Regular Governing Body Meeting
City of Rio Rancho
AGENDA
June 11, 2026
6:00 PM
Council Chambers

Governing Body Members

Paul Wymer, Mayor	Vacant, Councilor District 4
Deb Dapson, Councilor District 1	Karissa Culbreath, Councilor District 5
Jeremy Lenentine, Councilor District 2	Nicole List, Councilor District 6
Bob Tyler, Councilor District 3	

Meeting Information
This meeting will be conducted in-person and virtually, as well as, streamed live on the City of Rio Rancho website at https://rrnm.gov/2303/Watch-and-Download-City-Meetings

Join by Computer: https://us06web.zoom.us/j/83338157719?pwd=ST55whY8GCTELqBoGjYG1ipM1F5Uer.1
Meeting ID: 833 3815 7719
Passcode: 554297

Join by Phone:
Dial +1 720 707 2699 US (Denver)

Pursuant to the Governing Body Rules of Procedures, any person wishing to address the Governing Body related to an item listed under Second Reading of Ordinances, First Reading of Ordinances, or Discussion and Deliberation, shall register in person with the City Clerk no later than fifteen (15) minutes prior to the scheduled start time of a meeting. No more than two (2) hours in total will be allotted for comments pertaining to a specific agenda item at any meeting. A majority vote of the Governing Body members present may approve to extend the total amount of time allotted for public input related to a specific agenda item at a meeting.

Public input can be submitted in writing to the City Clerk, as clerk of the Governing Body, prior to the date of the meeting in which the item is scheduled to be heard; however, only public input received before 4 p.m. on the day of the meeting will be entered into the record prior to the meeting.

Notice under the ADA: If you have a disability and require special assistance to participate in this meeting, please contact the ADA Coordinator at 505-891-5003 or email legal@rrnm.gov. To request a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service please contact the ADA Coordinator at least forty-eight (48) hours prior to the meeting. Public documents, including the agenda and minutes, can be provided in an accessible format upon request. Open captioning will be available during the meeting and online webcast.

Call to Order and Pledge of Allegiance

Proclamations and Awards of Merit

Public Forum
Pursuant to the Governing Body Rules of Procedure, any person wishing to address the Governing Body related to a non-agenda item shall register in person with the City Clerk no later than fifteen (15) minutes prior to the scheduled start time of a meeting. No more than two (2) hours in total will be allotted for

public forum comments at any meeting. A majority vote of the Governing Body members present may approve to extend the total amount of time allotted for public forum at a meeting.

Comments by Councilors

Consent Calendar
There will be no discussion of these items unless a Governing Body Member so requests, in which event the item will be moved to a discussion item on the regular agenda.

1 Minutes of the May 28, 2026 Regular Meeting
Minutes of the May 28, 2026 Regular Meeting

2 R43, Resolution Authorizing the Disposal of Property
Resolution
Exhibit A

3 R44, Resolution Accepting the First Amendment to the Previously Awarded State Capital Outlay Appropriation for Idalia Road/Loma Colorado Boulevard Intersection Improvements
Resolution
Idalia-Loma Colorado Map
First Amendment., C3223163

4 R45, Resolution Authorizing a Budget Adjustment to the Utilities Operations Fund (501)
Resolution

5 D15, Governing Body Member Appointments to Serve on the New Mexico Municipal League Policy Committee

6 D16, Appointment of Catherine VerEecke to the Capital Improvements Plan Citizen's Advisory Committee (CIPCAC)
C. VerEecke Resume

7 D17, Appointment of Viktoriya Sanchez to the Capital Improvements Plan Citizen's Advisory Committee (CIPCAC)
V. Sanchez Resume

8 D18, Appointment of Sa'ida Thomas-Bevoni to the Keep Rio Rancho Beautiful Committee
S. Bevoni Resume

9 D19, Appointment of Kai Udall to the Investment Advisory Board
K. Udall Resume

Boards/Commissions/Committee Reports

Public Hearings

10 O7, Ordinance of the City of Rio Rancho, NM Amending the Zoning Classification and Official Zone Map for the Property Legally Described as Unit 10, Block 33, Lot 98-A from R-1: Single-Family Residential District to C-1: Retail Commercial District, Identifying Conditions of Development; Providing for Severability and an Effective Date
Ordinance
Application
Authorization
Justification Letter
Zoning & Location Map
Reproduction of Notices

11 R46, Resolution Adopting the Rancho Alegria Master Plan
Resolution
Application
Justification Letter
Zoning & Location Map
CLEAN Master Plan
Engineering Comments Mark-up
Fire & PRCS Comments
Reproduction of Notices PZB
Reproduction of Notices

12 O8, Ordinance of the City of Rio Rancho, New Mexico, Amending the Zoning Classification and Official Zoning Map for the Property Legally Described as Unit 8, Block 53, Lots 1-24, Block 49, Lots 2-11, 14-23 and Block 50, Lots 2-11, 9-11, and 13-24, From M-1: Industrial and Business Park and R-1: Single-Family Residential, to R-3: Mixed-Residential, Identifying Conditions of Development, Providing for Severability and an Effective Date
Ordinance
Application
Justification Letter
Zoning & Location Map
Reproduction of Notices

13 O9, Ordinance of the City of Rio Rancho, New Mexico, Amending the Zoning Classification and Official Zoning Map for the Property Legally Described as Loma Colorado, Tract P-1C-A, to Add Restaurants, Bars, Lounges, Coffee/Tea Rooms, Delicatessens, and Patio/Al Fresco Dining Facilities as a Permissive Use to the SU: Special Use for Educational, Recreational, and Cultural Uses Zoning Designation, Identifying Conditions of Development; Providing for Severability and an Effective Date
Ordinance
Application
Letter of Authorization
Justification Letter
Location Zoning Map
Site Plan
MAC CENTER - Surveyed Site Plan
Renderings
Exhibit A Site Plan
MAC Fact Sheet
Reproduction of Notice
Public Comment Faulhaber

Second Reading of Ordinances

14 O6, Ordinance Authorizing the Issuance and Sale of City Of Rio Rancho, New Mexico, Tax-Exempt General Obligation Improvement Bonds, Series 2026, in the Principal Amount of $18,000,000, Payable from Ad Valorem Taxes Levied on all Taxable Property within the City, Levied Without Limit as to Rate or Amount; Providing for the Form, Certain Terms and Conditions of the Bonds, the Manner of Their Execution, and the Method of and Security for Payment Thereof; Delegating Authority to Each of the Mayor, City Manager and City Financial Services Director to Determine the Method of Sale Of the Bonds and to Determine the Maturity Dates and Amounts, Interest Rates, Prices, Redemption Features and Other Final Terms of the Bonds in an Award Certificate; and Providing for Other Details Concerning the Bonds
Ordinance
Disclosure Responsibilities Memo
2026 Preliminary Official Statement
Exhibit A - Roads

Exhibit B - Public Safety
Exhibit C - Quality of Life Facilities

First Reading of Ordinances

Discussion and Deliberation

15 D20, Approval of the Second Amendment to the Substitute Ground Lease for 801 and 821 Loma Colorado Blvd. NE ("The Mac") to Allow for Expand Uses Including Restaurants and Beer/Wine Service
I Blades McDermott Substitute Ground Lease Duly Executed Aug 2016 V2
II Executed First Amendment to Substitute Ground Lease 2025 02 03
III-a Proposed Second AMENDMENT TO SUBSTITUTE GROUND LEASE - Final (6.3.26)
III-b EXHIBIT B of Proposed Second Amendment to Substitute Ground Lease June 4 2026
III-c MAC Site Plan Tap Room May 2026 (Schedule 1) of Proposed Second AMENDMENT TO SUBSTITUTE GROUND LEASE
III-d Schedule 2 Original Building of Proposed Second Amendment to Substitute Ground Lease
IV - MAC Site Plan 801 and 821 Loma Colorado May 2026
V Tenant Ground Lease Amendment Request Letter - Final Executed
VI The MAC Final Fact Sheet

City Manager

Adjournment

CITY OF RIO RANCHO
COVER PAGE

Legislation Item:

AGENDA DATE:
June 11, 2026

DEPARTMENT:
City Clerk

SUBJECT:
Minutes of the May 28, 2026 Regular Meeting

BACKGROUND AND ANALYSIS:

IMPACT:

ALTERNATIVES:

DEPARTMENT RECOMMENDATION:

ATTACHMENT: Minutes of the May 28, 2026 Regular Meeting

Governing Body
of the
City of
Rio Rancho
MINUTES
MAY 28, 2026
6:00 p.m.
Council Chambers

MEMBERS PRESENT:	**STAFF PRESENT**
Paul Wymer, Mayor	Matt Geisel, City Manager
Deb Dapson, Councilor Dist. 1	Peter Wells, Deputy City Mnager
Jeremy Lenentine, Deputy Mayor/Dist. 2	Josh Rubin, City Attorney
Bob Tyler, Councilor Dist. 3	Stewart Steele, Police Chief
Vacant, Councilor Dist. 4	Stephanie Yarra, Director of Financial Services
Karissa Culbreath, Councilor Dist. 5	Noel Davis, City Clerk
Nicole List, Councilor Dist. 6	James Wenzel, Fire Chief
	Jason Shoup, Director of Library & Info Services
	Loyola Martinez, Director of Human Resources
	Connie Peterson, Director of Parks, Rec. & Comm Svcs.
	Charli Hannoona, Director of Information Technology
	Steve Gallegos, Director of Utilities
	BJ Gottlieb, Director of Public Works
	Amy Rincon, Director of Development Services
	Yolanda Lucero, Deputy City Clerk

Call to Order and Pledge of Allegiance

Mayor Wymer called the meeting to order at 6:00 p.m.

Proclamations and Awards of Merit

Public Forum

The following individuals spoke under Public Forum:

- Stephan vanHorn

Comments by Councilors

Consent Calendar

1) Minutes of the May 1, 2026 Special Work Session
2) Minutes of the May 14, 2026 Regular Meeting
3) R36, Resolution Authorizing Disposal of Property (Library and Information Services Department)
4) R37, Resolution Authorizing a Budget Adjustment to the General Fund (101) (Fire and Rescue Department)

DRAFT

5) R38, Resolution Authorizing a Budget Adjustment to the General Fund (101) (Public Works Department)
6) R39, Resolution Authorizing a Budget Adjustment to Utility Subordinate Debt Service Fund (532), Utility Senior Debt Service Fund (533), & 2026 Utility Bond Project Fund (577)
7) D12, Appointment of Andrea Hankins to the Planning and Zoning Board

Karissa Culbreath moved to approve consent calendar. Seconded by Bob Tyler

The motion carried by a vote of 6 FOR and 0 AGAINST.
YES: Paul Wymer, Deb Dapson, Jeremy Lenentine, Bob Tyler, Karissa Culbreath, Nicole List
NO: None

Boards/Commissions/Committee Reports

Public Hearings

8) D13, Site Plan Approval for a Restaurant with Outdoor Patio at the Property Legally Described as The Village, Tract E5

Amy Rincon, Director of Development Services, stated the applicant has requested this item be withdrawn.

Bob Tyler moved to withdraw D13. Seconded by Jeremy Lenentine

The motion carried by a vote of 6 FOR and 0 AGAINST.
YES: Paul Wymer, Deb Dapson, Jeremy Lenentine, Bob Tyler, Karissa Culbreath, Nicole List
NO: None

9) Public Hearing for the Community Development Block Grant (CDBG) Fourth Annual Action Plan for the 2026-2027 Fiscal Year

No individual spoke under this item.

10) Public Hearing for Fiscal Year 2027 Budget

The following individual spoke under this item:

- Stephan vanHorn

11) Public Hearing for Fiscal Years 2027-2031 Infrastructure Capital Improvement Plan (ICIP)

No individual spoke under this item.

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Second Reading of Ordinances

First Reading of Ordinances

Discussion and Deliberation

12) R40, Resolution Adopting the Fiscal Year 2027 Balanced Budget

Stephanie Yara, Director of Financial Services, presented this item. She provided a brief overview of the process timeline. The FY 2027 Budget is structurally balanced and furthers the goals outlined in the City's Strategic Plan. Five-year General Fund forecast reflects a consistent structural balance, with recurring revenues projected to exceed recurring expenditures throughout the planning period Ending fund balance is projected to meet or exceed the City's 25 percent reserve policy minimum for the next five fiscal years. To respond to cost-of-living increases and to remain competitive in the labor market, the proposed budget includes a compensation adjustment equivalent to 5.0 percent for all employee groups (subject to collective bargaining). A 5.0 percent increase in health insurance premiums due to rising medical care costs. The proposed budget included 21 new positions. Also, as a result of negotiations with the Rio Rancho Police and Communications Association changes have been incorporated into the Recommended Budget for the General Fund at the request of the City Manager as follows:

- Police Department Personnel Increase $1,400,000
- General Fund Ending Fund Balance-unreserved Decrease ($1,516,667)
- General Fund Ending Fund Balance-reserved Increase $116,667

This amendment maintains the City’s Ending fund balance at a level projected to meet or exceed the City's 25 percent reserve policy minimum for the next five fiscal years.

Lastly, Ms. Yara presented the Utilities Enterprise Fund. The Water and Wastewater Utilities provides service to 40,000+ customers, delivering more than 3.5 billion gallons of water service annually revenue to fund operations and capital investments are derived primarily from the sale of water, wastewater, and recycled water. Utilities Enterprise Funds ending fund balances consists of:

- Operating reserves of $11.9M
- Capital reserves $4M
- Debt service reserves of $230,000
- Capital funds and Impact Fee reserves of $3.1M

The operating reserve of $11.9M represents a 126-day cash reserve The capital reserve of $4M represents 1.0 percent of the total estimated value of Utilities capital assets. The already approved 3.0 percent annual increase to water and wastewater rates is effective over a five-year period, from FY 2026 through FY 2030 The water and wastewater rate adjustment for FY 2027 will increase the average monthly customer bill by approximately $3.00 The scheduled rate adjustments include an increase of 3.0 percent in water rights acquisition fees and a 5.0 percent increase to the rate charged bulk fill customers. There is a proposed 5.0 percent salary adjustment and also the 5.0

DRAFT

increase to health insurance premiums and one new position for an Administrative Services Manager Associate Engineer. The document serves as the primary basis for subsequent annual capital budgets and presents a multi-year projection of capital needs and financing requirements.

Karissa Culbreath moved to approve R40. Seconded by Bob Tyler

The motion carried by a vote of 6 FOR and 0 AGAINST.
YES: Paul Wymer, Deb Dapson, Jeremy Lenentine, Bob Tyler, Karissa Culbreath, Nicole List
NO: None

13) R41, Resolution Adopting the Infrastructure and Capital Improvement Plan (ICIP) for Fiscal Years 2027-2031

Ms. Yara stated the FY 2027 Capital Plan consists of $56.4M in new capital appropriations, $2M in new repair, minor equipment, and contract service appropriations, and $251.7M in roll-forward appropriations and/or anticipated funding sources for a grand total of $310.1M in planned spending. An estimated $477.5M, or 51 percent, of the ICIP's cost is growth-related. Of that amount, an estimated $266M or 56 percent, does not have an identified funding source. This represents a challenge for meeting the City's capital needs during the planning period, and supplemental financing sources will need to be identified and secured to fully execute the plan.

Nicole List moved to approve R41. Seconded by Karissa Culbreath

The motion carried by a vote of 6 FOR and 0 AGAINST.
YES: Paul Wymer, Deb Dapson, Jeremy Lenentine, Bob Tyler, Karissa Culbreath, Nicole List
NO: None

14) R42, Resolution Adopting the Community Development Block Grant Fourth Annual Action Plan for the 2026-2027 Fiscal Year

Don Martinez, Financial Services/Budget and Grants Division Manager provided an overview. The Fourth Annual Action Plan consists of CDBG-funded project awards totaling $522,046 as recommended by staff, the Capital Improvements Plan Citizen's Advisory Committee (CIPCAC), and considering any public comment offered during the required 30-day public comment period. The 2026-2027 CDBG projects and activities can be found in Section AP-38 Projects Summary of the attached Annual Action Plan and are proposed as follows: Haven House Shelter Services: $34,670; Sandoval County Permanent Supportive Housing: $24,375; St. Felix Pantry Homelessness Prevention: $19,260; Chayote Road - ADA Ramp Remediation: $250,000; Broadmoor Senior Center Outdoor Activity Space Equipment: $84,249; Rebuilding Together Sandoval County: $12,000; and Planning and Administration: $97,492.

Karissa Culbreath moved to approve R42. Seconded by Nicole List

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The motion carried by a vote of 6 FOR and 0 AGAINST.
YES: Paul Wymer, Deb Dapson, Jeremy Lenentine, Bob Tyler, Karissa Culbreath, Nicole List
NO: None

15) D14, Advice and Consent of the Governing Body to Award the Barbara Loop Reconstruction Project to Albuquerque Asphalt, Inc.

Bj Gottlieb, Director of Public Works presented this item. The Barbara Loop Reconstruction project from Sara Road to N.M. 528 includes roadway reconstruction, new water line and services, new sanitary sewer line and services, and improving ADA ramps. The construction duration for this project is anticipated to be approximately 9 months from the notice to proceed date. This project is funded by City Infrastructure Fund sources ($199,934), an NMDOT Transportation Project Fund (TPF) grant ($1,922,350), and Utilities Department's sources ($1,150,830).

Karissa Culbreath moved to approve D14. Seconded by Deb Dapson

The motion carried by a vote of 6 FOR and 0 AGAINST.
YES: Paul Wymer, Deb Dapson, Jeremy Lenentine, Bob Tyler, Karissa Culbreath, Nicole List
NO: None

City Manager

Matt Geisel, City Manager, stated that since 2016 there have been approximately 51 major road projects. Also, the Governing Body Community Newsletter has been released. He went over the following upcoming events:

- City will host a 4th of July celebration
- Summer reading at the library will kick off on June 4
- The Hub will have a 3-year anniversary event on June 6

Adjournment

7:18 p.m.

APPROVED THIS JUNE 11, 2026

_____
Paul M. Wymer, Mayor

ATTEST:

_____
Noel C. Davis, City Clerk
(SEAL)

DRAFT

CITY OF RIO RANCHO
COVER PAGE

Legislation Item: R43

AGENDA DATE:
June 11, 2026

DEPARTMENT:
Fire and Rescue

SUBJECT:
R43, Resolution Authorizing the Disposal of Property

BACKGROUND AND ANALYSIS:
The Fire and Rescue Department headquarters/administration building has office chairs that are damaged and non-functional, as well as a built-in desk/cabinets that are being replaced with a standard desk.

The disposal of property is governed by Section 3-54-2 NMSA 1978, requiring Governing Body approval for property that does not exceed $2,500.

IMPACT:
Disposal of the equipment/furniture will allow for improved and practical working conditions.

ALTERNATIVES:
Approve the Resolution.

Do not approve the Resolution.

DEPARTMENT RECOMMENDATION:
Staff recommends the approval of the Resolution.

ATTACHMENT: Resolution
ATTACHMENT: Exhibit A

CITY OF RIO RANCHO
RESOLUTION

RESOLUTION NO. **ENACTMENT NO.**

RESOLUTION AUTHORIZING THE DISPOSAL OF PROPERTY

WHEREAS: the Fire and Rescue Department headquarters/administration building has office chairs that are damaged and non-functional, as well as a built-in desk/cabinets that are being replaced with a standard desk; and

WHEREAS: the disposal of property is governed by Section 3-54-2 NMSA 1978, requiring Governing Body approval for property that does not exceed $2,500.

NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF RIO RANCHO:

That formal authorization is hereby given to remove and safely dispose of the equipment/furniture located at the Fire and Rescue Department headquarters/administration building listed in Exhibit A, attached hereto.

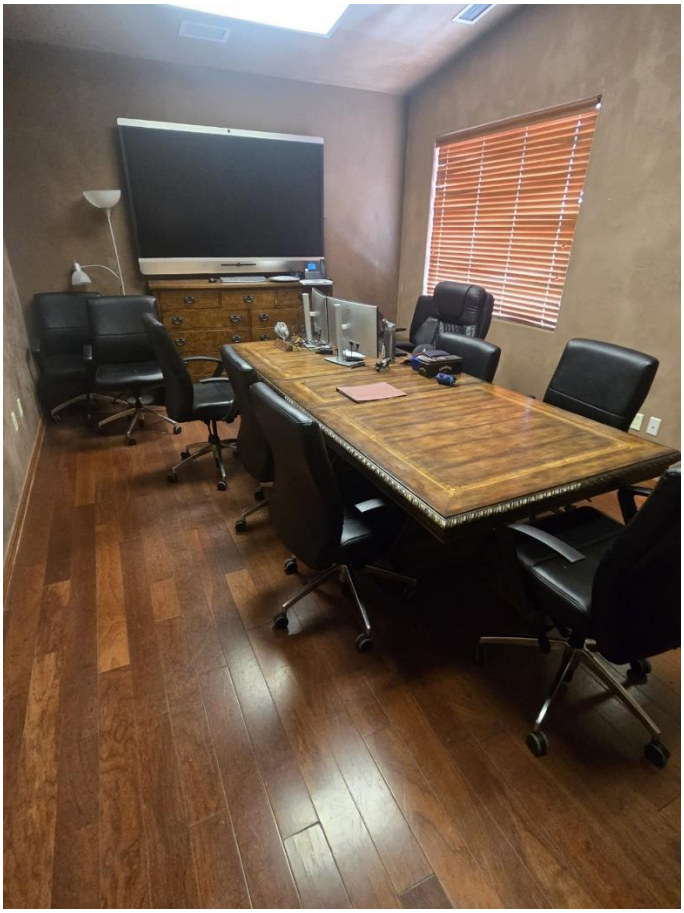
ADOPTED THIS _____DAY OF _____, 2026.

_____
Paul Wymer, Mayor

ATTEST:

_____
Noel C. Davis, City Clerk
(SEAL)

Exhibit A – Disposal



CITY OF RIO RANCHO
COVER PAGE

Legislation Item: R44

AGENDA DATE:
June 11, 2026

DEPARTMENT:
Public Works

SUBJECT:
R44, Resolution Accepting the First Amendment to the Previously Awarded State Capital Outlay Appropriation for Idalia Road/Loma Colorado Boulevard Intersection Improvements

BACKGROUND AND ANALYSIS:

The City of Rio Rancho was previously awarded (2022) a Capital Appropriations Project Grant by the New Mexico Legislature and New Mexico Department of Transportation (NMDOT) in the amount of $300,000 to plan, design, construct, and improve the intersection of Idalia Road/Loma Colorado Boulevard.

These grant funds have been partially expended ($251,537) to date to fund a portion of the design to improve Idalia Road.

In 2026, the New Mexico State Legislature reauthorized/reappropriated the remaining unspent balance and extended the expenditure period from June 30, 2026 to June 30, 2028.

Final design work is anticipated to be completed in fall 2026. Improvement work would begin following completion of right-of-way related work and identifying a funding source for estimated construction costs (to be determined).

IMPACT:
The support and acceptance of this Resolution for the First Amendment to the Capital Appropriation Project Grant allows the City to complete full reimbursement of the $300,000 grant for Idalia Road/Loma Colorado Boulevard improvement-related work.

ALTERNATIVES:
Approve the Resolution.

Do not approved the Resolution.

DEPARTMENT RECOMMENDATION:
Staff recommends approval of the Resolution.

ATTACHMENT: Resolution

ATTACHMENT: Idalia-Loma Colorado Map
ATTACHMENT: First Amendment., C3223163

CITY OF RIO RANCHO
RESOLUTION

RESOLUTION NO. **ENACTMENT NO.**

RESOLUTION ACCEPTING THE FIRST AMENDMENT TO THE PREVIOUSLY AWARDED STATE CAPITAL OUTLAY APPROPRIATION FOR IDALIA ROAD/LOMA COLORADO BOULEVARD INTERSECTION IMPROVEMENTS

WHEREAS: the City of Rio Rancho was awarded a State Capital Outlay Appropriation, Control Number C3223163, Contract Number D19690, by the New Mexico Department of Transportation in the amount of $300,000 to plan, design, construct, and improve the intersection at Idalia Road NE and Loma Colorado Boulevard; and

WHEREAS: the New Mexico Legislature via New Mexico State Laws of 2026, Chapter 68, HB332, Section 278, reauthorized/reappropriated funding under contract D19690 and extended the expenditure period from June 30, 2026, to June 30, 2028; and

WHEREAS: the amendment to the grant agreement requires the Governing Body to adopt a resolution of support for the project.

NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF RIO RANCHO:

Section 1. The City will complete the project and assume responsibility for the scope and required local funding to support the project.

Section 2. That authorization is given for the reversion extension date of June 30, 2028 in Amendment 1.

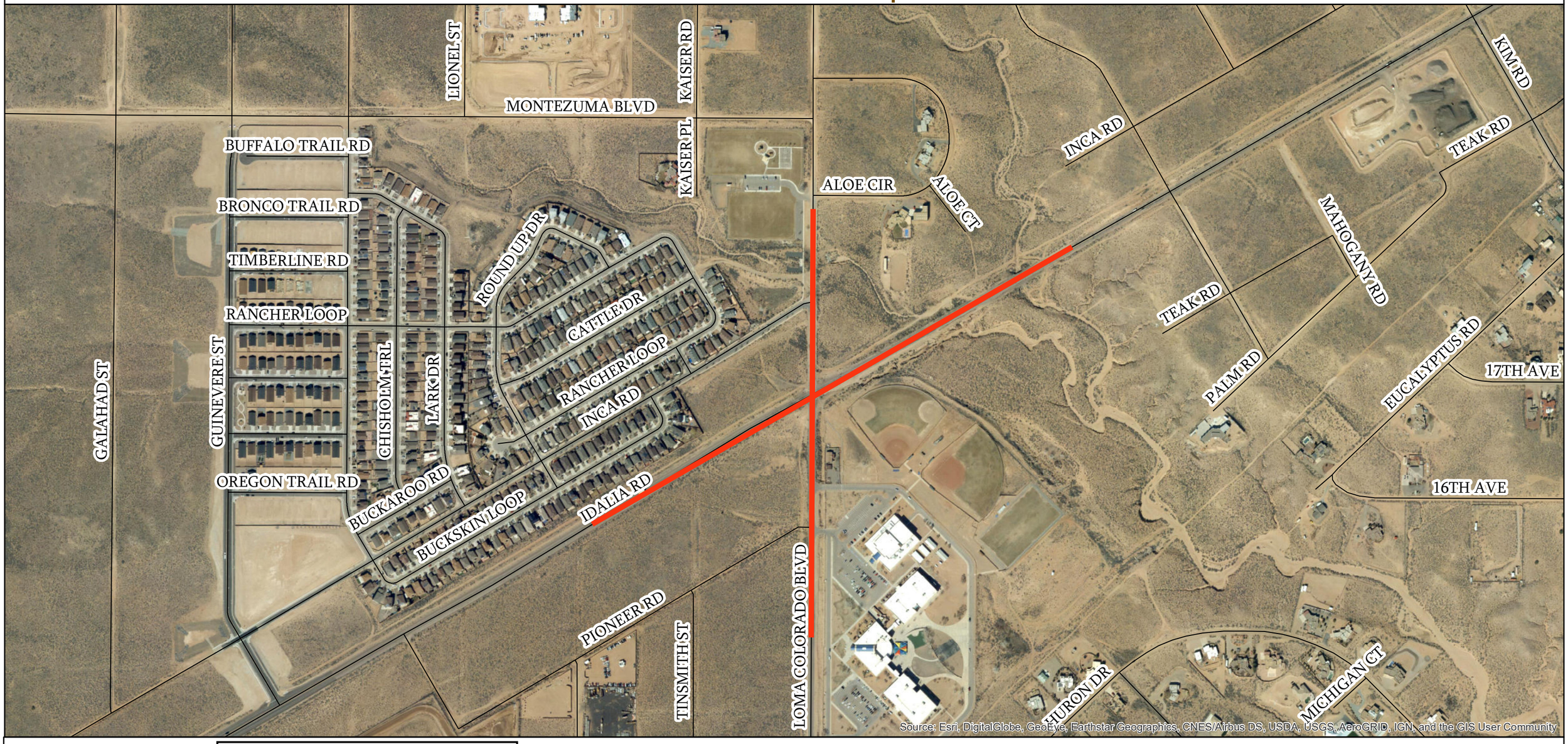
ADOPTED THIS _____DAY OF _____, 2026.

_____
Paul Wymer, Mayor

ATTEST:

_____
Noel C. Davis, City Clerk
(SEAL)

IDALIA RD/LOMA COLORADO BLVD INTERSECTION PROJECT ABM MAP
NMDOT C3223163 | PW 2147



DISCLAIMER: All information in this map is provided "as is" without warranty or any representation of accuracy, timeliness or completeness. This map is not a survey and should be used for graphical purposes only.

