLE FOR FLASHING ALL DUCT, FLUE, VENT, ETC. PENETRATIONS IN ROOF AND PROPER SUPPORTS FOR ROOFTOP EQUIPMENT.
- PROVIDE 2x8 MIN. SOLID WOOD BLOCKING FOR ALL WALL AND CEILING MOUNTED EQUIPMENT, FIXTURES, DEVICES, CASEWORK, AND ACCESSORIES.
- KEYNOTE REFERENCES ARE NOT SHOWN AT EVERY EXISTING CONDITION THE KEYNOTE REFERS TO, BUT ARE USED TO INDICATE DRAWING CONVENTION OF THE PARTICULAR NOTATION.
- INSTALL STUCCO EXPANSION JOINT AT INTERSECTION OF ALL DISSIMILAR SUBSTRATE MATERIALS

RCP LEGEND

	APC-2:KITCHEN - 2' X 4' X 3/4" WASHABLE LAY-IN VINYL FACED GYPSUM PANELS - PRE-FINISHED GRID TO MATCH NOTES: 1. INSTALL PER SEISMIC ZONE D MANUFACTURER'S REQUIREMENTS 2. CONDITIONS: PROVIDE MANUFACTURER SPECIFICATIONS FOR SUSPENDED ACOUSTICAL CEILING SYSTEM ON JOBSITE AT TIME OF INSPECTION (2021 NMCBC 808.1).
	1x6 TONGUE AND GROOVE CEILING, V-GROOVE FACING DOWN
	GYPSUM BOARD CEILING.: GYP. BOARD CEILING SYSTEM: 5/8" GYP. BOARD ON 2x6 WD JOIST 16" O.C.
	EXPOSED WOOD TRUSSES - PAINTED
	2X4 LAY-IN LED FIXTURE (SHATTER RESISTANT LENSES IN KITCHEN)
CF	CEILING FAN WITH LIGHT KIT - LED
	RECESSED CAN - LED
	WALL SCONCE - LED
	CEILING PENDANT - LED
E-L	EMERGENCY BACK UP LIGHT
EXIT / EXIT	EXIT SIGN WITH BATTERY BACK UP
	RETURN AIR REGISTER
	SUPPLY AIR REGISTER
EL.0.00' XXXX	CEILING HEIGHT (ABOVE FINISH FLOOR)

NOTE: REFER TO M/E/P DRAWINGS FOR ADDITIONAL INFORMATION

KEYED NOTES

1. STUCCO FINISH AT SOFFIT
2. LINE OF DUCTWORK ABOVE CEILING, REFER MECHANICAL PLAN
3. CENTER LIGHT FIXTURES WITHIN GRID, F.V. PRIOR TO INSTALLATION
4. LINE OF STEEL BEAMS
5. HOOD UNIT, FIELD VERIFY LOCATION WITH EQUIPMENT PRIOR TO INSTALLATION
6. WINDOW CANOPY
7. SUSPENDED WOOD GRID SYSTEM, REFER D3/A211 & C3/A712
8. PAINT CEILING STRUCTURE (TRUSSES AND ROOF DECKING) DARK GRAY THROUGHOUT.
9. PAINT DUCTWORK TO MATCH CEILING

FIRE SPRINKLER HEAD NOTE

- ALL SPRINKLER HEADS IN PUBLIC AREAS NOT OPEN TO STRUCTURE (FRONT OF HOUSE, RESTROOMS, HALL, ETC.) TO BE CONCEALED HEADS

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PETER BUTTERFIELD
NO. 3850

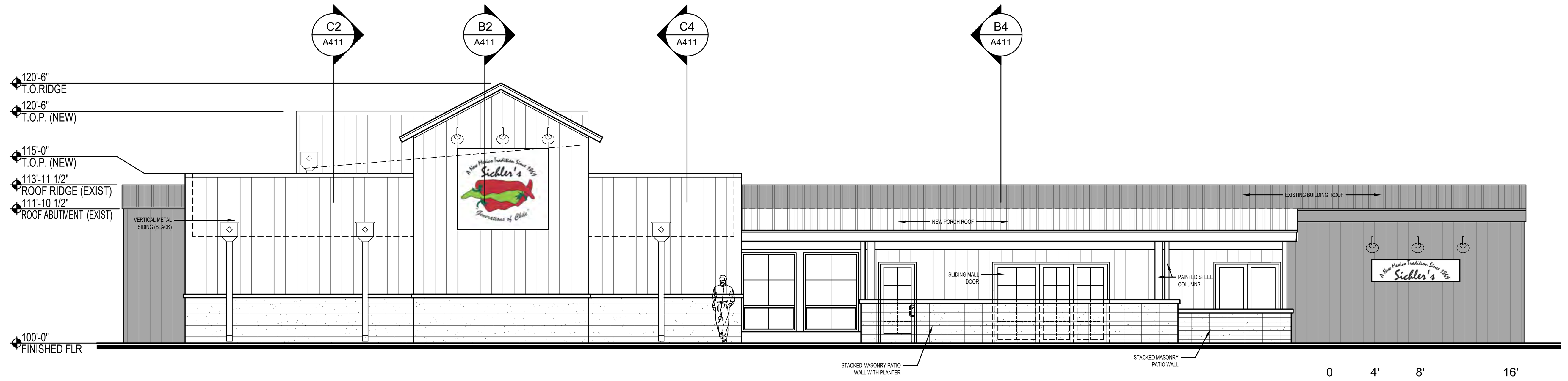
DRAWING NAME

REVISIONS

Sichler Farms Remodel
820 San Mateo Boulevard NE
Albuquerque, New Mexico

SHEET NO.
A211

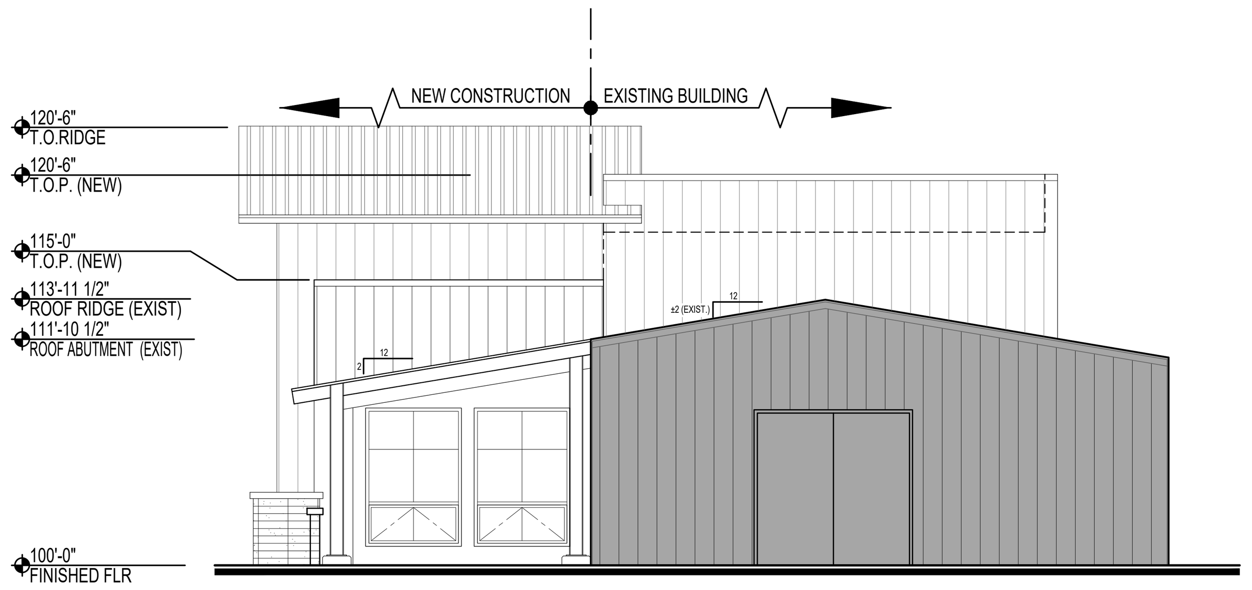
11/1/25



WEST (FRONT ELEVATION)

0 4' 8' 16'

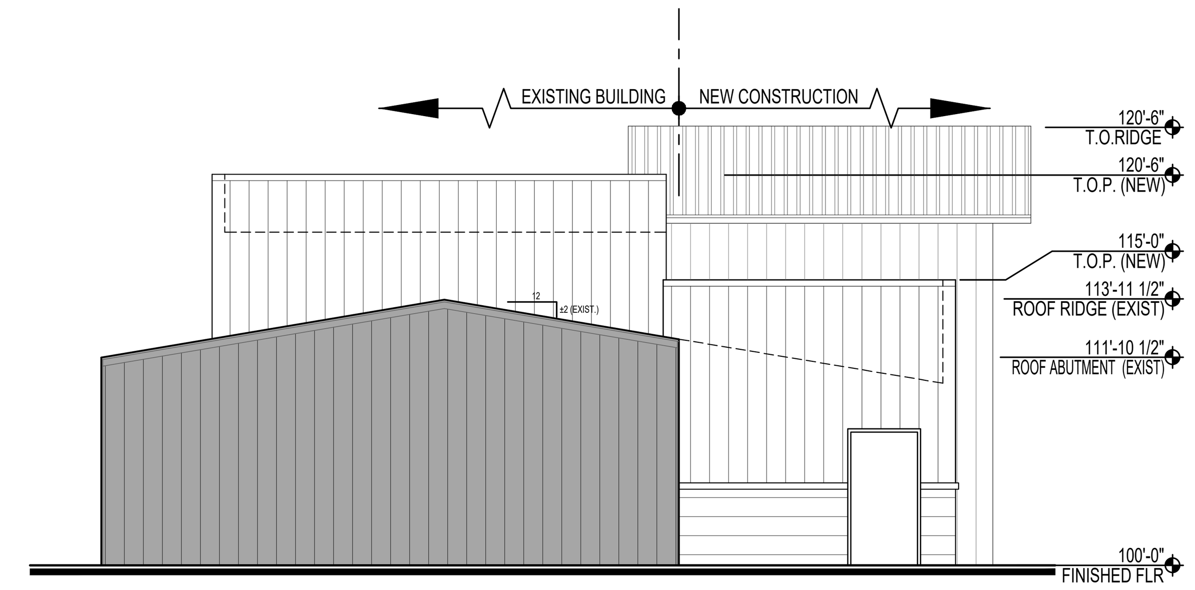
SCALE: 1/8" = 1'-0"



SOUTH (SIDE ELEVATION)

0 4' 8' 16'

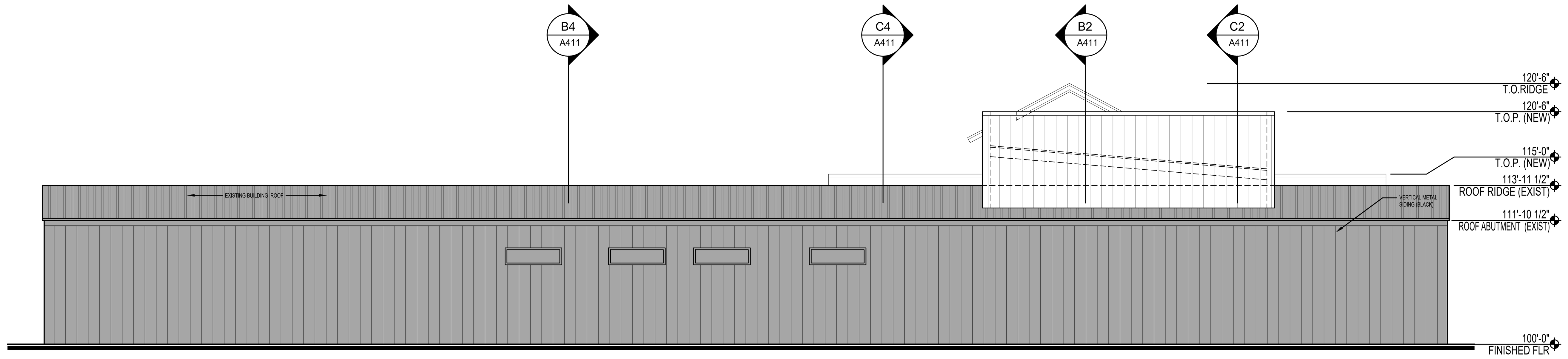
SCALE: 1/8" = 1'-0"



NORTH (SIDE ELEVATION)

0 4' 8' 16'

