

VIII. Public Hearings

A. Ordinances

- 1. Ordinance No. 2016-__, The Place at Caja Del Rio, A Senior Living Project, Local Economic Development Act (LEDA) Project Ordinance.
(Growth Management/David Griscom)
(TABLED UNTIL JANUARY 26, 2016)**



Henry P. Roybal
Commissioner, District 1

Miguel M. Chavez
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3



Kathy Holian
Commissioner, District 4

Liz Stefanics
Commissioner, District 5

Katherine Miller
County Manager

To: Board of County Commissioners

From: Gregory S. Shaffer, County Attorney

Via: Katherine Miller, County Manager

Date: January 4, 2016

Re: **Ordinance No. 2016-____, An Ordinance Amending the Dedication of the Third One-Eighth Increment of the County Gross Receipts Tax Imposed By Ordinance No. 1987-6**

Issue: At its December 8, 2015 meeting, the Board of County Commissioners (Board) authorized staff to publish the title and a general summary of the above-referenced ordinance. This is the first and only public hearing on the proposed ordinance.

The proposed ordinance does not change the current dedication of the third one-eighth increment of the county gross receipts tax ("Third One-Eighth Increment"). Rather, it is meant to avoid any arguable issues concerning the effectiveness of the current dedication in the context of future revenue bonds or using revenue from the increment for general county purposes.

Background: State law authorizes the Third One-Eighth Increment to be used for general county purposes and as pledged revenue to repay revenue bonds issued pursuant to NMSA 1978, Chapter 4, Article 62. NMSA 1978, Section 7-20E-9(D) ("revenue produced by the imposition of the third one-eighth increment . . . may be used for general purposes") and Section 4-62-1(B) ("[a] county may pledge irrevocably any or all of the revenue from the . . . the third one-eighth increment . . . of the county gross receipts tax . . . for payment of principal and interest due in connection with, and other expenses related to, gross receipts tax revenue bonds for any of the purposes authorized in this section or specific purposes or for any area of county government services").

The Third One-Eighth Increment was imposed by Ordinance No. 1987-6, and the dedication of the revenue from the tax was amended over the years.

Most recently, in 2008, the Board enacted Ordinance No. 2008-11, which authorized the issuance and sale of \$30,000,000 of Santa Fe County, New Mexico County Gross Receipts Tax Revenue Bonds, Series 2008 (Series 2008 Revenue Bonds). The Series 2008 Revenue Bonds were issued for the new First Judicial District Courthouse and other public facilities in the County. Section 34 of Ordinance No. 2008-11 amended the dedication section of Ordinance No. 1987-6 to read as follows:

"Section 4. Dedication. The revenue derived from the third one-eighth of one percent increment of county gross receipts tax shall be used for general county purposes, including, without limitation, the payment of debt service on revenue bonds issued pursuant to the County Revenue Bond Act, Sections 4-62-1 through 4-62-10 NMSA 1978."

Revenue from the Third One-Eighth Increment was pledged to repay the Series 2008 Revenue Bonds. No challenge was brought to the Series 2008 Revenue Bonds within the 30 day period provided for by statute. Consequently, the pledge and use of the Third One-Eighth Increment for debt service on the Series 2008 Revenue Bonds cannot, at this time, be legally challenged.

As it relates to the amendment of the dedication of the Third One-Eighth Increment, Ordinance No. 1987-6 did not strictly follow the model ordinance of the Taxation and Revenue Department (TRD); nor does it appear to have been submitted to TRD.

Substantial compliance with TRD's model ordinance and submission of an amendatory ordinance to TRD are required by the County Local Option Gross Receipts Taxes Act in the context of "an ordinance imposing, amending or repealing a tax or an increment of tax authorized" by that act. TRD arguably has no statutory or regulatory role in reviewing the purpose for which a GRT increment is dedicated, and the County's position appears to have been that TRD's substantial compliance and submittal requirements were not applicable to the rededication of the Third One-Eighth Increment in County Ordinance No. 2008-11.

