



**ACTION SHEET**  
**CITY COUNCIL COMMITTEE MEETING OF 08/27/14**  
**ITEM FROM FINANCE COMMITTEE MEETING OF 08/18/14**

**ISSUE:**

11. Request for Approval of Consent and Agreement to Convey Mortgaged Property, Grant Agreement, Lease Agreement, Lease Repurchase Agreement and Quitclaim Deed – Acquire Title for Santa Fe Crisis Treatment Center Building, Building Improvements and Renovations for Distribution of State Allocated Funds According to Severance Tax Bond Agreement; Solace Crisis Treatment Center Formerly Known as Santa Fe Rape Crisis & Trauma Treatment Center. (David Chapman)

**FINANCE COMMITTEE ACTION: APPROVED AS CONSENT ITEM**

Requested approval of consent and agreement to convey mortgaged property grant agreement, lease agreement, lease repurchase agreement and quitclaim deed to acquire title for Santa Fe Crisis Treatment Center Building, building improvements and renovations for distribution of State allocated funds according to Severance Tax Bond Agreement with Solace Crisis Treatment Center formerly known as Santa Fe Rape Crisis & Trauma Treatment Center in the amount of \$1,000,000.00.

**FUNDING SOURCE:**

**SPECIAL CONDITIONS OR AMENDMENTS**

**STAFF FOLLOW-UP:**

<b>VOTE</b>	<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAIN</b>
COUNCILOR TRUJILLO	X		
COUNCILOR RIVERA	X		
COUNCILOR LINDELL	Chair		
COUNCILOR MAESTAS	X		
CHAIRPERSON DOMINGUEZ	Absent to vote		

3-17-14

*City of Santa Fe, New Mexico*

**memo**

**DATE:** August 18, 2014  
**TO:** Finance Committee  
**VIA:** Teresita Garcia, Assistant Financial Director   
**FROM:** David A. Chapman, Grant Administrator -Writer / Interim ADA Coordinator   
**ISSUE:**

Request approval from the Finance Committee to acquire title of the Santa Fe Crisis Treatment Center building and the building improvements and renovations both current and proposed. The Santa Fe Crisis Treatment Center aka Solace is located at 6601 Valentine Way in Santa Fe, New Mexico 87507. This action is necessary so the City can distribute State allocated funds according to Severance Tax Bond (STB) Agreement 13-1771.

**SUMMARY:**

During the 2013 New Mexico State Legislative Session, the State Legislature allocated **\$216,000** to the Santa Fe Crisis Treatment Center via a Severance Tax Bond (STB) Agreement, identified as 13-1771. The Agreement is “to plan, design, repair, renovate and equip the sexual assault service provider and trauma treatment center and site, including purchasing and installing information technology and related infrastructure in Santa Fe.”

Solace owns its own building with two mortgagees—New Mexico Finance Authority (NMFA) and Los Alamos National Bank.

In order that the City can distribute these funds and resolve any anti-donation issues, the City must take ownership of this property. This provision is specifically stated in the New Mexico Administrative Code (NMAC), Title 2, Chapter 61, Part 6 § 2.61.68 G. (1) (a) which reads, “Anti-donation- the appropriation cannot be given to a non-governmental entity; the item to be purchased or constructed must be owned by a government entity.” Exhibit 1

The terms of this transfer of ownership of the building are outlined in Attachments, A, B & C. Although, the City will add a building to its inventory, the City is sufficiently protected because the City will be setting the resale price to Solace for an amount equivalent to the Appropriation plus any additional investment by the City. In addition, Solace shall be responsible for all maintenance and operations and

maintain adequate general liability insurance for the Real Property and Renovations in at least the amount of \$1,000,000.

The transaction includes the following components:

- (a) Solace grants the building to the City for \$0;
- (b) Solace leases the land under the building to the City for \$1/year;
- (c) The City leases the building to Solace at fair rental value-which includes a combination of cash (to pay the monthly mortgage) and services to the City;
- (d) A Professional Service Agreement (PSA) will be executed between Solace and a qualified contractor through City procurement guidelines;
- (e) The contractor will be paid by Solace and the City will pay Solace on a reimbursement basis;
- (f) Services provided by Solace to the City in excess of \$90,800 / year, regarding Contract # 14-0504, can be applied for consideration and be used against the monthly rent and the repurchase price. Contract # 14-0504 is for trauma triage assessments and outpatient trauma therapy services.