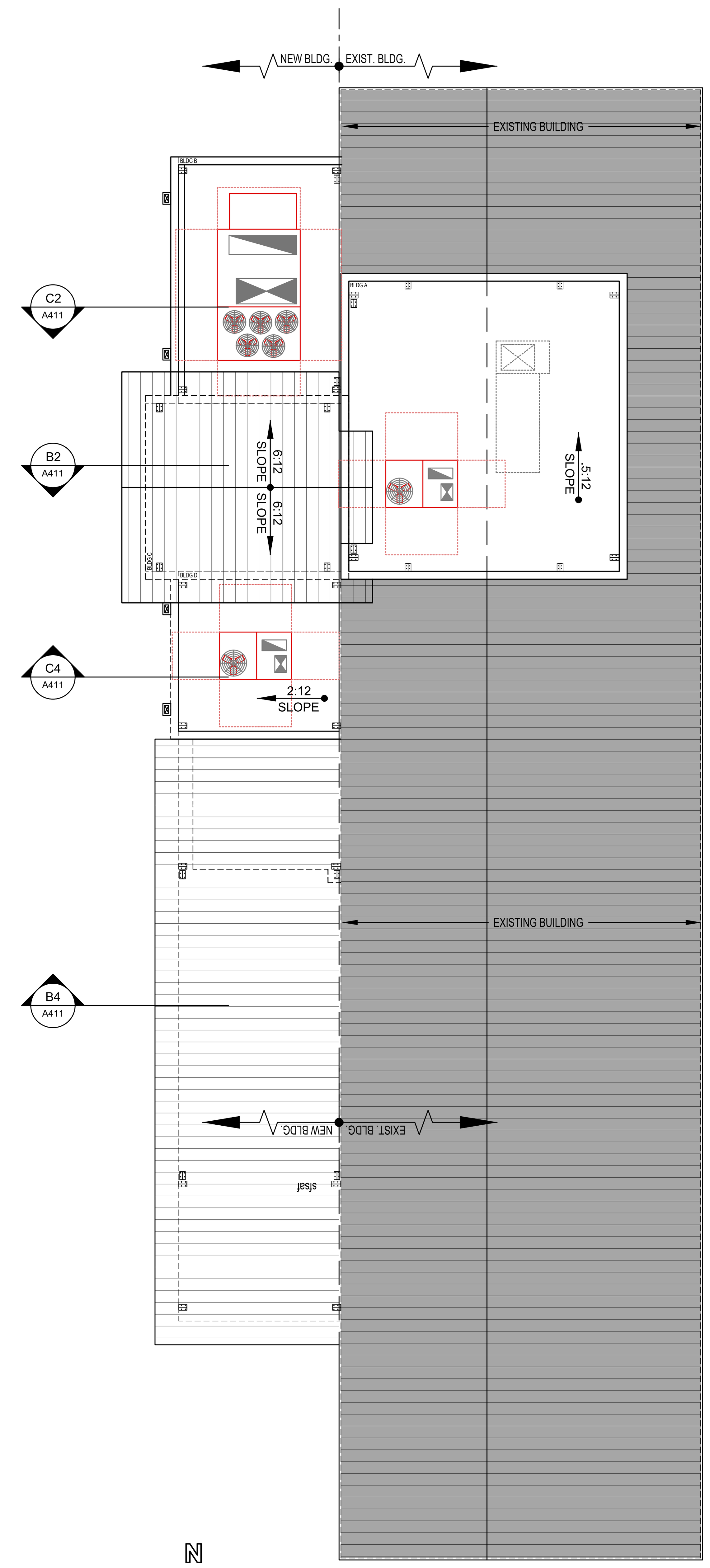
SCALE: 1/8" = 1'-0"



EAST (BACK ELEVATION)

0 4' 8' 16'

SCALE: 1/8" = 1'-0"



N

ROOF PLAN

0 4' 8' 16'

SCALE: 1/8" = 1'-0"

KEYED NOTES

ROOF KEYED NOTES:

1. ROOF ACCESS HATCH, BILCO 36"x36" TYPE 'E', REFER DETAIL D5/A612
2. RIGID FOAM OR OVERFRAMED CRICKET, MIN SLOPE .5:12
3. PREFINISHED PARAPET COPING, REFER A1,A2/A611
4. LIGHT FIXTURE BELOW
5. ENTRY DOOR BELOW FOR REFERENCE
6. ROOF PRIMARY AND OVERFLOW DRAIN, DISCHARGE WALL SPOUT WITH LAMBS TONGUE, REFER DETAILS D4/A311
7. TPO 60 MIL MEMBRANE SINGLE PLY MECHANICALLY FASTENED ROOF MEMBRANE SYSTEM (PROVIDE SRI EQUAL TO OR GREATER THAN 79) ON $\frac{1}{2}$" POLI-ISO (R2.9)RECOVERY BOARD ON R-30 MINIMUM CONTINUOUS POLI-ISO INSULATION (OMIT INSUALTION AT PORCH)
8. ROOF MEMBRANE WALK SYSTEM, CONT FROM LADDER TO ROOFTOP EQUIPMENT LOCATIONS
9. MECHANICAL EQUIPMENT AS SCHEDULED, REFER MECHANICAL
10. STEP IN PARAPET HT.
11. WALL MOUNTED SIGN LOCATION, REFER TO BUILDING ELEVATIONS AND COORDINATE WITH ELECTRICAL
12. LINE OF BLDG BELOW
13. METAL STANDING SEAM ROOF SYSTEM
14. OVER-FRAMED PARAPET WALL TOWER STRUCTURE
15. ROOF GUTTER AND LEADER
16. WINDOW CANOPY BELOW
17. PATIO HEATER VENTS, REFER D3/A311 AND MANUFACTURER DATA

NOTE:

- REFER TO BUILDING ELEVATIONS FOR ROOF WALL SPOUT LOCATIONS
- REFER TO BUILDING PLANS FOR ROOF ACCESS LADDER LOCATION
- ROOF VENTILATION REQUIREMENT:
  IBC 1203.2 - ONLY REQUIRED WHERE CEILINGS ARE APPLIED DIRECTLY TO UNDERSIDE OF ROOF FRAMING MEMBERS
- CONTRACTOR TO COORDINATE RTU ROOF PENETRATIONS OPENING SIZES WITH TRUSS LAYOUT

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STATE OF NEW MEXICO
PETER BUTTERFIELD
NO. 3850
9/20/24
REGISTERED ARCHITECT

DRAWING NAME

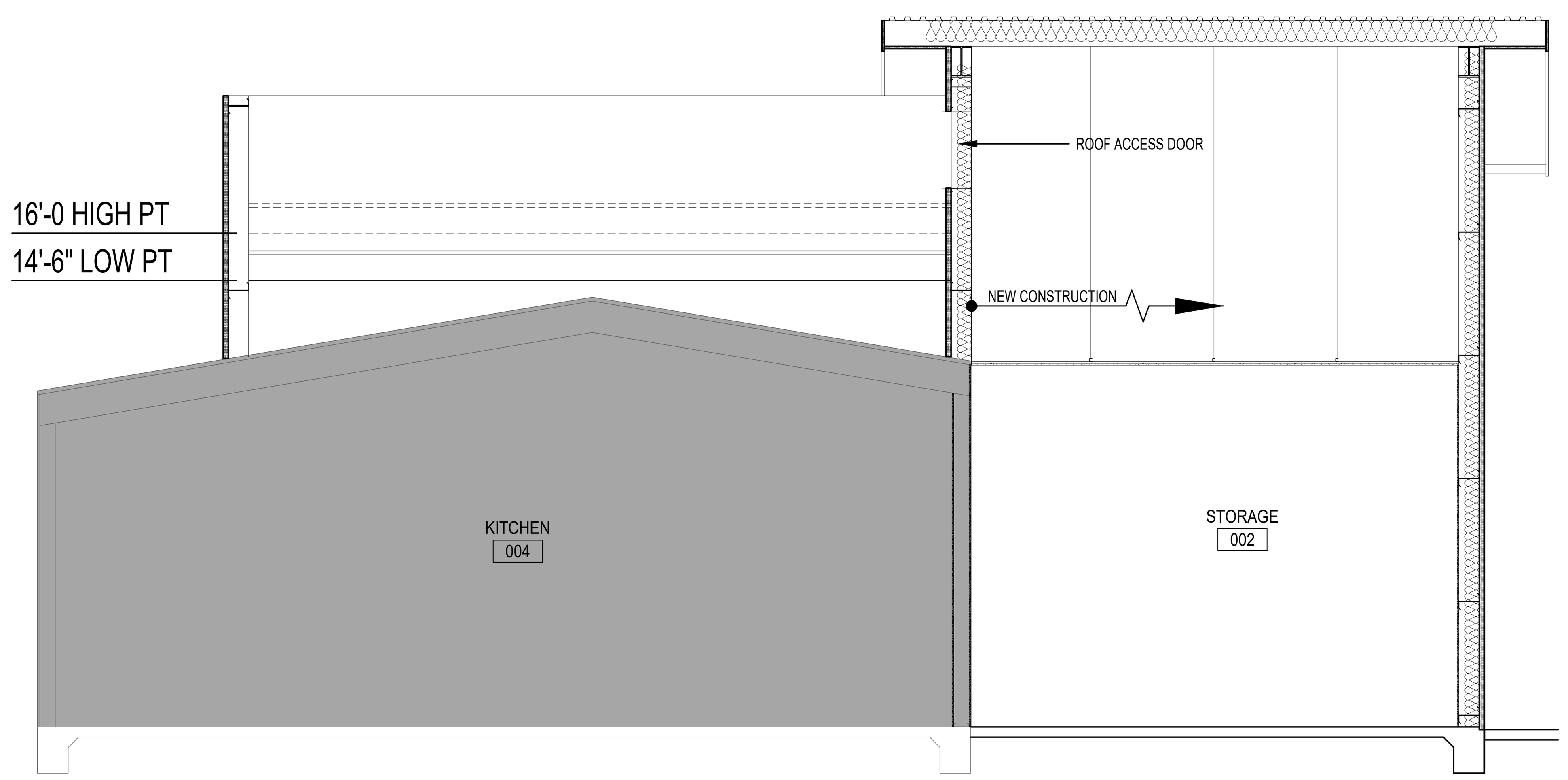
REVISIONS

Sichler Farms Remodel
820 San Mateo Boulevard NE
Albuquerque, New Mexico

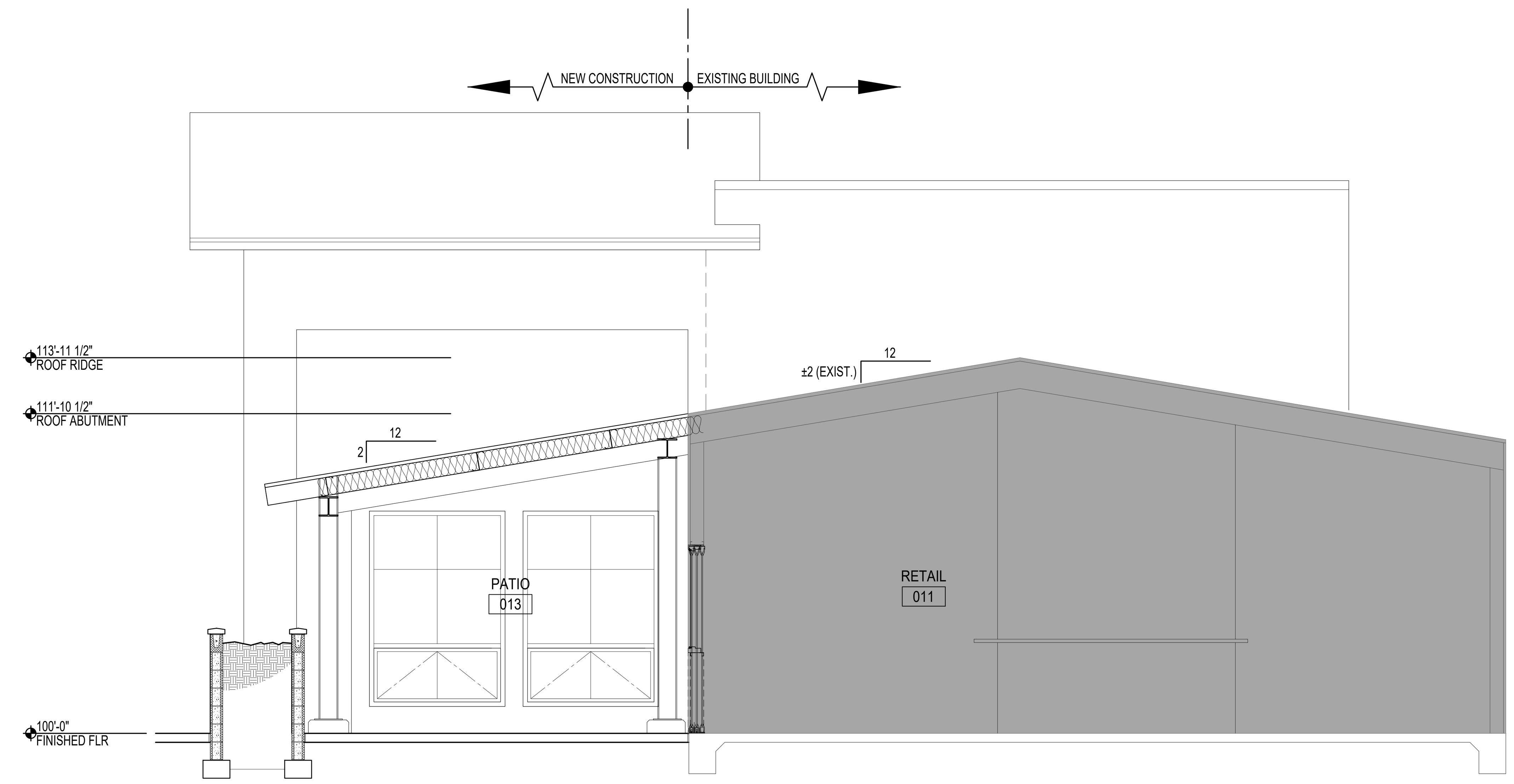
SHEET NO.