Notwithstanding, questions could be raised about the amended dedication in the future should the Board want to pledge revenue from the Third One-Eighth Increment to pay debt service on other revenue bonds or actually use revenue from that tax for general purposes.

Proposed Ordinance: To avoid such potential issues, staff recommends that the Board adopt the proposed ordinance as a prophylactic measure. Staff has confirmed with TRD that the proposed ordinance substantially conforms to TRD's model ordinance and follows TRD's interpretation of the County Local Option Gross Receipts Taxes Act.

The proposed ordinance would amend Section 4 of Ordinance No. 1987-6 to dedicate revenue from the Third One-Eighth Increment for general county purposes, including debt service on revenue bonds as follows:

"Section 4. Dedication. Revenue from the third one-eighth increment of the county gross receipts tax will be used for general county purposes, including, without limitation, the payment of debt service on revenue bonds issued pursuant to Sections 4-62-1 through 4-62-10 NMSA 1978."

Minor differences between the dedication language in the proposed ordinance and Ordinance No. 2008-11 are non-substantive.

In Section 2 of the proposed ordinance, the Board would elect the petition referendum option, as allowed by State law. NMSA 1978, Section 7-20E-10(A) (an "ordinance enacting the . . . third one-eighth increment . . . pursuant to Section 7-20E-9 NMSA 1978 shall be subject to optional referendum selection by the governing body, pursuant to Subsection A of Section 7-20E-3 NMSA 1978"). This means that no election will be held on the proposed ordinance unless a petition is submitted to the County Clerk within 60 days of the enactment of the proposed ordinance, "signed by a number of registered voters in the county equal to at least five percent of the number of the voters in the county who were registered to vote in the most recent general election[.]" NMSA 1978, Section 7-20E-3(A)(1)(a).

The effective date of the proposed ordinance would depend upon whether a valid petition is filed and, if so, the date and outcome of the resulting election. If the Board adopts the proposed ordinance at its January 12, 2016, meeting and a valid petition is not filed, the ordinance would be effective on July 1, 2016.

Recommendation: Approve the proposed ordinance.

Attachments:

Exhibit A – Proposed Ordinance

Exhibit B – Relevant Sections of Ordinance No. 2008-11

SANTA FE COUNTY

ORDINANCE NO. 2016-_____

AN ORDINANCE

AMENDING THE DEDICATION OF THE THIRD ONE-EIGHTH INCREMENT OF THE COUNTY GROSS RECEIPTS TAX IMPOSED BY ORDINANCE NO. 1987-6

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

Section 1. Dedication Amendment. Section 4 of Santa Fe County Ordinance No. 1987-6, as amended, is hereby amended to read in its entirety as follows:

“Section 4. Dedication. Revenue from the third one-eighth increment of the county gross receipts tax will be used for general county purposes, including, without limitation, the payment of debt service on revenue bonds issued pursuant to Sections 4-62-1 through 4-62-10 NMSA 1978.”

Section 2. Petition Referendum Option Selected. This ordinance is subject to the petition referendum option provided for in Section 7-20E-3(A)(1) NMSA 1978.

Section 3. Effective Date. The effective date of this ordinance shall be either January 1 or July 1, whichever date occurs first after the expiration of three months from the date this ordinance is adopted, unless an election is held on the question of approving the ordinance, in which case the effective date shall be either January 1 or July 1, whichever date occurs first after the expiration of three months from the date when the results of the election are certified to be in favor of the ordinance's adoption.

PASSED, APPROVED, AND ADOPTED BY THE GOVERNING BODY OF SANTA FE COUNTY THIS 12th DAY OF JANUARY, 2016.