The City will serve in the capacity of Fiscal Agent for these appropriations in order to distribute funds for the purposes specified in the STB Agreement. The beneficiary of these funds will in turn provide services to the public specified in the forthcoming Lease Agreement between the City and the beneficiary. These services will equal or exceed the grant amount.

**ACTION:**

Please recommend to the City Council approval of this ownership transfer.

- Enc. Attachment A Consent and Agreement to Convey Mortgaged Property  
Attachment B Lease/Repurchase Agreement  
Attachment C Quitclaim Deed  
Exhibit 1 NMAC citing
- Cc: Brian K. Snyder, City Manager

**ACTION SHEET  
ITEM FROM THE  
PUBLIC WORKS/CIP AND LAND USE COMMITTEE MEETING  
OF  
MONDAY, JULY 28, 2014**

**ITEM 10**

REQUEST FOR APPROVAL TO ACQUIRE TITLE OF BUILDING, PROPERTY AND IMPROVEMENTS, BOTH CURRENT AND PROPOSED, OF THE SANTA FE CRISIS TREATMENT CENTER IN ORDER THAT THE CITY CAN DISTRIBUTE STATE ALLOCATED FUNDS ACCORDING TO SEVERANCE TAX BOND (STB) AGREEMENT 13-1771 **(DAVID CHAPMAN)**

**PUBLIC WORKS COMMITTEE ACTION: Approved on Consent**

**FUNDING SOURCE:**

**SPECIAL CONDITIONS / AMENDMENTS / STAFF FOLLOW UP:**

<b>VOTE</b>	<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAIN</b>
<b>CHAIRPERSON TRUJILLO</b>	<b>X</b>		
<b>COUNCILOR BUSHEE</b>	<b>X</b>		
<b>COUNCILOR DIMAS</b>	<b>X</b>		
<b>COUNCILOR DOMINGUEZ</b>	<b>X</b>		
<b>COUNCILOR RIVERA</b>	<b>X</b>		

# City of Santa Fe, New Mexico

# memo

**DATE:** July 28, 2014

**TO:** Public Works, CIP & Land Use Committee

**VIA:**   
Isaac J. Pino, P.E., Public Works Department Director

**FROM:** David A. Chapman, Grant Administrator / Writer / Interim ADA Coordinator 

**ISSUE:**

Request for approval to acquire title of building, property and improvements, both current and proposed, of the Santa Fe Crisis Treatment Center aka Solace so that the City can distribute State allocated funds according to Severance Tax Bond (STB) Agreement 13-1771.

**SUMMARY:**

During the 2013 New Mexico State Legislative Session, the State Legislature allocated \$216,000 to the Santa Fe Crisis Treatment Center, via a Severance Tax Bond (STB) Agreement, identified as 13-1771. The scope of the Agreement is "to plan, design, repair, renovate and equip the sexual assault service provider and trauma treatment center and site, including purchasing and installing information technology and related infrastructure in Santa Fe."

In order for the City to distribute the funds and resolve any anti-donation issues, the City must take ownership of the Santa Fe Crisis Treatment Center property which is located at 6601 Valentine Way in Santa Fe, New Mexico 87507. The terms of this transfer are outlined in Attachments A, B & C.

The City will serve as the Fiscal Agent for the appropriations in order to distribute funds for the purposes specified in the STB Agreement. The beneficiary of the funds will in turn provide services to the community specified in the proposed Operator Agreement between the City and the Santa Fe Crisis Treatment Center. The services will equal or exceed the grant amount.

**ACTION:**

Please recommend to the Finance Committee approval of the ownership transfer.