A311

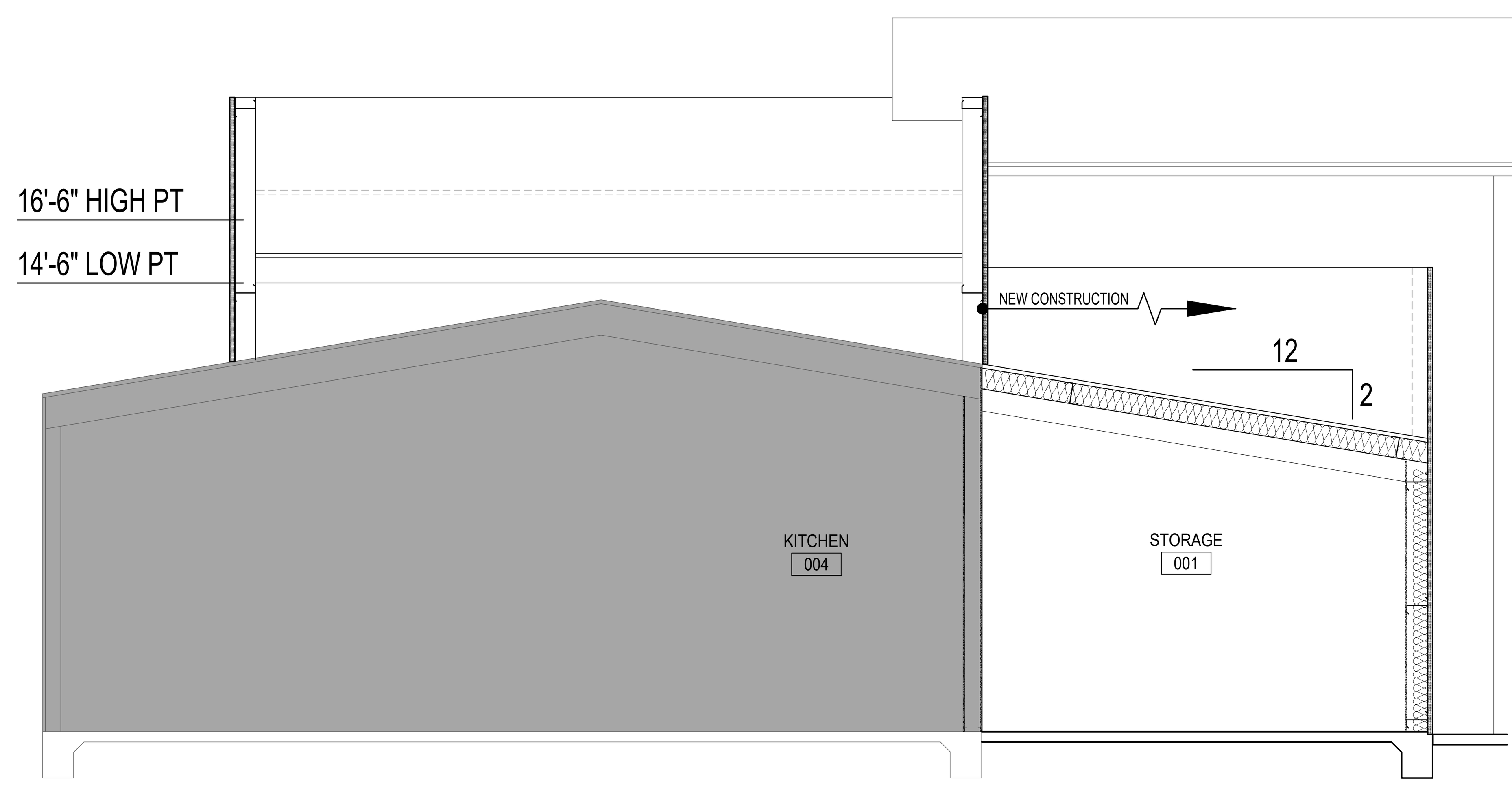
11/1/25



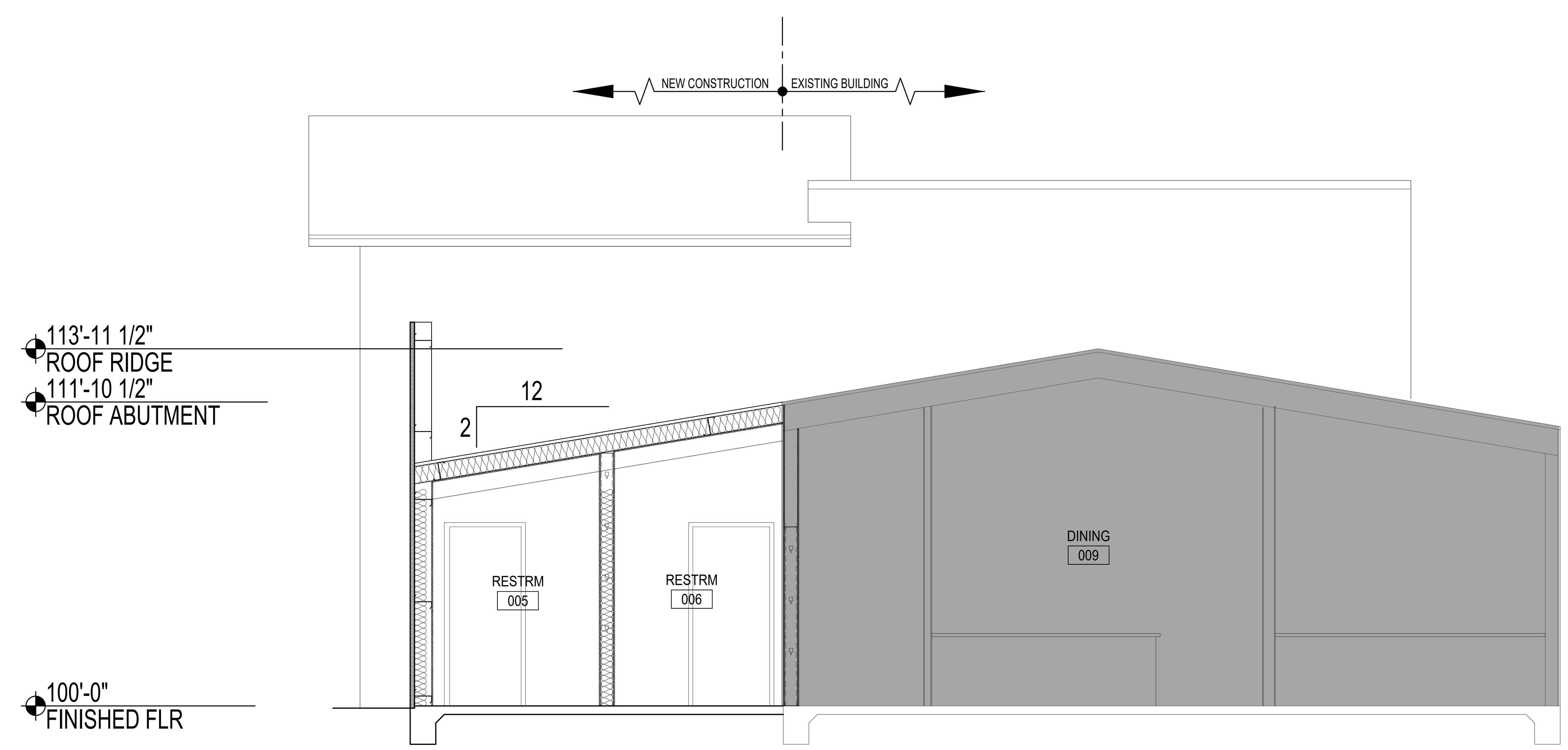
B2 BUILDING SECTION
1/4"=1'-0"



B4 BUILDING SECTION
1/4"=1'-0"



C2 BUILDING SECTION
1/4"=1'-0"



C4 BUILDING SECTION
1/4"=1'-0"

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DRAWING NAME

REVISIONS

Sichler Farms Remodel
820 San Mateo Boulevard NE
Albuquerque, New Mexico

SHEET NO.
A411
11/1/25

This document is being recorded in correction of but not in lieu of that certain Warranty Deed recorded December 31, 2015 as document #2015113487 to correct the grantor name.

Return to First American Title Insurance Company
<FONTFile No. 2075231-AL01 RM

WARRANTY DEED

Melloy Brothers Motor Ltd., Co., a New Mexico limited liability company, for consideration paid, grant(s) to Sichler Farms, LLC, a NM limited liability company whose address is 12 Blackberry Lane, Los Lunas, NM 87031, the following described real estate in Bernalillo County, New Mexico:

That part of Lots 1 thru 12 inclusive, Block 1 of the Replat of Tijeras Park Addition to the City of Albuquerque, as outlined on a plat filed in Book C, page 158, on August 9, 1949, in the Office of the County Clerk and Recorder, County Bernalillo, State of New Mexico, being more particularly bounded and described as follows, to wit:
Beginning at a point where the Easterly Right of my Line of MP F C34-1 (5) on San Mateo Boulevard, intersects the southerly line of Lot 1 and Northerly Right of way Line of San Juan Road, said point being S. 89° 45' 33" E., a distance of 70.64 feet from the Southwesterly Corner of said Lot 1; the coordinates for the point of beginning when referred to the New Mexico State Plane Coordinates System, Central Zone, are: N. 1,486,360.99, E., 399,670.65;
Thence Northerly along the Easterly Right of way line of NMP F-034-1 (5) 1 on San Mateo Boulevard, a curve to the right having a Delta of 77° 11' 00", a radius of 17.24 feet, an arc distance of 23.22 feet to the point of tangency of said curve; thence N. 12° 34' 33" W., along the said Easterly Right of way line a distance of 28.13 feet to a point; thence N. 00° 15' 47"E., along the said Easterly Right of way line a distance of 259.16 feet to the Northerly line of lot 12 and the southerly Right of way Line of Roma Avenue: thence S. 89° 45' 33" E., along the Northerly line of lot 12 and the southerly Right of way line of Roma Avenue, a distance of 69.81 feet to the Northeasterly Corner of Lot 12; thence S. 00° 14' 27" W., along the Easterly line of lots 12 thru 1, a distance of 300.0 feet to the Southeasterly Corner of Lot 1; thence N. 89° 45' 33" N., along the southerly line of Lot 1, and the Northerly Right of way line of San Juan Road, a distance of 46.86 feet to the point of beginning.

AND

A certain parcel of land being identified as the Southerly Seven Tenths of One Foot (0.7') of vacated Roma Avenue N.E. lying immediately North of and adjacent to an Easterly Portion of Lot Twelve (12), Block One (1), of the Replat of Tijeras Park Addition to the City of Albuquerque, New Mexico, as the same is shown and designated on the Map of said Replat, filed in the Office of the County Clerk of Bernalillo County, New Mexico, on August 9, 1949; and being more particularly described as follows:
Beginning at the Southeast Corner of the parcel herein described and common Northeast Corner of said Lot 12, Block 1 of said Tijeras Park Addition, and running thence, N. 89° 45' 33" W., 69.81 feet distance to the Southwest Corner of the parcel herein described, being a point on the Easterly Right of way line of NMP F-034-1 (5) on San Mateo Blvd. N.E.; thence,
N. 00° 15' 47" E., 0.7 foot distance along said Easterly Right of way line of San Mateo Blvd. N.E., to the Northwest Corner of the parcel herein described; thence,
S. 89° 45' 33" E., 69.81 feet distance to the Northeast Corner of the parcel herein described; thence,
S. 00° 14' 27" W., 0.7 foot distance to the place of beginning.

Subject to reservations, severances, restrictions, and easements of record and taxes for the year 2016 and subsequent years.

with warranty covenants.

WITNESS my/our hand(s) and seal(s) this 3/30, 2016.

Melloy Brothers Ltd. Co., a New Mexico limited liability company

By: [signature]
Name: Patrick C. Melloy
Title: Managing Member

E-RECORDED simplifile
ID: 2016035245
County: Bernalillo
Date: 4/18/16 Time: 2:40PM

PARCEL NUMBER
1 018 057 012 462 24301

PROPERTY ADDRESS AND DESCRIPTION 820 SAN MATEO NE
1 LOTS 1 - 12 TIJERAS PARK ADDN

BERN CO Bernalillo County

2025 TAX BILL

TIM EICHENBERG
BERNALILLO COUNTY
TREASURER
415 SILVER AVENUE SW
ALBUQUERQUE, NM 87102
(505) 468-7031
Email: Treasurers@bernco.gov
http://www.bernco.gov/treasurer

SCAN HERE TO PAY ONLINE

AFC

T32 P1 12 31 RN: 238 101805701246224301 RP
SICHLER FARMS LLC
12 BLACKBERRY LN
LOS LUNAS NM 87031-9520

NOTICE
THIS IS THE **ONLY TAX BILL** YOU WILL RECEIVE FOR PAYMENT OF BOTH INSTALLMENTS OF YOUR 2025 PROPERTY TAX

A1A C ◀ TAX DISTRICT N ◀ PROPERTY CLASSIFICATIONS
R = RESIDENTIAL
N = NON-RESIDENTIAL

ASSESSED VALUE
Property value assessed by the County Assessor as of January 1, 2025. Taxable value is 1/3 of full value.