BOARD OF COUNTY COMMISSIONERS OF SANTA FE COUNTY

Miguel M. Chavez, Chairperson

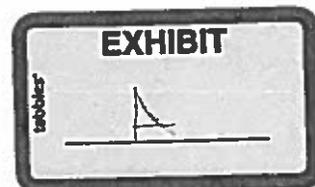
ATTEST:

Geraldine Salazar, County Clerk

Approved as to Form:



Gregory S. Shaffer, County Attorney



Board Final - 7/29/08

SANTA FE COUNTY, NEW MEXICO
ORDINANCE NO. 2008-11

AUTHORIZING THE ISSUANCE AND SALE OF THE SANTA FE COUNTY, NEW MEXICO COUNTY GROSS RECEIPTS TAX REVENUE BONDS, SERIES 2008, IN AN AGGREGATE PRINCIPAL OF \$30,000,000 FOR THE PURPOSE OF DEFRAYING THE COSTS OF CONSTRUCTION OF AND IMPROVEMENTS TO THE COUNTY COURTHOUSE AND OTHER PUBLIC FACILITIES IN THE COUNTY, AND TO PAY COSTS OF ISSUANCE OF THE SERIES 2008 BONDS; ESTABLISHING THE PRINCIPAL AMOUNTS, MATURITIES, PRICES, REDEMPTION FEATURES AND OTHER DETAILS OF THE SERIES 2008 BONDS; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE SERIES 2008 BONDS FROM THE DISTRIBUTIONS TO THE COUNTY OF THE REVENUES OF FIVE SIXTEENTHS OF ONE PERCENT COUNTY GROSS RECEIPTS TAX (CONSISTING OF THE FIRST ONE-EIGHTH OF ONE PERCENT INCREMENT, THE THIRD ONE-EIGHTH OF ONE PERCENT INCREMENT AND ONE-SIXTEENTH OF ONE PERCENT INCREMENT) ENACTED PURSUANT TO SECTION 7-20E-9 NMSA 1978 FROM THE NEW MEXICO TAXATION AND REVENUE DEPARTMENT PURSUANT TO SECTION 7-1-6.13 NMSA 1978 AND THE PLEDGE OF SUCH REVENUES BY THE COUNTY; PROVIDING FOR THE FORM, EXECUTION AND OTHER DETAILS CONCERNING THE BONDS; RATIFYING THE USE OF THE PRELIMINARY OFFICIAL STATEMENT AND APPROVING THE FORM OF OFFICIAL STATEMENT FOR THE MARKETING AND SALE OF THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE UNDERTAKING AND OTHER AGREEMENTS AND CERTIFICATES IN CONNECTION WITH THE BONDS; RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION WITH THE BONDS; AMENDING ORDINANCE NO. 1987-6 TO PROVIDE THAT THE THIRD ONE-EIGHTH OF ONE PERCENT INCREMENT OF COUNTY GROSS RECEIPTS TAX MAY BE USED FOR GENERAL COUNTY PURPOSES, INCLUDING THE PAYMENT OF DEBT SERVICE ON REVENUE BONDS; PROVIDING THAT THE OUTSTANDING SANTA FE COUNTY, NEW MEXICO CORRECTIONAL SYSTEM REVENUE BONDS, SERIES 1997 AND SANTA FE COUNTY, NEW MEXICO GROSS RECEIPTS TAX REVENUE BONDS, SUBORDINATE SERIES 1997A SHALL BE ADDITIONALLY SECURED BY THE REVENUES AS SECURITY FOR THE SERIES 2008 BONDS, TO THE EXTENT NOT PREVIOUSLY SECURED



THEREBY; AND REPEALING ALL ORDINANCES AND RESOLUTIONS IN CONFLICT WITH THIS BOND ORDINANCE.

Capitalized terms used in the following preambles have the meaning assigned therein or as defined in Section 1 of this Bond Ordinance, unless the context requires otherwise.

