

SANTA FE COUNTY

RESOLUTION NO. 2002 - 130

2216791

**A RESOLUTION RELATING TO THE GROUND LEASE AGREEMENT
BETWEEN THE NEW MEXICO COMMISSIONER OF PUBLIC LANDS AND
THE COUNTY OF SANTA FE, NEW MEXICO OF THE SURFACE ESTATE OF
CERTAIN STATE TRUST LAND WITHIN SECTION 36, TOWNSHIP 16
NORTH, RANGE 8 EAST, N.M.P.M., CONSISTING OF APPROXIMATELY 75
ACRES, MORE OR LESS**

WHEREAS on August 9, 2002 the County of Santa Fe submitted its bid proposal to the New Mexico State Land Office in response to the Notice of Public Auction for Lease of State Trust Land, State Land Office Business Lease No. BL-1505, dated May 17, 2002, which the Commissioner of Public Lands offered in order to negotiate and enter into a long-term commercial ground lease. (Attached as Exhibit A).

WHEREAS on August 28, 2002, Ray Powell, New Mexico Commissioner of Public Lands in accordance with the New Mexico enabling Act (36 Stat.557), New Mexico State Land Office "Rule 9" (19.2.9 NMAC) and the public auction process selected Santa Fe County as the highest and best bidder for the Santa Fe County Business Park for a long-term lease of approximately 75 acres located adjacent to State Road 14 for the purpose of developing the Santa Fe County Business Park. (Attached as Exhibit B).

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners (BCC) of Santa Fe County, the governing body of the County, that:

**NOTICE OF PUBLIC AUCTION
FOR LEASE OF STATE TRUST LAND**

2216792

**Santa Fe County
Santa Fe, New Mexico
State Land Office Business Lease No. BL-1505**

The New Mexico Commissioner of Public Lands ("Commissioner") hereby gives notice that the Commissioner is offering to negotiate and enter into a long-term commercial lease ("Lease"), as lessor, with the highest and best bidder ("Successful Bidder"), as lessee, in accordance with the New Mexico Enabling Act (36 Stat. 557), New Mexico State Land Office "Rule 9" (19.2.9. NMAC), and the public auction process ("Lease Sale") described in this Notice.

Prospective bidders must obtain an Information Packet from the Land Office at this address: Commercial Resources Division (Room 126), New Mexico State Land Office, 310 Old Santa Fe Trail, Santa Fe, NM 87501. You may call (505) 827-5724 for directions.

The Information Packet includes mandatory bidding instructions, information about the Land, Rule 9, a draft Lease and other important information. Also available for inspection at the Land Office are the as-built drawings and appraisal for permanent improvements, a master plat and a master plan for the Land. The Land will be leased "as is" without warranty of any kind. Prospective bidders are responsible for conducting all due diligence, inspecting the Land and improvements, researching title, and locating and reviewing all pertinent documents and information on file at Land Office or the County of Santa Fe ("County"). The right to enter the Land may be obtained by contacting the Land Office at the address or telephone number provided above.

1. Description of Land and Required Land Use:

A. The Land in Santa Fe County, adjacent to State Highway 14, consists of approximately seventy five (75) acres, more or less, located within portions of the S1/2 and SW1/4 of Section 36, Township 16 North, Range 8 East, and is more particularly described in the Information Packet. The Land is currently subject to an existing lease that must be relinquished prior to execution of the Lease now being proposed.

B. The Lease will require the lessee to accomplish the "Project", which is defined to mean the development and maintenance of a commercial business park on the Land, including: (i) bringing city or county water and all necessary infrastructure to and onto the Land; (ii) obtaining all necessary approvals of zoning and Project Plans by the Local Government; (iii) creating buildable sublease lots; (iv) marketing the park; and (v) subleasing lots to business and commercial users, all for the purpose of successfully establishing and maintaining a profitable business park on the Land.

1



C. A master plat has been prepared for the Land and is recorded at Book 421, page 012 in the real property records of the County. The master plat and a master plan have been approved by the County and are included in the Information Packet. However, the lessee must amend the existing master plat and master plan to assure optimal development of the Land, to correct certain mistakes (including an improper dedication), and to assure consistency and coordination with the planned development of surrounding state lands.

2. **Conduct of Public Auction:** To place a bid, 6 copies of your Bid Proposal and the full Deposit described below must be received by the Land Office on or before 5:00 p.m. on August 9, 2002. Late Bid Proposals and Proposals that fail to substantially comply with the bid instructions provided in the Information Packet will be rejected. Questions concerning the bidding process must be submitted in writing to the Land Office at the address above on or before July 26, 2002, at 5:00 p.m. Responses to questions will be posted on the State Land Office web site at <http://www.nmstatelands.org>, and will be included in the Information Packet after July 26. On or about August 30, 2002, the Commissioner intends to select the Successful Bidder and will notify all bidders.