Enc. Exhibit A Consent and Agreement to Convey Mortgaged Property  
Exhibit B Lease/Repurchase Agreement  
Exhibit C Quitclaim Deed

Cc: Brian K. Snyder, City Manager  
Marcos A. Tapia, Finance Department Director

**CONSENT AND AGREEMENT TO CONVEY  
MORTGAGED PROPERTY**

THIS CONSENT AND AGREEMENT TO CONVEY MORTGAGED PROPERTY (hereinafter "Consent"), made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2014 by and between Solace Crisis Treatment Center (formerly known as the Santa Fe Rape Crisis & Trauma Treatment Center) (hereinafter referred to as "Mortgagor") and the New Mexico Finance Authority and Los Alamos National Bank (collectively referred to as "Mortgagees") consents to the transfer and conveyance of the building and other presently existing improvements, situated upon the land subject of the Mortgage referenced herein, to the City of Santa Fe for the reasons stated below, subject to the terms and conditions provided herein.

**WHEREAS:**

A. Mortgagor is the owner of the fee simple interest in certain real property (hereinafter "Land") and improvements (hereinafter "Improvements") (collectively referred to as the "Mortgaged Property") located at 6601 Valentine Way, Santa Fe, New Mexico, 87507 which serves as its principal place of business from which it organizes, conducts, and otherwise performs all tasks in the pursuit of its mission.

B. Mortgagor and Mortgagees are parties to a properly executed and valid Mortgage on the Mortgaged Property, securing the debt of the Mortgagor to the Mortgagees, filed with the Clerk of Santa Fe County on February 2, 2009 as Instrument No. 1550886. A true and correct copy of the Mortgage is attached hereto as Exhibit A and the terms and conditions of the same are incorporated herein by reference.

C. The Mortgage at Paragraph 10 on Page 5 places specific restrictions on the Mortgagor's ability to sell, transfer, convey, or alienate the Mortgaged Property, for any purpose, without the prior written consent of the Mortgagees.

D. For the reasons that follow, the Mortgagees will consent to a transfer or conveyance on the terms and conditions stated herein.

E. The City of Santa Fe (hereinafter the "City") has entered into a Grant Agreement with the Local Government Division of the New Mexico Department of Finance and Administration ("LGD") where LGD granted to the City funds in the amount of two hundred and sixteen thousand dollars (\$216,000) from the local government division of the department of finance and administration which were appropriated to it by the 51<sup>st</sup> Legislature of the State of New Mexico during the First Session of 2013 to plan, design, repair, renovate and equip the sexual assault service provider and trauma treatment center and site, including purchasing and installing information technology and related infrastructure in Santa Fe (hereinafter the "2013 Appropriation").

F. Mortgagor is the only sexual assault service provider and treatment center providing the following services in the City of Santa Fe: education and training to promote the prevention of sexual violence; maintenance of crisis response services for those affected by

sexual violence; assistance to survivors and their families to overcome the trauma associated with sexual violence; treatment and rehabilitation for people affected by sexual violence; therapeutic services to sexually aggressive children to stop the cycle of sexual violence; working with other groups, agencies, and organizations to inform, educate, respond and heal the community; providing a presence in the court to better ensure justice for all parties involved in sexual violence.

G. The City has determined that the services that Mortgagor provides are essential for the health, wellbeing, and safety of the community and there exists an ongoing need for such services to continue in the City of Santa Fe.

H. The City and Mortgagor have determined that the 2013 Appropriation should be utilized towards the design, improvement, equipment and renovation of the Improvements on the Mortgaged Property consistent with the terms and conditions of the 2013 Appropriation.

I. The City and Mortgagor recognize that utilizing the 2013 Appropriation for the purpose for which it was created will be for the benefit of the City and Mortgagor as well as the public which they serve.

J. In accordance with the terms of the Grant Agreement, the City shall expend the 2013 Appropriation to plan, design, repair, renovate and equip the Improvements on the Mortgaged Property.