Legend

- Proposed Project Extents
- Roads
- City Limits

N
W E
S

Map Created by Jansen Lyons 9-21-2021

0 500 1,000 2,000
Feet

RioRancho City of Vision

GIS Moving Spatial Data Forward

Contract Number:_____
Vendor Number: 0000047808_____
Control Number: C3223163_____

STATE OF NEW MEXICO
DEPARTMENT OF TRANSPORTATION
FIRST AMENDMENT TO
FUND 89200 CAPITAL APPROPRIATION PROJECT

THIS AMENDMENT is between the Department of Transportation, hereinafter called the "Department" or abbreviation such as "NMDOT", and City of Rio Rancho, hereinafter called the "Grantee". This Amendment is effective as of the date of the last party to sign it on the signature page below.

RECITALS

WHEREAS, the Department and the Grantee entered into a Capital Appropriation Project Agreement, Control Number C3223163, Contract Number D19690 on January 20, 2023; and,

WHEREAS, in the Laws of 2022, Chapter 53, Section 36, Sub Section 81, the Legislature made an appropriation to the Department, funds from which the Department made available to the Grantee under Contract Number D19690; and,

WHEREAS, in the Laws of 2026, Chapter 68, HB332, Section 278, the Legislature reauthorized or re-appropriated funding, under Contract Number D19690 and extended the expenditure period; and,

WHEREAS, Article VII allows the parties to alter the Agreement by written consent of both parties; and,

WHEREAS, the Department and the Grantee want to amend the Agreement; and,

WHEREAS, pursuant to NMSA 1978, Section 67-3-28, as amended, and State Highway Commission Policy No. 44, the Department has the authority to enter into this Amendment.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, the parties hereby mutually agree as follows:

1. Article I(A) is deleted and replaced with the following:

A. The project that is the subject of this Agreement is described as follows:

DFA Appropriation ID G3163, NMDOT Control Number C3223163, **$300,000**
APPROPRIATION REVERSION DATE: 6/30/2026
Laws of 2022, Chapter 53, SB212, Section 36, Sub Section 81, (**$300,000**), to plan, design, construct and improve the intersection at Idalia road NE and Loma Colorado boulevard in Rio Rancho in Sandoval county.

The funding identified above was reauthorized or re-appropriated during the 2026 Legislative Session to extend the time of expenditure with the following new appropriation ID and reversion date.

DFA Appropriation ID K4275, NMDOT Control Number C3223163
APPROPRIATION REVERSION DATE: 6/30/2028
Laws of 2026, Chapter 68, HB332, Section 278.

The Grantee's total reimbursements shall not exceed the appropriation amount , $300,000, (the "Appropriation Amount") minus the allocation for Art in Public Places ("AIPP amount")[1], if applicable, $0.00, which equals , $300,000, (the "Adjusted Appropriation Amount").

In the event of a conflict among the Appropriation Amount, the Reversion Date, as defined herein and/or the purpose of the Project, as set forth in this Agreement, and the corresponding appropriation language in the laws cited above in this Article I(A), the language of the laws cited herein shall control.

This project is referred to throughout the remainder of this Agreement as the "Project"; the information contained in Article I(A) is referred to collectively throughout the remainder of this Agreement as the "Project Description." Optional Attachment A sets forth additional or more stringent requirements and conditions, which are incorporated by this reference as if set forth fully herein. If Optional Attachment A imposes more stringent requirements than any requirement set forth in this Agreement, the more stringent requirements of Attachment A shall prevail, in the event of irreconcilable conflict. The Grantee shall reference the Project's number in all correspondence with and submissions to the Department concerning the Project, including, but not limited to, Requests for Payment and reports.

2. Article IV(A) is deleted and replaced with the following:

A. As referenced in Article I(A), the applicable law establishes a date by which Project funds must be expended by Grantee, which is referred to throughout the remainder of this Agreement as the "Reversion Date." Upon being duly executed by both parties, this Agreement

[1] The AIPP amount is "an amount of money equal to one percent or two hundred thousand dollars ($200,000), whichever is less, of the amount of money appropriated for new construction or any major renovation exceeding one hundred thousand dollars ($100,000)." Section 13-4A-4 NMSA 1978.

shall be effective as of the date of execution by the Department. It shall terminate on June 30, 2028 the Reversion Date unless Terminated Before Reversion Date ("Early Termination") pursuant to Article V herein.

All other obligations set forth in the Original Agreement shall remain in full force and effect unless expressly amended or modified by this Amendment.

The remainder of this page is intentionally left blank.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date of execution by the Department.

GRANTEE

_____
Signature of Official with Authority to Bind Grantee

By:_____
(Type or Print Name)

Its:_____
(Type or Print Title)

_____
Date

DEPARTMENT OF TRANSPORTATION

_____
Cabinet Secretary or Designee

_____
Date

REVIEWED AND APPROVED AS TO FORM AND LEGAL SUFFICIENCY BY THE DEPARTMENT'S OFFICE OF GENERAL COUNSEL

_____
By: Aaron Frankland or Designee

_____
Date

CITY OF RIO RANCHO
COVER PAGE

Legislation Item: R45

AGENDA DATE:
June 11, 2026

DEPARTMENT:
Utilities

SUBJECT:
R45, Resolution Authorizing a Budget Adjustment to the Utilities Operations Fund (501)

BACKGROUND AND ANALYSIS:
Existing barricade rental funding ($400,000) is close to being fully expended for the current fiscal year due to cost increases and the associated repairs and maintenance.

Additional funding ($250,000) is requested to ensure there is sufficient funding for the remainder of the fiscal year to rent the barricades necessary for public safety during water and wastewater infrastructure repairs and maintenance.

IMPACT:

A $250,000 transfer from the Utilities Operations Fund Capital Reserve ($1,754,145) will fund traffic barricade rentals as needed to ensure public safety during water and wastewater repairs and maintenance.

ALTERNATIVES:

Approve the Resolution.

Do not approve the Resolution.

DEPARTMENT RECOMMENDATION:

Staff recommends approval of the Resolution.

ATTACHMENT: Resolution

CITY OF RIO RANCHO
RESOLUTION

RESOLUTION NO. **ENACTMENT NO.**

RESOLUTION AUTHORIZING A BUDGET ADJUSTMENT TO THE UTILITIES OPERATIONS FUND (501)

WHEREAS: funds budgeted for barricade rental have almost been fully expended; therefore, additional funds are required for the remainder of the fiscal year; and

WHEREAS: additional funds are required to rent barricades to ensure the safety of the public during maintenance and repair of water and wastewater infrastructure; and

WHEREAS: a budget adjustment is necessary to re-allocate funding from the ending fund balance reserve – capital reserve.

NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF RIO RANCHO:

That authorization is given for the following budget adjustment:

Utilities Operations Fund (501)

Account	Project No.	Revised Budget	Increase	Decrease	Adjusted Budget
501-7030-545-5030 Leases & Rentals	No Project	$499,463	$250,000		$749,463
501-7005-505-9004 Ending Fund Balance Reserve - Capital	No Project	$1,754,145		$250,000	$1,504,145
Total Uses		$2,253,608	$250,000	$250,000	$2,253,608

ADOPTED THIS _____DAY OF _____, 2026.

_____
Paul Wymer, Mayor

ATTEST:

_____
Noel C. Davis, City Clerk
(SEAL)

CITY OF RIO RANCHO
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Legislation Item: D15

AGENDA DATE:
June 11, 2026

DEPARTMENT:
Administration

SUBJECT:
D15, Governing Body Member Appointments to Serve on the New Mexico Municipal League Policy Committee

BACKGROUND AND ANALYSIS:
The City of Rio Rancho is a member of the New Mexico Municipal League (NMML).

The NMML is an association of incorporated municipalities organized for the purpose of including, but not limited to, solving mutual problems and making recommendations to the Executive, Legislative, and Judicial branches of the State of New Mexico and the Federal government; providing for the administration of a self-insurer's fund; promoting improvement and efficiency in municipal government and in the administration of municipal affairs; and fostering conferences and seminars on the management and conduct of municipal government.

On August 14, 2025, the Governing Body designated District 3 City Councilor Bob Tyler as the City of Rio Rancho's representative to serve on the NMML Board of Directors, pursuant to NMML bylaws.

The NMML is holding its annual policy committee meeting on June 17, 2026, to review proposed legislative priorities and Statement of Municipal Policy. The committee is comprised of municipal elected and appointed officials and municipal staff from member municipalities. The committee is open to any NMML members who wish to sign up and may be divided into subcommittees.

The following City Councilors have expressed a desire to attend the upcoming policy committee meeting and serve on the committee(s): District 1 – Deborah Dapson, District 5/Deputy Mayor Karissa Culbreath, and District 6 Nicole List.

Appointments to external commissions, committees, authorities, etc., shall be appointed by the Mayor with approval by a majority of Governing Body members, pursuant to Chapter 33 of the Rio Rancho Municipal Code.

IMPACT:
The City of Rio Rancho will be represented during the NMML's 2026 Policy Committee meeting by District 3 City Councilor Bob Tyler (designated Rio Rancho NMML Board of Directors member), District 1 City Councilor Deborah Dapson, District 5 City Councilor/Deputy Mayor Karissa Culbreath, and District 6 City Councilor Nicole List.

ALTERNATIVES:

Approve the appointments.

Do not approve the appointments.

DEPARTMENT RECOMMENDATION:

Mayor Wymer recommends the appointments of District 1 City Councilor Deborah Dapson, District 5 City Councilor/Deputy Mayor Karissa Culbreath, and District 6 City Councilor Nicole List to serve on the NMML Policy Committee.

CITY OF RIO RANCHO
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Legislation Item: D16

AGENDA DATE:
June 11, 2026

DEPARTMENT:
Administration

SUBJECT:
D16, Appointment of Catherine VerEecke to the Capital Improvements Plan Citizen's Advisory Committee (CIPCAC)

BACKGROUND AND ANALYSIS:
CIPCAC primarily advises on the preparation, implementation, and updating of the City's impact fees capital improvement plan. This plan pertains to construction and/or acquisition of public assets necessary to meet growth service level goals and objectives using fees paid by new development. CIPCAC also advises on federal Community Development Block Grant funding allocations.

CIPCAC consists of seven municipal residents with not less than 40% (three members) being representatives of the real estate, development or building industries, in accordance with the New Mexico Development Fees Act. No more than two members of CIPCAC can reside in the same City Council District, or be an employee or official of a municipality, county or other governmental entity per State law.

Catherine VerEecke resides in City Council District 6 and previously served on CIPCAC. If appointed, VerEecke will serve a term that expires on June 11, 2029 and serve as an at-large member.

Pursuant to the City Charter, the Mayor appoints people to fill positions on boards, commissions, and advisory bodies, subject to confirmation by the Governing Body.

IMPACT:
The appointment will fill a vacancy on CIPCAC caused by term expiration.

ALTERNATIVES:
Approve the appointment.

Do not approve the appointment.

DEPARTMENT RECOMMENDATION:
Mayor Paul Wymer recommends the appointment of Catherine VerEecke to CIPCAC.

ATTACHMENT: C. VerEecke Resume

Catherine VerEecke

[redacted]

OBJECTIVE

To assist a local government entity to identify and address the physical, economic, and social needs and values of the community. Key skills include current planning, anthropology, history, long range planning, community engagement, project development, and management.

EXPERIENCE

Planning and Development Services – April 2016 to December 2023
PLANNING MANAGER, Bernalillo County, New Mexico

- Managed and participated in all aspects of the permitting and public hearing process for Land Use Planning requests for hearings for the County Planning Commission and the Board of County Commissioners, including legal public notices, reports and records, and also communication with other staff and stakeholders. Drafted and evaluated community plans.

Department of Building, Zoning, and Planning – December 2000 to April 2016
PROGRAM PLANNER, Bernalillo County, New Mexico

- Reviewed applications for various land use cases to be presented at public hearings (Planning Commission, Board of County Commissioners); Provided customer service regarding individual properties and prospective land use changes; Coordinated research and community meetings for neighborhood plans and special projects; Coordinated work with County Departments and other agencies related to land use.

Department of Anthropology – August 2006 to May 2009
Adjunct Lecturer, Anthropology Department, University of New Mexico

- Taught undergraduate classes in cultural anthropology

Department of Planning and Development – May 2000 to December 2000
PLANNER I, Mesa County, Colorado

- Processed and reviewed applications for various administrative procedures, such as minor subdivision plats, permits, and property line adjustments. Assisted with land use plan development.

Planning Department – November 1998 to April 2000
PLANNING INTERN, City of Arvada, Colorado

- Assisted the public with information on maps, zoning, land use, comprehensive plan, and planning processes; conducted research and wrote staff reports for public hearings.

Downtown Development Authority – May 1999 to September 1999
RESEARCH ASSISTANT, City of Greeley, Colorado

- Conducted research and provided reports on City history, population characteristics, housing, and economic development.

College of Liberal Arts and Sciences – June 1994 to June 1998
ASSOCIATE IN, University of Florida, Gainesville, Florida

- Managed program office, supervised staff. Wrote grant proposals for program funding and special activities; Drafted and managed budgets. Taught classes in African Studies.

National Museum of Ethnology -- June 1992 to June 1993
RESEARCH ASSOCIATE, Osaka, Japan

- Conducted research on social life in Japan; wrote reports and articles on previous research in Africa.

College of Liberal Arts and Studies -- July 1987 to June 1992
LECTURER, Ohio State University, International Studies, Columbus, Ohio

- Helped establish the nationally-recognized program in African Studies; Served as assistant to director of African studies program; managed program office, supervised support staff; Taught international studies classes.

Department of Sociology and Anthropology—October 1983 to November 1986
LECTURER, University of Maiduguri, Nigeria

- Conducted research on ethnicity and urbanization in the City of Yola, Nigeria; Taught undergraduate classes in anthropology

EDUCATION

Master's Program, Urban and Regional Planning, August 1998 to December 2000
University of Colorado at Denver

Graduate Program, (Master's Degree+) Anthropology, August 1978 - May 1988
University of Pennsylvania, Philadelphia

Undergraduate Program, Anthropology, August 1976 to May 1980
State University of New York at Stony Brook

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Legislation Item: D17

AGENDA DATE:
June 11, 2026

DEPARTMENT:
Administration

SUBJECT:
D17, Appointment of Viktoriya Sanchez to the Capital Improvements Plan Citizen's Advisory Committee (CIPCAC)

BACKGROUND AND ANALYSIS:
CIPCAC primarily advises on the preparation, implementation, and updating of the City's impact fees capital improvement plan. This plan pertains to construction and/or acquisition of public assets necessary to meet growth service level goals and objectives using fees paid by new development. CIPCAC also advises on federal Community Development Block Grant funding allocations.

CIPCAC consists of seven municipal residents with not less than 40% (three members) being representatives of the real estate, development or building industries, in accordance with the New Mexico Development Fees Act. No more than two members of CIPCAC can reside in the same City Council District, or be an employee or official of a municipality, county or other governmental entity per State law.

Viktoriya Sanchez resides in City Council District 6. If appointed, Sanchez will serve a term that expires on July 25, 2027, as an industry representative.

Pursuant to the City Charter, the Mayor appoints people to fill positions on boards, commissions, and advisory bodies, subject to confirmation by the Governing Body.

IMPACT:
The appointment will fill a vacancy on CIPCAC caused by resignation.

ALTERNATIVES:
Approve the appointment.

Do not approve the appointment.

DEPARTMENT RECOMMENDATION:
Mayor Paul Wymer recommends the appointment of Viktoriya Sanchez to CIPCAC.

ATTACHMENT: V. Sanchez Resume

Viktoriya Sanchez

CERTIFICATIONS

PMP Project Management Professional (PMI) Certified: February 2020
OSHA 30 Hour Construction Certified: October 2018 Recertified: October 2025
LEED GA Certified Practitioner (USGBC-GA) Certified: April 2016

PROFESSIONAL EXPERIENCE

CUMMING GROUP **Rio Rancho, NM**
Project Controls Assistant Manager October 2025 to Present

- Cost Engineer Analyst (CEA) for INTEL that Partners with Project Managers, Finance, and Operations to reduce variance, accelerate delivery, and safeguard margins across multi-project portfolios
- Prepare cost forecasts and budget performance reports, enabling leadership to optimize resource allocation.
- Review pay applications and progress quantities to ensure funding requirements to maintain transparent reporting.

INVICTUS ENGINEERING **New York, NY**
Project Controls Assistant Manager August 2023 to April 2025

- Developed and implemented Project Controls for MTA Architectural and Engineering Design Services as part of The Penn Station Reconstruction Project for Document Control, Cost Control, and Schedule, RFIS, and Deliverables.
- Monitor project progress, identified risks and bottlenecks, and developed proactive mitigation strategies.
- Maintain project control systems and software to ensure accuracy and timeliness of project data, and audited project systems for compliance with NY MTA, Amtrak, and NJ Transit contractual requirements.

HILL INTERNATIONAL **Kew Gardens, NY**
Office Engineer Queens Garage and Community Space for NYC DOT March 2021 - August 2023

- Coordinate project schedule, budget, Punch List and Close out through project management information system.
- Direct Cost Control $80M+ in financial reporting and change orders and Contractor's payments.
- Oversaw an LEED Certified 8-story Garage and Community Space Parksmart facility, at Queens Borough Hall
- Ensure project construction compliance with state and local regulations of NYC agencies DDC, DOC, and DOT.

HILL INTERNATIONAL **New York, NY**
Documents Control/Cost Manager Moynihan Train Hall for ESDNY June 2019 - March 2021

- Oversaw technical and administrative review of construction change orders for the Moynihan Train Hall to confirm cost, design intent, RFIs, and 10,000 submittals coordination on behalf of the NYNJPA, LIRR, Amtrak, and ESDNY.
- Managed all Engineering Changes through the review release cycle, ensuring timely processing related to the redevelopment of the landmark 255,000 sq ft James A. Farley Post Office into a modern transportation center.

HILL INTERNATIONAL **New York, NY**
Cost Control (MTA), No. 7 Line Subway Extension February 2018- April 2019

- Evaluated invoices to job cost; allocation and release of retainage, to subcontractors upon funding provided by the City of N.Y. via the Hudson Yards Infrastructure Corporation and Hudson Yards Development Corporation.
- Financial statement analytics and budget monitoring monthly and yearly close process projections.

HILL INTERNATIONAL **New York, NY**
Change Order Specialist for NYC's Office of Housing Recovery Operation February 2018- June 2019

- Led audits of 1,000 contractor payments with a focus on business processes and their supporting IT processes
- Completed detailed reviews of scope of works for 200 hundred homes to assure work is completed and documented in accordance with NYC Policies

Viktoriya Sanchez

HILL INTERNATIONAL **New York, NY**

Project Controls Specialist Housing Recovery Build-it-Back (BiB) Program August 2016 – February 2018

- Managed data tracking and reporting for the BiB Program to rehabilitate 2,000 1-4 multi-family homes for the New York City Department of Design and Construction (DDC NYC).
- Implemented cloud reporting through Quickbase that allowed real-time view of among 3 NYC boroughs.

COLGATE ENTERPRISE **Bronx, NY**

Contract and Permitting Manager May 2016 – August 2016

- Maintained contract budgets of $15M+ and insurance policies for general liability and workers compensation.
- Coordinated all phases of the contract from bidding, permits, install, contract extension, through dismantle.

NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION **Rego Park, NY**

Graduate Fellow October 2013 – May 2016

- Directed large sum audits and reviewed operational budget of $50M to provide strategic fiscal leadership.
- Overhauled subcontractor payment system which decreased 45-day processing time the Office of Engineering

RISEBORO **Brooklyn, NY**

Program Director, Office of Economic Development December 2009 – May 2013

- Presided over NY state Main Street Program for the Housing Trust Fund Corporation Office of Community Renewal ● Supervised and trained community organizers to support tenant organizations and promote public safety.
- Developed marketing for $1M in grants to promote energy retrofits and preserve affordable housing. Consulted local entrepreneurs with business planning, optimizing operations, and financial assistance

MANAGEMENT SYSTEMS INTERNATIONAL (MSI) **Washington, DC**

Contracts Administrator January 2008 – January 2009

- Managed contracts and proposals worth $200M+ for an International Development firm
- Expedited contracts for United States Agency for International Development (USAID) international project operations in accordance with Foreign Acquisition Regulations (FAR) for Mission directors and local actors.

MANAGEMENT SYSTEMS INTERNATIONAL **Washington, DC**

Project / Grants Manager May 2007 - January 2008

- Oversaw USAID grant programs in Russia and Ukraine.
- Managed oversea project office in Jamaica and was responsible for, procurement, project deliverables, travel, and training for field teams in Jamaica.
- Coordinated logistics for international conferences for high level stakeholders to train global donor organizations.

EDUCATION

COLUMBIA UNIVERSITY New York, NY

Master of Science in Sustainability Management May 2016

AMERICAN UNIVERSITY Washington, DC

Bachelor of Arts in International Studies May 2008

ADDITIONAL SKILLS

- Proficient in SharePoint, Google Workspace, Smartsheet , PowerBi
- Expert in MS Office (Project, Word, Excel, Outlook, Access, and PowerPoint); Adobe Acrobat Professional, BlueBeam,QuickBase
- Familiarity with Scrum, Agile, SAP, P6, Slack, Q GIS, SAS, UX, AutoCAD, SQL, ArcGIS, Microsoft Dynamics GP, Autodesk

CITY OF RIO RANCHO
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Legislation Item: D18

AGENDA DATE:
June 11, 2026

DEPARTMENT:
Administration

SUBJECT:
D18, Appointment of Sa'ida Thomas-Bevoni to the Keep Rio Rancho Beautiful Committee

BACKGROUND AND ANALYSIS:
The committee works to improve the quality of life in the community with specific focus in the areas of recycling, litter prevention, beautification, environmental education, and solid waste handling practices.

Sa'ida Thomas-Bevoni resides in City Council District 5. If appointed, Thomas-Bevoni will serve as the at-large member with a term that expires on May 9, 2027.

Pursuant to the City Charter, the Mayor appoints people to fill positions on boards, commissions, and advisory bodies, subject to confirmation by the Governing Body.

IMPACT:
The appointment will fill a vacancy on the Keep Rio Rancho Beautiful Committee caused by resignation.

ALTERNATIVES:
Approve the appointment.

Do not approve the appointment.

DEPARTMENT RECOMMENDATION:
Mayor Paul Wymer recommends the appointment of Sa'ida Thomas-Bevoni to the Keep Rio Rancho Beautiful Committee.

ATTACHMENT: S. Bevoni Resume

Sa'ida Thomas-Bevoni

[redacted]

Authorized to work in the US for any employer

Objective

Seasoned professional with 25-35 years of experience in office support and customer service environments. Looking for more. By putting past work experience and skills to task, as well as my willingness to go through the steps needed, I am looking for a change in life. I'm interested in being more involved locally, and more involved in my community. My current lifestyle allows me to have flexibility and I am willing to use that time and my enthusiasm I have, to take the steps necessary to prove myself through things like community volunteering and even sitting on a local commission, like Keep Rio Rancho Beautiful..

Work experience

PT Clerical receptionist

Golf Course Road Mini Storage - Rio Rancho, NM

September 2015 to Present

- First point of contact, handling all customers and associates accordingly.
- Handle regular office duties and equipment as well cash and other financial transactions accurately and efficiently, balancing the register at the end of each shift and month
- Collaborate with other team members in regards to ensuring adequate office supplies to keep things running smoothly
- Keep a clean and organized work area, contributing to an efficient and visually appealing store environment
- Maintain the utmost of integrity concerning confidentiality and sensitive information pertaining to customer data at all times
- Prioritize my workload effectively to meet deadlines while maintaining accuracy

- Initiated improvements resulting in increased business traffic, and 100% capacity was achieved within 60 days of being hired, and maintained for nearly 10 years.
- Maintain up-to-date knowledge of any promotions, or changes in company policy which includes being knowledgeable of laws pertaining to the services we offer. I must stay current and knowledgeable not only of our company software system, but also of regular software programs used in most offices, including basic use of the internet, and email.

Education

TVI

2000 to 2001

Before attending TVI of Albuquerque, where I concentrated on business studies, I attended UNM part time, after transferring from Clarke College in Dubuque, Iowa in 1991.

Summary

Though semi-retired now, I have lots of qualifications and experience, I also believe my age helps to speak for itself. I've had experience outside of a professional office environment as well. My experiences from other employment have oftentimes helped and given me skills needed for other work environments as well. Before my current employment I was the Head Baker for Albertsons grocery store in Rio Rancho, NM. I was an owner-operator of a bakery and restaurant in Albuquerque. I have done nearly everything possible in the food service industry, bar service, as well as in hotel and other hospitality services.

I have also spent time working, usually as a volunteer, with children in daycare, after school and Sunday school settings in the past which has always stuck with me and has made me want to volunteer again. I dabbled in working at an art museum, clothing retail, even house and pet sitting. I worked for a law firm. I worked for UNM doing mostly clerical office work, in different departments, where I created a new database system for the Mechanical engineering department, and the most exciting position there, being, was when I was involved in doing research on the former Soviet States. I gained so many affordable skills at that position. I actually was fortunate enough to be one of the

first few civilians to use email, which definitely affected me in attempting to stay current on technology as much as I am able. Our overall goal, when I held the position, was to help advance those nations after the Cold War.

Skills

Office experience,

Front desk,

Computer skills,

Google Suite,

Data entry,

Typing,

Time management,

Organizational skills,

Customer service,

Administrative experience,

Phone etiquette

Additional information

Reliable person and reliable transportation.

Prompt.

Honest.

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Legislation Item: D19

AGENDA DATE:
June 11, 2026

DEPARTMENT:
Administration

SUBJECT:
D19, Appointment of Kai Udall to the Investment Advisory Board

BACKGROUND AND ANALYSIS:
The Investment Advisory Board provides input to the Governing Body regarding the management of a City Charter established Permanent Fund and associated investment policy, as well as other local government investment portfolios and associated policies.

The Board consists of seven members that are municipal residents. One member of the Board is appointed from each of the six City Council Districts and one member is appointed at-large. Knowledge or professional experience in public finance or public funds investing is desirable for Board members to possess.

Kai Udall resides in City Council District 2. If appointed, Udall will serve a term (District 2 seat) that expires on June 11, 2029.

Pursuant to the City Charter, the Mayor appoints people to fill positions on boards, commissions, and advisory bodies, subject to confirmation by the Governing Body.

IMPACT:
The appointment will fill a vacancy on the Investment Advisory Board caused by term expiration.

ALTERNATIVES:
Approve the appointment.

Do not approve the appointment.

DEPARTMENT RECOMMENDATION:
Mayor Paul Wymer recommends the appointment of Kai Udall to the Investment Advisory Board.

ATTACHMENT: K. Udall Resume

KAI UDALL

[redacted]

PROFESSIONAL SUMMARY

Healthcare analytics leader with 6+ years of experience driving financial, operational, and strategic decisions across managed care and dental insurance. Director-level expertise spanning business intelligence, financial modeling, product development, and quality assurance — with a track record of building cross-functional capabilities and translating data into executive-level insight. Proven ability to lead diverse teams, manage vendor relationships, and deliver measurable business impact in complex, regulated environments.

PROFESSIONAL EXPERIENCE

Director, Decision Support & Business Intelligence | Delta Dental of New Mexico | Albuquerque, NM

August 2024 – Present

Report directly to CEO. Lead a cross-functional team of 4 (Quality, Product, Financial Analyst, and Staff Accountant) overseeing analytics, financial intelligence, quality performance, and product strategy.

- **Fee Schedule Transformation:** Designed and implemented an RVU-based fee schedule philosophy from the ground up — a cross-departmental initiative with Provider Relations that systematized and automated recurring fee schedule updates, enabling a $3.5M network investment and replacing a previously manual, ad hoc process.
- **Broker Incentive Modeling:** Developed a contingency commission financial model for Hub International, a key broker relationship, that introduced tiered growth and retention incentives — resulting in a 10% revenue increase for that book of business.
- **Vendor Contract Negotiation:** Led financial analysis for renegotiation of an individual line of business vendor contract, identifying cost structure inefficiencies and supporting a deal that reduced variable costs by 33% in year one.
- **Quality & Compliance Oversight:** Oversee quality function responsible for performance guarantees and SLAs with the company's largest clients, including audit execution and process improvement initiatives across operational departments.
- **Product & Market Intelligence:** Direct product analyst supporting the full sales and account management cycle: year-end client presentations, market opportunity analysis, sales pipeline support, and benefit design recommendations for new product development.
- **Financial Operations Leadership:** Manage financial analyst responsible for vendor management, contract audits, financial statements of work, monthly close support, and long-term profitability analysis.
- **Annual Budget Leadership:** Lead the company's annual budgeting process across a $165M revenue, $15M operating budget organization, coordinating across departments to establish financial targets and resource allocation aligned with organizational strategy.
- **Actuarial & Forecasting Partnership:** Collaborate with actuarial team to refine assumptions underlying financial projections and 3–5 year strategic forecasts, bridging analytical rigor with long-range business planning.
- **Strategic Planning Support:** Support senior leadership team in the annual strategic planning process, providing decision-support analytics and scenario modeling that inform organizational direction.
- **AM Best Credit Rating:** Direct the preparation and presentation of the company's annual credit rating submission to AM Best, successfully maintaining an A- rating — a strong outcome for a mono-line, mono-state dental carrier operating in a competitive market, underpinned by a disciplined balance sheet strategy.