PROPERTY	FULL VALUE	TAXABLE VALUE
LAND	106,037	35,342
IMPROVEMENTS	232,544	77,507
PERSONAL PROPERTY		
MANUFACTURED HOME		
TOTAL VALUATION		112,849
EXEMPTION CODES		
HEAD OF FAMILY		
VETERAN		
OTHER		
TOTAL NET TAXABLE VALUE		112,849

TAX RATES ARE SHOWN IN DOLLARS PER THOUSAND
Tax rates and/or amounts as set by State, County, or local governmental agencies
Where your tax dollars are going

AGENCIES	TAX RATE	NET TAXABLE VALUE	TAX AMOUNTS
State of New Mexico	1.360	112,849	153.47
Bernalillo County	11.532	112,849	1,301.38
City of Albuquerque	11.068	112,849	1,249.01
APS/APS Charter Schools	10.844	112,849	1,223.74
CNM	3.707	112,849	418.33
Univ. New Mexico Hospital	6.400	112,849	722.23
Albuq. Metro Arroyo Flood Cont	1.123	112,849	126.73
Ciudad Conservation	.095	112,849	10.73
TOTAL RATE	46.129	2025 TAX	5,205.62

PAST DUE TAXES MUST BE PAID BEFORE ACCEPTING CURRENT YEAR PAYMENT

YEAR	TAX	INTEREST	PENALTY	FEES	PAYMENT RECEIVED	PAST DUE AMOUNT

PLEASE FOLD AT PERFORATION BEFORE REMOVING COUPON *PLEASE RETAIN THIS UPPER PORTION FOR YOUR RECORDS*

2nd HALF PAYMENT COUPON

Please make your payment payable to:
Bernalillo County Treasurer
PO Box 27800 • Albuquerque, NM 87125-7800

SICHLER FARMS LLC

PRINT THIS PARCEL NO. ON YOUR CHECK: 1 018 057 012 462 24301

TOTAL	AMOUNT DUE
2025 Total 2nd Half Due	2,602.81

SECOND HALF PAYMENT IS DUE APRIL 10, 2026 AND BECOMES DELINQUENT IF NOT PAID BY MAY 10, 2026
IF A MORTGAGE COMPANY IS RESPONSIBLE FOR PAYING YOUR TAXES, CONTACT THEM TO ENSURE PAYMENT

Letter of support for Sichler Farms MRA Boundary Amendment Application

The Fair West Neighborhood Association board supports Sichler Farms' boundary amendment application to the Metropolitan Redevelopment Agency. I, Nicholas Hamill president of the Fair West Neighborhood Association, met with John and Tim Sichler in Sept of 2024 and was encouraged to learn more about their long history in the neighborhood and future plans. I then discussed a letter of support for their boundary amendment application with the association board and we agreed to sign the letter.

The FWNA board is hopeful that this type of public and private partnership can strengthen our neighborhood's Western border along San Mateo and support a longtime local business.

We'd be happy to participate in future phases of the amendment application process with prompt communication, an ability to disseminate information to property owners and to encourage productive communication.

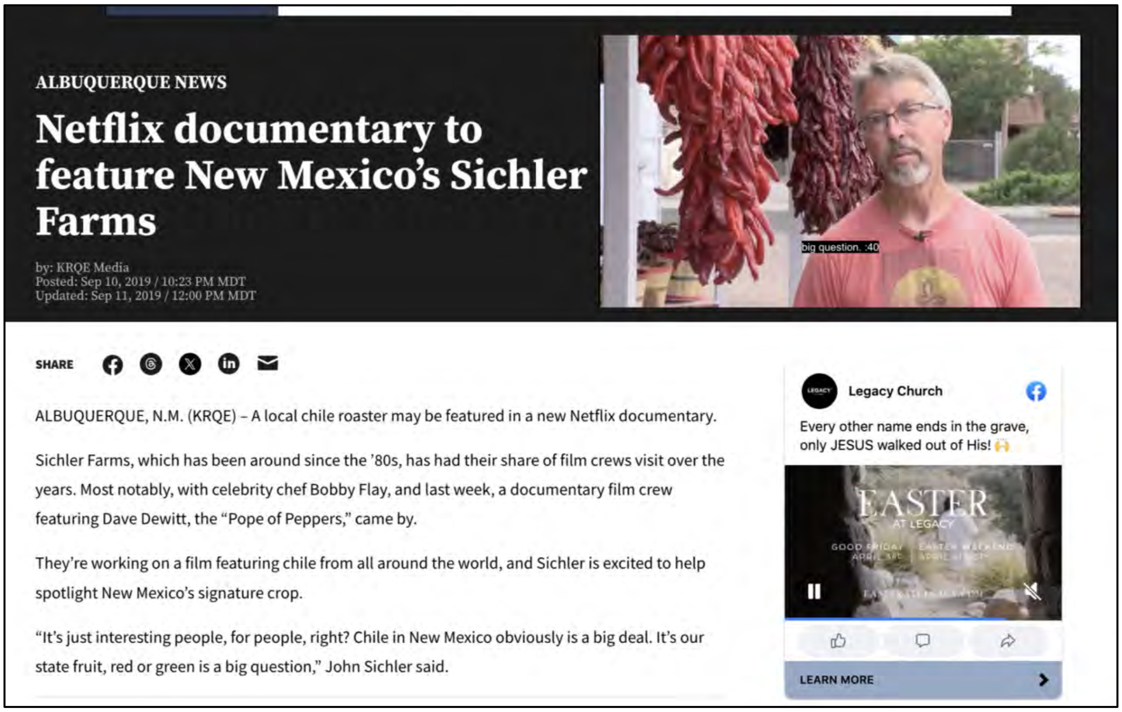

Figure 3: *KRQE News coverage highlighting Sichler Farms' inclusion in a Netflix documentary on New Mexico chile culture.*

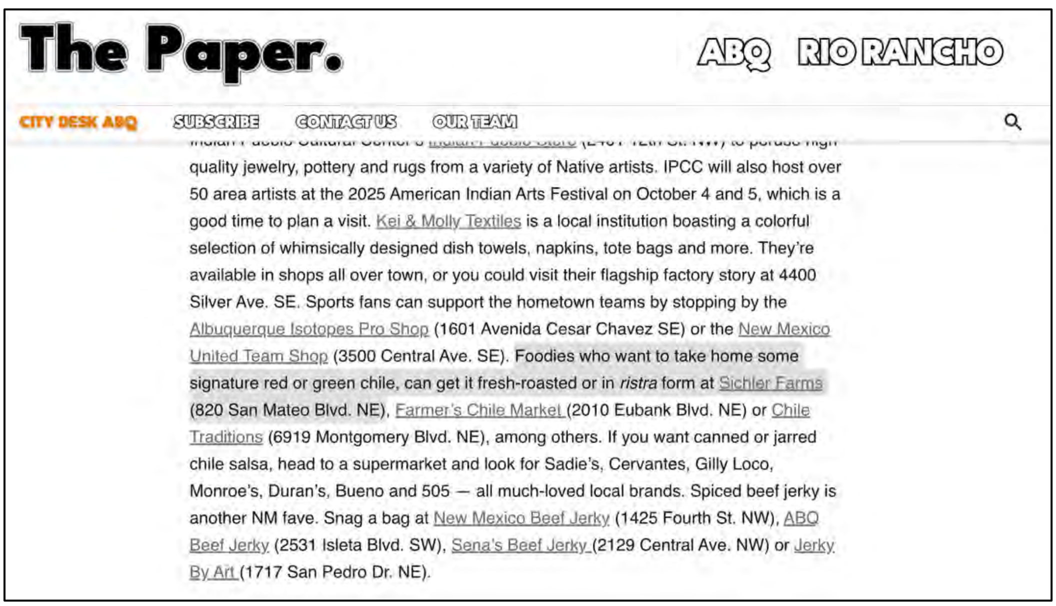

Figure 4: *The paper identifying Sichler Farms as a local destination for chile and New Mexico products.*

Figure 5: *Wooden bench providing an artistic feature visible from the street.*

Form **W-9**
(Rev. March 2024)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Go to *www.irs.gov/FormW9* for instructions and the latest information.

Give form to the requester. Do not send to the IRS.

Before you begin. For guidance related to the purpose of Form W-9, see *Purpose of Form*, below.

Print or type. See *Specific Instructions* on page 3.

1 Name of entity/individual. An entry is required. (For a sole proprietor or disregarded entity, enter the owner's name on line 1, and enter the business/disregarded entity's name on line 2.)

Tanglewood Construction, Inc.

2 Business name/disregarded entity name, if different from above.

3a Check the appropriate box for federal tax classification of the entity/individual whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor ☐ C corporation ☑ S corporation ☐ Partnership ☐ Trust/estate

☐ LLC. Enter the tax classification (C = C corporation, S = S corporation, P = Partnership) . . . . . ______

Note: Check the "LLC" box above and, in the entry space, enter the appropriate code (C, S, or P) for the tax classification of the LLC, unless it is a disregarded entity. A disregarded entity should instead check the appropriate box for the tax classification of its owner.

☐ Other (see instructions) ______

3b If on line 3a you checked "Partnership" or "Trust/estate," or checked "LLC" and entered "P" as its tax classification, and you are providing this form to a partnership, trust, or estate in which you have an ownership interest, check this box if you have any foreign partners, owners, or beneficiaries. See instructions . . . . ☐

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) ______

Exemption from Foreign Account Tax Compliance Act (FATCA) reporting code (if any) ______

(Applies to accounts maintained outside the United States.)

5 Address (number, street, and apt. or suite no.). See instructions.

P.O. Box 44333

Requester's name and address (optional)

6 City, state, and ZIP code

Rio Rancho, NM 87174

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. See also *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

_ _ _ – _ _ – _ _ _ _

or

Employer identification number

2 0 – 8 7 7 6 0 5 5

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and, generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here **Signature of U.S. person** Robert Thomas **Date** 6/5/26

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9*.

What's New

Line 3a has been modified to clarify how a disregarded entity completes this line. An LLC that is a disregarded entity should check the appropriate box for the tax classification of its owner. Otherwise, it should check the "LLC" box and enter its appropriate tax classification.

New line 3b has been added to this form. A flow-through entity is required to complete this line to indicate that it has direct or indirect foreign partners, owners, or beneficiaries when it provides the Form W-9 to another flow-through entity in which it has an ownership interest. This change is intended to provide a flow-through entity with information regarding the status of its indirect foreign partners, owners, or beneficiaries, so that it can satisfy any applicable reporting requirements. For example, a partnership that has any indirect foreign partners may be required to complete Schedules K-2 and K-3. See the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS is giving you this form because they

STATE OF NEW MEXICO

CONSTRUCTION INDUSTRIES DIVISION

TANGLEWOOD CONSTRUCTION INC

LICENSE NUMBER

364972

EXPIRES

03/31/2028

Qualifying Party(S)

GRANATH ROBERT TODD

CLASSIFICATION(S)

GB98

DIRECTOR

This card is the property of the CID and shall be surrendered upon demand

City of Albuquerque

Albuquerque Police Department

Timothy M. Keller
Mayor

Cecily A. Barker
Chief of Police

May 6, 2026

Interoffice Memorandum

To: China Faire Osborn, AICP – Metropolitan Redevelopment Agency

From: Laura Kuehn, NCPS, ICPS – Senior Crime Prevention Specialist

Subject: Redevelopment Tax Abatement Program - Sichler Farms

Regarding the proposed site plan for the renovation of 820 San Mateo Blvd. NE, I respectfully submit the following comments based on Crime Prevention through Environmental Design:

- Ensure adequate lighting throughout the project, to include parking lots, pedestrian walkways, and common areas.
- Ensure natural surveillance and clear lines of sight throughout the property. Natural surveillance requires a space free from natural and physical barrier (i.e. open picket vs. solid fences).
- Consider impact resistant glass or film for windows; as an alternative consider roll down shutters.
- Establish a clear line of sight from the parking areas to the building and from the building the parking areas.
- Ensure that landscaping is installed so as not to obstruct entryways and lighting.
- Ensure that landscaping is maintained to provide natural surveillance, trimming trees up to create a canopy of at least six feet; and trimming shrubs and bushes down to three feet.
- Ensure adequate locking devices (i.e. commercial grade deadbolt locks or electronic locks) on exterior doors.
- Ensure roof hatch remains locked from the inside when not in use.
- Secure patio furniture so it cannot be remove; as an alternative consider roll down shutters.
- Ensure that addresses are posted and clearly visible.
- Limit and clearly delineate access to the property – i.e. public vs. private (employee) entrances.
- Consider video surveillance systems to monitor the space, including entrance and exit points, parking lots, and any sensitive areas such as storage areas, cash handling, office space. Utilize video surveillance to enhance visibility to areas of reduced natural surveillance.
- Consider integrating camera systems with the Albuquerque Police Department Real Time Crime Center (RTCC) to provide access to camera systems in the event of a crime in progress.
- Clearly delineate public, semi-public, semi-private, and private space throughout the project.

- Install *No Trespassing* signs so that they are visible immediately upon entering the property and at a height not easily accessible to vandals.

If you have any questions regarding these CPTED recommendations, please call me at 768-2006. I am available to do an on-site security survey after the project is complete.

cc: Tim Sichler, Sichler Farms
Victoria Sichler, Sichler Farms

EXHIBIT C

CITY OF ALBUQUERQUE, NEW MEXICO,

AND

[DEVELOPER NAME]
a New Mexico Limited Liability Corporation

LEASE AND PURCHASE AGREEMENT

Dated as of [DATE]

The CITY OF ALBUQUERQUE, NEW MEXICO, a New Mexico municipal corporation (together with its successors and assigns, the “City”), and [DEVELOPER NAME], a [LOCATION OF INCORPORATION AND ENTITY TYPE] [(together with its successors and assigns, the “Developer”), as of the Execution Date, agree as follows:

ARTICLE I - RECITALS

Section 1.1 Recitals. The City is authorized under the Metropolitan Redevelopment Code, Sections 3-60A-1 to 3-60A-13 and 3-60A-14 to 3-60A-48 NMSA 1978 (the “Code”), to acquire certain metropolitan redevelopment projects and to lease such projects in order to secure a property tax abatement of up to fourteen (14) years under Section 7-36-3.1 of the Property Tax Code.