The Commissioner may interview bidders during the bid process and or extend the deadline for the announcement of the Successful Bidder. The Commissioner may reject all bids and, in any event, will have no obligation to any bidder unless and until the Commissioner executes the Lease.

The Commissioner and the Successful Bidder will enter into negotiations to determine the final terms of the Lease. The Commissioner may disqualify a Successful Bidder and declare the next highest and best bidder to be the Successful Bidder if: the Commissioner discovers a material misrepresentation in the bidder's Bid Proposal; the Successful Bidder withdraws its bid; or the Commissioner determines that the Successful Bidder is not negotiating a final Lease in good faith. If, for any reason, the Commissioner and Successful Bidder fail to execute a Lease on or before October 31, 2002, this Lease Sale will terminate automatically.

3. **Summary of Basic Terms of the Lease:** The Lease will be a complex commercial ground Lease having a maximum duration of 99 years. The lessee will be required to pay a base rent and a percent rent, as those terms are defined in the draft Lease, and to provide a water supply for the business park. The draft Lease contains many additional proposed terms, some of which are subject to negotiation as provided in the Information Packet.

4. **Deposit:** Bid Proposals (other than the County's) must include a Deposit in the amount of \$ 489,786.47 in the form of a cashier's check, bank money order or other certified funds, made payable to the Commissioner of Public Lands. Deposits of

unsuccessful bidders will be refunded. The Deposit will be used to cover the following actual and estimated costs:

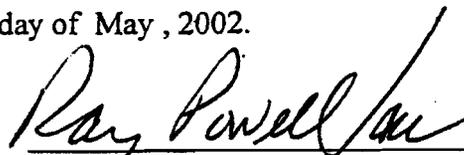
First Year's Base Rent:	\$1,000.00
County's Improvement Value Credit:	\$480,000.00
Appraisal Cost:	\$6,920.00
Advertising:	<u>\$ 1,866.47</u>
	\$489,786.47

If the County submits a Bid Proposal, it will have a credit against the Deposit in the amount of \$486,920.00 (the amount of the County's Improvement Value Credit plus the appraisal cost it incurred). The Successful Bidder may be required to pay additional amounts if the Deposit is insufficient to cover estimated amounts (base rent and advertising) or other amounts required by the Successful Bidder's Bid Proposal. Additional information concerning the deposit is provided in the Information Packet.

5. **State Land Office Contact:** The Land Office contact is Don Britt, who may be reached at the address and telephone number provided above.

Disabled individuals who require aids to participate in the bidding of the Lease may call 505-827-5091, Fax 505-827-6157 and/or TDD 505-827-5755. Upon request, this Notice and other bidding documents may be made available in alternative formats.

Dated at Santa Fe, New Mexico, this 17th day of May, 2002.



Ray Powell, M.S., D.V.M.
Commissioner of Public Lands
Santa Fe, New Mexico

COMMISSIONER'S OFFICE
Phone (505) 827-5760
Fax (505) 827-5766



COMMERCIAL RESOURCES
Phone (505) 827-5724
Fax (505) 827-6157

ADMINISTRATION
Phone (505) 827-5700
Fax (505) 827-5853

MINERAL RESOURCES
Phone (505) 827-5744
Fax (505) 827-4739

GENERAL COUNSEL
Phone (505) 827-5713
Fax (505) 827-4262

ROYALTY MANAGEMENT
Phone (505) 827-5772
Fax (505) 827-4739

PUBLIC AFFAIRS
Phone (505) 827-1245
Fax (505) 827-5766

SURFACE RESOURCES
Phone (505) 827-5793
Fax (505) 827-5711

**New Mexico State Land Office
Commissioner of Public Lands
Ray Powell, M.S., D.V.M.**

August 28, 2002

Estevan R. Lopez
Santa Fe County Manager
Santa Fe County
PO Box 276
Santa Fe, NM 87504-0276

2216795

Re: State Land Office Business Lease No. BL-1505

Dear Mr. Lopez:

I am very pleased to confirm that Ray Powell, New Mexico Commissioner of Public Lands has selected Santa Fe County as the highest and best bidder for the Santa Fe County Business Park. As the successful bidder, Santa Fe County is entitled to enter into negotiations with the New Mexico State Land Office for a long-term lease of approximately 75 acres located adjacent to State Road 14 for the purpose of developing the Santa Fe County Business Park.

