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ORDINANCE NO. 1982-1

AN ORDINANCE

AN ORDINANCE RELATING TO INDUSTRIAL REVENUE BONDS PAYABLE FROM RENTALS BY SANTA FE RACING, INC., AUTHORIZING THE ACQUISITION BY THE COUNTY OF SANTA FE RACING, INC. PROJECT; AUTHORIZING THE ISSUANCE AND SALE OF SANTA FE COUNTY, NEW MEXICO, INDUSTRIAL REVENUE BONDS (SANTA FE RACING, INC. PROJECT) SERIES 1982, IN THE AMOUNT OF \$2,500,000 TO DEFRAY THE COST THEREOF, AND THE EXECUTION AND DELIVERY OF LEASE AGREEMENTS, MORTGAGE AND INDENTURE OF TRUST, AND A BOND PURCHASE AGREEMENT, CLOSING DOCUMENTS AND SUCH BONDS IN CONNECTION THEREWITH; AUTHORIZING ADDITIONAL BONDS UNDER CERTAIN CIRCUMSTANCES; MAKING DETERMINATIONS AS TO THE SUFFICIENCY OF RENTALS AND OTHER MATTERS RELATED TO THE PROJECT; RATIFYING CERTAIN ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS ORDINANCE; AND DECLARING AN EMERGENCY.

WHEREAS, the County of Santa Fe, New Mexico (the "County") is authorized by Article 59 of Chapter 4 of New Mexico Statutes Annotated, 1978 Compilation (the "Act"), to acquire, whether by

1 construction, purchase, gift or lease, and to sell, lease, or
2 otherwise dispose of, one or more projects for the purpose of
3 promoting industry and trade by inducing manufacturing,
4 industrial and commercial enterprises to locate or expand in the
5 State of New Mexico, promoting the use of agricultural products
6 and natural resources of the State of New Mexico and promoting a
7 sound and proper balance in the State of New Mexico between
8 agriculture, commerce and industry; and

9 WHEREAS, the Act further authorizes the County to issue
10 revenue bonds for the purpose of defraying the cost of acquiring
11 any project and all incidental expenses incurred in issuing such
12 bonds, and to secure the payment of such bonds as provided in
13 the Act; and

14 WHEREAS, Santa Fe Racing, Inc. (the "Lessee"), a
15 corporation organized under the Laws of the State of New Mexico,
16 has presented to the County a proposal whereby the County will,
17 pursuant to the Act, acquire a parcel of land with buildings and
18 other improvements constructed thereon, construct thereon new
19 buildings, purchase equipment, accomplish landscaping,
20 lighting, road and parking construction, install and equip
21 pipelines, pumping system and ponds for necessary water; all to
22 constitute a complete facility for the conducting of racing and
23 the holding of other functions for which the facility is usable;
24 (the "Project") all of which is to be located within the
25 corporate limits of the County; and

1 WHEREAS, the County will issue its County of Santa Fe, New
2 Mexico, Industrial Revenue Bonds (Santa Fe Racing, Inc.
3 Project), Series 1982, in the aggregate principal amount of
4 \$2,500,000 (the "Bonds") to finance the acquisition of the
5 Project and certain expenses incident to the issuance and sale
6 of the Bonds; and

7 WHEREAS, the issuance of the Bonds by the County to finance
8 the acquisition of the Project has caused the Lessee to
9 determine to improve and expand its facility within the County;
10 and

11 WHEREAS, the City of Santa Fe has granted its necessary
12 consent in this matter; and

13 WHEREAS, the County has authority to issue bonds under the
14 Act, and the Board of County Commissioners determines it is
15 desirable and necessary at this time to authorize the issuance
16 of the Bonds for the acquisition of the Project; and

17 WHEREAS, the County Manager has presented to the Board of
18 County Commissioners at this meeting (1) the proposed form of
19 Master Lease Agreement dated as of October 1, 1982; (2) the
20 proposed form of Sublease Agreement dated as of October 1, 1982
21 (the "Lease"), between the County and the Lessee; and (3) the
22 proposed form of Mortgage and Indenture of Trust dated as of
23 October 1, 1982 (the "Indenture"), between the County and First
24 National Bank of Lea County (the "Trustee"); and

25 WHEREAS, the County has been presented with a Bond Purchase

1 Agreement to purchase the Bonds from First National Bank of Lea
2 County, and other banks to be named at or before the closing of
3 this transaction (collectively the "Purchaser"), which
4 Agreement has been accepted by the Lessee, and such Agreement
5 and its acceptance is sufficient inducement for this body to
6 enact the following Ordinance.

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1 BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF THE
2 COUNTY OF SANTA FE, NEW MEXICO:

3 Section 1. All action (not inconsistent with the
4 provisions of this Ordinance) heretofore taken by the Board of
5 County Commissioners and the officials of the County directed
6 toward the acquisition and leasing of the Project and the sale
7 and issuance of the Bonds therefore, be and the same is hereby
8 ratified, approved and confirmed.