(a) The Developer has submitted a proposal (the “Project Plan”) to the Albuquerque Development Commission (the “Development Commission”) for a metropolitan redevelopment project consisting of the construction of [PROJECT DESCRIPTION]. (collectively, the “Project”) to be located on an approximately [LOT SIZE] square foot (LOT SIZE acre) development site located at [LOCATION], Albuquerque, New Mexico, all within the [MRA] Metropolitan Redevelopment Area (as more specifically described on Exhibit A, the “Project Site”).

(b) The Developer has invested a minimum of [CONSTRUCTION COST] over [CONSTRUCTION TIME] months to redevelop the Project Site, all to the benefit of the Project and the [MRA] Metropolitan Redevelopment Area.

(c) The Project Plan contemplates, among other things, that the City acquire the Project thereby providing the tax abatement under Section 7-36-3.1 NMSA 1978, and to lease, and ultimately sell, the Project Site back to the Developer to operate and maintain pursuant to the terms of this Lease and Purchase Agreement (together with all amendments and supplements, this “Lease”).

(d) The Development Commission has reviewed the Project Plan, and after notice has held a public hearing and determined that the Developer has complied with the requirements of City Resolution No. 16-1985, as amended, and has recommended approval of the Project Plan to the City Council of the City.

(e) The City has determined that it is desirable to acquire the Project by Council Resolution No. R-XX-XXX, adopted [DATE] (Enactment No. R-XXXX-XXX), (the “Project Resolution”) and under the terms of the Project Resolution has authorized the acquisition of the Project for a [#]-year term.

(f) After having considered the provisions of the Project Plan and the Developer’s proposal to finance the acquisition, renovation, construction and equipping of the Project, the City deems it desirable, in the best interest of its residents and in accordance with the purposes of the Code, to enter into this Lease for the purposes described above for [#] years.

ARTICLE II- DEFINITIONS AND RULES OF CONSTRUCTION

Section 2.1 Definitions. All words and terms used in this Lease shall have the following meanings:

(a) "Additional Payments" has the meaning assigned in Section 5.3(d).

(b) "Administrative Fee" means the annual fee payable to the City from the Developer due each December 31 for the term of this Lease as provided in Section 5.3(c) herein.

(c) "Applicable Environmental Laws" means any applicable law, statute, regulation, order or rule pertaining to health or the environment, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("CERCLA"), and the Resource Conservation and Recovery Act of 1976 ("RCRA").

(d) "Authorized City Representative" means the Mayor or Chief Administrative Officer of the City, or any one of the persons at the time designated to act on behalf of the City in a certificate furnished to the Developer containing the specimen signatures of such persons and signed on behalf of the City by its Mayor or Chief Administrative Officer.

(e) "Rent" has the meaning assigned in Section 5.3(a).

(f) "Business Day" means any day that is not a Saturday or Sunday or a day on which banking institutions in the State or City are authorized or required to close.

(g) "Code" has the meaning assigned in Section 1.1.

(h) "Developer" means [DEVELOPER LEGAL ENTITY], a New Mexico limited liability company.

(i) "Eminent Domain" means the taking of title to, or the temporary use of, all or any part of the Project pursuant to eminent domain or condemnation proceedings, or by any settlement or compromise of such proceedings, or any voluntary conveyance of all or any part of the Project during the pendency of, or as a result of a threat of, such proceedings.

(j) "Event of Default" has the meaning assigned in Section 8.1.

(k) "Execution Date" means the date of this Lease is executed both the City and the Developer.

(l) "Improvements" means all buildings, structures and other improvements constructed and to be constructed or renovated on the Project Site together with related demolition and site work, all equipment, fixtures and furnishings together with equipment, fixtures and furnishings that are in replacement thereof due to obsolescence, and all other personal property of any kind that is suitable for use and used as part of the Project.

(m) "Indemnitee" has the meaning assigned in Section 6.3.

(n) “Lease” means this Lease and Purchase Agreement.

(o) “Lender” or “Lenders” means any and all persons or successors in interest thereof (a) lending money or extending credit related to the Project (including any financing lease, monetization of tax benefits, back leverage financing or credit derivative arrangement) to the Developer or to an affiliate of the Developer including: (i) for the construction, permanent or interim financing or refinancing of the Project: (ii) for working capital or other ordinary business requirements of the Project (including the maintenance, repair, replacement or improvement of the Project); (iii) for any development financing, bridge financing, credit support, credit enhancement or interest rate protection in connection with the Project; (iv) for any capital improvement or replacement related to the Project; or (v) for the purchase of the Project Site and related rights from the Developer, and/or (b) participating (directly or indirectly) as an equity investor in the Project primarily in connection with the utilization of applicable federal tax credits or tax depreciation benefits associated with holding an ownership interest in the Project, or (c) participating as a lessor under a lease finance arrangement relating to the Project (which such arrangement shall not be deemed to include this Lease, and which person or persons shall not include Developer or any of its affiliates).

(p) “NMSA 1978” means the New Mexico Statutes Annotated, 1978 Compilation, as amended and supplemented.

(q) “Payment in Lieu of Taxes” or “PILT” means the yearly property tax amount due as evidenced by a tax bill calculated by Bernalillo County and described in Section 5.3(b).

(r) “Permitted Liens” means, as of the date of delivery of this Lease, the liens and encumbrances shown in Exhibit B, and, as of any particular time, (i) liens for taxes and special assessments, if any, to the extent permitted in Section 4.15, (ii) this Lease and any assignment of lease permitted by this Lease and any supplements thereto, (iii) easements, licenses, rights-of-way and other rights or privileges in the nature of easements permitted in Section 4.11, (iv) mechanics’, materialmen’s, carriers’ and other similar liens to the extent permitted in Section 4.15, (v) liens securing loans or other financing for the Project, (vi) such other liens as are specifically consented to in writing by both the City and the Developer, and (vii) such minor defects, irregularities, encumbrances, easements, rights-of way and clouds on title to the Project as normally exist with respect to similar properties and as do not, individually or in the aggregate, materially impair the Project for the purpose for which it is used by the Developer or materially detract from the value of the Project.

(s) “Person” means any individual, corporation, partnership, limited liability Developer, joint venture, association, joint stock Developer, trust, unincorporated organization or government or any agency or political subdivision.

(t) “Proceeds” when used with respect to any insurance proceeds or any award resulting from, or other amount received in connection with, Eminent Domain, means the gross proceeds from the insurance or such award or other amount.

(u) "Project" means, collectively, the existing improvements on the Project Site, together with all renovations and new construction contemplated thereto under the Project Plan, constructed on the Project Site, all as more specifically described in the Project Plan.

(v) "Project Resolution" means the City's Resolution No. R-XX-XXX, adopted [DATE].

(w) "Project Site" means the real property in the City of Albuquerque, Bernalillo County, New Mexico described on Exhibit A.

(x) "State" means the State of New Mexico.

(y) "Term" means the period from the Execution Date to the earlier of the date of termination of this Lease or the Termination Date.

(z) "Termination Date" means the date [#] years from the Execution Date.

Section 2.2 Rules of Construction.

(a) The captions and headings in this Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Lease.

(b) All references in this Lease to particular articles, sections or exhibits are references to articles or sections of or exhibits to this Lease unless some other reference is established.

ARTICLE III - REPRESENTATIONS

Section 3.1 City Representations. The City represents that, as of the date of delivery of this Lease:

(a) The City is a municipal corporation organized and existing under the laws of the State.

(b) By adoption of the Project Resolution, the City has duly authorized the execution, delivery and performance of this Lease and acquisition of the Project for the purpose of enabling the Developer to obtain the tax exemption authorized under Section 7-36-3.1 NMSA 1978, and to support the Developer's investment in and improvements to the Project Site to the benefit of the City and its residents, in particular the [MR Area Name] Metropolitan Redevelopment Area.

(c) To the knowledge of the City, without independent investigation, (i) the execution, delivery and performance by the City of the Lease will not conflict with or create a material breach of or a material default under the Code or any other law, rule, regulation or ordinance applicable to the City or the charter of the City or any agreement or instrument to which the City is a party or by which it is bound, and (ii) there is no action, suit, proceeding, inquiry or investigation by or before any court, public board or body, pending or threatened against the City, which seeks to or does restrain or enjoin the execution and delivery of this Lease or the City's acquisition of the Project.

Section 3.2 Developer Representations. The Developer represents that, as of the date of delivery of this Lease:

(a) The Developer is a limited liability company duly organized and validly existing under the laws of New Mexico, and has duly authorized the execution, delivery and performance of this Lease.

(b) The Developer has full right, power and authority to approve the execution, delivery and performance of this Lease and to perform its obligations under this Lease.

(c) The execution, delivery and performance by the Developer of this Lease do not and will not conflict with, contravene, violate or constitute a breach of or a default under its articles of organization or operating agreement or any agreement or instrument to which the Developer is a party or by which the Developer or any of its property is bound or any law, rule, regulation, decree or order applicable to the Developer; nor will such execution, delivery, and performance result in the imposition of a lien on any of the Developer's properties.

(d) No Event of Default, or event or condition which, with notice or lapse of time or both, would constitute an Event of Default, with respect to the Developer, has occurred and is continuing.

(e) All necessary authorizations, approvals, consents and other orders of any governmental authority or agency for the execution and delivery by the Developer of this Lease have been obtained and are in full force and effect.

(f) There is no action, suit, proceeding at law or in equity by or before any court, public board or body pending or, to the best of the knowledge of the Developer, threatened, against or affecting the Developer, (i) which seeks to or does restrain or enjoin the execution and delivery of this Lease, (ii) which in any manner questions the validity or enforceability of this Lease, (iii) which questions the authority of the Developer to own or operate the Project; or (iv) in which an adverse outcome is probable, and which, if adversely determined, would have a material adverse effect on the Developer, the Project or the Developer's ability to perform under this Lease.

(g) The Developer has not received any notice of an alleged violation and is not in violation of any zoning, land use, environmental or other similar law or regulation applicable to the Project Site.

(h) To the knowledge of the Developer, the location, construction, occupancy, operation and use of the Project does not violate any applicable law, statute, ordinance, rule, regulation, order or determination of any governmental authority (or other body exercising similar functions), or any restrictive covenant or deed restriction (recorded or otherwise) affecting the Project, including, without limitation, all applicable zoning ordinances and building codes, flood disaster laws and health and environmental laws and regulations.

(i) The Project Site is not the subject of any existing, pending or to the knowledge of the Developer threatened investigation or inquiry by any governmental authority or subject to any remediation obligations under any Applicable Environmental Laws, and the Developer is not aware of any basis for such investigation, inquiry or obligation.

(j) No representation made by the Developer in this Lease and to the knowledge of the Developer no statement made by the Developer in any information, material or report furnished to the City in connection with the transactions contemplated by this Lease contains any untrue statement of a material fact, or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(k) The Developer is not in default in the payment of the principal of or interest on any indebtedness for borrowed money or in default under any instrument or agreement under and subject to which any indebtedness for borrowed money has been issued.

(l) The Developer has the economic ability to meet all of the financial obligations imposed upon the Developer under this Lease and as related to the proposed improvements to the Project Site as outlined in the Project Plan.

(m) The Developer will operate or to cause the Project to be operated to the expiration or sooner termination of the Term.

(n) The Project will be located inside the corporate limits of the City.

All representations of the Developer contained in this Lease or in any certificate or other instrument delivered by the Developer pursuant to this Lease will survive the execution and delivery of this Lease and the termination of this Lease, as representations of facts existing as of the date of execution and delivery of the instrument containing such representation.

ARTICLE IV- THE PROJECT

Section 4.1 Acquisition, Renovation, Construction, Equipping and Completion.

(a) On or prior to the date of execution of this Lease, the Developer has conveyed the Project or caused the Project to be conveyed to the City, by special warranty deed and such other transfer or conveyance documents, including a bill of sale, as appropriate, to vest good title thereto in the City. The City agrees to cooperate with the Developer, at the sole expense of the Developer, in the Developer's efforts to take all necessary steps to cause the records of the Bernalillo County Assessor's office to reflect on or before the Execution Date, the acquisition and ownership of the Project by the City in order to permit the Project to be exempt from property taxation pursuant to Section 7-36-3.1 NMSA 1978.

(b) The Developer will not allow any contractor, subcontractor, materialman or laborer with respect to the Project to remain unpaid for amounts validly owed, and will take all actions or cause to be taken all actions necessary to prevent liens by such parties from being filed against the Project. None of the payments made pursuant to this Section, will entitle the Developer to reimbursement or reduction of the Basic Rent.

Section 4.2 Plans and Specifications; Changes.

(a) The Developer will not make any changes that will change the nature of the Project as a qualified "project" as contemplated by the Code.

(b) The Developer shall have the sole responsibility for the construction of the Project and for procurement from the appropriate State, county, municipal and other authorities and corporations, connection or reconnection and discharge arrangements for the supply of gas, electricity and other utilities for the operation of the Project.