Data Analyst III – IV | Centene Corporation | Albuquerque, NM

January 2022 – July 2024

- **Executive Analytics:** Developed executive-level financial trend analytics presented during quarterly earnings calls and investor briefings, directly informing strategic direction for a Fortune 25 healthcare company.
- **Predictive Modeling:** Built and refined predictive models to forecast company-wide medical costs and inpatient admissions, supporting actuarial and operational planning.
- **GenAI Implementation:** Led implementation of generative AI tooling as project manager, accelerating data analysis workflows for medical cost trends, membership summaries, and accounting forecasts — delivering rapid insights to senior leadership.
- **Team Development:** Mentored analysts across teams on technical and business process best practices, building a culture of analytical rigor and cross-functional collaboration.

Data Analyst II | Western Sky Community Care (Centene) | Albuquerque, NM
August 2020 – January 2022

- **Cost Savings Modeling:** Developed cost savings models for Preferred PCP assignment, Transition of Care readmission reduction, and Pharmacy Lock-In programs — generating hundreds of thousands of dollars in identified savings.
- **Community Health Analytics:** Provided data support and dashboards to Tribal Relations team to facilitate planning of new Primary Care clinics serving Native American communities.

Data Analyst I | Western Sky Community Care (Centene) | Albuquerque, NM
May 2019 – August 2020

- **Regulatory Recoupment:** Identified and recouped $50,000 from the NM Health Services Department through analysis of incorrect Medicaid cohort determinations.
- **Reporting Automation:** Eliminated hundreds of manual analyst hours by building automation scripts for financial and state regulatory reporting using VBA, R, SQL, and MicroStrategy.

EDUCATION

Master of Business Administration — Concentrations: Healthcare Management & Finance
University of Arizona, Eller College of Management • GPA: 4.0*March 2024*

B.S. Economics & Statistics — Minor: Mathematics
Utah State University • Cum Laude, GPA: 3.74*May 2019*

CORE COMPETENCIES

Leadership & Strategy: Budget Ownership • Strategic Planning • Executive Communication • AM Best Credit Rating Management • Vendor Negotiation & Contract Management • Team Development
Domain Expertise: Healthcare Financial Modeling • Actuarial Forecasting • Regulatory Compliance • Quality & SLA Management • Product Development • Managed Care Analytics • Fee Schedule Design
Technical Fluency: SQL • R • Python • Tableau • Databricks • Snowflake • Generative AI Implementation • VBA

CITY OF RIO RANCHO
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Legislation Item: O7

AGENDA DATE:
June 11, 2026

DEPARTMENT:
Development Services

SUBJECT:
O7, Ordinance of the City of Rio Rancho, NM Amending the Zoning Classification and Official Zone Map for the Property Legally Described as Unit 10, Block 33, Lot 98-A from R-1: Single-Family Residential District to C-1: Retail Commercial District, Identifying Conditions of Development; Providing for Severability and an Effective Date

BACKGROUND AND ANALYSIS:
The applicant, Gospel Light Baptist Church of Rio Rancho, through their agent, Community Design Solutions, requests approval of a Zone Map Amendment to amend the zoning classification and official zone map for the property legally described as Unit 10, Block 33, Lot 98-A from R-1: Single-Family Residential to C-1: Retail Commercial. The property consists of approximately 0.948 acres.

This Zone Map Amendment request was heard by the Planning and Zoning Board on May 12, 2026. The Board made a unanimous recommendation of approval to the Governing Body.

The subject property is presently zoned R-1: Single-Family Residential per Ordinance No. 83-64, adopted by the Governing Body on March 23rd, 1983. The property is physically located at 1600 Southern Blvd. SE (a principal arterial). It is situated just southeast of the intersection with Velasquez Road SE (a residential road).

The subject property is bounded to the east by the Lisbon Drainage Channel (zoned OS: Open Space) and to the south, west and north by properties zoned R-1: Single-Family Residential. The applicant and owner of the subject property, Gospel Light Baptist Church of Rio Rancho, also owns the church campus to the west across Velasquez Road SE. The applicant requests the Zone Map Amendment in order to facilitate the development of a proposed fitness center with attached office/retail units.

The subject property is located in the Unit 10 Specific Area Plan, original adopted on August 24, 2016 and most recently amended on January 26, 2023 under Resolution No. 125, Enactment No. 23-016. The subject property is also within the Unit 10 Overlay Zone, which provides for design guidelines and regulations, adopted under Ordinance No. 20, Enactment No. 18-24.

CONFORMANCE WITH THE CITY ZONING ORDINANCE:
City of Rio Rancho Code of Ordinances (R.O. 2003) §150.07 (A) requires that an applicant file a request for a Zone Map Amendment through the City Planning and Zoning Board when a change in zoning designation is sought.

The Zone Map Amendment application was submitted to the Development Services Department and received on April 6, 2026, for review by the Governing Body through the Planning and Zoning

Board.

Pursuant to criteria provided by R.O. 2003 § 150.07 (D) (1) through (4) and (E) through (G), a request for a change in zoning designation must address the following policies and criterion for a zone map change:

(1) A proposed zone change must be found to be consistent with the health, safety, morals, and general welfare of the City.

In their justification narrative, the applicant states, "The request is consistent with the overall scale, character, and zoning of the surrounding area and is consistent with the future land use planned on map L-2 of the Comprehensive Plan and Unit 10 Specific Area Plan."

The Planning and Zoning Board recommends the Governing Body finds the proposed C-1: Retail Commercial zoning is consistent with the health, safety and morals of the City as it would encourage commercial development in a location deemed appropriate for that use by Land Use Map in the Unit 10 Specific Area Plan. The frontage of the property onto Southern Boulevard SE, a principal arterial, indicates a better suitability for commercial uses over its current low-density residential designation and is in line with the character of the rest of the Southern Boulevard corridor. Conforms.

(2) Stability of land use and zoning is desirable; therefore, the applicant must provide a sound justification for the change. The burden is on the applicant to show why the change should be made, not on the City to show why the change should not be made.

The applicant states, "Stability of land use and zoning is acknowledged as a key planning principle; however, this request represents a logical and well-supported adjustment rather than a disruption of established land use patterns. The existing R-1 zoning was applied at the time of annexation and does not reflect current planning policy or the intended function of this site within the Southern Boulevard corridor. The subject property has remained undeveloped for decades, indicating that the current zoning designation is not consistent with market conditions or community planning objectives. Rezoning the property to C-1 will implement adopted plans, promote orderly development, and improve land use compatibility, thereby enhancing long-term zoning stability in this area."

The Planning and Zoning Board recommends the Governing Body finds that the applicant provided sufficient justification for the stability of land use and zoning as the implementation of C-1 zoning to the subject property would promote orderly development and improve land use compatibility. Moreover, the site is identified as a suitable location of commercial uses by the Unit 10 Specific Area Plan and Comprehensive Plan and this change in zoning would bring the property in line with the vision presented therein.

(3) A proposed change shall generally be consistent with adopted elements of the Comprehensive Plan or other City master plans and amendments thereto including privately developed area plans which have been adopted by the City.

The applicant states, "The proposed zone change is fully consistent with the City of Rio Rancho Comprehensive Plan, including the future land use designation shown on Map L-2, which identifies the subject property for commercial development. The request is also consistent with the Unit 10 Specific Area Plan and Overlay Zone, both of which envision commercial land use for this parcel and the broader Unser–Southern Gateway area. These adopted plans were developed through a public process and represent the community’s long-term vision for growth. Rezoning the property to C-1 directly implements these plans and advances their stated goals and policies."

The Planning and Zoning Board recommends the Governing Body finds that the applicant has provided adequate evidence that a change in zoning would be consistent with the Comprehensive Plan and the Unit 10 Specific Area Plan. As the applicant stated, both plans identify the subject property as suitable for commercial development, and the rezoning of the property as proposed would be in line with the implementation of these plans and their goals and policies.

(4) The applicant must demonstrate that the existing zoning is inappropriate because:
(a) there was an error, mistake or it is necessary to correct an injustice that occurred when the existing zone map pattern was created, including the placement of a R-1 or transitional zone on an antiquated plat filed before the City's incorporation and adoption of its own Zoning Code or on land annexed by the City, or
(b) changed neighborhood or community conditions justify the change, or
(c) a different use category is more advantageous to the community, as articulated in the Comprehensive Plan or other City master plan, even though (1) or (2) above do not apply. Applicant's reliance on this provision requires proof that (a) there is a public need for a change of the kind in question, and (b) that need will be best served by changing the classification of the particular piece of property in question as compared with other available property.

The applicant, relying on items (b) and (c) for their demonstration, states: "Since the original zoning was applied, the Southern Boulevard corridor has evolved into a major arterial with increasing commercial and institutional development. Adjacent and nearby parcels are zoned for commercial and non-residential uses, and the Comprehensive Plan anticipates continued commercial development in this location. Additionally, the parcel’s proximity to existing commercial uses makes it less suitable for low-density single-family development. A C-1 zoning designation is more advantageous to the community, as it will provide neighborhood-serving commercial uses consistent with adopted plans and demonstrated public need."

The Planning and Zoning Board recommends the Governing Body finds that the applicant has successfully demonstrated that the property's existing zoning is inappropriate because of changed community conditions and long-range planning considerations. The Planning and Zoning Board recommends the Governing Body finds that the existing zoning of the property, adopted in 1983 and since unchanged, is antiquated and is no longer suitable due to the development of Southern Boulevard into a principal arterial and major commercial corridor in the City. The C-1 zoning designation would also provide for opportunities for business in the City and for the inhabitants of the surrounding area.

(E) The cost of land or other economic considerations pertaining to the applicant shall not be a determining factor for a change of zone.

The applicant states, "While the proposed zoning amendment will allow for economically productive use of the property, economic considerations are not the basis for this request. The justification for the zone change rests on consistency with adopted City plans, land use compatibility, and the appropriateness of the proposed zoning relative to the surrounding development context. Approval of this request will implement established planning policy rather than serve the applicant’s financial interests alone."

The Planning and Zoning Board recommends the Governing Body finds that the cost of land or other economic considerations do not appear to be the principal determining factors for the Zone Map Amendment request.

(F) Location on a collector or major street is not in itself sufficient justification of apartment, office or commercial zoning.

The applicant states, "Although the site is located along Southern Boulevard SE, a major arterial

roadway, the request for C-1 zoning is not based solely on this frontage. Rather, the proposed zone change is supported by the Comprehensive Plan's future land use designation, the Unit 10 Specific Area Plan, and the established development pattern of the surrounding area. The property's location complements— instead of independently justifying—the requested zoning, which is grounded in long-range planning objectives and compatibility with adjacent land uses."

The Planning and Zoning Board recommends the Governing Body finds that location on or near a principal arterial is not the sole justification used by the applicant for the rezoning. The property directly to the east and south are owned by SSCAFCA and platted as the Black Arroyo Wildlife Park. The property directly to the west is part of a church and expanding school. These non-residential uses are compatible with the proposed zone change.

(G) A zone change request which would give a zone different from surrounding zoning to one small area, especially when only one premise is involved, is generally called a "spot zone". Such a change of zone may be approved only when:
(1) the change will clearly facilitate realization of the Comprehensive Plan and any applicable adopted sector development plan or area development plan; or
(2) the area of the proposed zone change is different from surrounding land because it could function as a transition between adjacent zones: because the site is not suitable for the uses allowed in any adjacent zone due to topography, traffic, or special adverse land uses nearby; or because the nature of structures already on the premises makes the site unsuitable for the uses allowed in any adjacent zone.

The applicant states, "This request does not create a spot zone. The proposed zone will match already existing C-1 and C-2 zone areas to the east of the property. The result is a continuity of zoning that supports implementation of the City's Comprehensive Plan."

The Planning and Zoning Board recommends the Governing Body finds that the applicant's request would not result in a "spot zone" since the property is in close proximity to other existing commercial uses along the Southern Boulevard corridor.

NOTIFICATIONS:
In accordance with State Statute NMSA 3-21-6, which stipulates notification procedures for this type of zoning action, all property owners within 100 feet of the subject properties were sent certified letter, return receipt requested, containing a notice of action and impending Governing Body hearing. A legal notice was published in the Albuquerque Journal on May 27, 2026.

REVIEWER COMMENTS:

Reviewing Agency	**Comments**
DSD Planning and Zoning	See comments in document.
DSD Engineering	No adverse comments.
Fire and Rescue	No adverse comments.
Police	No comments received.
SSCAFCA	No adverse comments.
Parks, Recreation and Community Services	No adverse comments.
Rio Rancho Public Schools	No comments received.
MRCoG	No comments received.

IMPACT:
The Planning and Zoning Board recommends that the Governing Body adopt the Ordinance,

subject to the following findings below:

GENERAL FINDINGS OF FACT:
1. The Governing Body may approve the applicant's request for a Zone Map Amendment.
2. Following procedures for a Zone Map Amendment, proper notice of this hearing on this matter was given.
3. The applicant has the authority to make an application to request a Zone Map Amendment.
4. The applicant and adjacent property owners received due process, as proper notice and an opportunity to present views was given.

SPECIFIC FINDINGS OF FACT:
The applicant has submitted an application and narrative which demonstrates that the change in zoning designation meets the requirements of the Rio Rancho Code of Ordinances (R.O. 2003) §150.07(D) Amendments, including:
1. The proposed zone change would be consistent with the health, safety, morals and general welfare of the City by encouraging commercial development in a location deemed suitable by the City Comprehensive Plan.
2. The applicant has provided sufficient justification in a narrative dated April 6, 2026 for the proposed zone change and the Zone Map Amendment would provide for stability of zoning along with compatibility with surrounding zoning and uses.
3. The proposed Zone Map Amendment would be consistent with the intent of the adopted elements of the Comprehensive Plan and the Unit 10 Specific Area Plan.
4. The applicant has demonstrated that the C-1: Retail Commercial Zoning District zoning designation would be more advantageous for the subject property due to changed community conditions and long-range planning considerations.
5. The cost of the land or other economic considerations is not the sole justification for the proposed Zone Map Amendment.
6. The applicant has provided sufficient justification that the Zone Map Amendment request is not solely based on the property's location near a collector or major street.
7. The requested Zone Map Amendment would not create a "spot zone".

ALTERNATIVES:
1. The Governing Body may approve the Zone Map Amendment.
2. The Governing Body may deny the Zone Map Amendment.
3. The Governing Body may modify the Zone Map Amendment and approve such modifications.
4. The Governing Body may continue the public hearing to request additional information or to consider testimony provided at the public hearing.

DEPARTMENT RECOMMENDATION:
The Planning and Zoning Board recommends the Governing Body adopt the Ordinance.

ATTACHMENT: Ordinance
ATTACHMENT: Application
ATTACHMENT: Authorization
ATTACHMENT: Justification Letter
ATTACHMENT: Zoning & Location Map
ATTACHMENT: Reproduction of Notices

CITY OF RIO RANCHO
ORDINANCE

ORDINANCE NO. **ENACTMENT NO.**

ORDINANCE OF THE CITY OF RIO RANCHO, NEW MEXICO AMENDING THE ZONING CLASSIFICATION AND OFFICIAL ZONING MAP FOR THE PROPERTY DESCRIBED AS, UNIT 10, BLOCK 33, LOT 98-A FROM R-1: SINGLE-FAMILY RESIDENTIAL TO C-1: RETAIL COMMERCIAL; PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE

WHEREAS: the Governing Body of the City of Rio Rancho has adopted zoning regulations and an official zone map in accordance with New Mexico Statutes Annotated 1978 (NMSA 1978) Chapter 3, Article 21; and

WHEREAS: in accordance with Rio Rancho Code of Ordinances (R.O. 2003) Section 150.07, an application to amend the zoning ordinance on the subject property has been submitted by the City of Rio Rancho, and assigned City Case No. 26-100-00006; and

WHEREAS: the Governing Body of the City of Rio Rancho adopted the Unit 10 Specific Area Plan on August 24, 2016 under Resolution No. 68, Enactment No. 16-065, amended on July 25, 2018 under Resolution No. 50, Enactment No. 18-04, and amended on January 26, 2023 under Resolution No. 125, Enactment No. 23-016; and

WHEREAS: the City of Rio Rancho Planning and Zoning Board held a duly noticed public hearing on May 12, 2026, regarding the proposed changes to the Official Zoning Map and, following study and consideration, has made findings (where applicable) whether or not the criteria in R.O. 2003 Section 150.07 are satisfied, and made these recommendations to the Governing Body regarding adoption of the changes; and

WHEREAS: the Governing Body received a report from the Planning and Zoning Board, and such report indicates the Planning and Zoning Board has studied and considered the proposed changes pursuant to R.O. 2003 Section 150.07, and said report includes specific findings related to the affected property; and

WHEREAS: a public hearing occurred, in accordance with procedures set forth in R.O. 2003 Section 150.07, and NMSA 1978 Section 3-21-6, on the proposed zoning district and Official Zone Map changes hereinafter described were duly advertised and held by the Governing Body of the City of Rio Rancho on June 11, 2026 and the Governing Body heard interested parties and citizens for and against the proposed amendments; and

WHEREAS: the proposed amendments to be adopted by this Ordinance comply with the statutory and regulatory requirements of the aforesaid Code of

Ordinances and Statutes, and upon specific findings related to the subject property and determining the proposed amendment is consistent with the policies and criteria set forth in R.O. 2003 Section 150.07 (D) through (G), the Governing Body finds the amendments promote the health, safety, morals, and general welfare of the City.

NOW THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF RIO RANCHO:

Section 1. Rezoning of Property. The Official Zone Ordinance is hereby amended by assigning a zoning designation on approximately 0.948 acres from R-1: Single-Family Residential to C-1: Retail Commercial on the land legally described as:

Rio Rancho Estates Unit 10, Block 33, Lot 98-A, as shown on the plat entitled "Summary Plat, Block 32, Lots 1A, 2A and Parcel A and Tract B, Block 33, Lots 90A, 91A, 95A, 96A, 98A, 99A-1, 102A-1, 106A, 107A, Parcels B and C, and Tract A1, A Replat of Block 32, Lots 1, 2 and Park Site, and Block 33, Lots 90, 91, 95, 96, 98, 99A, 102A, 106, 107 and Tract A, Unit Ten, Being Portion of Projected Section 26, Township 12 North, Range 2 East, New Mexico Principal Meridian, City of Rio Rancho, Town of Alameda Grant, Sandoval County, New Mexico" filed in the office of the County Clerk of Sandoval County, New Mexico in Book 13, Page 12.

Section 2. Land Use, Conditions, Development Standards/Regulations and use of PROPERTY:

A. The property identified in Section 1, above, is subject to all requirements of the C-1: Retail Commercial District as set forth in R.O. 2003 Section 154.24 (as of the effective date of this ordinance or as subsequently amended).
B. The property identified in Section 1, is subject to all land use restrictions, zoning restrictions, and development standards and regulations as specified in the approved Unit 10 Specific Area Plan.
C. The property identified in Section 1, is subject to all design standards and development regulations as specified in the Unit 10 Overlay Zone, adopted under Ordinance No. 20, Enactment No. 18-24.

Section 3. Severability Clause. If any section, paragraph, clause, or provision of this Ordinance, or any section, paragraph, clause, or provision of any regulation promulgated hereunder shall for any reason be held to be invalid, unlawful, or enforceable, the invalidity, illegality, or unenforceability of such section, paragraph, clause, or provision shall not affect the validity of the remaining portions of this Ordinance or the regulation so challenged.

Section 4. Effective Date. This Ordinance shall become effective ten days after adoption.

ADOPTED THIS ____DAY OF _____, 2026.

_____
Paul Wymer, Mayor

ATTEST:

_____

Noel C. Davis, City Clerk
(SEAL)

Development Services Department, Ste. 130
3200 Civic Center Circle NE, Rio Rancho, NM 87144
(505) 891-5005

PLANNING & ZONING LAND USE APPLICATION

Please check appropriate box

Administrative Permit	Plan	Subdivision	Zoning
☐ Community Residential Care Facility	☐ Comprehensive Plan Amendment	☐ Final Plat	☐ Annexation
☐ Development Review Committee (DRC)	☐ Corridor Plan Amendment	☐ Preliminary Plat	☐ Appeal
☐ Home Occupation	☐ Master Plan	☐ Summary Plat	☐ Conditional Use Permit
☐ Model Home / Sales Office	☐ Master Plan Amendment	☐ Vacation of Plat/Street	☐ Master Sign Plan
☐ Residential Child Care Facility 6 or <	☐ Specific Area Plan Amendment	☐ Street Name Change	☐ Site Plan
☐ Sign Permit	☐ Text Amendment	☐ Subdivision Interpretation	☐ Special Exception
☐ Other		☐ Subdivision Variance	☐ Variance
			☒ Zone Map Amendment
			☐ Zoning Certification
			☐ Zoning Interpretation

Please Print In Ink Only or Type
Application must be complete. Please attach the appropriate checklist for the action you are requesting, if applicable.

APPLICANT/AGENT INFORMATION

Applicant Name: Gospel Light Baptist Church of Rio Rancho		Phone: (505) 892-9463
Address: 1500 Southern Blvd SE		E-Mail:
City: Rio Rancho	State: NM	Zip: 87124
Proprietary Interest:	List Owners: Brent Lenentine	
Deed or Ownership Verification Provided: (Initials)	Letter of Authorization Provided: (Initials)	
Agent Name: Community Design Solutions / John Stapleton		Phone: (505) 545-9607
Address: 9384 Valley View Drive NW, Suite 100		E-Mail: john.stapleton@cdsnm.com
City: Albuquerque	State: NM	ZIP Code: 87114

DESCRIPTION OF REQUEST: (PLEASE ADD ADDITIONAL SHEET(S) IF NECESSARY)

Requesting the zone be changed from R-1 to C-1 per the recommendation of DRC. Proposing a fitness center which is a permitted use in C-1 district.
The occupancy of the building will include a fitness club in the majority of the space and then two small retail / office suites for the remainder of the space.

SITE INFORMATION: (PLEASE PROVIDE ACCURATE LEGAL DESCRIPTION)

Subdivision/Unit : Rio Rancho Estates	Block(s): 33	Lot(s): 98 A1
Existing Zoning: R-1	Proposed Zoning: C-1	
No. of existing lots: 1	No. of proposed lots: 1	Total area of site (acres) 0.94

ACKNOWLEDGEMENT

I hereby acknowledge that I have read this entire application and affirm that all information provided is correct. I agree to comply with the requirements of the City of Rio Rancho as outlined in all applicable laws, ordinances and regulations.

Print Name: John Stapleton	Applicant: Gospel Light Baptist Church	Agent: Community Design Solutions
Signature:		Date: April 6, 2026

FOR OFFICIAL USE ONLY

H.T.E. PROJECT #	FEE	RECEIPT #

APPLICATION ACCEPTED BY: _____ **DATE:** _____

Form revised January 26, 2017

AGENT LETTER / LETTER OF AUTHORIZATION

OWNER: Gospel Light Baptist Church of Rio Rancho
Attn: Pastor Brent Lenentine
1500 Southern Blvd
Rio Rancho, NM 87124

AGENT: Community Design Solutions, LLC | **CDS**
John Stapleton, PE
9384 Valley View Drive NW, Suite 100
Albuquerque, NM 87114
John.Stapleton@cdsnm.com

Property Description: 1600 Southern Boulevard SE, Rio Rancho, NM 87124
Legal Description: U10, Block 33, Lot 98A1, Rio Rancho Estates Subdivision, Unit 10, City of Rio Rancho, Sandoval County, New Mexico | Approx. 0.92 AC

Gospel Light Baptist Church of Rio Rancho, owner of the above-referenced land, hereby authorizes CDS as agent for all applications for the property.

Brent Lenentine
Signature

4/4/26
Date

Brent Lenentine
Printed Name

April 6, 2026

City of Rio Rancho
Attn: Chris Benson | Municipal Planner II
Development Services Department
3200 Civic Center Circle NE
Rio Rancho, NM 87144

RE: Justification Letter – Zone Map Amendment Application – 1600 Southern Boulevard SE, Rio Rancho, NM 87124

Dear Governing Members,

On behalf of Gospel Light Baptist Church of Rio Rancho, Community Design Solutions, LLC (CDS) respectfully submits this justification letter in support of a request for a Zoning Map Amendment in accordance with the procedures and review criteria outlined in the Rio Rancho Municipal Code, specifically **Title XV – Land Usage, Chapter §150.07 sections (D), (E), (F), and (G).**

Property Description:

Legal Description: *U10, Block 33, Lot 98A1, Rio Rancho Estates Subdivision, Unit 10, City of Rio Rancho, Sandoval County, New Mexico | Approx. 0.92 AC.*
Address: *1600 Southern Boulevard SE, Rio Rancho, NM 87124*

The subject property is located on the south side of Southern Boulevard SE and west of Unser Boulevard SE, at the southeast corner of Southern Boulevard SE and Velasquez Road SE (see Figure 1). The property is currently zoned R-1 (Single-Family Residential). The applicant requests a Zone Map Amendment to rezone the parcel to C-1 (Retail Commercial)

The request implements the planned land use shown on map L-1 in the City's Comprehensive plan and facilitates the development of a proposed fitness center with attached office/retail units. The applicant attended a Design Review Committee (DRC) meeting for the proposed Fitness Center and DRC staff encouraged the applicant to submit a zone map amendment to rezone the site to C-1.

Figure 1: Site location map

Project Overview

- **Current Zoning:** R-1 (Single-Family Residential)
- **Proposed Zoning:** C-1 (Retail Commercial)
- **Current Use:** Undeveloped
- **Planned Use:** Fitness Center and Office/Retail Spaces

Planning Context

The subject property is approximately 0.92 acres and zoned R-1: Single Family Residential. The land use of the subject property is, and has historically been, undeveloped. The site was annexed into Rio Rancho circa 1983 and the current zoning (R-1) was adopted at that time under zoning ordinance 81-15.

The property lies along the Southern Boulevard corridor within the "high-intensity" portion of the corridor as identified on Map VEI-1 of the Comprehensive Plan. The same map identifies the subject property within a development node (0- to 20-year development horizon) at the Southern Boulevard/Unser Boulevard intersection. The generalized future land use shown on Map L-2 envisions the subject property for commercial zoning (see Figure 2).

Figure 2: Comprehensive Plan Map L-2 proposed site zoning

The subject property is located within the Unit 10 Specific Area Plan and the Unit 10 Overlay Zone. Area Plans implement the Comprehensive Plan at a more granular, parcel-level scale. The generalized land use map on page 26 of the Area Plan designates the subject parcel for Commercial land use (see Figure 3). The Area Plan further indicates that Unit 10 residents sought to limit development within the Unser Gateway area to commercial uses only (page 16). At the time the Area Plan was adopted (2018), approximately 180,000 square feet of additional retail space was needed in Unit 10 to achieve the national average of 40 square feet of retail space per capita (page 21). Expansion of local retail opportunities also provides the City of Rio Rancho with the ability to reduce retail sales leakage to Albuquerque and enhance gross receipts tax revenue (pages 21–22). The Unit 10 Overlay Zone includes landscape, buffering, and design standards intended to ensure appropriate transitions between nonresidential development and adjacent residential areas.