9 Section 2. The County shall acquire the Project for the
10 use of the Lessee for the purposes hereinabove described, the
11 Project to be located at all times within the corporate limits
12 of the County.

13 Section 3. To defray the costs of acquiring and improving
14 the Project and the incidental expenses incurred in issuing the
15 Bonds, there is hereby authorized and created an issue of
16 industrial revenue bonds to be designated "County of Santa Fe,
17 New Mexico Industrial Revenue Bonds (Santa Fe Racing, Inc.
18 Project) Series 1982" in the aggregate principal amount of
19 \$2,500,000.

20 Section 4. The Bonds may be in fully registered form in
21 the denominations of \$5,000, or integral multiples of \$5,000, or
22 in coupon form in the denomination of \$5,000 each, shall be
23 dated as provided in the Indenture and shall be numbered
24 separately from one upwards in order of maturity, as described
25 in the Indenture. The Bonds shall be initially issued as

1 fully registered bonds in the denomination of
2 each. The Bonds shall bear interest from their date payable on
3 October 1 in each year, commencing October 1, 1983, at the
4 annual rate of seventy-five percent (75%) of the prime rate of
5 The Chase Manhattan Bank, N.A., New York, New York, with a floor
6 of eight and one-half percent (8 1/2%) per annum and a ceiling
7 of twelve and one-half percent (12 1/2%) per annum as more fully
8 detailed in the Mortgage and Indenture of Trust, and shall be
9 payable in the amounts and on the dates as follows:

10

11 \$350,000 on the 1st day of October of each year
12 hereafter commencing October 1, 1983; such payment
13 shall be applied first to interest accrued and the
14 balance to principal. The total balance, principal
15 and interest, shall be finally and completely due on
16 October 1, 1997.

17

18 The Bonds shall be payable and otherwise subject to redemption
19 prior to maturity as provided in the Indenture and shall be in
20 substantially the form provided in the Indenture. The Indenture
21 also authorizes the issuance of additional bonds and refunding
22 bonds to be used for the purposes and subject to the conditions
23 and limitations contained in the Master Lease, the Sublease and
24 the Indenture. The Bonds shall be sold to the Purchaser at
25 private sale at a purchase price equal to 100% of the principal
amount of the Bonds.

1 Section 5. The following determinations and findings are
2 made hereby in accordance with Section 4-59-7 of the Act:

3 (a) The amount necessary in each year to pay the
4 principal of and interest on the Bonds shall be paid in full by
5 the Lessee, such amount shall be the amounts of principal set
6 forth in Section 4 hereof and the interest shall be at the
7 annual rate of seventy-five percent (75%) of the prime rate of
8 The Chase Manhattan Bank, N.A., New York, New York, with a floor
9 of eight and one-half percent (8 1/2%) per annum and a ceiling
10 of twelve and one-half percent (12 1/2%) per annum as more fully
11 detailed in the Mortgage and Indenture of Trust.

12 (b) No reserve fund has been established for the
13 retirement of the Bonds or the maintenance of the Project.

14 (c) The terms under which the Project is to be leased
15 provide that the Lessee shall maintain the Project and carry all
16 proper insurance with respect thereto.

17 (d) The Lease rentals payable under the Master Lease,
18 and the Lease shall be at least sufficient to pay the amounts
19 set forth in paragraph (a) hereof, and otherwise to render the
20 Project entirely self-liquidating.

21 Section 6. The forms, terms and provisions of the Master
22 Lease, the Lease, the Indenture and the Bond Purchase Agreement
23 be and they hereby are approved and the County shall enter into
24 the Master Lease, the Lease, the Indenture and the Bond Purchase
25 Agreement in the forms of each of such documents presented at

1 the meeting at which this Ordinance was adopted, with such
2 changes as may be approved by the Chairman of the Board of
3 County Commissioners, in his sole discretion, as being necessary
4 or appropriate in order to carry out the intent of this
5 Ordinance, the execution of the Master Lease, the Lease,
6 Indenture and Bond Purchase Agreement by the Chairman being
7 conclusive evidence of his approval to any such changes; and the
8 Chairman is hereby authorized and directed to execute and
9 deliver such documents, and the County Clerk is hereby
10 authorized and directed to affix the seal of the County to the
11 Master Lease, the Lease, the Indenture and Bond Purchase
12 Agreement and to attest the same.

13 Section 7. The form, terms and provisions of the Bonds, in
14 the form contained in the Indenture, be and they hereby are
15 approved, with such changes as may be approved by the Chairman,
16 in his sole discretion, including any reduction in the aggregate
17 principal amount thereof, as being necessary or appropriate to
18 carry out the intent of this Ordinance, the execution of the
19 Bonds by the Chairman being conclusive evidence of his approval
20 to any such changes; and the Chairman and the County Clerk are
21 hereby authorized to deliver them and the seal of the County is
22 hereby authorized to be affixed to the Bonds. The signature of
23 the Chairman and the County Clerk on the Bonds shall be manual.