Section 4.3 No Warranty. THE COMPONENTS OF THE PROJECT HAVE BEEN DESIGNATED AND SELECTED BY THE DEVELOPER. THE CITY HAS NOT MADE AN INSPECTION OF ANY PORTION OF THE PROJECT. THE CITY MAKES NO WARRANTY OR REPRESENTATION, EXPRESS, IMPLIED OR OTHERWISE, WITH RESPECT TO ANY PORTION OF THE PROJECT OR THE LOCATION, USE, DESCRIPTION, DESIGN, MERCHANTABILITY, FITNESS FOR USE FOR ANY PARTICULAR PURPOSE, CONDITION OR DURABILITY OF THE SAME, OR AS TO THE QUALITY OF THE MATERIAL OR WORKMANSHIP IN THE SAME. THE PROJECT IS A PRIVATE ENTERPRISE OF THE DEVELOPER AND IS NOT, AND SHALL NOT BE DEEMED, A PUBLIC PROJECT OF CITY. ALL RISKS INCIDENT TO THE PROJECT ARE TO BE BORNE BY THE DEVELOPER. THE CITY WILL HAVE NO LIABILITY WITH REGARD TO OR ARISING OUT OF ANY DEFECT OR DEFICIENCY OF ANY NATURE IN ANY PORTION OF THE PROJECT, WHETHER PATENT OR LATENT. THE PROVISIONS OF THIS SECTION 4.3 HAVE BEEN NEGOTIATED AND ARE INTENDED TO BE A COMPLETE EXCLUSION AND NEGATION OF ANY WARRANTIES OR REPRESENTATIONS BY THE CITY, EXPRESS OR IMPLIED TO THE EXTENT ALLOWED BY LAW, WITH RESPECT TO ANY PORTION OF THE PROJECT, WHETHER ARISING UNDER THE UNIFORM COMMERCIAL CODE OR ANY OTHER LAW NOW OR HEREAFTER IN EFFECT.

Section 4.4 Assessment in the Developer's Name. Upon termination of this Lease (on or before Termination Date), the Developer will take all necessary action to have the Project assessed for property tax purposes in the name of the Developer, and the Developer will pay all ad valorem taxes imposed on the Project from and after the date of termination. The Project shall be conveyed to the Developer to accomplish such assessment. The provisions of Article IX of this Lease govern the manner and form of any such conveyance. Notwithstanding the foregoing, if the Developer fails to take all necessary action to have the Project assessed for property tax purposes in the name of the Developer on or before the date of termination, the City may execute, deliver and cause to be recorded, at the expense of the Developer, a statutory form quitclaim deed and other transfer or conveyance documents conveying the Project to the Developer.

Section 4.5 Compliance with Law. The Developer will obtain or cause to be obtained all necessary permits and approvals for the operation and maintenance of the Project, will comply with all lawful requirements of any governmental body, agency or department regarding the use or condition of the Project and will cause the Project, upon completion, to comply with all applicable zoning and planning ordinances, building codes, restrictive covenants, environmental laws and regulations, and all other applicable laws, ordinances, statutes, rules and regulations relating to the Project. The Developer may in good faith contest the validity or the applicability of any such requirement. During the period of such contest and any related appeal, this Section 4.5 will be deemed satisfied with respect to the requirement so contested.

Section 4.6 Nuisance Not Permitted. The Developer will not permit or suffer its agents, employees, invitees (including building contractors and subcontractors), guests or other visitors to commit a nuisance on or about the Project or itself commit a nuisance in connection with its use or occupancy of the Project.

Section 4.7 Taxes and Utility Charges. The Developer will pay, as and when due, (i) all taxes, assessments, governmental and other charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Project, including property taxes as required under Section 3-60A-13.1 NMSA 1978, as amended, (ii) all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Project, and (iii) all assessments and charges lawfully made by any governmental body for public improvements that may be secured by any lien on the Project. The Developer may, in good faith, contest the amount or validity of any such levy, tax, assessment or other charge by appropriate legal proceedings, provided that such contest does not, in the reasonable judgment of the City, materially and adversely affect the interest or rights of the City. During the period of such contest and any related appeal, this Section 4.7 will be deemed satisfied with respect to any such levy, tax, assessment or other charge so contested. Notwithstanding the foregoing or anything else herein to the contrary, it is understood and agreed that the Project is exempt from property taxes and assessments during the Term of this Lease pursuant to Section 3-60A-13 of the Code and only those payments in lieu of property taxes and assessments calculated, due and payable in accordance with Section 3-60A-13.1 of the Code, and the Administrative Fee, shall be payable during the Term of this Lease.

Section 4.8 Maintenance. The City will not be under any obligation to, and will not, operate, maintain or repair the Project. During the Term, the Developer will, at its own expense, keep the Project in safe repair and in such operating condition as is needed for its operations and make all necessary repairs and replacements to the Project as determined in the Developer's sole discretion (whether ordinary or extraordinary, structural or nonstructural, foreseen or unforeseen), provided that such repairs and replacements do not change the nature of the Project as a qualified "project" under the Code.

Section 4.9 Replacement and Removal of Project Property. The Developer may replace or remove any equipment, fixtures or furnishings constituting a part of the Project, or make any structural changes or additions to the Project, provided that such replacement, removal, change or addition will not change the nature of the Project as a qualified "project" as contemplated by the Code. Upon request of the Developer, the City will deliver to the Developer, at the sole expense of the Developer, appropriate instruments evidencing the acquisition by the Developer of title to any machinery, equipment or fixtures permitted by this Section 4.9 to be so replaced or removed. The provisions of Article IX govern the delivery and form of any such instruments.

Section 4.10 Environmental Matters.

(a) To the extent that the Project will house petroleum or any petroleum products, asbestos, urea formaldehyde foam insulation or any other chemical, material or substance, exposure to which may or could pose a health hazard, the possession and use of such materials will be in accordance with law, including all Applicable Environmental Laws.

(b) To the extent that the use which the Developer makes or intends to make of the Project will result in the manufacture, treatment, refining, transportation, generation, storage, disposal or other release or presence of any hazardous substance or solid waste on or to the Project, such use will be in accordance with law, including all Applicable Environmental Laws. For purposes of this Lease, the terms "hazardous substance" and "release" will have the meanings specified in CERCLA, and the term "disposal" (or "disposed") will have the meaning specified in RCRA; provided, in the event either CERCLA or RCRA is amended so as to broaden the meaning of any term defined thereby, such broader meaning will apply subsequent to the effective date of such amendment, and provided further, to the extent that the laws of the State establish a meaning for "hazardous substance," "release," or "disposal" which is broader than that specified in either CERCLA or RCRA, such broader meaning will apply; and provided further, that the term "hazardous substance" will also include those listed in the U.S. Department of Transportation Table (49 C.F.R. 172.101) and amendments thereto from time to time.

(c) The Developer will promptly notify the City of any material violation or alleged material violation of any Applicable Environmental Laws pertaining to the Project relating to matters in subsections (a) and (b) above, of which the Developer becomes aware.

Section 4.11 Easements. The Developer may at any time or times grant easements, licenses, rights-of-way and other rights or privileges in the nature of easements with respect to any part of the Project and (ii) the Developer may release existing interests, easements, licenses, rights-of-way and other rights or privileges with or without consideration, provided that no such grant or release shall materially and adversely affect the value, operation or utility of the Project generally in accordance with the Project Plan. The City will, at the Developer's expense, reasonably cooperate with the execution of required instruments in connection with the grant and release of such easements, licenses, rights-of-way, and other rights and privileges, in accordance with City policies and practices.

Section 4.12 Eminent Domain; Damage; Destruction. The Developer will give prompt notice to the City of any material damage to or destruction of the Project. If either the City or the Developer receives notice of the proposed taking of all or any part of the Project by Eminent Domain, it will give prompt notice to the other. Any such notice will describe generally the nature and extent of such damage, destruction, taking or proposed taking. The Proceeds resulting from the exercise of Eminent Domain with respect to or from any damage to or destruction of all or any portion of the Project will be paid to the Developer.

Section 4.13 Insurance. The Developer will keep the Project continuously insured against such risks and in such amounts, with such deductible provisions, as are customary in connection with the operation of facilities of the type and size comparable to the Project as reasonably determined by the Developer. Each casualty insurance policy will show the Developer as loss payee and City as an additional insured and each public liability insurance policy will show the Developer as insured and City as an additional insured, for each policy as the respective interests of such parties may appear. Such insurance may, to the extent permitted under applicable law, be provided by blanket policies maintained by the Developer, by a captive insurance company controlled by the Developer or through self-insurance. Such insurance will include general liability insurance against liability for (i) claims for injuries to or death of any person or damage to or loss of property arising out of or in any way relating to the condition of the Project, and (ii) liability with respect to the Project under the workers' compensation laws of the State (unless the Developer has complied with the requirements of the laws of the State for self-insurance).

Section 4.14 Access and Inspection. During the Term, the Developer will, upon 72-hour prior notice, give the City and their duly authorized agents, during regular business hours, (i) such rights of access to the public areas or common areas of the Project and private areas in such cases as may be reasonably necessary to confirm the use and inspect the progress and condition of the Project, as contemplated by this Lease. The City understands that private areas may be subleased by third parties. Upon the 72-hour notice contemplated herein, Developer may request an additional 72 hours to provide sublessees and other tenants additional time to ensure adequate notification and permissions. During the Term, such rights of access and entry will not be terminated, curtailed or otherwise limited by any sale, assignment, lease or other transfer of the Project by the Developer to any other Person.

Section 4.15 Liens. The Developer will not suffer any liens to exist on the Project other than Permitted Liens. The Developer will notify the City of the existence of any lien, other than a Permitted Lien, on the Project within 30 days after such lien attaches. The Developer may, in good faith, contest the validity of any lien on the Project, provided that such contest does not, in the reasonable judgment of the City, materially and adversely affect the interest or rights of the City. During the period of such contest and any related appeal, this Section 4.15 will be deemed satisfied with respect to the lien so contested.

Section 4.16 Completion and Use of the Project. The Developer will use and complete the Project as required herein, or cause the Project to be used, continuously during the Term so as to constitute a "project" within the meaning of the Code as in effect on the date of execution and delivery of this Lease. A failure by the Developer to comply with this requirement may result in the City taking all steps necessary to have the Project conveyed to the Developer and assessed for property tax purposes in the name of the Developer 30 days after the failure to comply first occurs. As used in the first sentence of this Section 4.16 "continuously" means regularly and on a schedule consistent with that of similar facilities in the southwestern United States. Unit vacancies, temporary cessation of operations for maintenance, during reasonable periods for the repair or replacement of facilities damaged or destroyed, resulting from labor disputes or because of excess inventories or short-term slack demand, or under similar circumstances will not constitute a failure by the Developer to comply with this Section 4.16.

Section 4.17 Project Reporting and Compliance. The Developer will annually report to the Metropolitan Redevelopment Agency per-unit (or space for commercial) rents and occupancy data. [OTHER REQUIREMENTS IN CONIDITONS OF APPROVAL WILL BE INSERTED HERE.]

ARTICLE V - LEASE; TERM; POSSESSION; RENT.

Section 5.1 Lease of the Project; Term. In consideration of the payment of Rent and the Developer's improvements to the Project Site consistent with the Project Plan, the City leases the Project to the Developer for the Term.

Section 5.2 Quiet Enjoyment. The City will not take any action, other than pursuant to Section 4.12 or Article VII, and so long as the Developer is not otherwise in default under this Lease, to prevent the Developer from having quiet and peaceable possession and enjoyment of the Project during the Term (except as necessary with respect to Eminent Domain for public projects and purposes) and will, at the request of the Developer and at the Developer's expense, to the extent that it is lawfully necessary and the City may lawfully do so, join in any legal action in which the Developer asserts its right to such possession and enjoyment.

Section 5.3 Payments and Fees.

(a) The "Rent" is the Developer's consideration to the City under the terms of this Lease and is equal to the Developer's investment of $[CONSTRUCTION COST] in the Project consistent with the Project Plan. In lieu of payments, the Rent is paid in advance for the Term of the Lease as the Developer's investment of $[CONSTRUCTION COST] in improvements on the Project Site.

(b) The Developer shall annually remit to Bernalillo County on behalf of the City a Payment in Lieu of Taxes (PILT), and assessments calculated, due, and payable in accordance with Section 3-60A-13.1 of the Code, as evidenced by an annual bill received from the Bernalillo County Treasurer.

(c) The Developer shall annually, on or before December 31 and beginning on December 31, [FIRST YEAR AFTER SIGNING LEASE], pay to the City an Administrative Fee equal to 10% of the abated property taxes on the Project for each current taxable year for the period of this lease, as evidenced in an annual invoice received from MRA.

(d) The Developer will also make payments to or on behalf of the City, for all reasonable out-of-pocket costs and expenses (including, but not limited to, counsel fees and expenses) incurred by the City in connection with the Redevelopment Tax Abatement program requirements, preparation, filing, and recording of this lease agreement or default by the Developer under this Lease promptly on demand of the City and provided the City may, prior to incurring such costs and expenses, request an advance payment of or indemnity against payment of such costs and expenses (the "Additional Payments").

Section 5.4 Obligation Unconditional.

(a) Except to the extent that the City releases the Developer from liability pursuant to Section 7.2, (i) the obligation of the Developer to make all payments and to perform its other obligations under this Lease shall be absolute and unconditional and shall not be subject to diminution by set off, counterclaim, abatement or otherwise, whether as a result of Eminent Domain with respect to, damage to or destruction of or removal of all or any portion of the Project or any other event or condition, and (ii) the Developer will not suspend or discontinue any required payments or fail to perform all of its obligations under this Lease and will not terminate this Lease prior to the expiration of the Term for any cause.

(b) In the event the City fails to perform any of its obligations under this Lease, the Developer may institute such action against the City as the Developer may deem necessary to compel such performance. The Developer may also, at its own cost and expense and in its own name or, if legally necessary, in the name of the City, prosecute or defend any action or proceeding or take any other action involving third parties which the Developer deems reasonably necessary in order to secure or protect its title to its right of possession, occupancy, and use of the Project. In such an event, if no Event of Default has occurred and is continuing, the City will cooperate with the Developer, so long as it is not the adverse party, upon receipt of indemnity satisfactory to the City against any out-of-pocket costs, expense (including counsel fees and expenses) or liability the City may incur or suffer as a result of or in connection with such cooperation.