K. In order to satisfy the requirements of Article IX, Section 14 of the Constitution of the State of New Mexico, which prohibits donations to or in aid of any person, association, or public or private corporation, the City will require Mortgagor to convey and transfer to the City by way of a quitclaim deed, a copy of which is attached as Exhibit B, all its rights, title, and interest in the presently existing Improvements located on the Land. After the expenditure of the full 2013 Appropriation to design, improve, equip and renovate the Improvements, Mortgagor intends to re-purchase the Improvements as improved and renovated from the City for the fair market value of the 2013 Appropriation improvements and/or services rendered in lieu of fair market value of the 2013 Appropriation improvements, pursuant to a Services Agreement and a Lease and Lease Repurchase Agreement which will be executed upon Mortgagees' written consent. Title to the Land situated under the Improvements will, at all times, remain with the Mortgagor and shall not transfer to the City.

NOW THEREFORE, in consideration of the foregoing, the following and for other good and valuable consideration the receipt of which is hereby acknowledged the Mortgagor and Mortgagees agree as follows:

1. CONSENT TO TRANSFER AND CONVEY

a. Mortgagees consent that Mortgagor may transfer and convey the present Improvements upon the Land to the City for the purpose stated in the recitals above which are incorporated herein subject to the following conditions.

b. Mortgagees agree that the transfer and conveyance authorized by this Consent shall not give rise to a default under the Mortgage.

2. CONDITIONS OF CONSENT

a. Mortgagor shall remain obligated as provided by any promissory note which is secured by and referenced in the Mortgage and nothing provided herein or in any other agreement in which the Mortgagor is a party concerning the Mortgaged Property, Land, or any Improvements on the Land shall be construed to modify, revise, or otherwise impair Mortgagees' rights under its notes or its Mortgage.

b. Mortgagor shall continue to be bound by the terms and conditions of the Mortgage and nothing stated herein shall be construed to modify any term or condition therein agreed upon. Consequently, Mortgagor agrees that it will continue to act in accordance with all such terms and conditions of the Mortgage after the transfer and conveyance authorized by this Consent.

c. In the event of Mortgagor's default, as provided by the Mortgage, Mortgagees shall be entitled to avail themselves of all rights of which they are entitled under the Mortgage and applicable laws of the State of New Mexico whether or not title to any Improvements on the Land has vested in the City or has been re-conveyed back to the Mortgagor.

d. Mortgagor shall keep Mortgagees reasonably apprised of any matters relating to this matter, especially as it relates to the Improvement, Land, and Mortgaged Property at the addresses indicated in the Mortgage at Paragraph 21.

e. Commonwealth Capitol City Title, Inc., as indicated by the signature of its authorized representative below, provides assurance that the Loan Policy of Title Insurance (Policy No. L 6311007873) will continue to insure against all covered risks so long as the insured party under the policy retains an estate or interest in the Mortgaged Property or holds an obligation secured by a mortgage and that the insured party under this policy will continue to have coverage after the transfer and conveyance authorized by this Consent.

IN WITNESS WHEREOF, the parties have executed this Consent as of the date first written below.

**AS TO THE MORTGAGEES:**

\_\_\_\_\_  
TONY ORNELAS  
Los Alamos National Bank

\_\_\_\_\_  
ROBERT GARCIA  
New Mexico Finance Authority

\_\_\_\_\_  
DATE

\_\_\_\_\_  
DATE







# QUITCLAIM DEED

Solace Crisis Treatment Center fka Santa Fe Rape Crisis & Trauma Treatment Center, Inc., a New Mexico non-profit corporation, Grantor whose address is 6601 Valentine Way, Santa Fe, New Mexico, 87507 for good and adequate consideration as set forth in the Lease and Lease Repurchase Agreement dated \_\_\_\_\_, 2014, quitclaims to the City of Santa Fe, a Municipal Corporation, Grantee, whose address is 200 Lincoln Ave., Santa Fe NM 87504, **the buildings and all current and future improvements** situate on following described real estate located at 6601 Valentine Way, City of Santa Fe, Santa Fe County, New Mexico and being more particularly described as follows, to wit:

Tract 24, as shown and delineated on that certain plat entitled "TIERRA CONTENTA SUBDIVISION PHASE 1B, Unit 1, comprised of Lot 8, and a portion of Lot 9 of Section 12, All of Lot 7 of Section 13, Tract 8-A, Tract A-1, within Projected Section 11 and 14, Township 16 north, Range 8 East, of the new Mexico Principal Meridian", prepared by James B. Sanchez, NMPLS #12655, dated December 2, 1997 and filed as Document No. 1043,287 and recorded in Plat Book 396, pages 012-014, updated April 12, 1999, in the records of Santa Fe County, New Mexico.