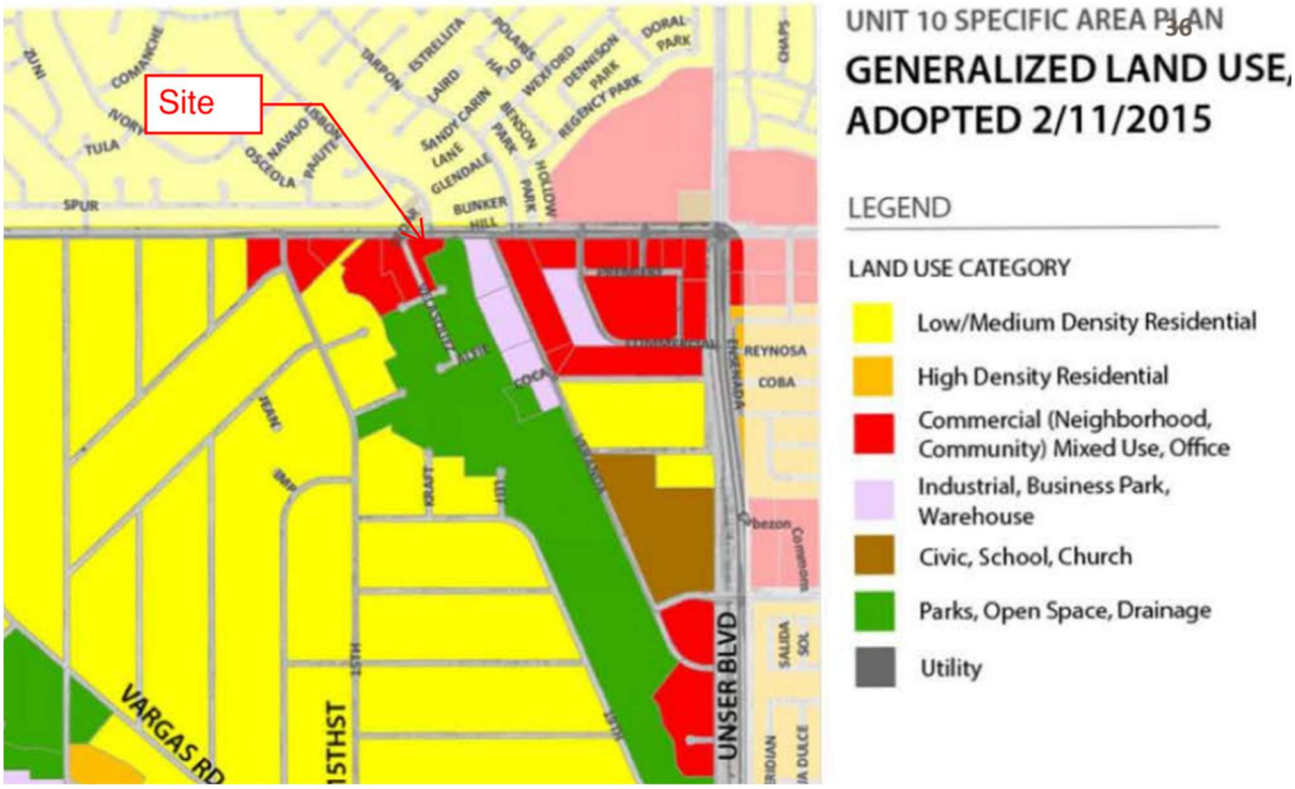


Figure 3: Unit 10 proposed land use area, proposing commercial zoning for the subject property.

The subject property has excellent access and connectivity to the major street network via Velasquez Road (local street) which connects to Southern Blvd (community principle arterial) along the site's northern frontage. An existing 6-foot sidewalk along Southern Boulevard provides pedestrian connectivity to residential neighborhoods north of Southern and to existing commercial development at the Unser/Southern intersection

Zoning and Land Use

The subject property is currently zoned R-1: Single-Family Residential. Per the Rio Rancho Zoning Ordinance, "this district permits a low density of population in which the primary land use is a single-family dwelling unit." However, the Comprehensive Plan and the Unit 10 Area Plan show the subject property as C-1: Retail Commercial on the future land use maps. Per the Rio Rancho Zoning Ordinance, the C-1: Retail Commercial District "permits limited commercial uses such as those pertaining to the day-to-day needs of the residential populace." The existing and historic land use for the site is undeveloped. Figure 4 and Table 1 show the adjacent existing zoning and land uses.

The site is bounded by open space directly to the east and south. The open space contains the Lisbon drainage channel, which is a regional drainage facility. West of the Lisbon channel is C-2 commercial zoning further containing a U-Haul self-storage facility. Directly west and south are vacant R-1 residential lots, which the comprehensive plan and the unit 10 area plan also envision to be rezoned to

commercial zoning. Northwest and northeast of the site are developed R-1 residential lots. Directly north and as well as further west is SU zoning, for multifamily and a church respectively.

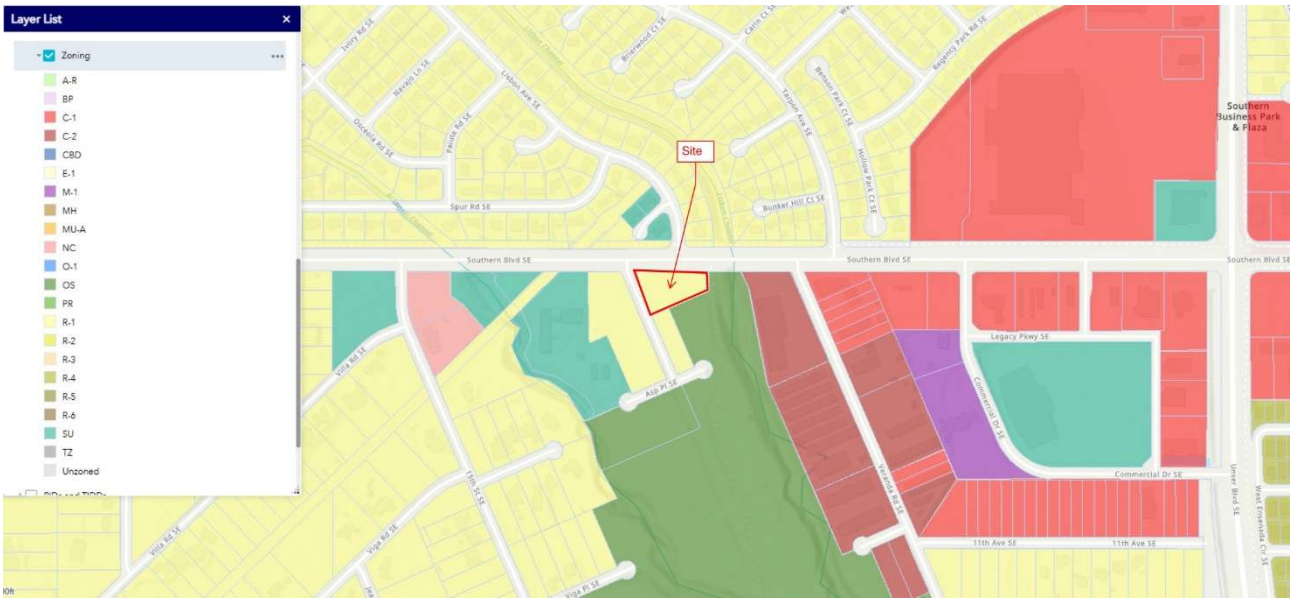


Figure 4: Adjacent Zoning

Table 1: Existing land use

Direction	Zoning	Land Use
North	SU, R-1	Multi-family residential and single family residential
South	R-1, OS	Vacant and open space for regional drainage facility
East	OS, C-2	Open space for regional drainage facility, self storage
West	R-1, SU	Vacant and church

Zoning Map Amendment Justification

This proposed C-1 use meets the criteria for approval under Rio Rancho Municipal Code Section 150.07, as follows:

§150(D): (D) The following policies for deciding zone map change applications pursuant to the city zoning code are hereby adopted:

(1) A proposed zone change must be found to be consistent with the health, safety, morals, and general welfare of the city.
Applicant response: *The proposed zone change is consistent with the health, safety, and general welfare of the City as shown by furthering the City's goals and policies as listed below, along with the Applicant's responses. The request is consistent with the overall scale, character, and zoning of the surrounding area and is consistent with the future land use planned on map L-2 of the Comprehensive Plan and Unit 10 Specific Area Plan.*

(2) Stability of land use and zoning is desirable; therefore, the applicant must provide a sound justification for the change. The burden is on the applicant to show why the change should be made, not on the city to show why the change should not be made.

Applicant response*: Stability of land use and zoning is acknowledged as a key planning principle; however, this request represents a logical and well-supported adjustment rather than a disruption of established land use patterns. The existing R-1 zoning was applied at the time of annexation and does not reflect current planning policy or the intended function of this site within the Southern Boulevard corridor. The subject property has remained undeveloped for decades, indicating that the current zoning designation is not consistent with market conditions or community planning objectives. Rezoning the property to C-1 will implement adopted plans, promote orderly development, and improve land use compatibility, thereby enhancing long-term zoning stability in this area.*

(3) A proposed change shall generally be consistent with adopted elements of the comprehensive plan or other city master plans and amendments thereto including privately developed area plans which have been adopted by the city.

Applicant response: *The proposed zone change is fully consistent with the City of Rio Rancho Comprehensive Plan, including the future land use designation shown on Map L-2, which identifies the subject property for commercial development. The request is also consistent with the Unit 10 Specific Area Plan and Overlay Zone, both of which envision commercial land use for this parcel and the broader Unser–Southern Gateway area. These adopted plans were developed through a public process and represent the community's long-term vision for growth. Rezoning the property to C-1 directly implements these plans and advances their stated goals and policies.*

(4) The applicant must demonstrate that the existing zoning is inappropriate because:

a. There was an error, mistake or is necessary to correct an injustice that occurred when the existing zone map pattern was created, including the placement of an R-1 or transitional zone on an antiquated plat filed before the city's incorporation and adoption of its own zoning code or on land annexed by the City; or
b. Changed neighborhood or community conditions justify the change; or
c. A different use category is more advantageous to the community, as articulated in the comprehensive plan or other city master plan, even though (D)(1) or (2) does not apply. Applicant's reliance on this provision requires proof that (i) there is a public need for a change of the kind in question, and (ii) that need will be best served by changing the classification of the particular piece of property in question as compared with other available property.

Applicant response: *The existing R-1 zoning is inappropriate for this property due to changed community conditions and long-range planning considerations (item c). Since the original zoning was applied, the Southern Boulevard corridor has evolved into a major arterial with increasing commercial and institutional development. Adjacent and nearby parcels are zoned for commercial and non-residential uses, and the Comprehensive Plan anticipates continued commercial development in this location. Additionally, the parcel's proximity to existing commercial uses makes it less suitable for low-density single-family development. A C-1 zoning designation is more advantageous to the community, as it will*

provide neighborhood-serving commercial uses consistent with adopted plans and demonstrated public need.

§150(E): The cost of land or other economic considerations pertaining to the applicant shall not be the determining factor for a change of zone.
Applicant response: *While the proposed zoning amendment will allow for economically productive use of the property, economic considerations are not the basis for this request. The justification for the zone change rests on consistency with adopted City plans, land use compatibility, and the appropriateness of the proposed zoning relative to the surrounding development context. Approval of this request will implement established planning policy rather than serve the applicant's financial interests alone.*

§150(F): Location on a collector or major street is not in itself sufficient justification of apartment, office, or commercial zoning.
Applicant response: *Although the site is located along Southern Boulevard SE, a major arterial roadway, the request for C-1 zoning is not based solely on this frontage. Rather, the proposed zone change is supported by the Comprehensive Plan's future land use designation, the Unit 10 Specific Area Plan, and the established development pattern of the surrounding area. The property's location complements—instead of independently justifying—the requested zoning, which is grounded in long-range planning objectives and compatibility with adjacent land uses.*

§150(G): A zone change request which would give a zone different from surrounding zoning to one small area, especially when only one premises is involved, is generally called a "spot zone." Such a change of zone may be approved only when:

(1) The change will clearly facilitate realization of the comprehensive plan and any applicable adopted sector development plan or area development plan; or
(2) The area of the proposed zone change is different from surrounding land because it could function as a transition between adjacent zones; because the site is not suitable for the uses allowed in any adjacent zone due to topography, traffic, or special adverse land uses nearby; or because the nature of structures already on the premises makes the site unsuitable for the uses allowed in any adjacent zone.

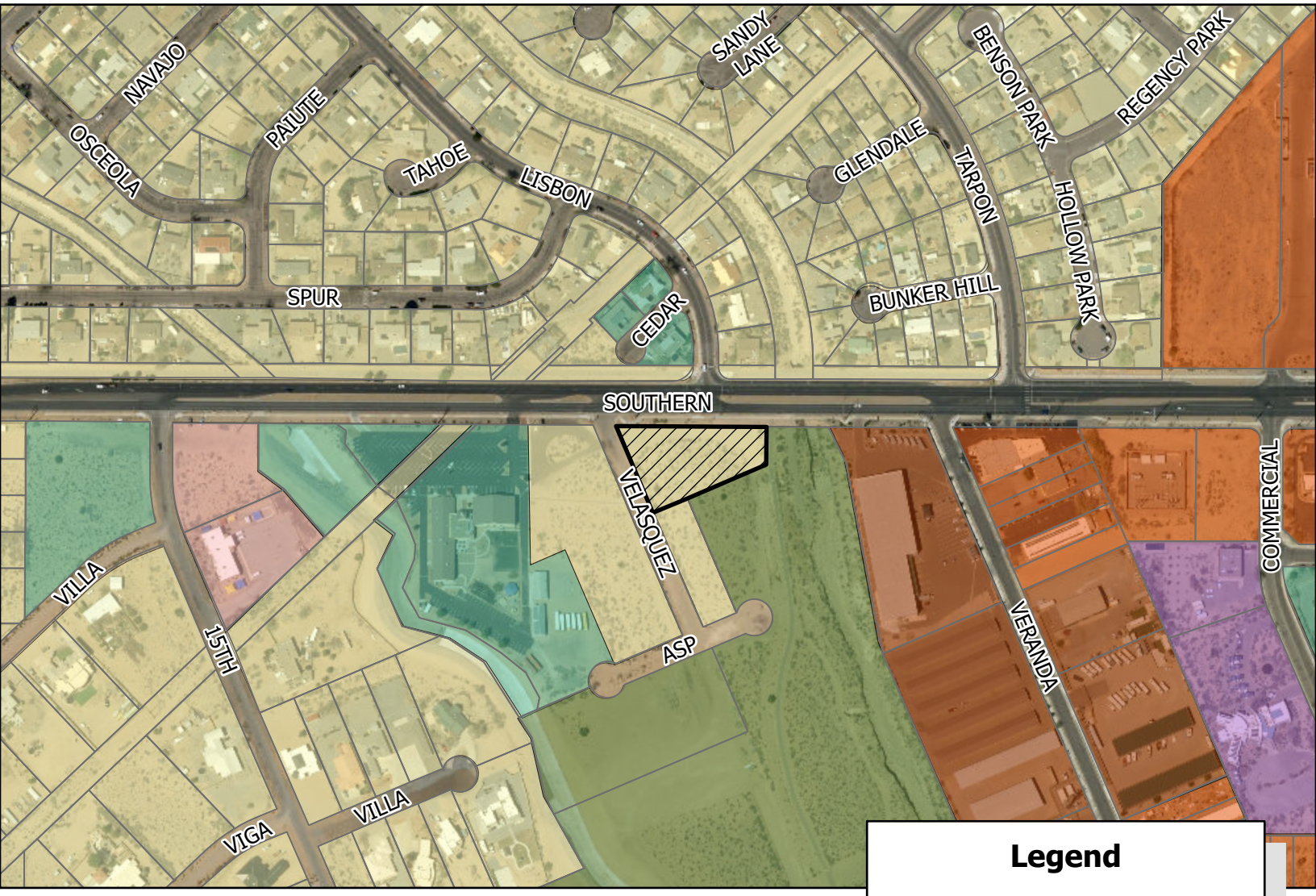
Applicant response: *This request does not create a spot zone. The proposed zone will match already existing C-1 and C-2 zone areas to the east of the property. The result is a continuity of zoning that supports implementation of the City's Comprehensive Plan.*

Based on the analysis provided in this letter, we respectfully request your approval to rezone the subject property from R-1 to C-1 on behalf of Gospel Light Baptist Church.

Sincerely,

Community Design Solutions, LLC
John Stapleton P.E.
CDS | Project Manager
505-545-9607

1600 SOUTHERN BLVD SE
UNIT 10, BLK 33, LOT 98-A-1



Rio Rancho City of Vision

GIS Moving Spatial Data Forward

DISCLAIMER: All information on this map is provided "as is" without warranty or any representation of accuracy, timeliness or completeness. This map is not a survey and should be used for graphical purposes only.

Map courtesy of Ben Isaacs, 4/23/2026

CITY OF RIO RANCHO
PUBLIC HEARING NOTICE

The GOVERNING BODY of the CITY of RIO RANCHO will consider the following matter at its regularly scheduled meeting at 6:00 p.m. on Thursday, June 11, 2026:

Zone Map Amendment
Case #25-100-00017

The applicant, Pulte Homes, through their agent, Consensus Planning, requests approval of a Zone Map Amendment to rezone the properties legally described as: Unit 8, Block 53, Lots 1-24; Block 49, Lots 2-11, and 14-23; and Block 50, Lots 2-24, from M-1: Industrial and Business Park and R-1: Single-Family Residential, to R-3: Mixed Residential.

Master Plan
Case #25-400-00006

The applicant, Pulte Homes, through their agent, Consensus Planning, requests approval of the Rancho Alegria Master Plan for the lots legally described as: Unit 8, Block 53, Lots 1-24; Block 49, Lots 2-11, and 14-23; and Block 50, Lots 2-24.

Zone Map Amendment
Case #26-100-00006

The applicant, Gospel Light Baptist Church of Rio Rancho, through their agent, Community Design Solutions, requests approval of a Zone Map Amendment for the property legally described as Unit 10, Block 33, Lot 98-A. The property, which consists of approximately 0.94 acres, is physically located at 1600 Southern Blvd SE and is currently zoned R-1: Single-Family Residential. The applicant is requesting to change the zoning designation of the lot to C-1: Retail Commercial to accommodate a proposed fitness center on the subject property.

Zone Map Amendment
Case #26-100-00003

The applicant, Michael McDermott, requests approval of a Zone Map Amendment with accompanying site plan, for the subject property legally described as Loma Colorado, Tract P-1C-A, to amend the SU: Special Use zoning designation, to allow for Restaurants, Bars, Lounges, coffee/Tea Rooms, Delicatessens, and Patio/Al Fresco Dining Facilities. The property consists of 7.3264 acres and is physically located at 801 Loma Colorado Blvd NE.

The meeting is scheduled for 6 pm in the Council Chambers at City Hall, 3200 Civic Center Cir. NE, Rio Rancho, NM. The public is invited to attend in person or virtually at www.rrnm.gov. Materials related to this item are available for viewing in the Development Services Department at City Hall.

If you would like to comment on this application, you are encouraged to submit a written comment to planning@rrnm.gov. Written comments will be inserted into the public record.

Journal: May 27, 2026

The City of Rio Rancho

Development Services
Planning Division
3200 Civic Center Circle NE
Rio Rancho, NM 87144
Phone (505) 891-5005 ● Fax (505) 896-8994

May 28, 2026

RE: Zone Map Amendment; Case No. 26-100-00006
Unit 10, Block 33, Lot 98-A

Dear Property Owner:

You are receiving this letter because your property is located within 100 ft of a site where a land development decision is required by the Governing Body.

The applicant, J Gospel Light Baptist Church of Rio Rancho, through their agent, Community Design Solutions, requests approval of a Zone Map Amendment for the property legally described as Unit 10, Block 33, Lot 98-A. The subject property comprises approximately 0.94 acres and is currently zoned R-1: Single-Family Residential. The applicant is requesting to change the zoning designation of the lot to C-1: Retail-Commercial to accommodate a proposed fitness center.

The **Governing Body** will consider the request and make their decision on **Thursday, June 11, 2026** at 6:00 pm at City Hall in the **Council Chambers.**

On the back of this letter is a location map of the project, with the subject property identified.

If you would like to comment on this application, you are encouraged to submit written comments ten (10) days prior to the hearing date to planning@rrnm.gov. Those wishing to provide comment during the hearing must register in person or by Zoom with applicable City staff person no later than fifteen (15) minutes prior to the scheduled start time of the hearing. This hearing will be hybrid, information is available on the City's website under Agendas and Minutes. The City highly encourages citizens to watch the meeting live on the City's website www.rrnm.gov or on Sparklight cable channel 56.

Please contact me via e-mail me at bisaacs@rrnm.gov or call me at 505-891-5035 if you have any questions concerning this matter.

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact the City Clerk, 505-891-5004, as soon as possible prior to the meeting. Please contact the City Clerk if a summary or other type of accessible format is needed.

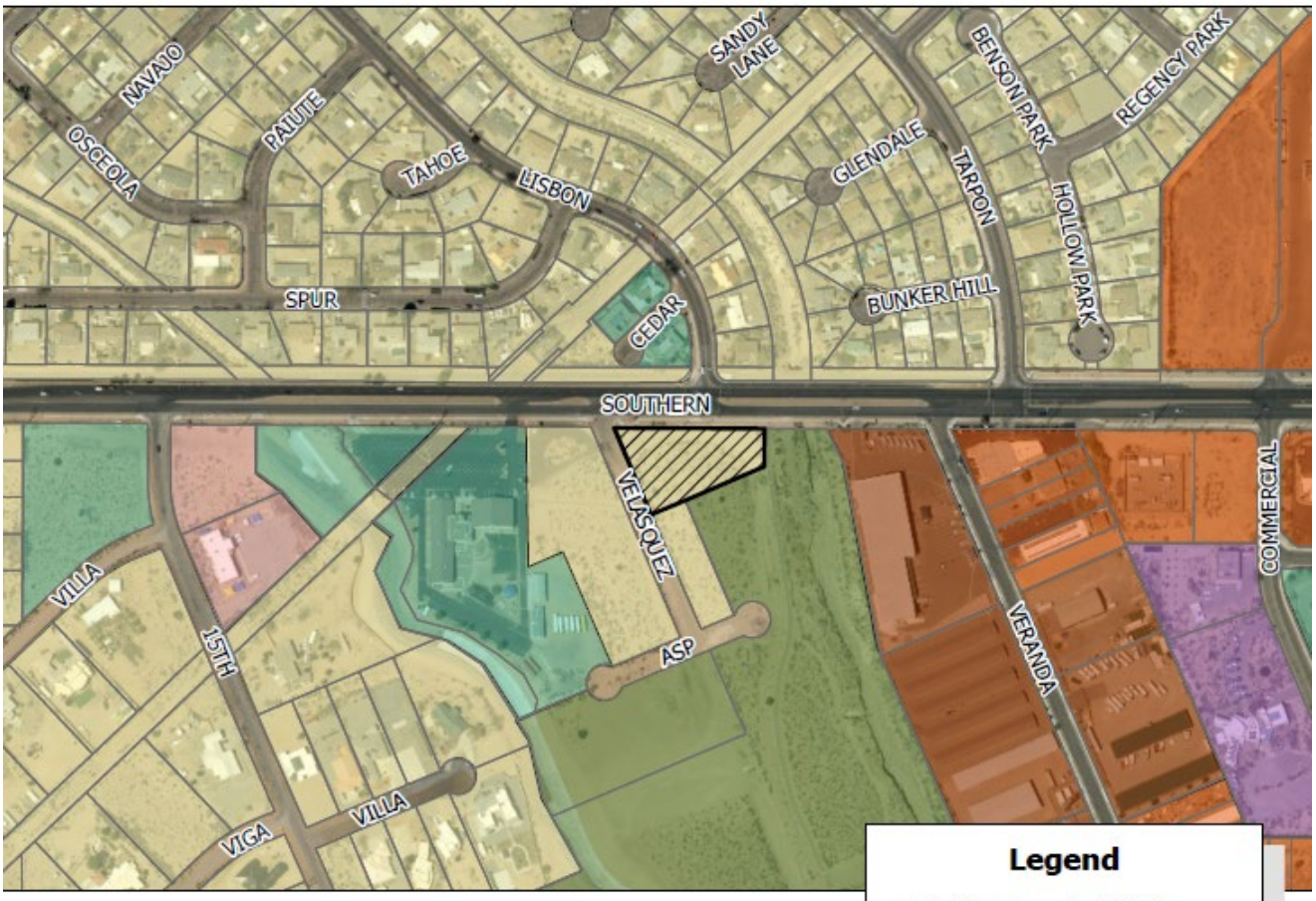
Respectfully,

Ben Isaacs
Municipal Planner I
Development Services Department
City of Rio Rancho

The City of Rio Rancho

Development Services
Planning Division
3200 Civic Center Circle NE
Rio Rancho, NM 87144
Phone (505) 891-5005 ● Fax (505) 896-8994

1600 SOUTHERN BLVD SE
UNIT 10, BLK 33, LOT 98-A

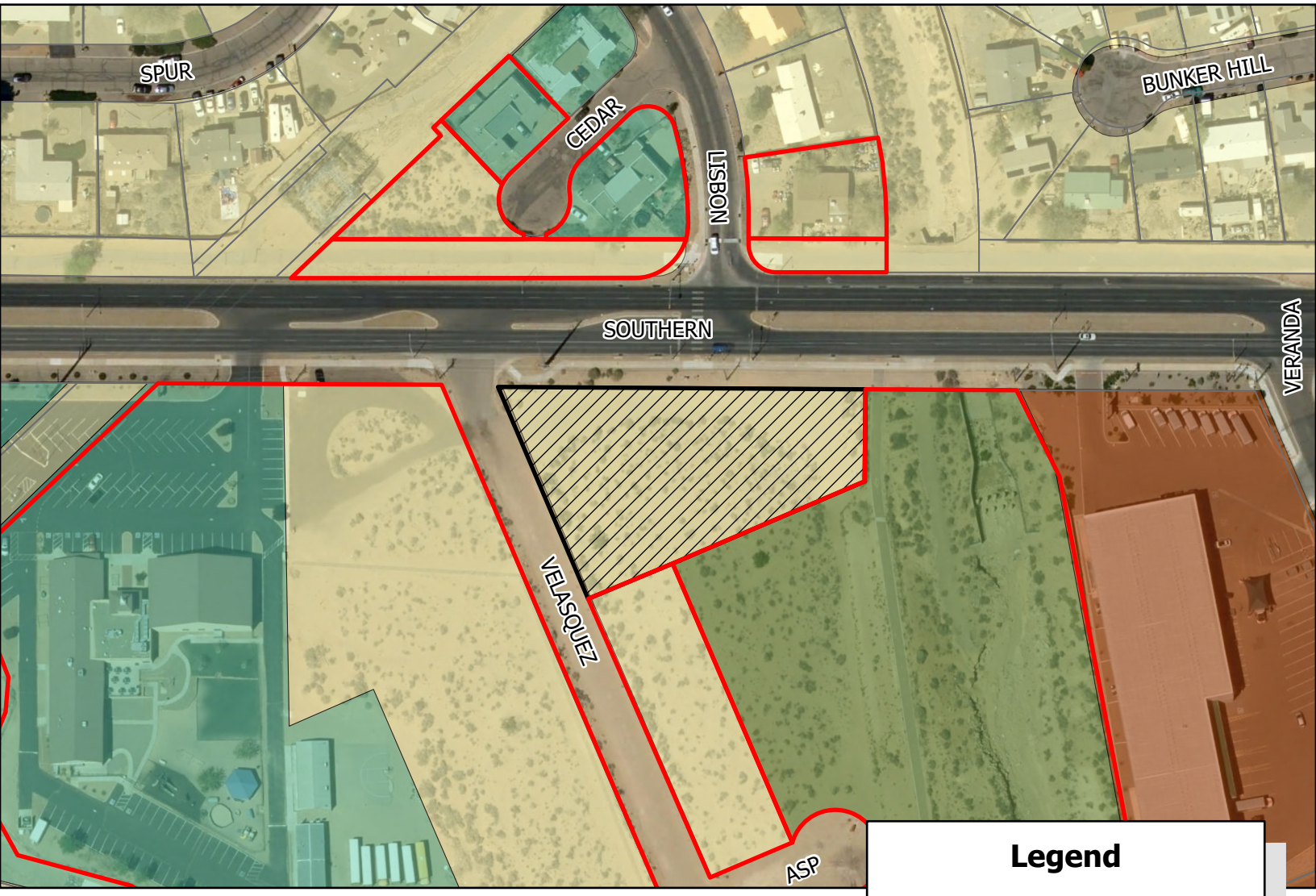


GIS Moving Spatial Data Forward

DISCLAIMER: All information on this map is provided "as is" without warranty or any representation of accuracy, timeliness or completeness. This map is not a survey and should be used for graphical purposes only.

Map courtesy of Ben Isaacs, 4/23/2026

1600 SOUTHERN BLVD SE
UNIT 10, BLK 33, LOT 98-A-1



Legend

Subject Property

Properties Noticed

Zoning

- C-2
- OS
- R-1
- SU

N

W E

S

0 0.01 0.02 0.03 0.04 0.05 Miles

GIS Moving Spatial Data Forward

Rio Rancho City of Vision

DISCLAIMER: All information on this map is provided "as is" without warranty or any representation of accuracy, timeliness or completeness. This map is not a survey and should be used for graphical purposes only.

Map courtesy of Ben Isaacs, 4/23/2026

CITY OF RIO RANCHO
COVER PAGE

Legislation Item: R46

AGENDA DATE:
June 11, 2026

DEPARTMENT:
Development Services

SUBJECT:
R46, Resolution Adopting the Rancho Alegria Master Plan

BACKGROUND AND ANALYSIS:
The applicant, Pulte Homes, through their agent, Consensus Planning, requests approval of the Rancho Alegria Master Plan, for the lots legally described as: Unit 8, Block 53, Lots 1-24; Block 49, Lots 2-11, and 14-23; and Block 50, Lots 2-24. The properties total 66.25 acres. The subject property also falls within the Northern and Rainbow Specific Area Plan.