WHEREAS, Santa Fe County, New Mexico (the "County") is a legally and regularly created, established, organized and existing county under the constitution and general laws of the State of New Mexico (the "State"); and

WHEREAS, pursuant to Section 7-20E-9 NMSA 1978, the County has imposed (i) the first one-eighth of one percent (0.125%) County Gross Receipts Tax, effective as of January 1, 1984, enacted pursuant to Ordinance No. 1983-7, as amended by Ordinance No. 1991-4; (ii) the third one-eighth of one percent (0.125%) County Gross Receipts Tax, effective as of January 1, 1988, enacted pursuant to County Ordinance No. 1987-6, as amended by this Bond Ordinance; and (iii) the one-sixteenth of one percent (0.0625%) County Gross Receipts Tax, effective as of January 1, 2006, enacted pursuant to County Ordinance No. 2005-7, (together with the first one-eighth of one percent and third one-eighth of one percent increments of County Gross Receipts Tax, the "Pledged Revenues," as more fully defined in Section 1 of this Bond Ordinance); and

WHEREAS, pursuant to Section 7-1-6.13 NMSA 1978 the County receives monthly distributions of the Pledged Revenues from the New Mexico Taxation and Revenue Department; and

WHEREAS, on February 19, 1997 the County issued its Santa Fe County, New Mexico Correctional System Revenue Bonds, Series 1997 in an aggregate principal amount of \$30,000,000 (the "Series 1997 Bonds") for which a debt service reserve fund was established, the replenishment of which is secured by a lien on the first one-eighth of one percent increment County Gross Receipts Tax revenues; and

WHEREAS, on February 19, 1997 the County issued its Santa Fe County, New Mexico Gross Receipts Tax Revenue Bonds, Subordinate Series 1997A (the "Series 1997A Bonds") which Series 1997A Bonds are secured by a lien on the first one-eighth of one percent increment County Gross Receipts Tax revenues prior and superior to the lien thereon of the Series 1997 Bonds; and

WHEREAS, the Board of County Commissioners (the "Governing Body") hereby determines that there is a need for the Project as herein defined, and that the Bonds shall be issued for the Project; and

WHEREAS, the County has received an offer to purchase the Bonds from the Underwriters pursuant to the Bond Purchase Agreement; and

WHEREAS, the Governing Body has determined and hereby determines that it is in the best interest of the County and its residents that (i) the Bonds be issued with a first lien, but not an exclusive first lien, on the Pledged Revenues on parity with the lien

thereon of Parity Bonds; and (ii) that the Pledged Revenues, to the extent not previously pledged as security for the Series 1997 Bonds and the Series 1997A Bonds, also be pledged as additional security for those obligations with a lien on Pledged Revenues junior and subordinate to the lien thereon of the Bonds, as further provided in Section 19(B) of this Bond Ordinance; and

WHEREAS, the Governing Body has determined that it is in the best interest of the County to authorize the issuance and sale of the Bonds in an aggregate principal amount of \$30,000,000 pursuant to this Bond Ordinance; and

WHEREAS, there has been on deposit with the County Clerk and presented to the Governing Body

- (A) the proposed form of Bond Ordinance;
- (B) the proposed form of Bond Purchase Agreement;
- (C) the proposed form of Continuing Disclosure Undertaking; and
- (D) the Preliminary Official Statement and form of Official Statement.

THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF SANTA FE COUNTY, NEW MEXICO:

Section 1. Definitions. As used in this Bond Ordinance, the following terms shall, for all purposes, have the meanings herein specified, unless the context clearly requires otherwise (such meanings to be equally applicable to both the singular and the plural forms of the terms defined):

"Acquisition Fund" means the "Santa Fe County, New Mexico County Gross Receipts Tax Revenue Bonds, Series 2008 Acquisition Fund" established by Section 16 of this Bond Ordinance.

"Act" means the general laws of the State, including Sections 4-62-1 to 4-62-10 NMSA 1978, as amended and enactments of the Governing Body relating to the issuance of the Bonds, including this Bond Ordinance.