I want to thank you and your staff for the excellent bid proposal that was submitted. It was complete and conformed not only to the letter of the law, but also to the spirit of a public auction. It is truly a professional presentation.

Again, thank you for your bid. The staff of the New Mexico State Land Office looks forward to a long and mutually beneficial partnership with Santa Fe County.

Sincerely,

A handwritten signature in black ink that reads "Donald D. Britt".

Donald D. Britt
Assistant Commissioner
New Mexico Public Lands



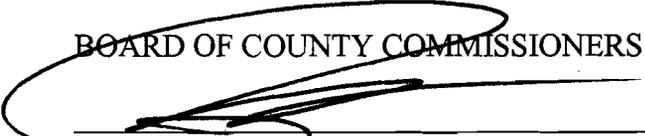
"WE WORK FOR EDUCATION"

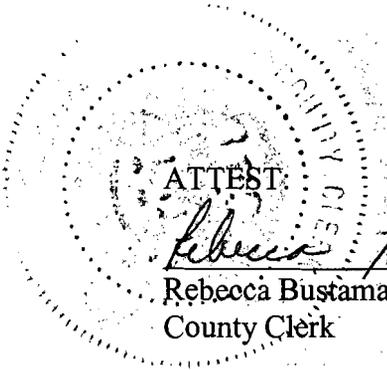
The County of Santa Fe, New Mexico enter into **Bid Ground Lease No. BL-1505** between the New Mexico Commissioner of Public Lands and the County of Santa Fe.

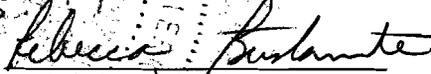
PASSED, APPROVED AND ADOPTED this 24th day of September 2002.

2216796

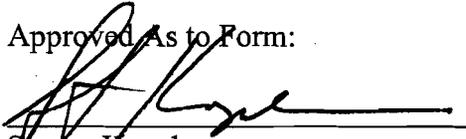
BOARD OF COUNTY COMMISSIONERS


Paul D. Duran, Chairman



ATTEST:

Rebecca Bustamante
County Clerk

Approved As to Form:

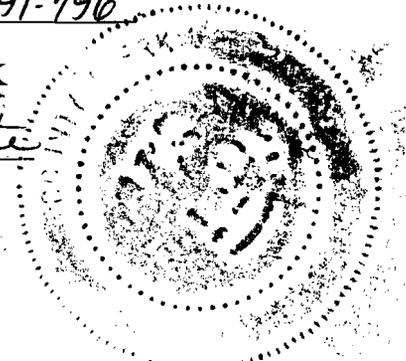

Steven Kopelman
County Attorney

CERTIFICATE OF FILING

I, Rebecca Bustamante, County Clerk, do hereby certify that the foregoing Resolution, designated as Resolution No. 2002-130 was filed in my office on the 25 day of Sept, 2002, in book Number 2216 at Pages 791-796

SANTA FE COUNTY CLERK

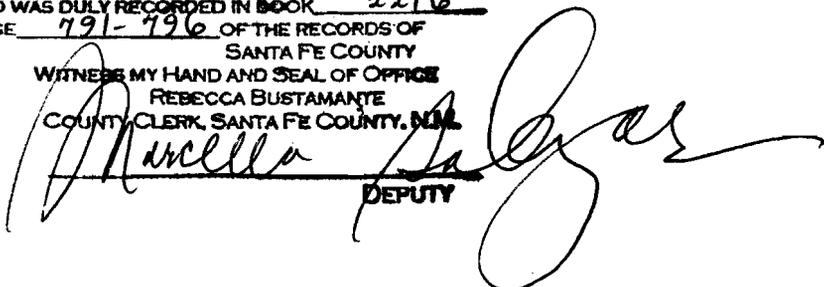

Rebecca Bustamante



1225173

COUNTY OF SANTA FE
STATE OF NEW MEXICO } ss
I HEREBY CERTIFY THAT THIS INSTRUMENT WAS FILED
FOR RECORD ON THE 25 DAY OF Sept A.D.
20 02 AT 11:23 O'CLOCK a. M
AND WAS DULY RECORDED IN BOOK 2216
PAGE 791-796 OF THE RECORDS OF
SANTA FE COUNTY

WITNESS MY HAND AND SEAL OF OFFICE
REBECCA BUSTAMANTE
COUNTY CLERK, SANTA FE COUNTY, N.M.


DEPUTY