Section 5.5 Net Lease. This Lease will be deemed and construed to be a "net lease". The Developer will pay all applicable insurance, utilities and taxes, in accordance with Sections 4.7 and 4.13.

ARTICLE VI - SPECIAL COVENANTS

Section 6.1 Recording and Filing; Further Assurances. The City and the Developer will, at the expense of the Developer, take all actions that at the time are and from time to time may be reasonably necessary to perfect, preserve, protect and secure the interest of the City in and to the Project including, without limitation, the recordation of this Lease, the filing of financing statements pursuant to Section 6.5 and 6.6 below and continuation statements and the execution, acknowledgment, delivery, filing and recordation of any other necessary agreements and instruments.

Section 6.2 Claims. The Developer will pay and discharge and will indemnify and hold harmless the City from (a) any lien or charge upon payments by the Developer to, or for the account of, the City under this Lease and (b) any taxes, assessments, impositions and other charges in respect of the Project. If any such claim is asserted, or any such lien or charge upon payments, or any such taxes, assessments, impositions or other charges, are sought to be imposed, the City will give prompt notice to the Developer, and the Developer will have the sole right and duty to assume the defense of the same and will have the power to litigate, compromise or settle the same.

Section 6.3 Release and Indemnification.

(a) The Developer acknowledges that the City is acting as a conduit in this transaction at the request of the Developer in order to enable the Developer to take advantage of certain tax benefits. The Developer releases the City from, agrees that the City will not be liable for, and indemnifies the City against, all liabilities, claims, costs and expenses imposed upon, incurred or asserted against the City on account of: (i) any loss or damage to property or injury to or death of or loss by any person that may be occasioned by any cause whatsoever pertaining to the construction, maintenance, operation and use of the Project; (ii) the inaccuracy of any representation by the Developer (regardless of whether the Developer was aware of such inaccuracy at the time the representation was made) or any breach or default on the part of the Developer in the performance of any representation, covenant or agreement of the Developer under this Lease, or any related document, or arising from any acts or failure to act by the Developer, or any of its agents, contractors, servants, employees or licensees; (iii) the Developer's failure to comply with any requirements of this Lease; (iv) any other loss, claim, damage, penalty, liability, disbursement, litigation expenses and attorneys' fees or court costs arising out of or in any way relating to the execution or performance of this Lease or any other cause whatsoever pertaining to the Project, and (v) any claim, action or proceeding brought with respect to the matters set forth in (i), (ii), (iii) and (iv) above; provided that no release or indemnity is given under this Section 6.3(a)(i) through (iv) due to exercise by the City of its police powers or in its performance of any essential governmental function other than governmental functions related to the Code, and provided further that there shall be excluded from the scope of this release and indemnity any liability, claims, costs and expenses imposed upon, incurred or asserted against the City resulting from or arising out of the willful misconduct or negligence of the Indemnitees or any Indemnitee (as the terms "Indemnitees" or any "Indemnitee" are defined below).

(b) Notwithstanding the fact that it is the intention of the parties that the City shall not incur pecuniary liability by reason of the execution of this Lease or the undertakings of the City hereunder, by reason of any act required of the City by this Lease, or the performance of any act related to this Lease requested of the City by the Developer or the City's position as owner, lessor, assignor and seller of the Project, nevertheless, if the City shall incur any such pecuniary liability or the same is claimed or sought, excepting any such liability arising out of the exercise by the City of its police powers or its performance of any essential governmental function other than governmental functions related to the Code, and any such liability resulting from the willful misconduct or negligence of the City or any of its agents or employees, then in such event, the Developer shall indemnify and hold harmless the City against all claims by or on behalf of any person arising out of the same and all costs and expenses incurred in connection with any such claim or in connection with any action or proceeding brought thereon, and upon notice from the City, the Developer will defend the City in any such action or proceeding.

(c) In case any action or proceeding is brought against the City, in respect of which indemnity may be sought hereunder, the City will give notice of the action or proceeding to the Developer, and the Developer, upon receipt of that notice, will have the obligation and the right to assume the defense of the action or proceeding; provided that failure of the City to provide such notice will not relieve the Developer from any of its obligations under this Section unless that failure prejudices the defense of the action or proceeding by the Developer, in which case the liability of the Developer under this Section shall be reduced only by an amount equal to the amount of the loss sustained by the Developer solely as a result of such failure to notify.

(d) Except to the extent caused by City, the Developer will indemnify, defend and hold harmless the City, from and against all suits, legal or administrative proceedings, demands, losses, liabilities, damages, claims, causes of action, costs and expenses resulting from or in any way connected with the generation, storage, manufacture, refining, release, transportation, treatment, disposal or other presence, in or under the Project, of any hazardous substances (as defined by CERCLA), hazardous wastes (as defined by RCRA), oils, radioactive materials, asbestos in any form or conditions, or any pollutant or contaminant or hazardous, dangerous or toxic chemicals, materials or substances within the meaning of any Applicable Environmental Laws, or any other applicable federal, state or local law, regulation, ordinance or requirement relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or materials, all as now in effect or hereafter from time to time amended.

(e) The indemnifications set forth above are intended to and will include the indemnification of all affected officials, directors, councilors, officers, employees and agents of the City, (together with the City, the "Indemnitees" and each singularly an "Indemnitee"). The indemnification is intended to and will be enforceable by the City, to the full extent permitted by law.

Section 6.4 Assignment of Warranties. The City will, to the extent possible and at the expense of the Developer, transfer and assign to the Developer from time to time any and all of the City's rights and interests in and under any warranties obtained in connection with the Project and will give the Developer the right to take action in either the City's or Developer's name for the enforcement of such warranties.

Section 6.5 Developer to Maintain Its Existence. The Developer will maintain its corporate existence, and will not dissolve or otherwise dispose of all or substantially all of its assets; provided, however, that the Developer may, without violating the agreement contained in this Section, become a domestic corporation or partnership (i.e., a corporation or partnership formed and existing under the laws of one of the states of the United States), consolidate with or merge into a domestic corporation (i.e., a corporation incorporated and existing under the laws of one of the states of the United States) or another domestic limited liability company, or permit one or more other domestic corporations or domestic limited liability companies to consolidate with or merge into it, or may sell or otherwise transfer to another domestic corporation or domestic limited liability company all or substantially all of its assets as an entirety and thereafter dissolve; provided that (i) the surviving, resulting or transferee corporation or limited liability company expressly assumes in writing all the obligations of the Developer contained in this Lease, (ii) the surviving, resulting or transferee corporation or limited liability company has a consolidated net worth (after giving effect to said consolidation, merger or transfer) at least equal to or greater than that of the Developer immediately prior to said consolidation, merger or transfer, and (iii) the City reasonably determines that the surviving, resulting or transferee corporation or limited liability company is at least as financially capable as the Developer of performing all obligations under this Lease, and the City provides written consent to the release of the Developer from such liability. The term "net worth", as used in this Section, shall mean the difference obtained by subtracting total liabilities (not including as a liability any capital or surplus item) from total assets of the Developer and all of its subsidiaries.

Section 6.6 Good Standing. The Developer will execute, file and record all certificates and other documents and perform such other acts as may be necessary or appropriate to comply with all requirements for the formation, ownership and operation of a limited liability Developer under the laws of the State of New Mexico.

Section 6.7 Authority of Authorized Representative of City. Whenever under the provisions of this Lease the approval of the City is required or the Developer is required to take some action at the request of the City, such approval or such request will be made by an Authorized City Representative unless otherwise specified in this Lease, and the Developer will be authorized to act on any such approval or request and the City will have no complaint against the Developer as a result of any such action taken.

Section 6.8 Authority of Authorized Representative of Developer. Whenever under the provisions of this Lease the approval of the Developer is required or the City is required to take some action at the request of the Developer, such approval or such request will be made by an Authorized Developer Representative unless otherwise specified in this Lease, and the City will be authorized to act on any such approval or request and the Developer will have no complaint against the City as a result of any such action taken.

Section 6.9 Other Instruments. The Developer will do, execute, acknowledge and deliver or cause of be done, executed, acknowledged and delivered, such instruments supplemental hereto and such further acts, instruments and transfers (i) as the City may from time to time reasonably require for better assuring the City's title to or transferring and conveying the Project to the City, and (ii) as the City may from time to time reasonably require in furtherance of the accomplishment of the purposes of this Lease.

Section 6.10 Depreciation, Investment Tax Credit and Other Tax Benefits. The City agrees that any depreciation, investment tax credit or other tax benefits with respect to the Project or any part thereof shall (as between the City and the Developer) be made available to the Developer, and the City will, if necessary or appropriate in the judgment of counsel to the Developer (which counsel may be in-house counsel to the Developer), and at the sole expense of the Developer, execute any elections, certificates, filings and other documentary assurances reasonably requested by the Developer in any effort by the Developer to avail itself of any such depreciation, investment tax credit or other tax benefits.

Section 6.11 Subordination. This Lease is hereby made subject, junior and subordinate to any Lender mortgage or deed of trust on the Project and Project Site now or hereafter granted for the benefit of a Lender and to all renewals, modifications, consolidations, replacements and extensions of the Lender mortgage or deed of trust so that all rights of the City and Developer under the Lease shall be subject, junior and subordinate to the respective rights of Lender under the mortgage or deed of trust, and to all renewals, modifications, consolidations, replacements and extensions of the Lender mortgage or deed of trust as fully as if each such instrument had been executed, delivered and recorded prior to the execution of this Lease or possession of all or part of the Project or Project Site by the City and Developer.

Section 6.12 Reports. Annually, on or before December 31, the Developer shall submit to the City a written certification that the Developer is in compliance with all the covenants and representations set forth in this Agreement.

ARTICLE VII - ASSIGNMENT, LEASING AND SELLING

Section 7.1 No Other Transfer by City. Except as provided in Sections 4.4 and 8.2, the City will not sell, assign, transfer or convey its rights, title or interests in this Lease or the Project, or its obligations under this Lease.

Section 7.2 Assignment, Lease, Mortgage and Sale by the Developer. If the Developer is not in default under this Lease, the rights of the Developer under this Lease may be assigned, and the rights of the Developer in the Project may be assigned, leased, subleased, mortgaged or sold as a whole or in part by the Developer. Notwithstanding any provision in this Section 7.2 to the contrary, the Developer may not be released from its primary liability to perform under Sections 5.3, 6.3, 8.5 and 10.4 of this Lease, arising prior to the date of the assignment, without the written consent of the City. Any assignee, lessee, sublessee or purchaser of the Developer's interest in this Lease or of the Project will assume in writing the obligations of the Developer under this Lease to the extent of the interest assigned, leased or sold. The Developer will, not less than five Business Days before the effective date of any such assignment, lease, sublease, mortgage or sale, furnish or cause to be furnished to the City a true and complete copy of such proposed assignment, lease, sublease, mortgage or purchase contract, and to the extent applicable, such assumption. On the effective date of any such assignment, lease, sublease, mortgage or sale, the Developer will, at the request of the City and at the expense of the Developer, deliver to the requesting Party, an opinion of counsel to the Developer, which opinion may be provided by the Developer's in-house counsel, to the effect that such assignment, lease, sublease, mortgage or sale has been duly authorized by the Developer, does not conflict with applicable federal or State law, and does not affect the status of the Project as a "project" under the Code. In the event of an assignment of the Lease arising because of a change of status of the Developer provided in Section 6.4, the provisions of Section 6.4 will apply rather than the provisions of this Section 7.2. Notwithstanding anything in this Section to the contrary, subleases, residential tenant leases in the ordinary course of business shall not be considered assignments, leases or subleases for the purposes of this Section 7.2.

ARTICLE VIII - EVENTS OF DEFAULT AND REMEDIES

Section 8.1 Events of Default Defined. Each of the following events is an "Event of Default":

(a) Failure by the Developer to make any payment contemplated herein when due, and such failure continues for a period of fifteen Business Days after written notice from the City thereof; or

(b) Any representation by or on behalf of the Developer contained in the Lease proves misleading in any material respect as of the date of the making or furnishing thereof, and such misrepresentation continues to materially adversely affect the interests of the City following 60 days after written notice, specifying such misrepresentation, stating in detail the material adverse effect on the City, and requesting that its adverse effect be remedied, is given to the Developer by the City, or, if such adverse effect cannot reasonably be remedied within 60 days, failure by the Developer to commence the remedy within such period and to pursue the same diligently to completion; or

(c) Failure by the Developer to perform any of its obligations under this Lease, following 60 days after written notice, specifying such failure and requesting that it be remedied, is given to the Developer by the City, or, if such failure cannot reasonably be remedied within 60 days, failure by the Developer to commence the remedy within such period and to pursue the same diligently to completion; or

(d) The Developer files a voluntary petition in bankruptcy or is adjudicated a bankrupt or insolvent, or files any petition or answer seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief for itself under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors; or seeks or consents to or acquiesces in the appointment of any trustee, receiver or liquidator of the Developer or any guarantor of all or any part of the Project, or of any or all of the royalties, revenues, rents, issues or profits thereof, or makes any general assignment for the benefit of creditors, or admits in writing its inability to pay its debts generally as they become due; or

(e) A court of competent jurisdiction enters an order, judgment or decree approving a petition filed against the Developer seeking any reorganization, dissolution or similar relief under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors, and such order, judgment or decree remains unvacated and unstayed for an aggregate of 120 days (whether or not consecutive) from the first date of entry thereof; or any trustee, receiver or liquidator of the Developer or any guarantor of all or any part of the Project, or of any or all of the royalties, revenues, rents, issues or profits thereof, is appointed without the consent or acquiescence of the Developer or such guarantor, as applicable, and such appointment remains unvacated and unstayed for an aggregate of 120 days (whether or not consecutive); or

(f) A writ of execution or attachment or any similar process is issued or levied against all or any part of or interest in the Project, or any judgment involving monetary damages is entered against the Developer or the City which becomes a lien on the Project or any portion thereof or interest therein and such execution, attachment or similar process or judgment is not released, bonded, satisfied, vacated or stayed within 120 days after its entry or levy.