"Bond Ordinance" or "Ordinance" means this Ordinance No. 2008-___.

"Bond Purchase Agreement" means the bond purchase agreement to be entered into between the County and the Underwriters.

"Bondholder," "holder," "Holder," "owner" or "Owner" means the registered owner of any Bond as shown on the registration books of the County for the Bonds, maintained by the Registrar. Any reference to a majority or a particular percentage or proportion of the Bondholders shall mean the Holders at the particular time of a majority or of the specified percentage or proportion in the aggregate principal amount of all Bonds then outstanding.

B. those otherwise deemed to be paid in accordance with Section 28 or Section 31 of this Bond Ordinance;

C. those in lieu of or in exchange or substitution for which other Bonds shall have been delivered, unless proof satisfactory to the County and the Paying Agent is presented that any Bond for which a new Bond was issued or exchanged is held by a bona fide holder or in due course.

"Parity Bonds" or "Parity Obligations" means the 2008 Bonds and any other bonds or other obligations hereafter issued or incurred, payable from and constituting a lien upon the Pledged Revenues on parity with the Bonds, as provided in Section 20 of this Bond Ordinance.

"Paying Agent" means the County Treasurer, as agent for the County for the payment of the Bonds or any other entity at the time appointed Paying Agent by resolution of the Governing Body.

"Pledged Revenues" means the revenues derived from the first one-eighth of one percent County Gross Receipts Tax enacted pursuant to County Ordinance No. 1983-7, as amended by Ordinance No. 1991-4, the third one-eighth of one percent County Gross Receipts Tax enacted pursuant to County Ordinance No. 1987-6, as amended by this Bond Ordinance, and the one-sixteenth of one percent County Gross Receipts Tax enacted pursuant to County Ordinance No. 2005-7, each of which County Gross Receipts Tax is imposed on persons engaging in business in the County pursuant to Section 7-20E-9 NMSA 1978, and which revenues are remitted to the County monthly by the New Mexico Department of Taxation and Revenue pursuant to Section 7-1-6.13 NMSA 1978, and which remittances currently equal five-sixteenths of one percent (0.3125%) of the taxable gross receipts reported by persons engaging in business in the County; and which include the distribution to the County made pursuant to Section 7-1-6.46 NMSA 1978, which revenues are reduced pursuant to the deductions under Sections 7-9-92 and 7-9-93, NMSA 1978; provided that additional amounts of such gross receipts tax revenues or other equivalent funds remitted to the County under applicable laws of the State shall be included as revenues pledged pursuant to this Bond Ordinance; and provided further that the County intends that Section 4-62-6(C) NMSA 1978 applies expressly to the amount of revenues pledged pursuant to this Bond Ordinance.

"Preliminary Official Statement" means the disclosure document used by the Underwriters in connection with the initial offering of the Bonds to the public which document was deemed final as of its date by the County for purposes of Securities and Exchange Commission Rule 15c2-12.

"Project" means construction of and improvements to the County courthouse and other public facilities in the County, and any Expenses related to the issuance of the Bonds.

"Qualified Investments" means:

UNITED STATES OF AMERICA
STATE OF NEW MEXICO

SANTA FE COUNTY, NEW MEXICO
COUNTY GROSS RECEIPTS TAX REVENUE BONDS
SERIES 2008

Bond No. _____ \$ _____

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF BOND</u>	<u>CUSIP</u>
_____% per annum	_____, 20__	_____, 2008	_____