Subject to reservations, restrictions, easements of record and for existing utilities, and taxes for the year of 2014 and thereafter.

Witness my hand and seal this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

GRANTEE:  
CITY OF SANTA FE

GRANTOR:  
SOLACE CRISIS TREATMENT CENTER

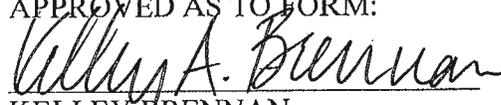
BY: \_\_\_\_\_  
JAVIER GONZALES, MAYOR

BY: \_\_\_\_\_  
MARIA JOSE RODRIGUEZ CADIZ  
EXECUTIVE DIRECTOR

ATTEST:

\_\_\_\_\_  
YOLANDA Y. VIGIL,  
CITY CLERK

APPROVED AS TO FORM:

  
\_\_\_\_\_  
KELLEY BRENNAN,  
CITY ATTORNEY



**GRANT AGREEMENT,  
LEASE AGREEMENT,  
AND LEASE REPURCHASE AGREEMENT**

THIS GRANT AGREEMENT, LEASE AND LEASE REPURCHASE AGREEMENT, (“Agreement”) made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2014 by and between the City of Santa Fe (hereinafter referred to as the “City”); and Solace Crisis Treatment Center (formerly known as the Santa Fe Rape Crisis & Trauma Treatment Center) (hereinafter referred to as “Solace”) is for: (a) Solace’s grant of a building (“Improvements”) to the City; (b) Solace’s lease of land to the City; (c) the City’s lease of a building (“Improvements”) to Solace and (d) Solace’s option to repurchase the building (“Improvements”) with renovations (“Renovations”) from the City. The repurchase of a building with this Agreement is conditioned upon all of the following occurring; 1) the City fully executes a Grant Agreement with the Local Government Division of the New Mexico Department of Finance and Administration (“LGD”) for the purpose of granting funds to the City in the amount of two hundred and sixteen thousand dollars (\$216,000) from the local government division of the department of finance and administration which were appropriated to the LGD by the 51<sup>st</sup> Legislature of the State of New Mexico during the First Session of 2013 to plan, design, repair, renovate and equip the sexual assault service provider and trauma treatment center and site, including purchasing and installing information technology and related infrastructure in Santa Fe (hereinafter the “2013 Appropriation”); 2) the New Mexico Finance Authority and Los Alamos National Bank fully executing the Consent to Mortgage, Exhibit hereto; and 3) Solace executing the quit claim deed to the City, Exhibit hereto.

**WHEREAS:**

A. Solace is the only sexual assault service provider and trauma treatment center providing the following services in the City of Santa Fe: education and training to promote the prevention of sexual violence; maintenance of crisis response services for those affected by sexual violence; assistance to survivors and their families to overcome the trauma associated with sexual violence; trauma treatment and rehabilitation for people affected by sexual violence; working with other groups, agencies, and organizations to inform, educate, respond and heal the community; providing a presence in the court on behalf of victims to better ensure justice for all parties involved in sexual violence.

B. Solace is the owner of certain real property and presently existing improvements (the “Improvements”) located at 6601 Valentine Way, Santa Fe, New Mexico, 87507 (the land underneath the Improvements, excluding the Improvements is hereinafter the “Real Property”) and which serves as its principal place of business from which it organizes, conducts, and otherwise performs all tasks in the pursuit of its mission.

C. Solace has expended federal and non-public funds to acquire, maintain, improve, and do all things necessary for the Real Property and Improvements thereon to serve as its

CITY OF SANTA FE-SOLACE GRANT AGREEMENT, LEASE AND LEASE  
REPURCHASE AGREEMENT

principal place of business. The New Mexico Finance Authority and Los Alamos National Bank hold mortgages on the Improvements.