The applicant is concurrently requesting approval of a Zone Map Amendment to rezone the subject properties above, from M-1: Industrial and Business Park and R-1: Single-Family Residential, to R-3: Mixed-Residential (case #25-100-00017).

The subject Master Plan is within the Northern & Rainbow Specific Area Plan (NRSAP), originally adopted by the Governing Body January 14, 2009 via Resolution No. 3, Enactment No. 09-004, and most recently amended November 13, 2025 via Resolution No. 133, Enactment No. 25-132 by the Governing Body.

The Master Plan Area is located on the west side of Rainbow Blvd. NE (a proposed major arterial road), bounded by Northern Blvd. NE, a minor arterial road, to the north; 3rd Street NW, a residential road, to the west; and 7th Avenue NW, a residential road, to the south.

The Planning and Zoning Board was slated to review this item at the May 26, 2026 Planning and Zoning Board Meeting, but the meeting was canceled due to a lack of quorum, and the items postponed to the following meeting. The Planning and Zoning Board will review this item at the June 9, 2026 Planning and Zoning Board meeting.

REVIEW CRITERIA:
The Rio Rancho Comprehensive Plan defines a Master Plan as a detailed development plan often created by a developer, which may fit within a Specific Area Plan boundary or may provide sufficient planning detail that they may be developed in unplanned areas and stand in place of a Specific Area Plan. It states that, "The City will rely on the development of Specific Area Plans and Master Plans for identifying a specific land use at the parcel-level. Specific Area Plans and Master Plans are a part of the Land Use Element and are used as a statement of policy to guide land use decision making by the Governing Body."

The Rancho Alegria Master Plan identifies land uses, zoning, drainage, utilities, and transportation corridors for the area; with an overarching intention of facilitating residential development. It seeks to change the zoning of several subject parcels so that it is compatible with both the proposed

residential development, and the existing surrounding residential development. The proposed Master Plan details goals and policies which would be furthered upon adoption and subsequent development of the Master Plan.

SITE ANALYSIS: The subject property consists of approximately 66.25 acres of land, bounded by Northern Blvd. NW (a minor arterial) to the North, 3rd Street NW (a residential road) to the West, 7th Avenue NW (a residential road) to the South, and Rainbow Blvd. NE (a minor arterial road) to the east. There are three residentially developed lots that abut the subject properties, as well as two industrially developed lots that abut the subject properties; these lots are all excluded from the Rancho Alegria Master Plan. Additionally, to the north of the plan boundary lies the Camino Crossing neighborhood.

In the proposed Master Plan, natural conditions, existing demographics for the City, as well a site topography and soils have been included.

LAND USE/DENSITY: The Rancho Alegria Master Plan area currently lies within the Northern and Rainbow Specific Area Plan, and encompasses a variety of land uses. The Master Plan proposes 350 housing units at full build-out, on 66.25 acres. This equates to 5.28 dwelling units (DU)/acre; below the 7 DU/A allowance for R-3 zoning. Additionally, in a concurrent separate request, the applicant seeks a Zone Map Amendment to change the subject properties from R-1 and M-1 to R-3: Mixed-Residential, in order to allow for the proposed residential development in the new Rancho Alegria Master Plan.

The land use for the affected properties is shown as "Medium Density Residential" with R-3 as the suggested zoning in the Northern Rainbow Specific Area Plan. The proposed Master Plan would be in conformance with this land use and proposed zoning in the SAP.

The proposed zone change will result in approximately 66.25 acres becoming R-3: Mixed-Residential from R-1: Single-Family Residential and M-1: Industrial and Business Park.

GRADING & DRAINAGE: Chapter 8 of the Master Plan provides a Conceptual Drainage Plan. The plan intends to develop a water detention pond to maintain stormwater flows through the site and merge at the southwest corner of the Master Plan Area.

CIRCULATION: There are two main roadways that access Rancho Alegria: Northern Boulevard and Rainbow Boulevard. The Master Plan also incorporates a network of sidewalks leading to proposed bike lanes along Rainbow Boulevard and Northern Boulevard. The Master Plan further calls out that Rainbow Boulevard will be expanded to 156' ROW with two travel lanes and a water harvesting median, but in the meantime it will have single travel lanes separated with a center turning lane.

The conceptual site plan also shows that the existing 9th Avenue NW will be bisected, creating two dead ends. These stub streets will be finalized at the time of Preliminary Plat and may potentially require accompanying Subdivision Variances.

All roadways will meet SAMM spacing requirements and street design shall be per City Development Process Manual Standards.

PARKS: As the Master Plan proposes 350 single-family detached homes, the Master Plan must provide 2.97 acres of park. This park requirement is further reduced to 2.7 acres with Chapter 155 "Subdivisions" flexibility of a 10% deviation from the required acreage. The required park acreage is accomplished through: five pocket parks measuring 0.75, 0.36, 0.14, 0.14, and 0.56 acres; an existing 1-acre Public Park directly across the street from the Northern Boulevard entrance; and walking paths and resting areas throughout the Master Plan Area.

The park spaces are to include multiple amenities, including: children's playground features and elements, a water harvesting garden, corn hole, a cook-off pavilion, turf areas, a croquet station, and a dogipot pet station. These park amenities and plans can be viewed in pages 62-64 of the attached Master Plan.

UTILITIES: The Master Plan denotes that all permanent utilities are to be located underground. Water service will be provided from the existing water mains in Northern Blvd. and Rainbow Blvd. Sewer service will be provided through an 8" line within the ROW of the internal subdivision roadways. A concept utility plan is included as an exhibit in the Master Plan.

DESIGN STANDARDS: The Master Plan denotes specific design standards that are intended to provide a framework for the development goals for the plan area, as well as create a sense of cohesive design. The design standards promote pedestrian circulation, establish parameters for perimeter block walls, promote the creation of trails to connect parks and open spaces, and also establish parameters for signage, lighting, landscaping, parking.

The Master Plan design standards also include standards for entry monument signage, as well as standards for single-family residential development (including color, materials, and depth of entryways).

PHASING AND FINANCING: Construction is intended to proceed in six phases, and these will be organized into three primary stages (1A & 1B; 2A & 2B, 3A & 3B). Per the Master Plan, page 67, two builders: Pulte Homes and Westway Homes, will be offering different housing types and price points across these three stages. Following approval of the ZMA and Master Plan, the area will be re-platted to coincide with the six phases.

NOTIFICATIONS: Notifications were sent to affected property owners in conjunction with the Master Plan and Zone Map Amendment request. A legal advertisement was placed in the May 27, 2026 edition of the Albuquerque Journal. All legal notification requirements have been met.

INTERDEPARTMENTAL/INTERAGENCY REVIEW:
DSD Planning and Zoning - Contained within this document.
DSD Engineering - See attached mark-up
Rio Rancho Public Schools - No comments provided.
Fire and Rescue - See attached comments
Police Department - No comments provided.
SSCAFCA - Please note that you will need to provide water quality volume per CoRR DPM.
MRCOG - No comments provided.
Parks, Recreation, and Community Services - See attached comments

IMPACT:

The Planning and Zoning Board will review this item on June 9, 2026. Staff recommends that the Governing Body approve of the applicant's request for the adoption of the Rancho Alegria Master Plan, subject to the following findings of fact and conditions of approval:

GENERAL FINDINGS OF FACT:
1. The Planning and Zoning Board may make a recommendation to the Governing Body on the applicant’s request for a Master Plan.
2. The applicant has the authority to apply for a Master Plan on the subject properties.
3. The applicant and adjacent property owners received due process.

SPECIFIC FINDINGS OF FACT AND CONDITIONS OF APPROVAL:
1. The Rancho Alegria Master Plan complies with the requirements of the Comprehensive Plan and

adequately integrates with the existing Northern and Rainbow Specific Area Plan.
2.The applicant has submitted an application and narrative that meets the basic requirements of establishing a community character that considers circulation, landscaping, open space, storm drainage, utilities, and building location and design.
3. All future subdivision design shall conform with the regulations and requirements of Chapter 155 "Subdivisions" and the City of Rio Rancho Development Process Manual.
4. All roadways shall comply with SAMM spacing requirements and Development Process Manual standards and designs.
5. All engineering comments shall be addressed with future development application submittals.

ALTERNATIVES:

The Governing Body may:
1. The Governing Body may approve the request.
2. The Governing Body may deny the request.
3. The Governing Body may modify the request and approve such modifications.
4. The Governing Body may postpone final action on the request and continue the public hearing to request additional information or consider testimony provided at the public hearing.

DEPARTMENT RECOMMENDATION:

The Planning and Zoning Board will review this item at their meeting on June 9, 2026. Staff recommends approval of the item.

ATTACHMENT: Resolution
ATTACHMENT: Application
ATTACHMENT: Justification Letter
ATTACHMENT: Zoning & Location Map
ATTACHMENT: CLEAN Master Plan
ATTACHMENT: Engineering Comments Mark-up
ATTACHMENT: Fire & PRCS Comments
ATTACHMENT: Reproduction of Notices PZB
ATTACHMENT: Reproduction of Notices

CITY OF RIO RANCHO
RESOLUTION

RESOLUTION NO. **ENACTMENT NO.**

RESOLUTION ADOPTING THE RANCHO ALEGRIA MASTER PLAN

WHEREAS: the State of New Mexico has granted the City of Rio Rancho the power, authority, jurisdiction, and duty to enforce and carry out the provisions of law relating to planning, platting, zoning, and the power to adopt, amend, extend and carry out a general municipal or master plan which may be referred to as the general or master plan, all pursuant to 3-19-1, NMSA 1978; and

WHEREAS: the Governing Body of the City of Rio Rancho has adopted a Comprehensive Plan that addresses and provides for specific goals, policies, and actions; proposes land use throughout the City; provides for adoption of specific area plans for specific area within the City; and also provides for land use in master planned communities via master plans; and

WHEREAS: the Governing Body of the City of Rio Rancho has adopted a Comprehensive Plan that addresses land use in master planned communities; and

WHEREAS: the Governing Body of the City of Rio Rancho adopted the Northern/Rainbow Specific Area Plan on January 14, 2009, under Resolution No. 04, Enactment No. 09-004, and amended on November 13, 2025, under Resolution No. 133, Enactment No. 25-132; and

WHEREAS: the Planning and Zoning Board of the City of Rio Rancho reviewed the proposed Rancho Alegria Master Plan (Case No. 25-400-00006) at their meeting held on June 9, 2026, and have made recommendation to the Governing Body on the adoption of the proposed Plan; and

WHEREAS: the Governing Body of the City of Rio Rancho, following a duly noticed public hearing on June 11, 2026, has reviewed the proposed Rancho Alegria Master Plan and determined that the Master Plan is in conformance with the City of Rio Rancho Comprehensive Plan

NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF RIO RANCHO:

Section 1. The Governing Body hereby approves and adopts the proposed Rancho Alegria Master Plan (planning area comprising approximately 66.25 acres), attached hereto.

Section 2. Effective Date. This Resolution shall take effect immediately upon adoption.

ADOPTED THIS _____DAY OF _____, 2026.

Paul Wymer, Mayor

ATTEST:

Noel C. Davis, City Clerk
(SEAL)

Development Services Department, Ste. 130
3200 Civic Center Circle NE, Rio Rancho, NM 87144
(505) 891-5005

PLANNING & ZONING LAND USE APPLICATION

Please check appropriate box

Administrative Permit	Plan	Subdivision	Zoning
☐ Community Residential Care Facility	☐ Comprehensive Plan Amendment	☐ Final Plat	☐ Annexation
☐ Development Review Committee (DRC)	☐ Corridor Plan Amendment	☐ Preliminary Plat	☐ Appeal
☐ Home Occupation	☑ Master Plan	☐ Summary Plat	☐ Conditional Use Permit
☐ Model Home / Sales Office	☐ Master Plan Amendment	☐ Vacation of Plat/Street	☐ Master Sign Plan
☐ Residential Child Care Facility 6 or <	☐ Specific Area Plan Amendment	☐ Street Name Change	☐ Site Plan
☐ Sign Permit	☐ Text Amendment	☐ Subdivision Interpretation	☐ Special Exception
☐ Other		☐ Subdivision Variance	☐ Variance
			☑ Zone Map Amendment
			☐ Zoning Certification
			☐ Zoning Interpretation

Please Print In Ink Only or Type
Application must be complete. Please attach the appropriate checklist for the action you are requesting, if applicable.

APPLICANT/AGENT INFORMATION

Applicant Name: Pulte Homes		Phone: 505-331-8711
Address:		E-Mail:Kevin.Patton@PulteGroup.com
City: Albuquerque	State: New Mexico	Zip:
Proprietary Interest:	List Owners: Crazy 8's, LLC & JLAD, LLC	
Deed or Ownership Verification Provided: (Initials) W.F.	Letter of Authorization Provided: (Initials) W.F & K.P	
Agent Name: Consensus Planning		Phone: 505-764-9801
Address: 302 Eighth Street NW		E-Mail: cp@consensusplanning.com
City: Albuquerque	State: New Mexico	ZIP Code: 87102

DESCRIPTION OF REQUEST: (PLEASE ADD ADDITIONAL SHEET(S) IF NECESSARY)

Master Map and Zone Map Amendment

SITE INFORMATION: (PLEASE PROVIDE ACCURATE LEGAL DESCRIPTION)

Subdivision/Unit : Unit 8	Block(s): 49, 50, 53	Lot(s): see attached
Existing Zoning: M-1 & R-1	Proposed Zoning: R-4	
No. of existing lots: 66	No. of proposed lots: 350	Total area of site (acres) 66.25

ACKNOWLEDGEMENT

I hereby acknowledge that I have read this entire application and affirm that all information provided is correct. I agree to comply with the requirements of the City of Rio Rancho as outlined in all applicable laws, ordinances and regulations.

Print Name: James K. Strozier, FAICP	Applicant: Pulte Homes	Agent: Consensus Planning
Signature:		Date: 12/18/2025

FOR OFFICIAL USE ONLY

H.T.E. PROJECT #	FEE	RECEIPT #

APPLICATION ACCEPTED BY: _____ **DATE:** _____

Form revised January 26, 2017

December 8, 2025

City of Rio Rancho

3200 Civic Circle NE

Rio Rancho, NM 87144

Letter of Authorization

To Whom It May Concern,

This letter authorizes Applicant Pulte Homes (Applicant) and Consensus Planning, Inc. (Agent) to represent Crazy 8's LLC and JLAD, LLC (Owner) for the Rancho Alegria Master Plan and Zone Map Amendment occurring within the City of Rio Rancho. The agent shall have full authority to meet with City Staff, hold meetings, and submit any documents related to the ongoing projects. Thank you for your help and cooperation.

Sincerely,

Crazy Eights & JLAD, LLC

By: _____

Printed Name: W. MICHAEL FIETZ

Title: MANAGING MEMBER

Pulte Homes

By: _____

Printed Name: Kevin Patton

Title: Director of Land Planning & Entitlements

Subd	Block	Lot	StrAddr	ZipCode	Acres	existing	proposed
U08	49	2	222 NORTHERN BLVD NW	87124	1.000661	R-1	R-4
U08	49	3	218 NORTHERN BLVD NW	87124	0.996125	R-1	R-4
U08	49	4	214 NORTHERN BLVD NW	87124	0.99603	R-1	R-4
U08	49	5	210 NORTHERN BLVD NW	87124	0.997477	R-1	R-4
U08	49	6	122 NORTHERN BLVD NW	87124	0.999022	R-1	R-4
U08	49	7	118 NORTHERN BLVD NW	87124	1.001355	R-1	R-4
U08	49	8	114 NORTHERN BLVD NW	87124	1.005553	R-1	R-4
U08	49	9	110 NORTHERN BLVD NW	87124	1.007551	R-1	R-4
U08	49	10	30 NORTHERN BLVD NW	87124	1.012577	R-1	R-4
U08	49	11	20 NORTHERN BLVD NW	87124	1.017513	R-1	R-4
U08	49	14	21 9TH AVE NW	87124	1.022049	R-1	R-4
U08	49	15	31 9TH AVE NW	87124	1.01291	R-1	R-4
U08	49	16	111 9TH AVE NW	87124	1.007794	R-1	R-4
U08	49	17	115 9TH AVE NW	87124	1.004578	R-1	R-4
U08	49	18	119 9TH AVE NW	87124	0.99852	R-1	R-4
U08	49	19	123 9TH AVE NW	87124	0.997492	R-1	R-4
U08	49	20	211 9TH AVE NW	87124	0.997917	R-1	R-4
U08	49	21	215 9TH AVE NW	87124	0.998161	R-1	R-4
U08	49	22	219 9TH AVE NW	87124	0.996457	R-1	R-4
U08	49	23	223 9TH AVE NW	87124	0.999696	R-1	R-4
U08	50	2	222 9TH AVE NW	87124	1.00478	R-1	R-4
U08	50	3	218 9TH AVE NW	87124	1.003001	R-1	R-4
U08	50	4	214 9TH AVE NW	87124	1.005854	R-1	R-4
U08	50	5	210 9TH AVE NW	87124	1.005565	R-1	R-4
U08	50	6	122 9TH AVE NW	87124	1.003659	R-1	R-4
U08	50	7	118 9TH AVE NW	87124	1.001663	R-1	R-4
U08	50	8	114 9TH AVE NW	87124	1.00512	R-1	R-4
U08	50	9	110 9TH AVE NW	87124	1.006339	R-1	R-4
U08	50	10	30 9TH AVE NW	87124	1.010555	R-1	R-4
U08	50	11	20 9TH AVE NW	87124	1.017916	R-1	R-4
U08	50	13	11 8TH AVE NW	87124	0.919788	R-1	R-4
U08	50	14	21 8TH AVE NW	87124	1.014532	R-1	R-4
U08	50	15	31 8TH AVE NW	87124	1.009226	R-1	R-4
U08	50	16	111 8TH AVE NW	87124	1.007832	R-1	R-4
U08	50	17	115 8TH AVE NW	87124	1.008867	R-1	R-4
U08	50	18	119 8TH AVE NW	87124	1.006218	R-1	R-4
U08	50	19	123 8TH AVE NW	87124	1.008212	R-1	R-4
U08	50	20	211 8TH AVE NW	87124	1.009214	R-1	R-4
U08	50	21	215 8TH AVE NW	87124	1.009733	R-1	R-4
U08	50	22	219 8TH AVE NW	87124	1.007083	R-1	R-4
U08	50	23	223 8TH AVE NW	87124	1.007233	R-1	R-4
U08	50	24	311 8TH AVE NW	87124	1.006594	R-1	R-4
U08	53	1	310 8TH AVE NW	87124	1.008385	M-1	R-4
U08	53	2	222 8TH AVE NW	87124	1.007048	M-1	R-4
U08	53	3	218 8TH AVE NW	87124	1.007782	M-1	R-4
U08	53	4	214 8TH AVE NW	87124	1.0101	M-1	R-4
U08	53	5	210 8TH AVE NW	87124	1.009653	M-1	R-4
U08	53	6	122 8TH AVE NW	87124	1.009539	M-1	R-4
U08	53	7	118 8TH AVE NW	87124	1.00787	M-1	R-4
U08	53	8	114 8TH AVE NW	87124	1.010223	M-1	R-4
U08	53	9	110 8TH AVE NW	87124	1.009348	M-1	R-4
U08	53	10	30 8TH AVE NW	87124	1.009541	M-1	R-4
U08	53	11	20 8TH AVE NW	87124	1.011219	M-1	R-4
U08	53	12	10 8TH AVE NW	87124	0.919046	M-1	R-4
U08	53	13	11 7TH AVE NW	87124	0.922158	M-1	R-4
U08	53	14	21 7TH AVE NW	87124	1.017511	M-1	R-4
U08	53	15	31 7TH AVE NW	87124	1.015914	M-1	R-4
U08	53	16	111 7TH AVE NW	87124	1.015076	M-1	R-4
U08	53	17	115 7TH AVE NW	87124	1.015571	M-1	R-4
U08	53	18	119 7TH AVE NW	87124	1.012024	M-1	R-4
U08	53	19	123 7TH AVE NW	87124	1.013491	M-1	R-4
U08	53	20	211 7TH AVE NW	87124	1.014883	M-1	R-4
U08	53	21	215 7TH AVE NW	87124	1.014209	M-1	R-4
U08	53	22	219 7TH AVE NW	87124	1.012412	M-1	R-4
U08	53	23	223 7TH AVE NW	87124	1.01413	M-1	R-4
U08	53	24	311 7TH AVE NW	87124	1.013486	M-1	R-4
					66.24904		

CONSENSUS PLANNING

Landscape Architecture
Urban Design
Planning Services

302 Eighth St. NW
Albuquerque, NM 87102

(505) 764-9801
Fax 842-5495
cp@consensusplanning.com
www.consensusplanning.com

December 18, 2025

Scottie Richardson, Chairman
Planning and Zoning Board
City of Rio Rancho
3200 Civic Center Circle NE
Rio Rancho, NM 87144

RE: Rancho Alegria Master Plan and Zone Map Amendment

Dear Mr. Chairman:

The purpose of this letter is to request review and approval of a Master Plan and Zone Map Amendment on behalf of Pulte Homes (Applicant) and Crazy 8's and JLAD, LLC (Owner).

Summary of Request: This two-part request includes:

1. Approval of a Master Plan to guide traffic and circulation, parks and recreation, drainage, utilities, and to provide design guidelines for future development. The Rancho Alegria Master Plan boundary totals 66.25 acres with 66 parcels.
2. Approval of a Zone Map Amendment to rezone the properties that are owned by Crazy 8's and JLAD, Inc. These parcels are currently zoned and legally described:
    - M-1: Industrial Rio Rancho Estates, Unit 8, Block 53, Lots 1-24.
    - R-1: Single-family Residential, Block 49, Lots 2-11, 14-23; Block 50, Lots 2-11, 9-11, 13-24 (see Figure 3 on page 5).

PROJECT DESCRIPTION

The subject properties are generally bound by Northern Boulevard (N), 7th Avenue (S), Rainbow Boulevard (E), 3rd Street (W). Pulte Homes is requesting the approval of a Master Plan and a zone change from R-1 and M-1 to entirely R-3, to allow for the development of medium-density homes.

The recently approved Amendment of the Northern and Rainbow Specific Area Plan (NRSAP) boundaries and modification of its Land Use Map provide guidelines for future development within the NRSAP. The proposed Master Plan ensures well-planned neighborhoods, and the zone map amendment implements the goals of this Master Plan, the Specific Area Plan, and the Comprehensive Plan.

The Master Plan area is owned by a single owner, Westway Homes, deeded under LJAD, LLC, and Crazy 8's, LLC. There are six parcels not included in the Master Plan boundary but adjacent to the planning area. Three of the six parcels are currently developed with single-family houses. These "out parcels" are adjacent to Rainbow Boulevard and 3rd Avenue (see Figure 1).

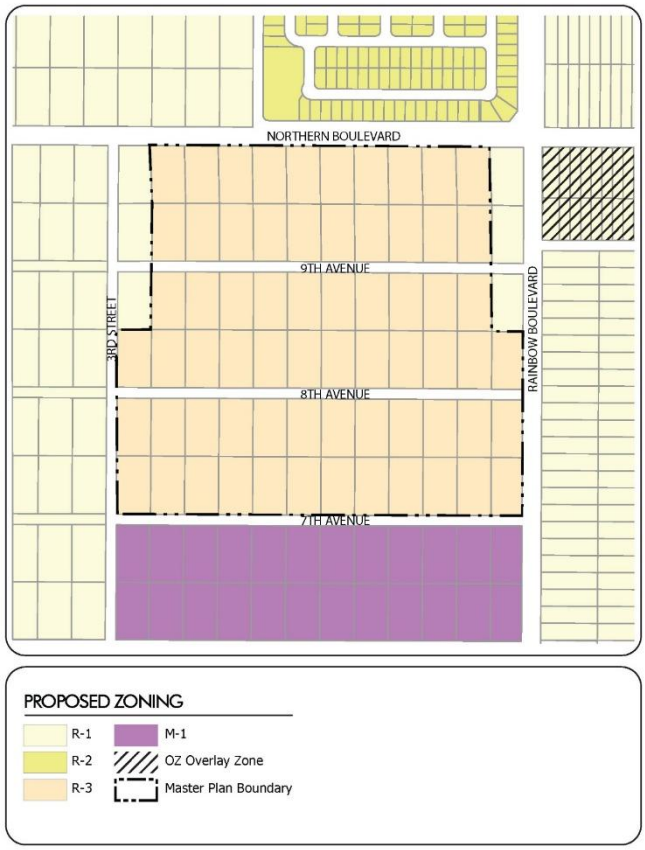
PRINCIPALS

James K. Strozier, FAICP

ASSOCIATES

Ken Romig, PLA, ASLA
Erin Callahan, AICP

Figure 1. Proposed Zoning



CASE HISTORY

The current R-1: Single-family Residential zoning was adopted by the Governing Body in 1994 as Ordinance No. 62, Enactment No. 94-060. The existing Northern and Rainbow Specific Area Plan was adopted by the City of Rio Rancho on January 14, 2009. At that time, the primary emphasis was that the area would be anchored by the Rainbow Business Park, which would serve as an Employment Center for western Rio Rancho. The plan also proposed future zoning and a land use map for the entire plan area. The proposed zoning and land uses were to be implemented by the private landowners through separate Master Plans and zone map amendments. Of the proposed zoning, only the M-1: Light Manufacturing District was requested to be changed and adopted by the Governing Body in 2009, as Ordinance No. 8, Enactment No. 09-06. Since then, no other zone map amendments have been requested, and the majority of the site has remained vacant.

A Planning Zoning Board (PZB) hearing was held on October 28, 2025, regarding the land use update within the Northern and Rainbow Specific Area Plan, with staff recommending approval, and the PZB unanimously recommending approval to the Governing Body. On November 13, 2025, the NRSAP Amendment was unanimously adopted.

NRSAP Amendment in 2025 updated the original proposed land uses to include more residential components with various housing densities and reduced the Industrial component, which never came to fruition, except for only one business.

The Rainbow Business Park will remain; however, the heavy industrial areas are recommended to be replaced with new neighborhood commercial (C-1) and a light manufacturing district (C-2).

The Applicant held a pre-application meeting with Development Services staff on February 27, 2025, to discuss the proposed Rancho Alegria Master Plan and Zone Map Amendment requests.

ADJACENT LAND USE AND ZONING

The subject property is within the NRSAP boundary and is currently zoned R-1 and M-1 (see Figure 2). Most of the NRSAP area has been vacant since it was designated. There is only one industrial business and four existing homes currently (see Figure 1). The adjacent properties to the north are zoned R-2 with a built-out single-family neighborhood and park. The properties to the east, west, and south are zoned R-1 with very limited single-family houses. There is an Overlay Zone (OZ) along segments of Rainbow Boulevard. The Zoning Overlay enactment 98-023 aims to promote replatting in areas where the subdivision layout is substandard or ill-conceived, or where it hinders the continuity of the street network.