Santa Fe County, New Mexico (the "County"), a county duly organized and existing under the Constitution and laws of the State of New Mexico, for value received, hereby promises to pay, solely from the special funds available for the purpose as hereinafter set forth, to THE DEPOSITORY TRUST COMPANY or registered assigns, on the Maturity Date upon presentation and surrender hereof at the principal office of the County Treasurer, Santa Fe County, New Mexico, as paying agent, or any successor paying agent (the "Paying Agent"), the sum of _____ DOLLARS (\$ _____) and to pay from said sources interest on the unpaid principal amount at the Interest Rate on December 1, 2008, and on each December 1 and June 1 (each an "Interest Payment Date") thereafter to its maturity, or until redeemed if called for redemption prior to maturity. This bond will bear interest from the most recent date to which interest has been paid or provided for or, if no interest has been paid or provided for, from its date. Interest on this bond is payable by check mailed to the registered owner hereof (or by such other arrangement as may be mutually agreed to by the Paying Agent and the registered owner) as shown on the registration books for this issue maintained by the County Treasurer, Santa Fe County, New Mexico, as registrar, or any successor registrar (the "Registrar") at the address appearing therein at the close of business on the fifteenth day of the calendar month next preceding the Interest Payment Date (the "Record Date"). Any interest which is not timely paid or duly provided for shall cease to be payable to the owner hereof as of the Record Date but shall be payable to the owner hereof at the close of business on a special record date to be fixed by the Paying Agent for the payment of interest. The special record date shall be fixed by the Paying Agent whenever moneys become available for payment of the overdue interest, and notice of the special record date shall be given to owners of Bonds (defined below) as then shown on the Registrar's registration books not less than ten days prior to the special record date. If, upon presentation at maturity or redemption, payment of this bond is not made as herein provided, interest hereon shall continue at the Interest Rate until the principal hereof is paid in full. The principal, premium, if any, and interest on this bond are payable in lawful money of the United States of America, without deduction for the services of the Paying Agent or the Registrar.

This bond is one of a duly authorized series of fully registered bonds of the County in the aggregate principal amount of \$30,000,000 issued in denominations of \$5,000 or integral multiples thereof, designated as the Santa Fe County, New Mexico

County Gross Receipts Tax Revenue Bonds, Series 2008 (the "Bonds") issued under and pursuant to Ordinance No. 2008-__ adopted on July 29, 2008 (the "Bond Ordinance").

The Bonds maturing on and after June 1, 20__ are subject to prior redemption at the County's option in one or more units of principal of \$5,000 on and after June 1, 20__ in whole or in part at any time, in such order of maturities as the County may determine (and by lot if less than all of the bonds of such maturity is called, such selection by lot to be made by the Registrar in such manner considered appropriate and fair), for the principal amount of each \$5,000 unit of principal so redeemed plus accrued interest to the redemption date. Redemption shall be made upon prior notice mailed to each registered owner of each bond selected for redemption as shown on the registration books kept by the Registrar in the manner and upon the conditions provided in the Bond Ordinance.

Notice of redemption of this bond will be given by providing at least thirty (30) days prior written notice by first-class postage prepaid mail to the owner hereof at the address shown on the registration books as of the fifth day prior to the mailing of notice as provided in the Bond Ordinance. Notices of redemption will specify the number or numbers and maturity date of the Bonds to be redeemed (if less than all are to be redeemed), the date fixed for redemption, the amount of such Bond to be redeemed (if less than the full amount of any Bond is to be redeemed), and shall further state that on such redemption date there will become and be due and payable upon each Bond to be redeemed at the office of the Paying Agent the principal amount thereof plus accrued interest to the redemption date and that from and after such date, the redemption amount having been deposited and notice having been given, interest will cease to accrue. Upon any partial prior redemption of this bond, the registered owner, in its discretion, may request the Registrar to authenticate a new bond or to make an appropriate notation on this bond indicating the date and amount of prepayment, except in the case of final maturity, in which case this bond must be presented to the Paying Agent prior to payment.