D. The City has determined that the services that Solace provides are essential for the health, wellbeing, and safety of the community and there exists an ongoing need for such services to continue in the City of Santa Fe. The City and Solace have entered into a Professional Services Agreement (hereinafter the "Services Agreement I") where the City pays Solace for services provided to community members under City Contract #14-0504. The City also pays Solace for services for a domestic violence coordinator and training under City Contract #14-0646 (hereinafter the "Services Agreement II").

E. The City and Solace have determined that the Improvements located on the Real Property are in need of repair and renovation, including but not limited to roof repair, consistent with the terms and conditions of the Appropriation.

F. Solace did not obtain private sector financing for the repair and renovation. The 2013 legislature did make an appropriation for the repair and renovation. The City and Solace recognize that utilizing the 2013 Appropriation for its stated purpose will be for the benefit of the City and Solace as well as the public which they serve.

G. The City, in accordance with the Grant Agreement intends to expend the 2013 Appropriation to plan, design, repair, renovate and equip the Improvements(hereinafter "Renovations").

H. In order to satisfy the requirements of Article IX, Section 14 of the Constitution of the State of New Mexico and State Rule 2.61.68(G)(1)(A) NMAC, which prohibits donations to or in aid of any person, association, or public or private corporation, Solace has agreed to grant to the City by way of a quitclaim deed, a copy of which is attached as an Exhibit, all its rights title and interest in and to the existing improvements and the Renovations situated on the Real Property. Title to the Real Property shall remain with Solace.

I. Solace has an equitable interest in the Real Property and Improvements in so far as they were owned by Solace prior to being further improved and in so far as private funds of Solace contributed to the acquisition and Improvements to the Real Property.

J. Solace, prior to deeding the Improvements and the Real Property to the City, will seek and receive written approval of the attached Consent to Mortgage, which is attached as an Exhibit, by the two existing mortgage holders, the New Mexico Finance Authority ("NMFA") and the Los Alamos National Bank ("LANB"). Solace wishes to, in the future, repurchase the Improvements and Renovations from the City through consideration of services provided to the City.

K. The City intends to make a determination that Solace as owner of the Real Property qualifies as the sole source under the procurement code for providing services through

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programs and activities upon the Real Property and utilizing the presently existing Improvements and future Renovations in pursuit of its mission.

NOW THEREFORE, conditioned upon the City entering into and fully executing a Grant Agreement with the Local Government Division of the New Mexico Department of Finance and Administration ("LGD") for the purpose of granting funds to the City in the amount of two hundred and sixteen thousand dollars (\$216,000) from the local government division of the department of finance and administration which were appropriated to the LGD by the 51<sup>st</sup> Legislature of the State of New Mexico during the First Session of 2013 to plan, design, repair, renovate and equip the sexual assault service provider and trauma treatment center and site, including purchasing and installing information technology and related infrastructure in Santa Fe and upon NMFA and LANB fully executing the Consent to Mortgage and upon the quit claim deed by Solace to the City, and in consideration of the foregoing, the following and for other good and valuable consideration the receipt of which is hereby acknowledged the City and Solace hereby agree as follows:

1. QUIT CLAIM DEED OF THE IMPROVEMENTS FROM SOLACE TO THE CITY

Solace shall, by quitclaim deed, convey and grant all existing Improvements to the City, in the form attached as an Exhibit. The City shall record such deed in the County Clerk's office, Santa Fe County, New Mexico.

2. LEASE OF REAL PROPERTY FROM SOLACE TO THE CITY

Solace agrees to lease the Real Property under the existing Improvements and future Renovations to the City for one dollar per year for so long as the City is fee simple owner of the existing Improvements and future Renovations.

3. LEASE OF IMPROVEMENTS AND RENOVATIONS FROM CITY TO SOLACE

After the recordation of the quitclaim deed, the City hereby agrees to lease to Solace the Improvements and the subsequent Renovations made pursuant to the 2013 Appropriation to Solace. Solace, as lessee, shall be responsible for all maintenance and operation of the facility.