Figure 2. Existing Land Use

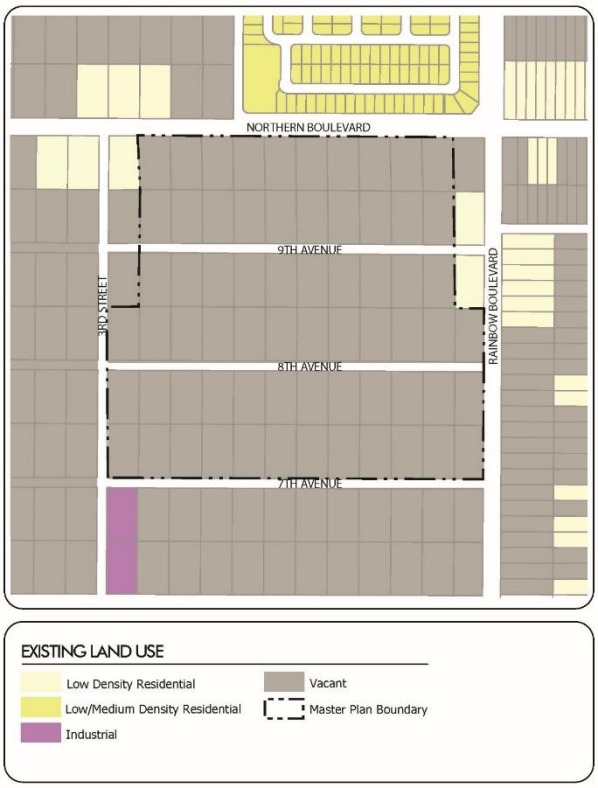
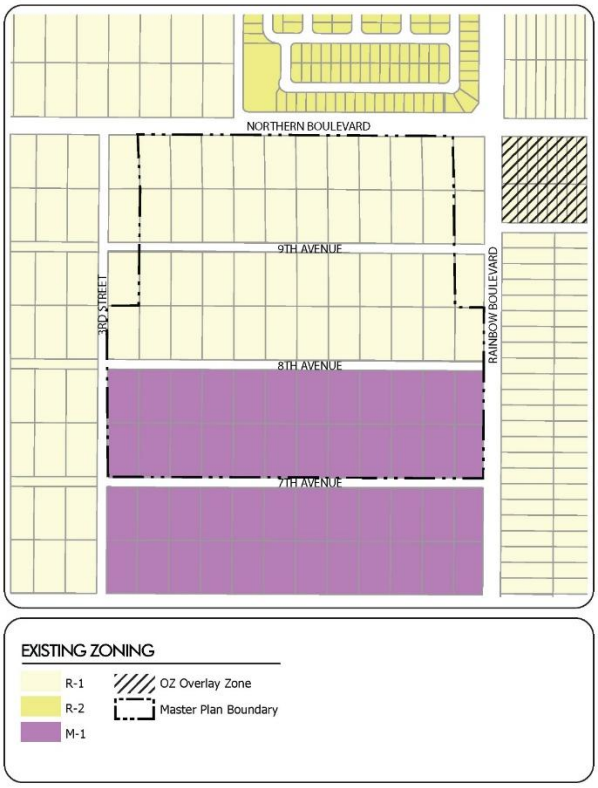


Figure 3. Existing Zoning



RIO RANCHO COMPREHENSIVE PLAN JUSTIFICATION CRITERIA

The following responses justify how the requests for both the Master Plan and the Zone Map Amendment for the properties align with the goals and policies of the City of Rio Rancho Comprehensive Plan.

GOAL A-1: Eliminate antiquated platting within the City of Rio Rancho where desirable.
POLICY A-2: Require appropriate development standards for infrastructure and environmental improvements for both newly platted lots and antiquated lots.
POLICY A-3: Ensure that the City's land use and development regulations provide the specific and detailed provisions necessary to eliminate prematurely platted land when feasible.
Action A-4: Process street name change applications to address numbered streets that conflict with the street naming policy.

> **Applicant Response:** *The adopted Rancho Alegria Master Plan provides a framework to consolidate, and re-plat prematurely developed lots in the planning area. The Zone Map Amendment will allow the Applicant to address issues of antiquated platting by* removing the R-1 and M-1 zones and replacing them with R-3.

GOAL CON-5: Meet federal, state, regional and local water quality standards through coordinated, long-term strategies that address the many contributors to water pollution.

> **Applicant Response:** *These requests will meet federal, state, regional, and local water quality standards through coordinated, long-term strategies through the implementation of an approved master drainage plan as part of the Rancho Alegria Master Plan. The drainage plan will ensure that all future development meets water requirements and water quality standards.*

GOAL L-2: Encourage consolidation of lots to promote a variety of land uses in a planned manner.
POLICY L-1: Encourage the Master Planning of developments that establish a community character that considers circulation, landscaping, open space, storm drainage, utilities, and building location and design in the Master Plan.

> **Applicant Response:** *These requests encourage the consolidation of lots to promote a variety of land uses in a planned manner by two local Home Builders, Westway Homes and Pulte Homes, thereby providing a variety of complementary housing types. Additionally, the request encourages the Master Planning of developments that establish community character by enhancing the community's design standards, outlining circulation, landscaping, open space, storm drainage, utilities, and building locations and designs*.

GOAL PH-4: To ensure that single-family and multifamily residential neighborhoods provide an attractive living environment.
POLICY PH-7: Support residential developments with appropriate amenities for families with children.

> **Applicant Response:** *These requests support residential development with appropriate amenities for families with children, as the Zone Map*

Amendment will implement single-family residential neighborhoods with HOA Pocket Parks, creating an attractive living environment. The Master Plan will include a proposed land-use map showing where future residential and recreational areas will be and how the added recreational features will add value and be appropriate amenities for families with children.

GOAL TR-2: Transportation facilities designed and constructed in a manner to facilitate Rio Rancho's economic goals, enhance livability and meet Federal, State, regional and local requirements.
POLICY TR-11: Ensure all rights-of-way and transportation facilities are ADA-compliant
POLICY TR-10: Support the design of streets and highways to respect surrounding land uses, natural features and community amenities.

Applicant Response: *The Master Plan outlines transportation facilities designed and constructed in a manner to facilitate Rio Rancho's economic goals, enhance livability, meet Federal, State, regional, and local requirements. The Master Plan supports a balanced transportation system by including a variety of transportation options to meet future development needs. The Master Plan acknowledges the planned 156-foot ROW along Rainbow Boulevard and has reduced its site, dedicating 28 feet of property to the ROW's future expansion. The Master Plan includes developing residential roads throughout the proposed neighborhoods, extending the existing sidewalks, and creating a network of paths to support all modes of transportation.*

GOAL PF-3: Provide public facilities that meet or exceed constituents expectations.
GOAL PF-4: Current demand on public facilities should not overburden City public facilities beyond what the City can reasonably provide for future demand.
GOAL PF-5: Construct new public facilities to meet demands at least 10 years into the future.
POLICYPF-3: Make land use recommendations based on the availability of adequate public facilities necessary to support a proposed land use.

Applicant Response: *The Master Plan will implement a broad range of services and public facilities that meet the needs of current and future City residents. The Master Plan will incorporate* public facilities such as roads, water, *and sewer infrastructure that is suitable for all development within the planned area.*

GOAL UD-1: Create focused growth areas where existing public infrastructure can support higher density development.
GOAL UD 3: Create street patterns with development that fosters human interaction.
POLICY UD-1: Identify specific areas within the city where growth should be focused.
POLICY UD 2: Provide development incentives for developments that create a sense of place, foster human interaction, and discourage crime.

Applicant Response: *The Rancho Alegria Master Plan was created with the Northern and Rainbow Specific Area Plan to expand on focus growth areas where existing public infrastructure can support higher-density development. The created street patterns with development foster human interaction, create a sense of place, and discourage crime.*

GOAL EDP-3: Enhance the tax base.
Policy EDP-6: Continue to support Southern Sandoval County Arroyo and Flood Control Authority (SSCAFCA) and ensure the City and SSCAFCA have a collaborative relationship to ensure both entities' needs are met.

> **Applicant Response:** *These requests will enhance the tax base because this residential development is adjacent to Northern Boulevard and Rainbow Boulevard, which provide access and links to surrounding communities where economic development, jobs, and needed services can be obtained. The Master Plan's development and ultimate adoption require continued support from the Southern Sandoval County Arroyo and Flood Control Authority (SSCAFCA) to ensure a collaborative relationship between the City and SSCAFCA, with both entities' needs met.*

RIO RANCHO DEVELOPMENT PROCESS MANUAL (DPM) MASTER PLAN JUSTIFICATION CRITERIA

This request for a Master Plan complies with the criteria outlined in Volume I.5 Planning – Rio Rancho's Future of the Rio Rancho Development Process Manual as follows:

Master Plans are prepared by either the City or private sector and submitted to the City for review and approval. Master Plans address the Principles and Policies of the Vision 2020, but specific to a defined area within the City; at least 20 acres but usually more than 100 acres.

> **Applicant Response:** *The proposed Rancho Alegria Master Plan was prepared by the private sector and is being submitted to the City for review and approval. The Master Plan addresses the Principles and Policies of the Comprehensive Plan, as detailed in the Rio Rancho Comprehensive Plan Justification Criteria starting on page 5, and follows the Goals and Policies of the Northern and Rainbow Specific Area Plan. This 66 acres Master Plan is greater than 20 acres and contains conceptual Grading & Drainage, Circulation, Utilities, layouts, and a land use map. The Master Plan is 100% owned by Westway Homes and deeded by JLAD, LLC and Crazy 8's, LLC.*

RIO RANCHO MUNICIPAL CODE ZMA JUSTIFICATION CRITERIA

This request for a zone map amendment complies with the criteria outlined in Section 150.07 AMENDMENTS of the Rio Rancho Municipal Code as follows:

150.07(D)(1) A proposed zone change must be found to be consistent with the health, safety, morals, and general welfare of the City.

> **Applicant Response**: *The proposed Zone Map Amendment (ZMA) for the Rancho Alegria residential community is consistent with the health, safety, morals, and general welfare of the city. The proposed ZMA offers an opportunity to enhance the health and welfare of the City by establishing the development conditions necessary for constructing residential projects that will meet the needs of the Northern / Rainbow area and future Rancho Alegria residents. The amendment will complement the existing and surrounding developed residential areas by allowing a variety of housing options in what the Rio Rancho Comprehensive Plan defines as a development node, corridor, and gateway (Page V-11). As described in Section 1.3 Development Nodes, 'The creation of development nodes where*

higher concentration of land uses exist in the form of commercial, multi-family and mixed-use developments helps to develop a sense of place.', the proposed ZMA will further the general welfare of the City by providing high-quality homes and creating a sense of place for current and future residents within a developing neighborhood within Rio Rancho.

150.07(D)(2) Stability of land use and zoning is desirable; therefore, the applicant must provide a sound justification for the change. The burden is on the applicant to show why the change should be made, not on the City to show why the change should not be made.

Applicant's Response: *The request to rezone the site to R-3 is consistent with the NRSAP. Westway Homes has been assembling land to address the antiquated platting and checkerboard ownership, which have hitherto that presented a significant challenge for development. In addition, the subject properties have remained vacant for over 15 years under the existing R-1 and M-1 zoning. However, within the last few years, there has been a growing demand for additional mixed-density, mixed-income housing in Rio Rancho. Further, there has been less interest from homebuilders in large "estate" lots at lower densities, especially in areas that require substantial transportation and drainage improvements due to access and topography challenges. As a result, the subject parcels, with their larger lot and infrastructure requirements under the existing R-1 "low density residential" zoning, are likely to continue to remain undeveloped as large estate lots. The proposed R-3 zoning is better suited and provides a logical transition from R-1 with a medium lot size option for more productive use of currently vacant land. This transition ensures stability for non-contiguous lots that would remain R-1 as it provides a complementary transition in densities. Adequate consideration for buffering and traffic circulation has been given to the out parcel lots not owned by the applicant (see Master Plan). The zone change will create the opportunity for diverse housing product options tailored to current and future housing needs in the area.*

150.07(D)(3) A proposed change shall generally be consistent with adopted elements of the Comprehensive Plan or other City Master Plans and amendments thereto including privately developed area plans which have been adopted by the City.

Applicant's Response: *The proposed ZMA is consistent with and furthers several goals and policies of the City's Comprehensive Plan as identified in the Rio Rancho Comprehensive Plan Justification Criteria on page 5.*

The proposed ZMA is consistent with and furthers the NRSAP, a privately developed area plan, which has been adopted by the City. The Rancho Alegria Master Plan is within the NRSAP and identifies the NRSAP's proposed land uses, aligns development with the proposed land uses, and implements them through zone map amendments.

150.07(D)(4) The applicant must demonstrate that the existing zoning is inappropriate because:

(a) There was an error, mistake or is necessary to correct an injustice that occurred when the existing zone map pattern was created, including the placement of an R-1

or transitional zone on an antiquated plat filed before the City's incorporation and adoption of its own zoning code or on land annexed by the City; or

(b) Changed neighborhood or community conditions justify the change; or

(c) A different use category is more advantageous to the community, as articulated in the Comprehensive Plan or other City Master Plan, even though (D)(1) or (2) does not apply. Applicant's reliance on this provision requires proof that (i) there is a public need for a change of the kind in question, and (ii) that need will be best served by changing the classification of the particular piece of property in question as compared with other available property.

Applicant's Response: *Considering the current and future conditions of the site and community, a different zoning category is more advantageous (Criterion C). The subject properties have not developed under the existing R-1 zoning. They have remained vacant for over 15 years since the original Northern and Rainbow Specific Area Plan was adopted in 2009. The requested R-3 zoning is more advantageous to the community, as it responds to the City of Rio Rancho's goal to support the construction of a "variety of housing types that meet the needs of all members of the community" and policy to "encourage mixed-income housing opportunities in designated growth nodes throughout the city", of which Northern and Rainbow is a designated node. It is unlikely that the R-1 lots envisioned in the original Northern and Rainbow Specific Area Plan will develop in the near future due to current housing market trends towards smaller homes on smaller lots.*

According to the Rio Rancho's 2023 NM Affordable Housing Needs Assessment, adding to the supply of townhomes and smaller detached units in rapidly growing cities like Rio Rancho can create affordable options for first-time or lower-income home buyers. The development of market-rate multi-family properties will also reduce rental market pressure for households at all income levels. The increasing demand for single-family homes, townhomes, smaller detached units, and multi-family units in Rio Rancho and the Greater Albuquerque Metro Region, coupled with a shortage of development-ready sites necessitates a need for the zone change. The subject site is well suited to support housing development at medium densities. The requested R-3 zoning for this property will better serve the needs of the community than the existing R-1 and M-1 zoning.

150.07(E) The cost of land or other economic considerations pertaining to the applicant shall not be the determining factor for a change of zone.

Applicant's Response: *The cost of land or other economic considerations are not the determining factors for the applicant's request for a zone change. The request for a zone change aligns with implementation strategies for the Northern and Rainbow Specific Area Plan, Rancho Alegria Master Plan and is consistent with the goals of the City's Comprehensive Plan and Affordable Housing Plan to provide mixed-income, mixed-density homes across the city.*

150.07(F) Location on a collector or major street is not in itself sufficient justification of apartment, office, or commercial zoning.

Applicant's Response: *The zone change is not being requested due to its location along a major street. The zone change is sought to implement the*

proposed land use of the Northern and Rainbow Specific Area Plan and the Rancho Alegria Master Plan. The requested zone map amendment is not for apartment, office, or commercial zoning.

150.07(G) A zone change request which would give a zone different from surrounding zoning to one small area, especially when only one premises is involved, is generally called a "spot zone." Such a change of zone may be approved only when: (1) The change will clearly facilitate realization of the Comprehensive Plan and any applicable adopted sector development plan or area development plan; or

(2) The area of the proposed zone change is different from surrounding land because it could function as a transition between adjacent zones; because the site is not suitable for the uses allowed in any adjacent zone due to topography, traffic, or special adverse land uses nearby; or because the nature of structures already on the premises makes the site unsuitable for the uses allowed in any adjacent zone.

Applicant's Response: *A spot zone is not created on the subject properties since it applies to a large, contiguous area within the Northern and Rainbow Specific Area that prescribes such land uses and zoning. The area is master-planned and will facilitate the realization of several goals and policies of the Comprehensive Plan.*

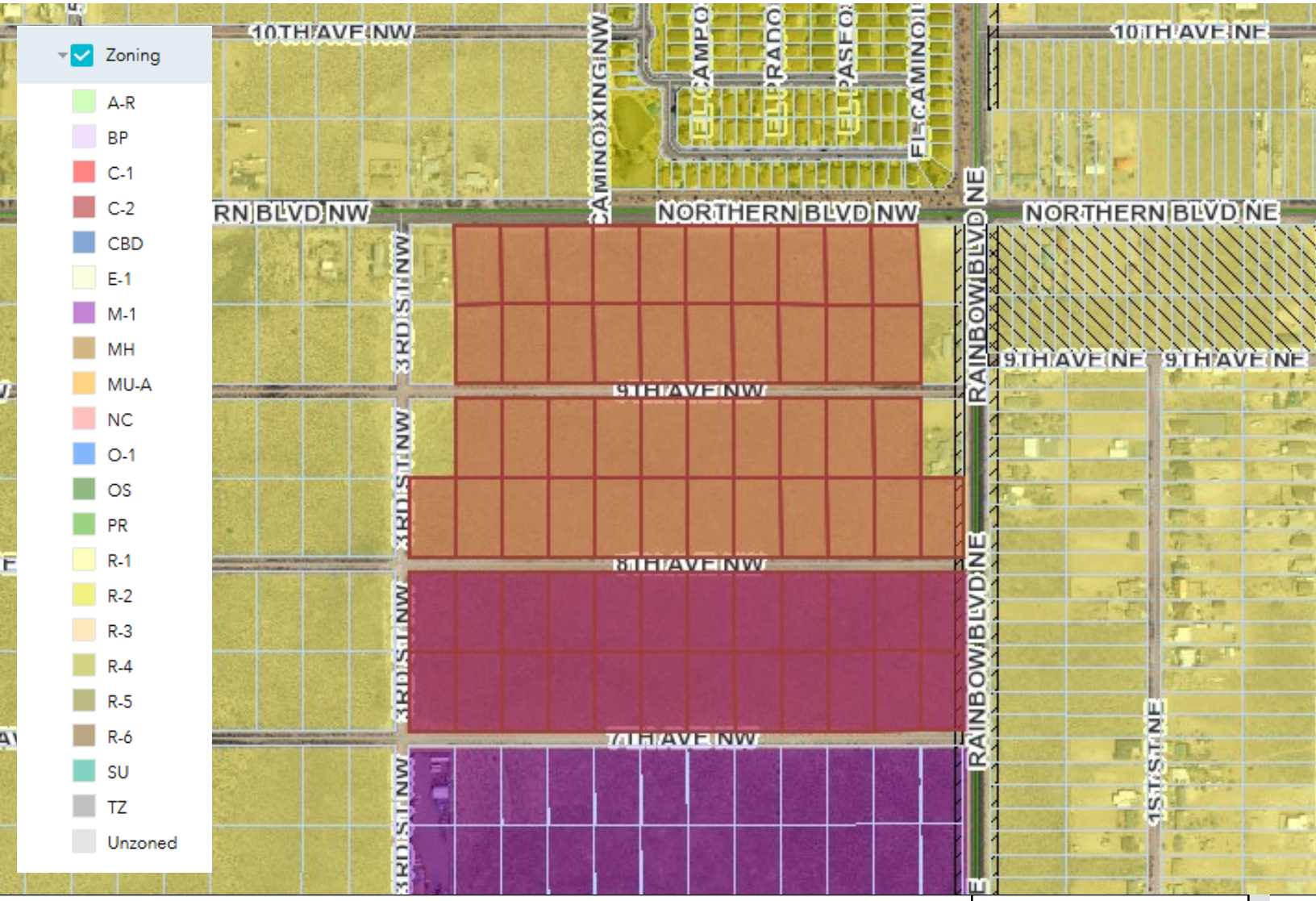
CONCLUSION

On behalf of Pulte Homes and Westway Homes, we respectfully request that the Planning and Zoning Board approve the Rancho Alegria Master Plan and Zone Map Amendment for the subject properties. Thank you for your consideration.

Sincerely,

James K. Strozier, FAICP
Principal

RANCHO ALEGRIA (MASTER PLAN) & ZONE MAP AMENDMENT: M-1 AND R-1 TO R-4: SINGLE-FAMILY RESIDENTIAL DISTRICT



Rio Rancho City of Vision

GIS Moving Spatial Data Forward

N

W E

S

Subject Property

DISCLAIMER: All information on this map is provided "as is" without warranty or any representation of accuracy, timeliness or completeness. This map is not a survey and should be used for graphical purposes only.

Map courtesy of Liz Ruiz Carlos, 4/24/2026

CITY OF RIO RANCHO

Rancho Alegria

Master Plan

Prepared for:
Pulte HOMES

Prepared by:
Consensus Planning, Inc.
Bohannan Huston, Inc.

CONSENSUS PLANNING

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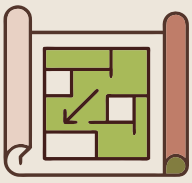
01

Introduction

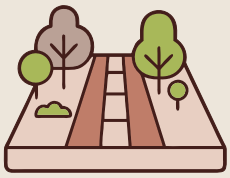
The Rancho Alegria Master Plan has been created to initiate the entitlement process for the development of up to 66 acres of property located within the Northern and Rainbow Specific Area Plan (NRSAP). The purpose of this Master Plan is to guide traffic access, circulation, parks, open space, drainage facilities, utilities, and to provide implementation technique. The vicinity map on page 3 illustrates the location of the master plan area.

Master Plan Objectives

The following are the objectives of the Master Plan:



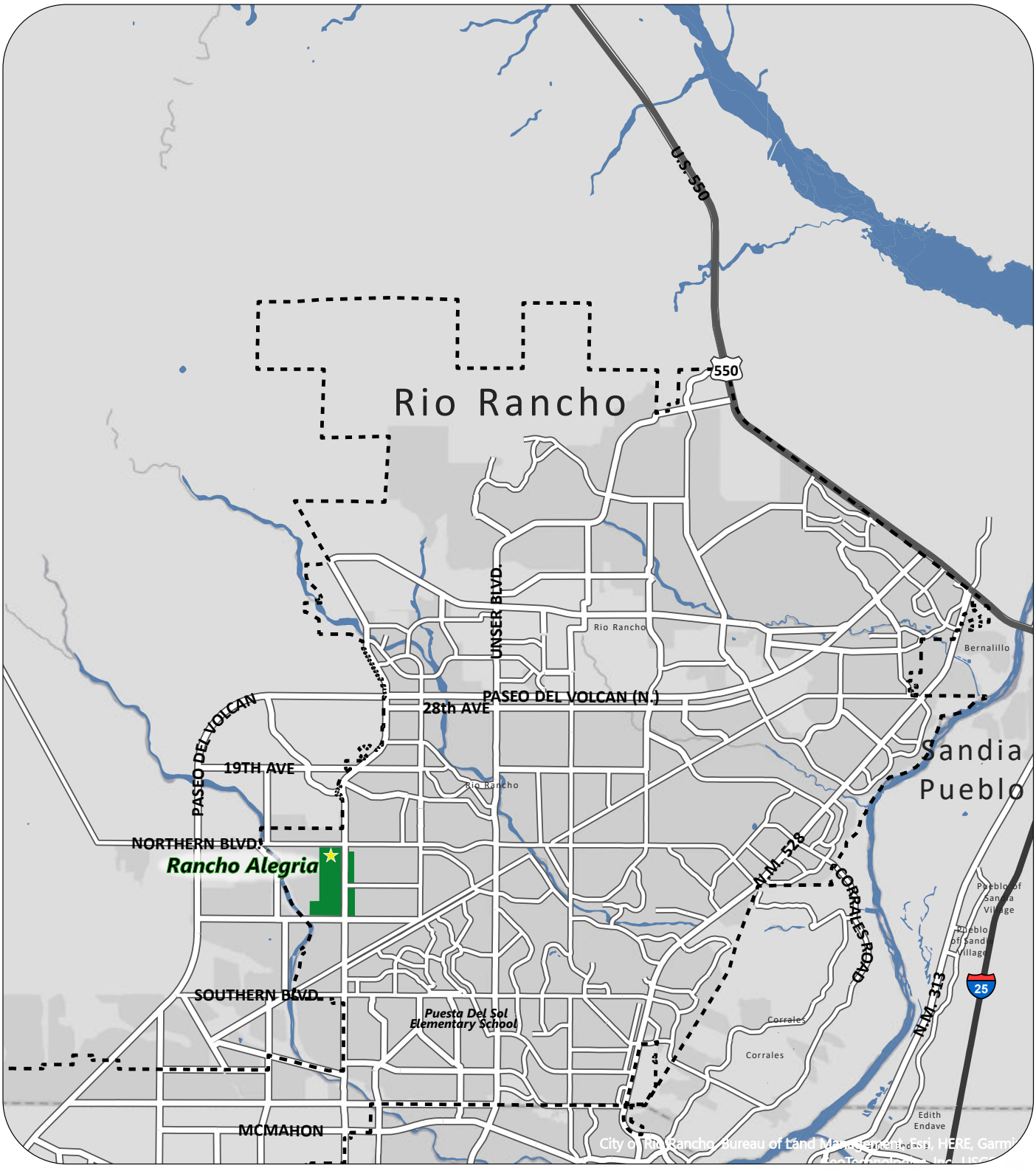
To create a framework for zoning and land use that includes single family residential neighborhoods in close proximity to planned schools, commercial services, and a business park area that will attract future employers to the City of Rio Rancho.



To connect with and extend existing transportation corridors identified in the Mid-Region Council of Government and the City's Transportation Plan.

To comply with and implement the Rio Rancho Comprehensive Plan and the Northern and Rainbow Specific Area Plan.

The Plan's approach has been tailored to the area's unique physical characteristics and will lead to the development of an attractive community for future residents.



RANCHO ALEGRIA CONTEXT

Northern and Rainbow Specific Area Plan

Rancho Alegria Master Plan Area

0 0.75 1.5 3 Miles

Figure 2.1

Planning Process

This Master Plan was accomplished in collaboration with the City of Rio Rancho Development Services Department,Pulte Homes, Bohannan Huston, Inc., and Consensus Planning, Inc. This master plan application is submitted in conjunction with the Northern/Rainbow Specific Area Plan amendment and a zoning map amendment request.

Northern and Rainbow Specific Area Plan

The Northern & Rainbow Specific Area Plan (NRSAP) provides current conditions in the plan area, identifies goals and objectives, proposes land uses and zoning and lists methods of implementation. The NRSAP was adopted in 2009 and amended in November 2025. The amendment included the expansion of the plan boundary area and the preparation of a Master Plan as one of the proposed actions to implement the recommendations of the Specific Area Plan.

02

Existing Conditions

The Master Plan Area is primarily undeveloped. There are three existing single-family residence constructed that are outside of Vista Alegria Master Plan but within the NRSAP boundaries. There are two homes near the Northern and Rainbow Boulevard. There is one home along Northern Boulevard adjacent to 3rd Street. This area is strategically positioned to accommodate new housing development, given its proximity to Rainbow Boulevard and Northern Boulevard.

Intersection at Northern & Rainbow

Location

As shown on the Vicinity Map (see Figure 2.1), Rancho Alegria is located within the NRSAP, within the Rio Rancho Estates Unit 8 Subdivision, and is in close proximity to Camino Crossing to the north and Rainbow Canyon Subdivision south of Sandia Boulevard (see Figure 2.2).

Figure 2.2

Demographics

In 2023, Rio Rancho population was 106,553. Rio Rancho is the fastest growing and third largest municipality in New Mexico with the statewide population of 2,114,768. It is expected that the City will continue to increase population over the next 20 years, with the projected population for 2040 being 118,233 people. Given this population projection from Mid-Region Council of Government (MRCOG) the percent growth from 2016 to 2040 is expected to be 24.1%.

The 2023 Census Bureau American Community Survey (ACS) 5-year estimates the median age for residents in Rio Rancho was 39.0 years of which 23.2% of the residents are under 18 years of age and 17.2% are 65 and over. Comparatively statewide median age was 39.2, with 22.1% under 18 and 18.8% 65 and over, respectively.

The average household size in Rio Rancho has 2.7 persons, similar but slightly higher than the statewide estimate of 2.51 persons. Rio Rancho had a total of 39,192 households in 2023. Of these, 54.3% were married family households, and 39.5% of those families had children under 18 years of age living in the house. Furthermore, 26.6% of the households were occupied by non-family members, of which 79.2% were living alone, and 37.8% were living alone and over 65 years old. In comparison, statewide, 41.4% of households are family households, of which 33.6% have children under 18 years. Non-family residents occupied 38.6% of the households; of that, 83.2% were living alone, and 35.7% were over 65 and living alone.