Books for the registration and transfer of the Bonds shall be kept by the Registrar. Upon the surrender for transfer or exchange of a Bond at the principal office of the Registrar, duly endorsed or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing, the Registrar shall authenticate and deliver, not more than three (3) business days after receipt of the Bond or Bonds to be transferred, in the name of the transferee or owner a new Bond or Bonds in fully registered form of the same aggregate principal amount, maturity and interest rate, bearing a number or numbers not contemporaneously outstanding. Exchanges and transfers of Bonds shall be without charge to the owner or any transferee, but the Registrar may require the payment by the owner of any Bond of any tax or other similar governmental charge required to be paid with respect to such exchange or transfer. The Registrar shall not be required (i) to transfer or exchange any Bond during the period of fifteen days next preceding the mailing of notice calling any Bonds for redemption, or (ii) to transfer or exchange any Bond or part thereof called for redemption. The Registrar will close books for change of registered owners' addresses on each Record Date; transfers will be permitted within the period from each Record Date to each Interest Payment Date, but such transfers shall not include a transfer of accrued interest payable.

The person in whose name any Bond is registered on the registration books kept by the Registrar shall be deemed and regarded as the absolute owner thereof for the purpose of making payment thereof and for all other purposes except as may otherwise be provided with respect to payment of interest in the Bond Ordinance; and payment of or on account of either principal or interest on any Bond shall be made only to or upon the written order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to discharge the liability upon such Bond to the extent of the sum or sums so paid.

If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar will, upon receipt of such Bond, if mutilated, and such evidence, information or indemnity relating thereto as the Registrar may reasonably require, if lost, stolen or destroyed, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount and of the same maturity and interest rate, bearing a number or numbers not contemporaneously outstanding. If such lost, stolen, destroyed or mutilated Bond shall have matured or have been called for redemption, the Registrar may direct the Paying Agent to pay such Bond in lieu of replacement.

This Bond does not constitute an indebtedness of the County within the meaning of any constitutional or statutory provision or limitation, shall not be considered or held to be a general obligation of the County, and is payable and collectible solely out of the revenues derived from the revenues from the first one-eighth of one percent County Gross Receipts Tax enacted pursuant to County Ordinance No. 1983-7, as amended by Ordinance No. 1991-4, the third one-eighth of one percent County Gross Receipts Tax enacted pursuant to County Ordinance No. 1987-6, as amended by the Bond Ordinance, and the one-sixteenth of one percent County Gross Receipts Tax enacted pursuant to County Ordinance No. 2005-7, each of which County Gross Receipts Tax is imposed on persons engaging in business in the County pursuant to Section 7-20E-9 NMSA 1978, and which revenues are remitted to the County monthly by the New Mexico Department of Taxation and Revenue pursuant to Section 7-1-6.13 NMSA 1978, and which remittances currently equal five-sixteenths of one percent (0.3125%) of the taxable gross receipts reported by persons engaging in business in the County; and which include the distribution to the County made pursuant to Section 7-1-6.46 NMSA 1978, as that distribution relates to the gross receipts tax revenues received pursuant to Section 7-1-6.4 NMSA 1978, which revenues are reduced pursuant to the deductions under Sections 7-9-92 and 7-9-93, NMSA 1978; provided that if an additional amount of such gross receipts tax revenues or other equivalent funds are hereafter provided to be remitted to the County under applicable laws of the State, such additional amounts shall be included as revenues pledged pursuant to the Bond Ordinance.

The lien of the Bonds on the Pledged Revenues is an irrevocable and first lien, but not necessarily an exclusive first lien, on the Pledged Revenues. Upon satisfaction of the conditions set forth in the Bond Ordinance, additional bonds may be issued and made payable from the Pledged Revenues having a lien thereon either on a parity with, or subordinate and junior to, the lien on the Pledged Revenues of the Bonds, but additional bonds may not be issued with a lien thereon superior to the lien thereon of the Bonds. Amounts and securities held in the Debt Service Fund and the Reserve Fund, as such

terms are defined in the Bond Ordinance, have been exclusively pledged for payment of the principal of, premium, if any, and interest on the Bonds.