- A. Monthly Rent. The Rent for lease of the Improvements and Renovations shall be at fair rental value ("Monthly Rent"), but not less than an amount equal to the total monthly mortgage obligation owed by Solace to Los Alamos National Bank and the New Mexico Finance Authority (hereinafter the "Lease Amount"). The Monthly Rent amount to cover the mortgage obligation shall be paid monthly by Solace to Los Alamos National Bank and the New Mexico Finance Authority pursuant to the terms and conditions of any agreement establishing the manner for repayment of any loans secured by any mortgage on the Real Property or any improvements thereon and in

accordance with the Consent to Mortgage executed by LANL and NMFA, attached hereto as an Exhibit. Any amount of services under the terms of Services Agreement I provided that exceed the contractual requirements may be applied to the amount needed to account for the remainder of the Monthly Rent due.

B. Repurchase Credits.

1. Monthly Credits. Any amount of services under the terms of Services Agreement I provided that exceeds the contractual requirements applied to the amount needed to account for the remainder of the Monthly Rent due can be counted to the amount needed to repurchase the building.

2. Excess Credits. Any amount of services under the terms of Services Agreement I provided that exceeds the contractual requirements and exceed the Monthly Rent due can be counted to the amount needed to repurchase the building.

3. Solace shall keep written record on these amounts

C. Police Department Lease. The lease between the City and Solace that currently exists in which the City, via the Santa Fe Police Department under City Contract #14-0622, to pay Solace for use of a space in the presently existing improvements is suspended while the City owns that same space.

4. SALE OF THE PRESENTLY EXISTING IMPROVEMENTS AND RENOVATIONS FROM THE CITY TO SOLACE

A. If requested in writing by Solace, after the completion of the Renovations made pursuant to the 2013 Appropriation, the City may agree to sell the presently existing Improvements and Renovations back to Solace. The fair market value will be determined by an appraisal.

B. Solace may pay the fair market value by: (a) providing at least \$216,000 in cash or Excess Credits; and (b) providing the remainder in cash or Monthly Credits.

5. SERVICES TO BE PROVIDED BY SOLACE TO CITY IN LIEU OF PAYMENT OF CASH FOR FULL SALE AMOUNT

As stated in Paragraph 4, Solace may repurchase the Improvements and Renovations from the City, either by way of cash or, in lieu of cash, may provide the services for the City, which are in addition to services currently being compensated for by agreement as referenced in Paragraph 3. Such services may be in lieu of the Sale Amount in cash as long as the services are equal to or greater in value to the Sale Amount. Solace agrees to provide the City with the necessary documentation to prove that it has fulfilled the Sale Amount by the rendering of uncompensated services to the City.

6. FUTURE RENOVATIONS

CITY OF SANTA FE-SOLACE GRANT AGREEMENT, LEASE AND LEASE  
REPURCHASE AGREEMENT

Except for Renovations made pursuant to the 2013 Appropriation which have already been authorized, initiated, or completed, the parties agree that no future improvements shall be made which significantly increase the Sale Amount unless agreed upon in writing by the City and Solace.

7. TERM AND TERMINATION

A. This Agreement shall be effective from the date executed by both parties after approval and adoption by the Governing Body however, said execution shall not occur until the Consent to Mortgage is fully executed by NMFA and LANB and the Deed is recorded in the records of Santa Fe County clerk. The lease term is one (1) year with additional one (1) year renewal terms, as needed. Lessee may renew the term by sending written notification to the Lessor no later than 15 days prior to the termination of the term.

8. ASSIGNMENT

Solace and City shall not assign or transfer any interest in this Agreement or assign any claims for money due or to become due under this Agreement.

9. LIABILITY AND INSURANCE

It is expressly understood and agreed by and between Solace and the City that Solace shall defend, indemnify and hold harmless the City for all losses, damages, claims or judgments on account of any suit, judgment, execution, claims, actions or demands whatsoever resulting from Solace's actions or inactions as a result of this Agreement. Solace shall maintain adequate general liability insurance for the Real Property and Renovations in at least the amount of \$1,000,000.00 and shall provide proof of such insurance coverage to the City.

10. THIRD PARTY BENEFICIARIES

By entering into this Agreement the parties do not intend to create any right, title or interest in or for the benefit of any person or entity other than the City and Solace. No person or entity shall claim any right title or interest under this Agreement or seek to enforce this Agreement as a third party beneficiary of this Agreement.