24 Section 8. The County Manager is hereby authorized to
25 execute and deliver to the Trustee the written order of the

1 County for the authentication and delivery of the Bonds by the
2 Trustee, in accordance with Section 2.03 of this Indenture.

3 Section 9. The officers of the County shall take all
4 action necessary or reasonably required by the Trustee, the
5 Lessee and the Purchaser to effectuate the transactions
6 contemplated by this Ordinance, the Master Lease, the Lease, the
7 Indenture and the Bond Purchase Agreement and shall take all
8 action necessary in conformity with the Act to acquire the
9 Project and for carrying out, giving effect to and consummating
10 the transactions contemplated by this Ordinance, the Master
11 Lease, the Lease, the Indenture and the Bond Purchase Agreement,
12 including without limitation the execution and delivery of any
13 documents necessary to elect to have Section 103(b)(6)(D) of the
14 Internal Revenue Code of 1954, as amended, apply to the Bonds
15 and the execution and delivery of any closing documents to be
16 delivered in connection with the sale and delivery of the Bonds.

17 Section 10. Nothing contained in this Ordinance nor in the
18 Master Lease, the Lease, the Indenture, the Bond Purchase
19 Agreement, nor any other instrument, shall be construed as
20 obligating the County (except with respect to the Project and
21 the application of the revenues therefrom and Bond proceeds
22 therefor, all as provided in the Master Lease, the Lease, the
23 Indenture and the Bond Purchase Agreement) nor as incurring a
24 pecuniary liability or a charge upon the general credit of the
25 County or against its taxing power, nor shall the breach of any

1 agreement contained in this Ordinance, the Master Lease, the
2 Lease, the Indenture, the Bond Purchase Agreement, or any other
3 instrument impose any pecuniary liability upon the County or any
4 charge upon its general credit or against its taxing power, the
5 County having no power to pay out of its general funds, or
6 otherwise contribute any part of the costs of acquiring the
7 Project, nor power to operate the Project as a business or in
8 any manner except as lessor thereof.

9 It is contemplated that the County shall not incur any
10 expense in connection with this transaction, but if it should
11 incur any expenses, they shall be reimbursed from bond proceeds,
12 if available, or by Santa Fe Racing, Inc.

13 All duties imposed upon the County by the documents
14 mentioned in this Section shall be performed on the County's
15 behalf by the Trustee.

16 Section 11. After any of the Bonds are issued, this
17 Ordinance shall be and remain irrepealable until the Bonds and
18 the interest thereon shall have been fully paid, cancelled and
19 discharged.

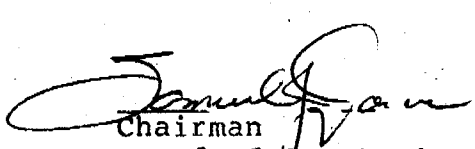
20 Section 12. If any section, paragraph, clause or provision
21 of this Ordinance shall for any reason be held to be invalid or
22 unenforceable, the invalidity or unenforceability of such
23 section, paragraph, clause or provision shall not affect any of
24 the remaining provisions of this Ordinance.

25

1 Section 13. All by-laws, orders, resolutions and
2 ordinances, or parts thereof, inconsistent herewith are hereby
3 repealed to the extent only of such inconsistency. This
4 repealer shall not be construed as reviving any by-law, order,
5 resolution or ordinance or part thereof.

6 Section 14. By reason of the fact that it is necessary for
7 the County and the Lessee to proceed with the financing of the
8 acquisition of the Project and to take other actions necessary
9 to the consummation of the purpose of this Ordinance, an
10 emergency is hereby declared and this Ordinance, immediately
11 upon its final passage and approval, shall be recorded in the
12 Minute book of the County kept for that purpose, and be there
13 authenticated by the signature of the Chairman, and by the
14 signature of the County Clerk, and shall be in full force and
15 effect thirty days thereafter.

16 PASSED, ADOPTED, SIGNED AND APPROVED this 14th day of
17 September, 1982.

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21 Chairman
22 Board of County Commissioners
23 County of Santa Fe

24 (SEAL)

25 ATTEST:


County Clerk
County of Santa Fe

STATE OF NEW MEXICO)
COUNTY OF SANTA FE) SS
Witness my Hand and Seal of Office
CAROLINE T. LEATHERMAN
County Clerk, Santa Fe County, N.M.

508,613
I hereby certify that this instrument was filed for
record on the 16th day of Sept A.D.,
1982 at 11:53 o'clock A.M.,
and was duly recorded in Book 448
page 074-084 of the records of Santa Fe County.
Consuelo B. Salazar
Deputy