The Bonds are issued to provide funds to defray the cost of construction of and improvements to the County courthouse and other public facilities in the County at an approximate cost of \$30,000,000, and to pay all costs incidental to the foregoing and the costs of the issuance of the Bonds. The Bonds are equally and ratably secured by the Pledged Revenues.

The County covenants and agrees with the owner of this Bond and with each and every person who may become the owner hereof that it will keep and perform all of the covenants of the Bond Ordinance.

This Bond is subject to the condition, and every owner hereof by accepting the same agrees with the obligor and every subsequent owner hereof, that the principal of and interest on this bond shall be paid, and this bond is transferable, free from and without regard to any equities, set-offs or cross-claims between the obligor and the original or any other owner hereof.

It is hereby certified that all acts and conditions necessary to be done or performed by the County or to have happened precedent to and in the issuance of the Bonds to make them legal, valid and binding special obligations of the County have been performed and have happened as required by law, and that the Bonds do not exceed or violate any constitutional or statutory limitation of or pertaining to the County.

This bond shall not be valid or obligatory for any purpose until the Registrar shall have manually signed the Certificate of Authentication.

IN WITNESS WHEREOF, Santa Fe County, New Mexico has caused this bond to be signed and executed on the County's behalf with the facsimile or manual signature of the Chairperson of the Board of County Commissioners and the facsimile or manual signature of the County Clerk and has caused the corporate seal of the County or a facsimile thereof to be affixed hereon, all as of the Date of Bond.

SANTA FE COUNTY, NEW MEXICO

(SEAL)

By: _____
Chairperson,
Board of County Commissioners

ATTEST:

By: _____
County Clerk

(Form of Registrar's Certificate of Authentication)

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the Bond Ordinance, and this bond has been registered on the registration books kept by the undersigned as Registrar for the Bonds.

Date of Authentication: _____

Treasurer of Santa Fe County, New Mexico,
as Registrar

By: _____
Authorized Officer

(End of Form of Registrar's Certificate of Authentication)

invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Bond Ordinance.

Section 34. Repealer Clause.

A. Amendment of Ordinance No. 1987-6. Section 4 of Ordinance No. 1987-6 is hereby amended to read as follows:

"Section 4. Dedication. The revenue derived from the third one-eighth of one percent increment of county gross receipts tax shall be used for general county purposes, including, without limitation, the payment of debt service on revenue bonds issued pursuant to the County Revenue Bond Act, Sections 4-62-1 through 4-62-10 NMSA 1978."

B. General. All bylaws, orders, resolutions and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, resolution or ordinance, or part thereof, heretofore repealed.

Section 35. Effective Date. Upon due adoption of this Bond Ordinance, it shall be recorded in the book of ordinances of the County kept for that purpose, authenticated by the signatures of the Chairperson of the Governing Body and County Clerk, and the title and general summary of the subject matter contained in this Bond Ordinance (set out in Section 38 below) shall be published in a newspaper which maintains an office and is of general circulation in the County and this Bond Ordinance shall be in full force and effect thereafter as provided by law.

Section 36. General Summary for Publication. Pursuant to the general laws of the State, the title and a general summary of the subject matter contained in this Bond Ordinance shall be published in substantially the following form:

(Form of Summary of Ordinance for Publication)

Santa Fe County, New Mexico
Notice of Adoption of Bond Ordinance

Notice is hereby given of the title and of a general summary of the subject matter contained in an Ordinance, duly adopted and approved by the Governing Body of Santa Fe County, New Mexico, on July 29, 2008, relating to the authorization and issuance of the Santa Fe County, New Mexico County Gross Receipts Tax Revenue Bonds, Series 2008 (the "Bonds"). Complete copies of this Bond Ordinance are available for public inspection during the normal and regular business hours of the County Clerk, Santa Fe County, New Mexico.

The title of this Ordinance is:

SANTA FE COUNTY, NEW MEXICO
ORDINANCE