(g) The Developer is in default under any agreement with Lenders related to the Project, upon the City's receipt of notice from the Lender of such default and foreclosure or trustee sale.

Section 8.2 Remedies on Default.

(a) If an Event of Default occurs and is continuing, the City may, but is not required to, take any one or more of the following remedial steps:

(i) Written notice to the Developer declare all such amounts of any payments contemplated herein payable for the remainder of the Term in full, whereupon the same will be immediately due and payable;

(ii) Terminate this Lease, hold the Developer liable for all amounts due hereunder at the effective date of termination;

(iii) Take whatever action at law or in equity to collect any amounts owned by the Developer to the City under this Lease.

(b) If an Event of Default occurs in which City is expressly entitled to, and does, provide notice of default pursuant to Section 8.1 above and the Developer does not cure such Event of Default within the time provided above, City may, but shall not be obligated to, provide an additional notice of intent to terminate this Lease (the "City Termination Notice"). If such Event of Default set forth in the City Termination Notice is continuing for 30 days after delivery of the City Termination Notice to the Developer, the City may immediately take all steps necessary to have the Project immediately assessed for property tax purposes in the name of the Developer from and after the date of the City Termination Notice, the City shall convey the Project to the Developer in accordance with Section 9.2 below, and this Lease be terminated as of such date.

(c) If an Event of Default occurs under Section 8.1(g) and the Lender requests termination of the Lease, the City shall immediately provide the City Termination Notice to the Developer and the City may immediately take all steps necessary to have the Project immediately assessed for property tax purposes in the name of the Developer from and after the date of the City Termination Notice, the City shall convey the Project to the Developer in accordance with Section 9.2 below, and this Lease shall be terminated as of such date.

(d) In the enforcement of the remedies provided in this Section, the Developer shall pay to the City all expenses of enforcement, including, without limitation, reasonable legal, accounting and advertising fees, as Additional Payments then due and owing. In the exercise of any of the remedies in Section 8.2(a) above, the City has the sole right and responsibility for the exercise of such remedies if an Event of Default occurs and is continuing.

Section 8.3 Developer to Give Notice of Default. The Developer will promptly give notice to the City of the occurrence of any Event of Default of which it has actual knowledge.

Section 8.4 No Remedy Exclusive. No remedy herein conferred upon or reserved to the City, is intended to be exclusive of any other available remedy or remedies, but each and every such remedy will be cumulative and will be in addition to every other remedy given under this Lease or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default will impair any such right or power or will be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the City to exercise any remedy reserved to it in this Article VIII, it will not be necessary to give any notice, other than such notice as may be herein expressly required.

Section 8.5 Agreement to Pay Attorneys' Fees and Expenses. If an Event of Default or an event or condition which, with notice or the lapse of time or both would constitute an Event of Default, has occurred, and the City should employ attorneys or incur other expenses for collection of any payments contemplated herein or the enforcement of performance or observance of any obligation or agreement on the part of the Developer herein contained, the Developer agrees that it will on demand therefor pay to the City the reasonable fees of such attorneys and such other expenses so incurred by the City in the enforcement of the provisions of this Lease enforceable by such party.

Section 8.6 No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Lease should be breached by either party and thereafter waived by the other party, such wavier will be limited to the particular breach so waived and will not be deemed to waive any other breach hereunder.

Section 8.7 Survival of Obligations. Except to the extent that the City releases the Developer from liability pursuant to Section 7.1, the Developer's obligations hereunder, including, without limitation, its obligations to make payments, will survive any sale of all or any portion of the Project or exercise of any other remedy in accordance with this Article and the Developer will continue to pay the payments and perform all other obligations provided herein to the extent necessary to fulfill its obligation hereunder.

Section 8.8 Waiver of Extension, Stay and Appraisal. To the extent permitted by law, the Developer will not, during the continuance of any Event of Default hereunder, insist upon, plead or in any manner whatever claim or take any benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force which may affect the covenants and terms of performance hereof; nor claim, take or insist upon any benefit or advantage of any law now or hereafter in force providing for the valuation or appraisal of the Project, or any part thereof, prior to any sale or sales thereof which may be made pursuant to decree, judgment or other of any court of competent jurisdiction; and the Developer, to the extent permitted by law, hereby expressly waives all benefits or advantages of any such law or laws and covenants not to hinder, delay or impede the execution of any power herein granted or delegated to the City, but to suffer and permit the execution of every power as though no such law or laws had been made or enacted

ARTICLE IX - PURCHASE OF PROJECT

Section 9.1 Purchase of Project. The Developer will purchase, and the City will sell, the Project for $1.00 at the expiration or sooner termination of this Lease (provided all amounts due hereunder have been fully paid). The Developer will give notice to the City specifying the date of closing of such purchase, which will be not less than 15 nor more than 90 days from the date of such notice. At the closing of such purchase, upon payment of the amount due by the Developer, the City will, at the expense of the Developer, convey the Project to the Developer subject to the provisions of Section 9.2. If there is an Event of Default under Sections 8.1(g) and 8.2(c), the City shall immediately transfer the Project to the Developer and terminate this Lease. Notwithstanding anything herein to the contrary, the Developer may terminate this Lease at any time with not less than 15 nor more than 90 days prior written notice, with the understanding that the Developer will be fully responsible for any applicable property taxes incurred during the current year of the termination of the lease.

Section 9.2 Conveyance. At the closing of a purchase pursuant to this Article IX, the City will, upon receipt of the purchase price, as applicable, and at the sole expense of the Developer, deliver to the Developer documents, including, but not limited to a quitclaim deed and other transfer or conveyance documents, conveying to the Developer the City's interest in the Project being purchased, as such Project then exists subject only to: (i) those liens and encumbrances (if any) to which title to the Project was subject when conveyed to the City; (ii) those liens and encumbrances created by the Developer or any Person other than the City or to the creation or suffering of which the Developer consented; (iii) those liens and encumbrances resulting from the failure of the Developer to perform any of its obligations under this Lease; (iv) Permitted Liens other than this Lease; and (v) any other lien arising as a matter of law (except as a result of any general action against City or arising from any act or omission of City). The Developer may purchase the Project and exercise its other rights under this Article IX, whether or not an Event of Default has occurred and is continuing. Within fifteen (15) days after filing, City shall, at its sole costs and expense, cause to be paid or removed any lien or encumbrance against the Project that is created by or filed against City or the property of City and City shall be responsible and liable for, pay or otherwise remove, and hold the Developer harmless from and against any costs or expenses related to or arising from such liens or encumbrances to the extent permitted by law.

ARTICLE X - MISCELLANEOUS

Section 10.1 Amendments. This Lease may be amended or modified only by a writing signed by the City and the Developer.

Section 10.2 Limitation of City's Liability.

(a) Except to the extent set forth in Section 9.2 or obligations, costs, expenses or liabilities arising out of the negligence or willful misconduct of City, no agreements or provisions contained herein nor any agreement, covenant or undertaking by the City contained in any document executed by the City in connection with any property of the Developer will give rise to any pecuniary liability of the City, its officers and members of its governing body, or constitute a charge against the City's general credit, or will obligate the City financially in any way, except with respect to the funds or property available under the Lease. Except to the extent set forth in Section 9.2 or obligations, costs, expenses or liabilities arising out of the negligence or willful misconduct of City, no failure of the City to comply with any terms, covenants or agreements herein or in any document executed by the City in connection with the Project will subject the City to any pecuniary charge or liability except to the extent that the same can be paid or recovered from the funds available hereunder. None of the provisions of this Lease will require the City to expend or risk its own funds or to otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder unless it will first have been adequately indemnified to its satisfaction against the cost, expense or liability which might be incurred thereby. Nothing herein will preclude a proper party in interest from seeking and obtaining, to the extent permitted by law, specific performance against the City for any failure to comply with any term, conditions, covenant or agreement herein; provided that no costs, expenses or other monetary relief will be recoverable from the City except as may be payable from the funds available hereunder.

(b) No covenant, obligation or agreement in this Lease shall be deemed to be a covenant, obligation or agreement of any present or future member, officer, agent or employee of the City or the governing body of the City in other than his official capacity, and neither the members of that governing body nor any official executing the Lease shall be liable personally or shall be subject to any personal liability or accountability by reason of the covenants, obligations or agreements of the City contained in this Lease.

Section 10.3 No Violation of Public Policies Regarding Indemnity. If a court of competent jurisdiction determines that the provisions of Section 56-7-1 NMSA 1978 are applicable to the Lease or any claim arising under the Lease, then any agreement to indemnify contained in the Lease shall be limited as provided by Section 56-7-1.

Section 10.4 Administrative Fees, Attorneys' Fees and Costs. The Developer will reimburse the City, upon demand, for all reasonable costs and expenses, including without limitation attorneys' fees, paid or incurred by the City in connection with (i) the discussion, negotiation, preparation, approval, execution and delivery of this Lease, and the documents and instruments related hereto or thereto; (ii) any amendments or modifications to any of the foregoing documents, instruments or agreements and the discussion, negotiation, preparation, approval, execution and delivery of any and all documents necessary or desirable to effect such amendments or modifications; and (iii) the enforcement by the City during the term hereof or thereafter of any of the rights or remedies of the City hereunder or under the foregoing documents, or any document, instrument or agreement related hereto or thereto, including, without limitation, reasonable costs and expenses of collection in connection with an Event of Default, whether or not suit is filed with respect thereto.

Section 10.5 Binding Effect. This Lease shall inure to the benefit of and shall be binding upon the City, the Developer, and their respective successors and assigns.

Section 10.6 Severability. In the event any provisions of this Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 10.7 Recording. This Lease and every assignment and modification hereof, or an appropriate and sufficient memorandum thereof, shall be recorded in the office of the County Clerk of Bernalillo County, New Mexico.

Section 10.8 No Waiver. No waiver of any breach of any covenant or agreement contained herein shall operate as a waiver of any subsequent breach of the same covenant or agreement, and in case of a breach by either party of any covenant, agreement or undertaking, the non-defaulting party may nevertheless accept from the other any payment or payments or performance hereunder without in any way waiving its right to exercise any of its rights and remedies provided for herein or otherwise with respect to any such default or defaults which were in existence at the time such payment or payments or performance were accepted by it.

Section 10.9 Non-Merger. The provisions of this Lease shall survive the conveyance of the Project to the City, the reconveyance of the Project to the Developer, and all other performances hereunder, and shall not be deemed merged in any deed or other instrument or document delivered hereunder.

Section 10.10 Execution in Counterparts. This Lease may be executed in multiple counterparts, all of which taken together will constitute one instrument.

Section 10.11 Notices. Any notice, demand, direction, request, consent, report or other instrument authorized or required to be executed, given or filed (excluding Uniform Commercial Code filings, recordings and other governmental filings) will be in writing and will be deemed to have been sufficiently sent for all purposes when delivered by hand delivery, by recognized overnight delivery service or by registered or certified mail, postage prepaid, addressed as follows:

If to the City: City of Albuquerque
One Civic Plaza NW, 11th Floor
Albuquerque, NM 87102
Attn: City Clerk

With a copy to:	City of Albuquerque - Legal Department One Civic Plaza NW, 4th Floor Albuquerque, NM 87102 Attention: City Attorney
With a copy to:	City of Albuquerque PO Box 1293 Albuquerque 87103 Attn: Metropolitan Redevelopment Agency
If to the Developer:	[INSERT DEVELOPER ADDRESS] ATTN: [CONTACT PERSON]

Notices shall be effective upon receipt. Any Party may, by notice to each of the other Parties, designate any further or different addresses to which subsequent notices, certificates or other communications are to be sent.

Section 10.12 Applicable Law. The validity, construction and effect of this Lease will be governed by the law of the State applicable to agreements made and to be performed in the State, without regard or effect given to conflict of laws or rules which would require the application of the laws of any other jurisdiction.

[Signature Page Follows]

IN WITNESS WHEREOF, the City and the Developer have executed this Lease as of the Execution Date.

CITY OF ALBUQUERQUE, NEW MEXICO

By: ______________________________________

Date:_______________________________________
Name: Samantha Sengel, EdD
Title: Chief Administrative Officer

State of New Mexico)
) ss.
County of Bernalillo)

This instrument was acknowledged before me on [__________], 202_ by Samantha Sengel as Chief Administrative Officer of the City of Albuquerque, New Mexico, a New Mexico municipal corporation.

____
Notary Public

My commission expires: _______________

[DEVELOPER NAME]

By: ____

Name: [AUTHORIZED SIGNER]

Title: [TITLE]

Date:____

State of New Mexico)
) ss.
County of Bernalillo)

This instrument was acknowledged before me on _______________, 202_ by [AUTHORIZED SIGNER], as [TITLE] of [DEVELOPER NAME], a New Mexico limited liability corporation.

____
Notary Public

My commission expires: ________________

EXHIBIT A

LEGAL DESCRIPTION OF PROJECT SITE

[INSERT LEGAL DESCRIPTION PROVIDED BY DEVELOPER]

(Survey on next page.)

EXHIBIT B

PERMITTED LIENS

[INSERT ANY LENDING INSTITUTIONS OR OTHERS WITH ALLOWABLE LIENS ON THE PROPERTY]