FIGURE 2.3: Population and Households

	Rio Rancho	New Mexico
Total Population	**106,553**	**2,114,768**
Under 18	81,786	1,648,151
65 years and over	18,342	397,156
Median age	39.0	39.2
Total Households	**39,192**	**825,021**
Family Households	28,751	506504
Households with children	12,522	199,170
Married	21,268	341,592
Households with children	8,393	114,795
Female	5,226	114,032
Households with children	2,814	43,483
Male	2,257	50,880
Households with children	1,315	26,125
Non-Family Households	10,441	318,517
Households 65 years	4,573	126,699
Households Living Alone	2,498	42,676

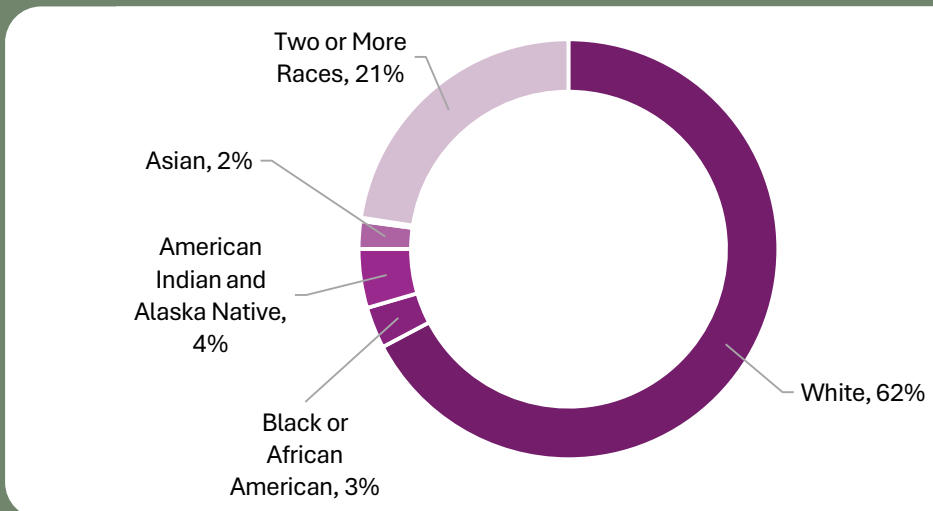
ACS 5-Year Estimates 2023

Ethnicity

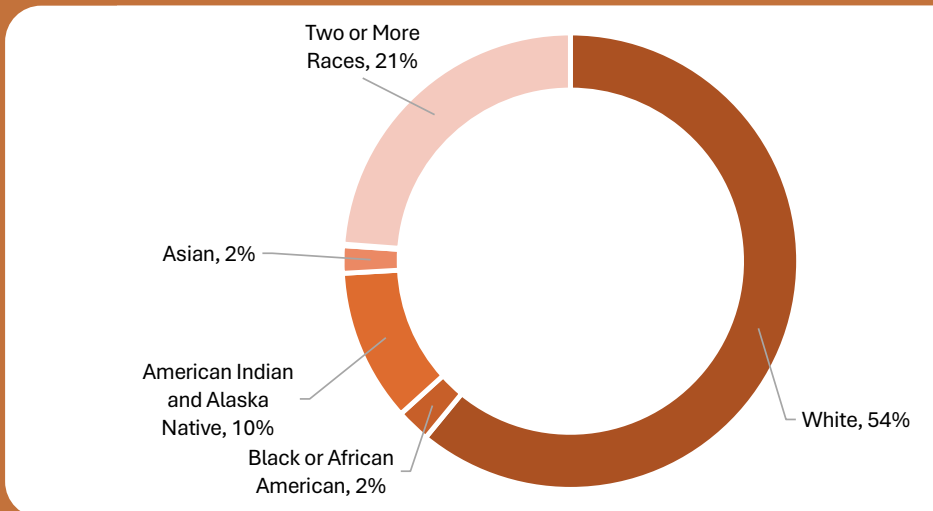
Rio Rancho is not as ethnically diverse as the rest of New Mexico. In Rio Rancho, 61.7% of the population identifies as White, 20.7% as multiracial, 4.2% as Native American, 2.9% as Black, and 2.0% as Asian. Additionally, 42.1% of the population identifies as Hispanic.

In contrast, the statewide demographics for New Mexico show that 53.6% of the population is White, 20.9% is multiracial, 9.5% is Native American, 2.1% is Black, and 1.7% is Asian. Statewide, New Mexico's population is 53.6% White, 20.9% multiracial, 9.5% Native American, 2.1% Black, and 1.7% Asian, with 48.2% of the total population identifying as Hispanic.

RIO RANCHO



NEW MEXICO

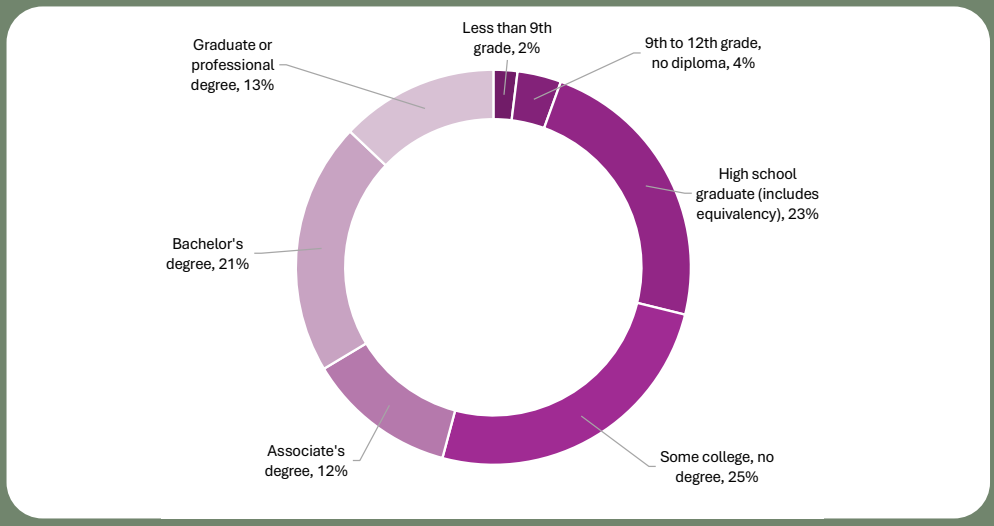


Education

Rio Rancho residents demonstrate higher educational attainment than the state overall. An estimated 94.4% of the City's population holds a high school diploma or higher. Among these residents, 25.3% have completed some college education, 12.3% hold an associate degree, 20.7% possess a bachelor's degree, and 12.9% have earned a graduate degree.

By comparison, statewide figures for New Mexico indicate 87.7% high school graduates or higher, 22.6% with some college, 9.2% with an associate degree, 16.6% with a bachelor's degree, and 13.6% with a graduate degree in 2023.

RIO RANCHO



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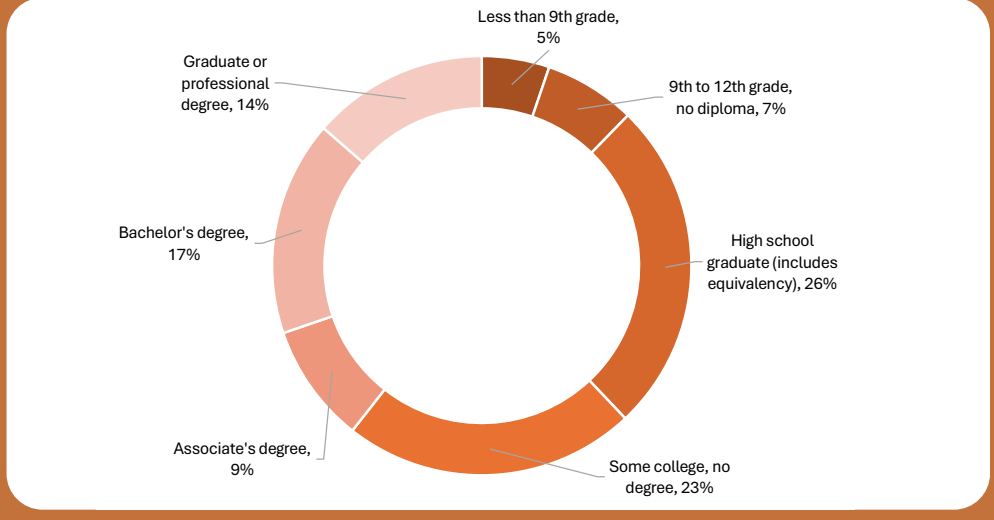
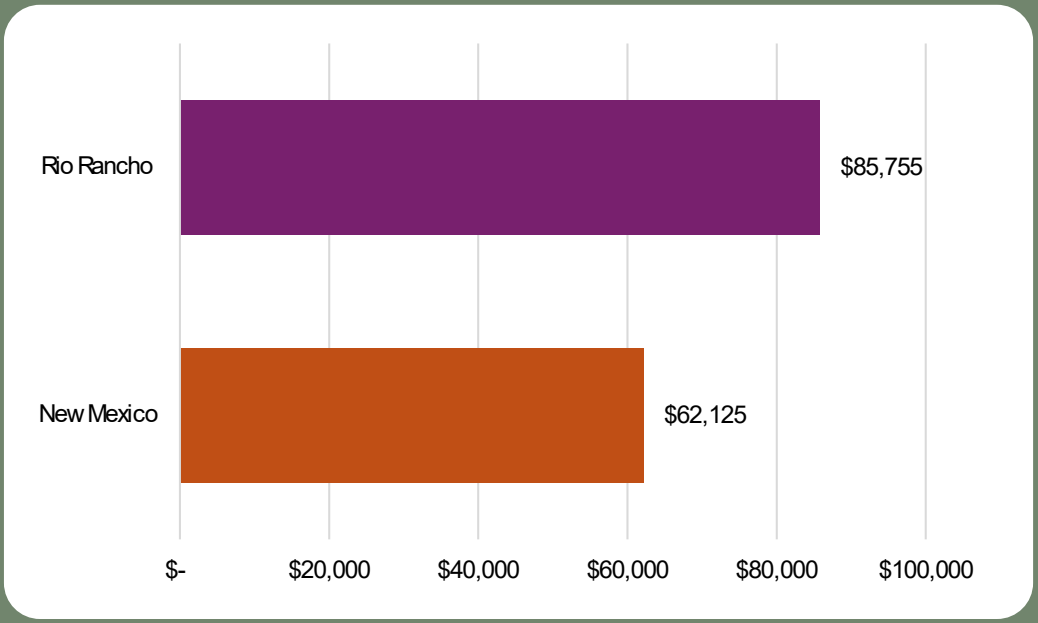


Employment and Occupation

The Rio Rancho labor force consisted of 52,665 individuals, representing 62.0% of the City's population in 2023. The unemployment rate during this period was 4.8%. Employment in the educational services, health care, and social assistance sector accounted for nearly one-quarter of all jobs held by Rio Rancho residents. The retail trade sector comprised 11.3% of employment, while professional, scientific, management, administrative, and waste management services collectively represented 13.1%, ranking as the second- and third-largest employment sectors, respectively.

Income

Over half of Rio Rancho's households Over half of Rio Rancho's households earned between $50,000 and $149,999 in 2023, reflecting a predominantly middle-income community—in contrast to the statewide distribution. The City's median household income of $85,755 significantly exceeds the New Mexico median of $62,125.



Housing Market Conditions

The average listing price of an existing home in Rio Rancho was $420,000 in 2025. The median sold price was estimated at $328,500 by Realtor.com, compared to Zillow.com, which estimated the average home value at $344,701. According to the 2023 Affordable Housing Plan, the majority of Rio Rancho's existing housing inventory consists of single-family detached homes.

The nature of Rio Rancho's early (pre-incorportion) development is negatively impacting its potential to develop new housing units in a cost-effective manner. Rio Rancho's original inventory of housing stock is beginning to show its age. Over half of the city's housing inventory was constructed before the year 2000. Many of these original "starter homes" are now in need a significant repair. As shown on the Vicinity Map (Figure 2.1, see page 3), Rancho Alegria is located within the (NRSAP), within the Rio Rancho Estates Unit 8 Subdivision, and is in close proximity to Camino Crossing Subdivision.

Natural Features

The most noticeable characteristic about vegetation within northern Rio Rancho is the variety of brush and native grasses. Common plants include chamisa, sand sagebrush, winterfat, mormon tea, snakeweed, cholla cacti, prickly pear cacti, fourwing saltbrush, yucca, senna, kochia, piñon, and onesee juniper.

Soils Analysis

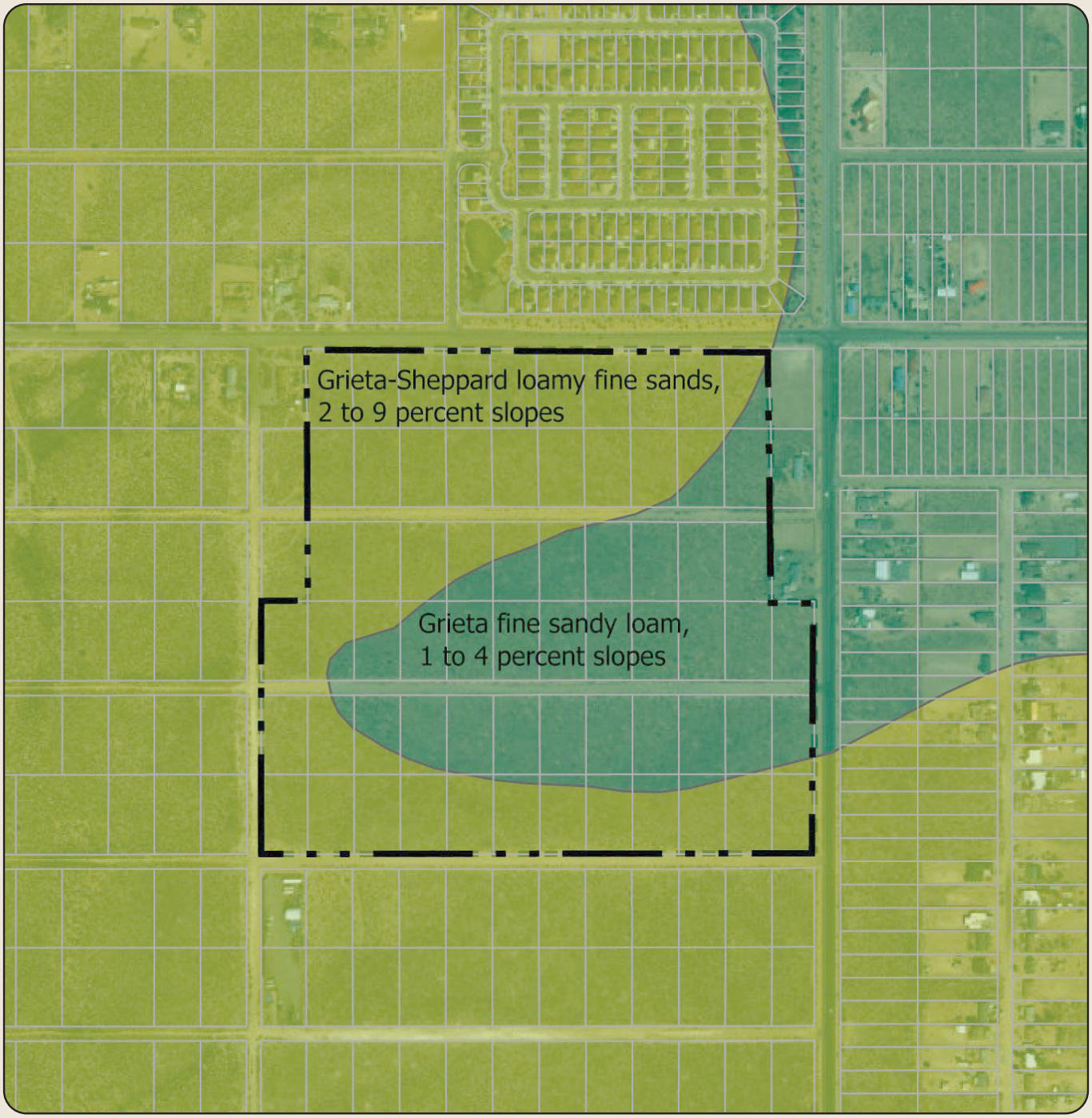
According to the United States Department of Agriculture survey, the primary soil type in the planning area is Grieta-Sheppard. These soils generally support development, with few limitations for the construction of buildings or roadways (due to slope, drainage properties, or soil stability). However, these soils are rated as "somewhat limited" for paths and trails, due to the sandy composition of the soil, which necessitates additional trail stabilization (see Figure 2.4).

Site Topography

The terrain in the contributing basins is generally characterized by various slopes, typically ranging from 0.1% to 7%, interspersed with brief, steep ridges where slopes can reach up to 15% (see Figure 2.3). Topographically, the landscape slopes east to west, decreasing from an elevation of approximately 5,830 feet at the west boundary to about 5,646 feet at the eastern edge.

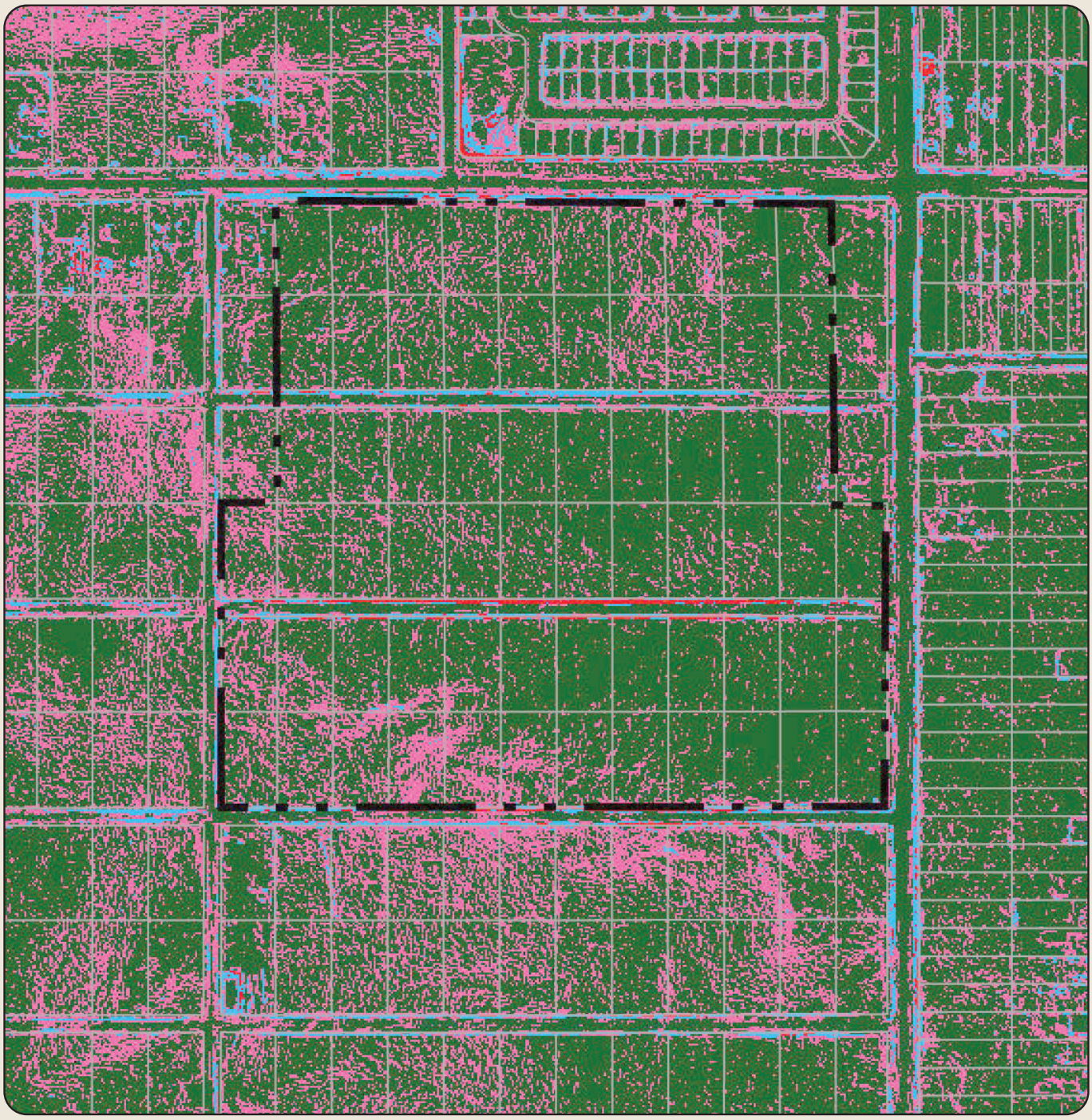
Drainage

As detailed in Chapter 8: Conceptual Drainage Plan. The Rancho Alegria Master Plan aims to develop a water detention pond to manage stormwater flows through the site and merge at the southwest corner of the master plan area. The stormwater will continue downstream into the water detention pond location at the southeast corner of the NRSAP boundary, enhancing both sustainability and aesthetic proposed. A drainage management plan will be prepared.



SOIL ANALYSIS

- Grieta Sheppard
- Grieta
- Master Plan Boundary



SLOPE ANALYSIS

- 0.0 - 2.9
- 3.0 - 6.9
- 7.0 - 15.0
- 7.0 - 15.0
- Master Plan Boundary

Access and Circulation

The existing network of dirt roads, established in the antiquated subdivision process along the 50-foot wide rights-of-way. Over time, many of these roads have become eroded or overgrown with vegetation. In certain instances, the original roadway alignments no longer provide optimal access or connectivity, particularly considering the arroyos mentioned earlier. Site grading will be necessary to facilitate future development.

The street system to serve the planning area is summarized by functional classification as described in the sections below. A local street is intended primarily for access to abutting properties and carries low-volume traffic. Accessibility to homes and business is more important than mobility. Speed limits are set low, below what the roadway geometry allows, usually 25 MPH, with traffic volumes typically less than 1,000 vehicles per day (VPD). Minimum right-of-way is 50 feet.

Accessibility and mobility are balanced relative to land use with speed limits generally between 25 and 35 MPH. Residential collectors with driveways are generally 25 MPH, while those with more limited access have a higher posted speed limit. Volumes can vary from 1,000 to 15,000 VPD. Collector streets are required to provide a minimum right-of-way width of 68 feet. Northern Boulevard and Rainbow Boulevard are both Arterials and primarily roadways into the planning area.

An arterial street is designed and used primarily for serving large volumes of traffic and to provide cross-city travel. Mobility takes precedence over

Rainbow Blvd & 5th Street

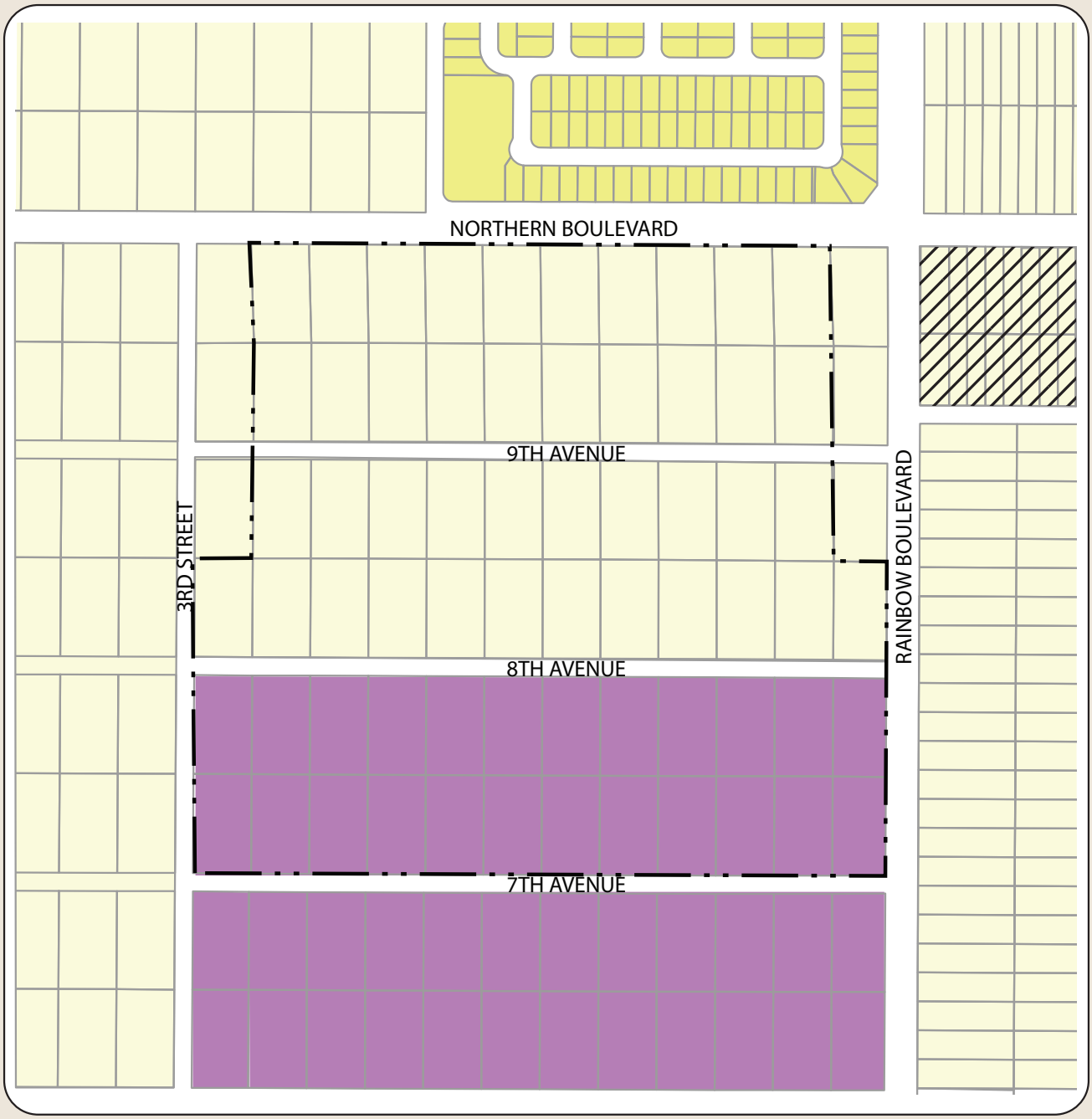
accessibility. Speed limits are generally 35 to 45 MPH with volumes of approximately 7,000 VPD per lane. Four-lane arterials with a median are common with a capacity of 28,000 VPD. Access is controlled via signalized intersections and raised medians. Principal arterials are required to provide a minimum right-of-way width of 156 feet and minor arterials, 106 feet. As discussed above, existing roadways in the Planning Area are unpaved, although most have been graded to allow access to existing lots. Because of erosion, these roadways will most likely need to be regraded during any future lot consolidation or subdivision process. Additional information on future transportation improvements can be found in Chapter 7: Transportation.

Antiquated Platting

Antiquated platting is one of the primary issues across the undeveloped portions of northwestern Rio Rancho. Beginning in the 1960s, land was platted into multiple half-acre lots, with an underlying roadway network of 50-feet rights-of-way. These areas were platted before Rio Rancho's subdivision controls mandated improvements such as parks, open spaces, and roadway access. Consequently, some areas face developmental challenges due to the poorly connected roadway network, inefficient lot layouts, limited site access, a lack of infrastructure, and an absence of a cohesive land use plan. To alleviate the antiquated platting in this area, this Plan supports and facilitates the reconfiguration of the existing lots into a more standard-sized layout for development and the installation of needed infrastructure.

Adjacent Land Uses & Existing Zoning

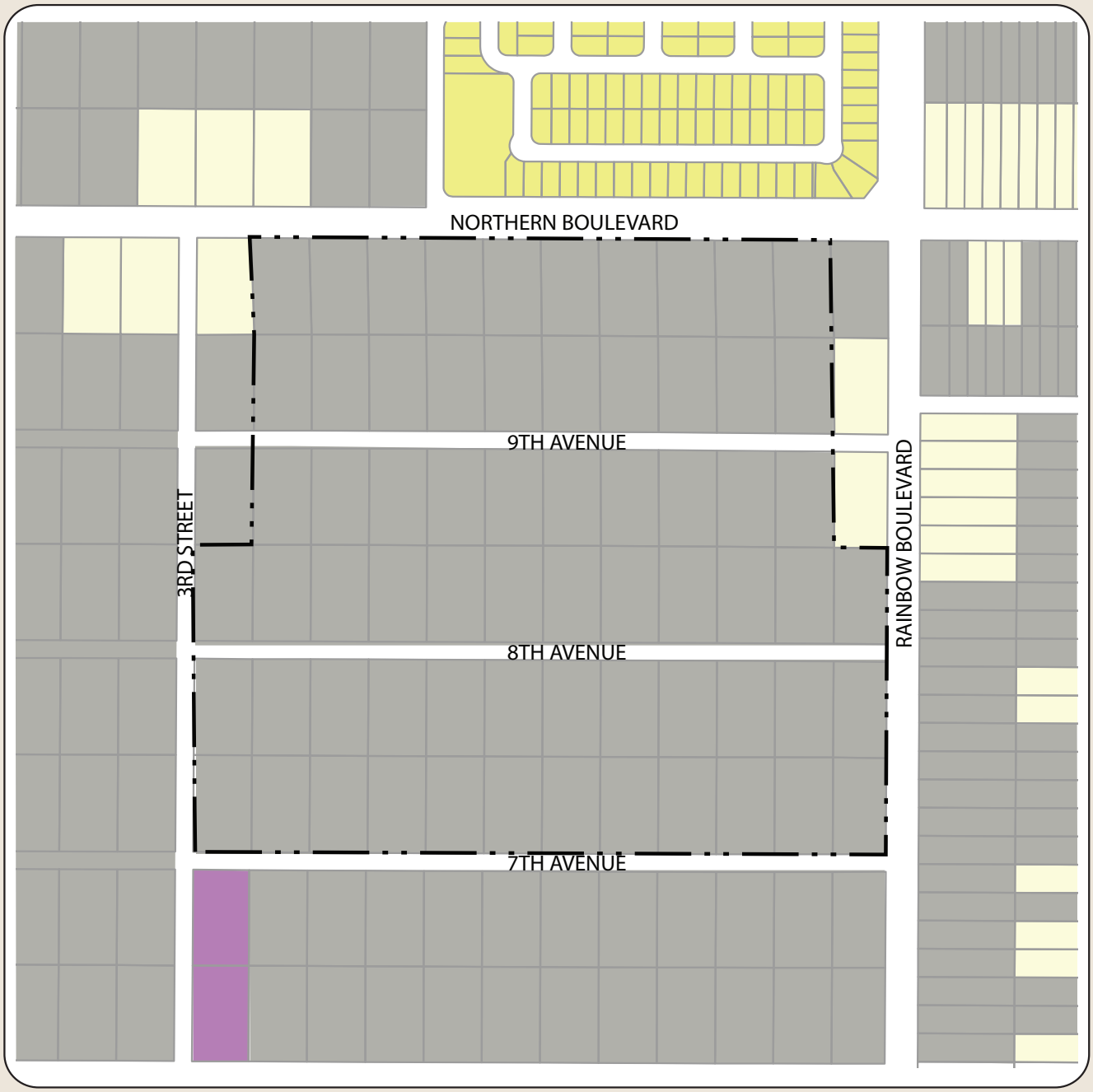
As mentioned in previous chapters, Rancho Alegria is within the NRSAP boundary that has two moderate density residential development separated by Rainbow Business Park. The Rainbow Business Park is Rancho Alegria's Southern boundary zoned M-1. All adjacent zoning to the south, east, and west of planning area is R-1. The planning area is vacant with three single-family residential homes and one outdoor storage business to the South, just outside the planning area boundary (see Figures: 2.5 and 2.6). Land on the north side of Northern Boulevard, adjacent to this Plan area, has been developed as R-2/Single Family Residential homes. The current zoning for the entire area is R-1/Single Family Residential and M-1/Industrial.