11. RECORDS AND AUDITS

Solace shall maintain detailed time records which indicate the date, time and nature of all services which shall be credited as payments made toward lease and repurchase of the Renovations. These records shall be subject to inspection by the City, the Department of Finance and Administration, the State Auditor, and the Legislative Finance Committee. Any client-specific information produced, compiled, maintained, or produced by the Contractor, including protected health information, shall remain confidential and shall not be disclosed to the City or any other agency unless permitted by law.

CITY OF SANTA FE-SOLACE GRANT AGREEMENT, LEASE AND LEASE  
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12. APPROVAL BY ORDINANCE

The terms of this Lease Repurchase Agreement are contingent upon approval of this agreement by the City's Governing Body and the adoption of an ordinance, in accordance with notice and public hearing requirements of the City and State.

13. APPROVAL BY SECURED CREDITORS

The terms of this Lease Repurchase Agreement are contingent upon approval of this agreement by any creditor having a mortgage on the Real Property, in accordance with the terms and conditions of that creditor's agreement with Solace (Los Alamos National Bank and New Mexico Finance Authority).

14. SUBLEASES

Neither party shall sublease any portion of the Real Property, presently existing improvements, or Renovations, without the prior written approval of the other party.

15. FUTURE CONVEYANCES OF REAL PROPERTY, PRESENTLY EXISTING IMPROVEMENTS, OR RENOVATIONS

Neither party shall convey or encumber any interest in the Real Property, presently existing improvements, or Renovations, without the prior written approval of the other party.

16. AMENDMENT

This Agreement shall not be altered, changed or amended except by instrument in writing executed by the parties or applicable lienholders hereto.

17. APPLICABLE LAW

This Agreement shall be governed by the ordinances of the City of Santa Fe and the laws of the State of New Mexico.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date signed by both parties, whichever occurs last.

**CITY OF SANTA FE:**

APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY:

CITY OF SANTA FE-SOLACE GRANT AGREEMENT, LEASE AND LEASE  
REPURCHASE AGREEMENT

\_\_\_\_\_  
JAVIER GONZALES, Mayor

*Kelley Brennan for*  
\_\_\_\_\_  
KELLEY BRENNAN, City Attorney

ATTEST:

\_\_\_\_\_  
YOLANDA Y. VIGIL, City Clerk

APPROVED:

\_\_\_\_\_  
CITY FINANCE DIRECTOR

**CONTRACTOR:**

\_\_\_\_\_  
MARIA JOSE RODRIGUEZ CADIZ  
Executive Director  
Solace Crisis Treatment Center

Subscribed and Sworn to before me on this \_\_\_\_\_ day of \_\_\_\_\_ 2014 by \_\_\_\_\_

\_\_\_\_\_  
Notary Public

CITY OF SANTA FE-SOLACE GRANT AGREEMENT, LEASE AND LEASE  
REPURCHASE AGREEMENT

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My Commission Expires:

CITY OF SANTA FE-SOLACE GRANT AGREEMENT, LEASE AND LEASE  
REPURCHASE AGREEMENT

SECURED CREDITORS:

Approved by:

LOS ALAMOS NATIONAL BANK

\_\_\_\_\_  
Authorized Representative of LANB

Subscribed and Sworn to before me on this \_\_\_\_\_ day of \_\_\_\_\_ 2014 by \_\_\_\_\_

\_\_\_\_\_  
Notary Public

My Commission Expires:

CITY OF SANTA FE-SOLACE GRANT AGREEMENT, LEASE AND LEASE  
REPURCHASE AGREEMENT

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Approved by:

NEW MEXICO FINANCE AUTHORITY

\_\_\_\_\_  
Authorized Representative of NMFA

Subscribed and Sworn to before me on this \_\_\_\_\_ day of \_\_\_\_\_ 2014 by \_\_\_\_\_

\_\_\_\_\_  
Notary Public

My Commission Expires:

CITY OF SANTA FE-SOLACE GRANT AGREEMENT, LEASE AND LEASE  
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