EXISTING ZONING

- R-1
- R-2
- M-1
- OZ Overlay Zone
- Master Plan Boundary

Figure 2.6: Existing Zoning



EXISTING LAND USE

- Low Density Residential
- Low/Medium Density Residential
- Industrial
- Vacant
- Master Plan Boundary

Figure 2.6: Existing Land Use

03

Goals & Policies of the Comprehensive Plan

The City of Rio Rancho's Comprehensive Plan is the principal planning tool that guides future development within the city. It set forth specific principles and policies that are relevant to development of Rancho Alegria community. These include policies addressing land use, urban design, transportation, infrastructure development, parks and recreation, and community facilities. The Comprehensive Plan recognizes the need to increase development density, which will increase the efficiency of service delivery, make transit opportunities more feasible, and increase the supply of affordable housing to the city's new families and community residents. This Master Plan furthers several goals and policies of the Comprehensive Plan as described in the following pages.

Rio Rancho

Antiquated Platting

Given the large amount of antiquated platting in Rio Rancho, the Comprehensive Plan has several adopted goals, policies, and actions to address this issue and facilitate development of obsolete subdivisions. Specific provisions that this Master Plan furthers include:

GOAL A-1:	**Eliminate antiquated platting within the City of Rio Rancho where desirable.**
POLICY A-2:	**Require appropriate development standards for infrastructure and environmental improvements for both newly platted lots and antiquated lots.**
POLICY A-3:	Ensure that the City's land use and development regulations provide the specific and detailed provisions necessary to eliminate prematurely platted land when feasible.
ACTION A-4:	**Process street name change applications to address numbered streets that conflict with the street naming policy.**

The Master Plan facilitates the replatting process by planning the infrastructure necessary to develop the additional lots available under the proposed zoning. Doing so will help eliminate antiquated platting issues in this part of the City by making the parcels more developable and sized appropriately to the proposed medium density residential land uses.

Conservation & Natural Environment

The Master Plan aims to preserve and enhance natural features wherever possible, with a special focus on open spaces, naturalized drainage systems, and water reuse. Just outside of the southwest corner of the Master Plan area, a 5-acre water retention pond will be designed to retain drainage off site from the north. This effort supports the following goals and policies of the Comprehensive Plan:

GOAL CON-1:	**Preserve water resources.**
GOAL CON-2:	**Preserve vegetation and natural resources.**

Land Use

As described in Chapter 3: Land Use, the planning area primarily supports medium-density single-family residential development. These proposed land uses align with the following goals and policies of the Comprehensive Plan:

GOAL CON L-2:	**Encourage consolidation of lots to promote a variety of land uses in a planned manner.**
POLICY A-2:	**Encourage the master planning of developments that establish a community character that considers circulation, landscaping, open space, storm drainage, utilities, and building location and design in the master plan.**

As stated above, the amended Master Plan promotes consolidation of existing lots and the development of new single-family homes at a density that works with the natural environment. Several other sections of the Plan address specific land use related elements, including circulation, building locations, and lot layouts.

Population and Housing

Rio Rancho has recovered from the Great Recession in 2008 and the subsequent downturn in the housing market. The 2023 5-year (ACS) estimates the City of Rio Rancho with 106,533 residents and which has doubled the number since 2000. The city is once again poised to grow, which will require the development of a variety of additional housing units for new families. This Plan supports several housing goals of the Comprehensive Plan including:

GOAL PH-3:	**Promote a variety of housing types to meet the needs of all members of the community.**
GOAL PH-4:	**To ensure that single-family and multifamily residential neighborhoods provide an attractive living environment.**
POLICY PH-5:	**Encourage mixed-use and mixed-income housing opportunities in designated growth nodes throughout the city.**
POLICY PH-7:	**Support residential developments with appropriate amenities for families with children.**

The Master Plan proposes to add 350 housing units at full build out. The development of these homes will provide new housing option for families in Rio Rancho and take advantage of existing and planned community amenities that will be developed for the planning area.

Transportation

The transportation element of the Rio Rancho Comprehensive Plan seeks to develop a multi-modal transportation system that enables safe travel for all users, while also mitigating congestion and supporting mass transit. There are two main roadways that access Vista Alegria: Northern Boulevard and Rainbow Boulevard. The Master Plan incorporates a network of sidewalks leading to proposed bike lanes along Rainbow Boulevard and Northern Boulevard. The proposed transportation plan described in Chapter 7: Transportation supports many of the Comprehensive Plan's goals and policies including:

GOAL TR-2:	**Transportation facilities designed and constructed in a manner to facilitate Rio Rancho's economic goals, enhance livability and meet Federal, State, regional and local requirements.**
POLICY TR-11:	**Ensure all rights-of-way and transportation facilities are ADA-compliant**
POLICY TR-10:	**Support the design of streets and highways to respect surrounding land uses, natural features and community amenities.**

Roadways in the Planning Area will be constructed to respect surrounding land uses, natural features, and meet local and state requirements. A trip generation study will be performed to ensure that trips from the residential development do not negatively impact level of service on adjacent roadways development and the installation of needed infrastructure.

Public Facilities

Along with addressing antiquated platting during the development process, the Comprehensive Plan seeks to ensure that new development occurs in areas with existing public facilities and proximity to existing infrastructure (to minimize costs associated with infrastructure expansion). The Master Plan supports the following Comprehensive Plan goals and policies:

GOAL PH-3:	**Provide public facilities that meet or exceed constituents expectations.**
GOAL PH-4:	**Current demand on public facilities should not overburden City public facilities beyond what the City can reasonably provide for future demand.**
GOAL PH-5:	**Construct new public facilities to meet demands at least 10 years into the future.**
POLICY PH-3:	**Make land use recommendations based on the availability of adequate public facilities necessary to support a proposed land use.**

All new proposed infrastructure within Vista Alegria will be improved to City of Rio Rancho Standards. See Chapter 8: Conceptual Drainage and Utilities, which outlines a clear plan for future infrastructure development and financing to ensure that costs to the City of Rio Rancho are minimized.

Parks and Recreation

The Comprehensive Plan identified improving the City's parks and recreation facilities as a clear need, especially in new master planned communities. This plan supports several Comprehensive Plan goals and policies to improve parks, create trail and recreation facilities including:

GOAL PR-1:	**Establish new and maintain existing recreation, senior centers, parks, trails and open space that foster a quality community, support a strong economy, and meet the needs of current and future residents.**
GOAL PR-4:	**Modify existing parks and recreation facilities as needed to ensure safety, accessibility, and optimum use.**
POLICY PR-1:	**Develop pedestrian and bicycle linkages between neighborhoods and major natural areas, recreation facilities, and education, employment and retail centers.**
POLICY PR-7:	**Develop a culture of sustainability by designing and constructing facilities that maximize long term conservation and stewardship of the city's human, financial and natural resources.**

Rio Rancho's Community Development Department and the Planning and Zoning Board require a certain amount of land to be dedicated and developed as usable park / common areas. The requirement is three (3) acres per 1,000 persons. Each single-family dwelling unit is assumed to have 2.83 persons related to the park development requirement. This master plan proposes 350 single-family detached homes. Therefore, the master plan must provide 2.97 acres of park area. This master plan proposes providing that acreage in five ways. In addition, Staff has indicated that since the developer is building the on-site parks, that the required park acreage can be reduced by 10% for a requirement of 2.7 acres. These consist of two typical pocket park areas in the heart of the community, each containing a shade structure, turf area, seating, pedestrian paths, trees, and plantings. A dog park and pedestrian trail are being proposed around the perimeter of the community drainage pond (fenced off). And to complete the acreage, placing benches and trash receptacles in isolated areas throughout the community to encourage use of the sidewalks and paths adjacent to the street network. There is also an existing 1.0-acre public park directly across from our Northern Boulevard entrance, which residents will use to meet the park requirements.

Urban Design

The urban design element of the Comprehensive Plan seeks to ensure that development follows basic design standards that support community identity and create a sense of place. The Master Plan furthers the following urban design goals of the Comprehensive Plan:

GOAL UD-1:	**Create focused growth areas where existing public infrastructure can support higher density development.**
GOAL UD 2:	**Create traditional neighborhood patterns that support a sense of place.**
GOAL UD 3:	**Create street patterns with development that fosters human interaction.**
GOAL UD-7:	**Create subdivision linkages to open space recreational facilities.**
POLICY UD-1:	**Identify specific areas within the city where growth should be focused.**
POLICY UD 2:	**Provide development incentives for developments that create a sense of place, foster human interaction, and discourage crime.**

Design features in future residential subdivisions will establish a community identity to foster human interaction that effectively integrates the larger regional landscape. There are three subdivisions that offer a wide range of housing types for a diverse number of families.

Economic Development

The City of Rio Rancho has sought to diversify its economy and attract business activities and working opportunities by increasing the number of households. In addition, the City has sought to increase the amount of local retail and educational opportunities within Rio Rancho, as well as increase the local population to expand the overall tax base.

GOAL EDP-3:	**Enhance the tax base.**
POLICY EDP-6:	**Continue to support Southern Sandoval County Arroyo and Flood Control Authority (SSCAFCA) and ensure the City and SSCAFCA have a collaborative relationship to ensure both entities' needs are met.**
POLICY EDP-8:	**Work with Sandoval County to enhance its website with land ownership data consistent with Bernalillo County's system.**

Development of the Master Plan Area will expand the City's tax base through both increased property taxes, and by supporting population growth with higher density housing options.

04
Proposed Land Use & Density

Medium Density Residential

This district permits a moderate density of population in which the principal use is single-family attached or detached townhome or patio home dwelling units or for small-scale multi-family units.

R-3: Townhouses, Multi-Family Residential District

Min. Lot Size: 1,200 SF (Townhouses) to 10,000 SF (Apartments), High Density: 12 DU/A

R-3: Single-Family **Min. Lot Size:** 3,000 SF, 7 DU/A

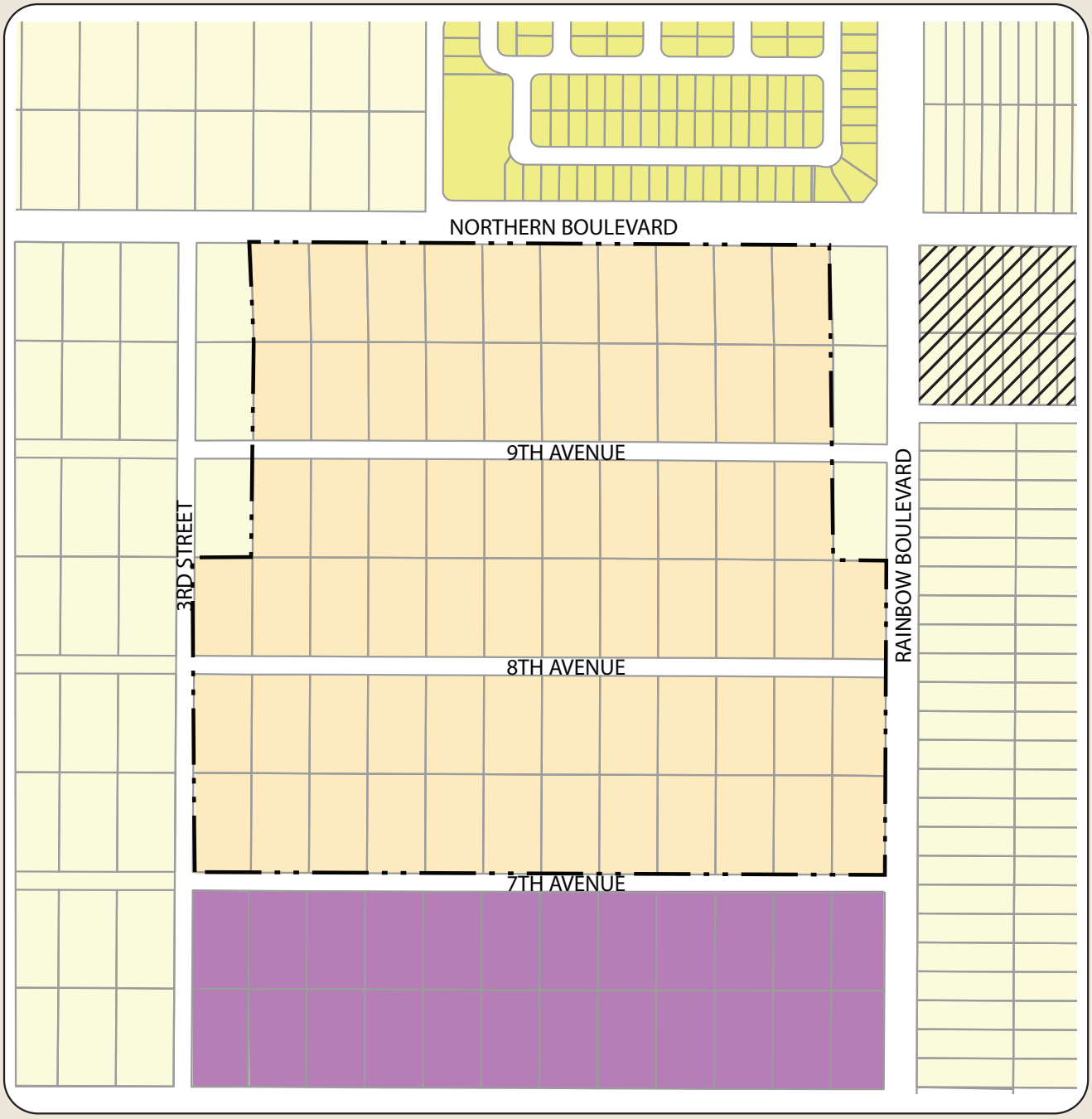
Parks: Permissive Use

Drainage: Permissive Use

Land Use Category	Area (ac.)	Proposed Zoning	Dwelling Units	Population
Medium Density Residential	66.25	R-3	350	991
Park	2.9			
Drainage	5.5 acre/feet			

Rio Ranch's Community Development Department and the Planning and Zoning Board require a certain amount of land to be dedicated and developed as usable park / common areas. The requirement is three (3) acres per 1,000 persons. Each single-family dwelling unit is assumed to have 2.83 persons related to the park development requirement. This master plan proposes 350 single-family detached homes. Therefore, the master plan must provide 2.97 acres of park area. This master plan proposes providing that acreage in five ways.

In addition, Staff has indicated that since the developer is building the on-site parks, that the required park acreage can be reduced by 10% for a requirement of 2.7 acres. These consist of two typical pocket park areas in the heart of the community, each containing a shade structure, turf area, seating, pedestrian paths, trees, and plantings. A dog park and pedestrian trail are being proposed around the perimeter of the community drainage pond (fenced off). And to complete the acreage, we are placing benches and trash receptacles in isolated areas throughout the community to encourage use of the sidewalks and paths adjacent to the street network. There is also an existing 1.0-acre public park directly across from our Northern Boulevard entrance, which residents will use to meet the park requirements.



PROPOSED ZONING

- R-1
- R-2
- R-3
- M-1
- OZ Overlay Zone
- Master Plan Boundary

Figure 4.1: Proposed Zoning

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05

Proposed Design Standards

These design standards provide a framework to assist the architects, landscape architects, civil engineers, designers and home builders in understanding the vision and development goals for the Plan Area. Minor amendments to these standards may be approved administratively by the Development Services Department Director and major amendments shall be approved by the City of Rio Rancho Governing Body.

The Rancho Alegria Master Plan recognizes the importance of promoting a sense of cohesiveness within the entire community. The purpose of these design standards is to provide a flexible framework for community design that encourages innovative and creative solutions, rather than setting a rigid set of requirements. The standards will help implement the Urban Design provisions of the City of Rio Rancho's Integrated Comprehensive Plan. These standards are a generalized guide for end users that will develop within the Rancho Alegria Master Plan area.

Architecture and Site Design

The architectural and site design standards are intended to demonstrate a high quality aesthetic character and functionality throughout the property for residential, commercial, and employment center development. While all buildings will reflect these standards, it is not the intent of these designs to prohibit a certain amount of individual expression and creativity.

1. Safe, convenient, and pleasant pedestrian circulation may be accomplished with sidewalks, bike paths, special pavings, and shade.
2. All perimeter block walls facing public rights-of-way shall be designed to complement entry monument signs. Barbed wire, chain-link, concertina wire, and similar materials are prohibited. All wall surfaces shall be finished with stucco, colored split face block, or colored burnished block.
3. Sidewalks with a minimum width of 5 feet must be provided on both sides of every street. Separate pedestrian connections shall be provided to the perimeter streets where convenient street access is not available. All pedestrian paths within ROW shall be ADA compliant, and follow the Public Right-of-Way Accessibility Guidelines (PROWAG).
4. To the maximum extent feasible, private parks, public parks, and open space areas shall be designed to create an integrated system connected through trails and sidewalks, also serving as recreational amenities for the residents.
5. Freestanding neighborhood entry signage shall be monument style. If placed within a landscape setback at the neighborhood entry, the maximum height shall not exceed 8 feet for a single family development. Neighborhood entry signage may be wall-mounted as an alternative to freestanding. All neighborhood entries shall include the specific subdivision name.

Lighting

1. Lighting shall be installed according to the City of Rio Rancho's DPM.
2. All lighting shall be fully shielded and oriented so as to eliminate glare or light trespass onto adjacent roadways and properties. All lighting shall be in compliance with the State of New Mexico Night Sky Protection Act.
3. Lighting layout shall be coordinated with proposed landscaping and trees to maximize light distribution and avoid conflicts.

Off-Street Parking

The minimum number of off-street parking spaces shall be provided according to the design standard in the DPM and requirements per the Zoning Code.

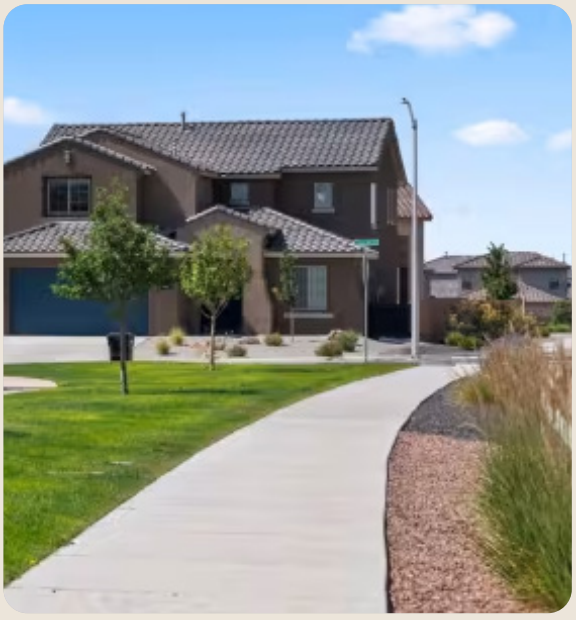
- Off-street parking is prohibited in the front setback/landscape area. Off-street parking is permitted on the driveway within the front setback in front of the garage.

Utilities

All permanent utilities shall be located underground.

Single Family Residential

1. The front yard setback shall be a minimum of 15 feet, except for 20 feet for the garage. Minimum rear setback is 15 feet. Minimum side yard setback is 5 feet on both sides of the principal building, for a total separation of 10 feet between buildings. 10 feet on the side of corner lots.
2. Proposed driveway locations shall be consistent with curb cut requirements identified in City standards.
3. Lots that face the streets at the front and rear shall be limited to one driveway at the front facing street.
4. Front porches, entryways, and/or portals, if used, shall have a minimum 6 foot depth.
5. Stucco shall be the primary building material and shall be limited to shades of brown, tan, sage green, and sand. Bright colors as the dominant exterior color are prohibited.
6. Building heights shall not exceed 32-feet.
7. Exterior siding materials on homes shall be either stucco, brick or stone and shall be limited to earth-toned shades of brown or green.
8. Roofs may be flat, pitched, or a combination of both, and they shall be made of non-reflective materials.
9. Window frames can be wood, metal, or solid vinyl. All exterior doors shall be stained or painted to match the architectural theme of the main building.



The landscape at Rancho Alegria shall provide for the preservation and integration of native vegetation and materials creating a sense of place for a community located in the environment of central New Mexico. This objective provides habitat enhancement and strives to reduce the irrigation water requirements for plant material in parks, streetscape and open space areas. All design guidelines are subject to City of Rio Rancho Codes, ordinances and policies. The following are general guidelines for development of Rancho Alegria.

General guidelines for landscape design include:

1. All Disturbed areas will require native re-vegetation with native plant seeding procedures;

2. Exotic ornamental plants shall be prohibited except in predetermined areas such as backyards, courtyards, etc.;

3. Xeriscape landscapes shall be utilized for public rights-of-way and conservation areas; and

4. To the furthest extent possible, commercial and residential land uses shall be buffered by a landscape buffer from one another to minimize noise, views and traffic.

5. Landscape within all private common areas shall be maintained by the HOA.

Plant Material

1. Cool season turf grass shall not be used within the street R.O.W. or within the landscape area between the curb and sidewalk. There shall not be any non-recreational use turf areas greater than 100 square feet.
2. Street trees shall be planted within 10 feet of the back of curb. One shade tree should be planted every 30 feet.
3. All planting areas shall have decorative rock or organic mulch of aggregate, shredded bark, gravel mulch, or similar material which extends completely under the plant material.
4. Minimum plant sizes at time of installation shall be as follows:
    a. Trees 2.5" inch caliper, or 8-10 feet in height. The lowest branch of any tree along trails, sidewalks, and rights-of-way must have a clearance of 7 ft.
    b. Shrubs & Ground covers 1 gallon.
5. Clear sight triangles and plant material heights shall be maintained at all intersections.
6. A 15'-0' minimum landscape buffer shall separate adjacent commercial or industrial and residential land uses.

Irrigation Systems

1. A fully automated irrigation system, shall be provided for all landscaped areas. The system shall be designed to avoid over spraying walks, buildings, fences, etc.
2. Irrigation systems shall be designed with dedicated irrigation meters and comply with backflow prevention ordinances.

06

Transportation

Major Roadways

Circulation within the Master Plan area carefully considers the entire NRSAP and future proposed uses. The northern boundary of the area is Northern Boulevard, an existing Minor Arterial that runs east and west. To the east lies Rainbow Boulevard, which runs north and south and is proposed to be a Regional Principal Arterial as outlined by the Mid Regional Council of Government (MRCOG) Metropolitan Transportation Plan (MTP).

All roadways and access points will be designed in accordance with the City of Rio Rancho's requirements, including SAMM spacing standards, the Rio Rancho Development Process Manual (DPM), applicable city ordinances, and approval from the City Fire Marshal. All street connections will be paved and meet standard specifications. Sight distance and visibility requirements will be addressed at all intersection locations. If any aspects of the conceptual design do not meet these requirements, variance requests may be submitted for review and approval. A Traffic Impact Analysis (TIA) will be completed in conjuction with the future preliminary plats and the corridor anaylsis for final SAMM spacing.

The entrances for Rancho Alegria will be off of Rainbow Boulevard and Northern Boulevard. These entrances and intersections within the development shall comply with AASHTO sight distance standards.

The entrance from Northern Boulevard will line up with Camino Crossing, and an eastern entrance off of Rainbow Boulevard will be location a little north of the 7th Ave. These entrances will be connected via internal local streets designed to City standards. To avoid monotony in the design of blocks within the development, interior streets will have curves and public spaces throughout

The City of Rio Rancho has identified Northern Blvd as a Principal Arterial and Rainbow Blvd as a Minor Arterial. Northern Blvd and Rainbow Blvd are both currently a 100 foot right-of-way. Any turn lanes or other modifications will be provided if deemed necessary by the traffic impact analysis approved by the City.

Sidewalks and multi-use trails will be provided per City of Rio Rancho standards.

All existing rights-of-way within Rancho Alegria are proposed to be vacated in conjunction with a bulk plat. The total area vacated by the development will be 4.4 acres. Ultimately, a total of 15.7 acres of public rights of way within Rancho Alegria will be dedicated to the City of Rio Rancho.

As previously mentioned, Rancho Alegria will consist of a maximum of 350 single-family detached homes. The following table is the trip generation for land use within the development.

Figure 6.1: Single Family Detached Housing					
Dwelling Units 350	24 HR	A.M. Peak Hour		P.M. Peak Hour	
	Volume	Enter	Exit	Enter	Exit
	3,382	70	192	214	126

Landscape Buffer

The Rancho Alegria residential planning area borders the Rainbow Business Park, necessitating a buffer to separate residential and non-residential uses. Responsibility for creating this buffer lies with the Rainbow Business Park property owners. Development within the Rainbow Business Park, south of 7th Street, has additional buffering requirements in the adopted Specific Area Plan. Upon commencement of commercial or industrial development, projects will be required to implement a buffer that includes a 10-foot landscape area with large evergreens, a six-foot wall, and an additional 25-foot building setback.

See figures 6.2 and 6.3.

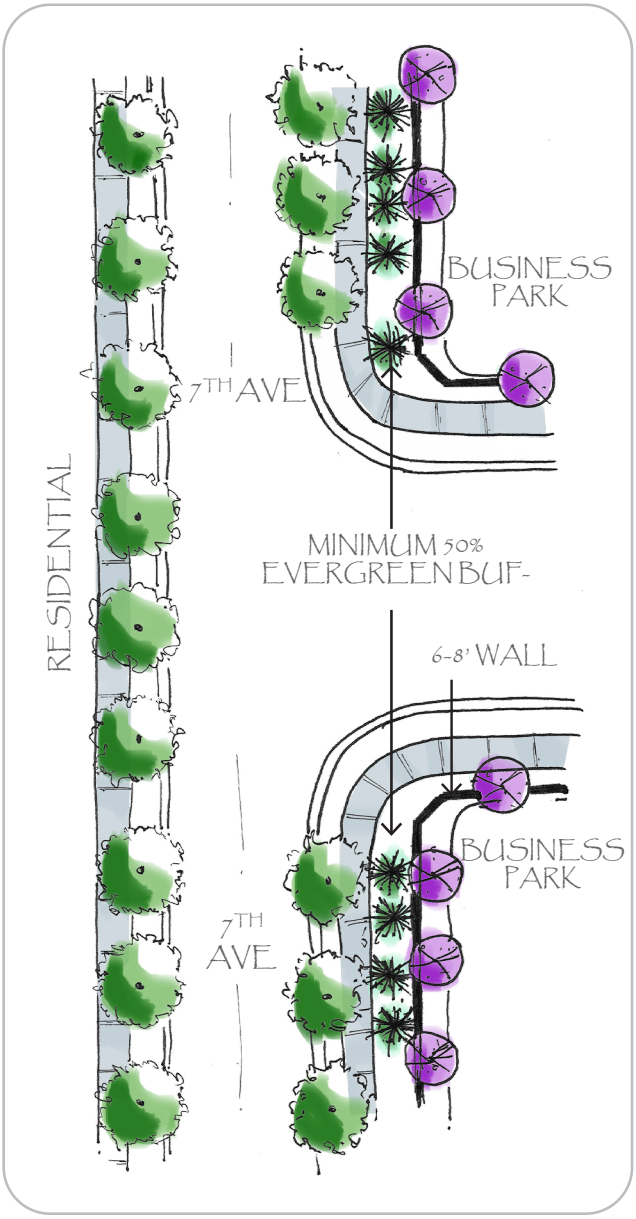


Figure 6.2 Landscape Buffer

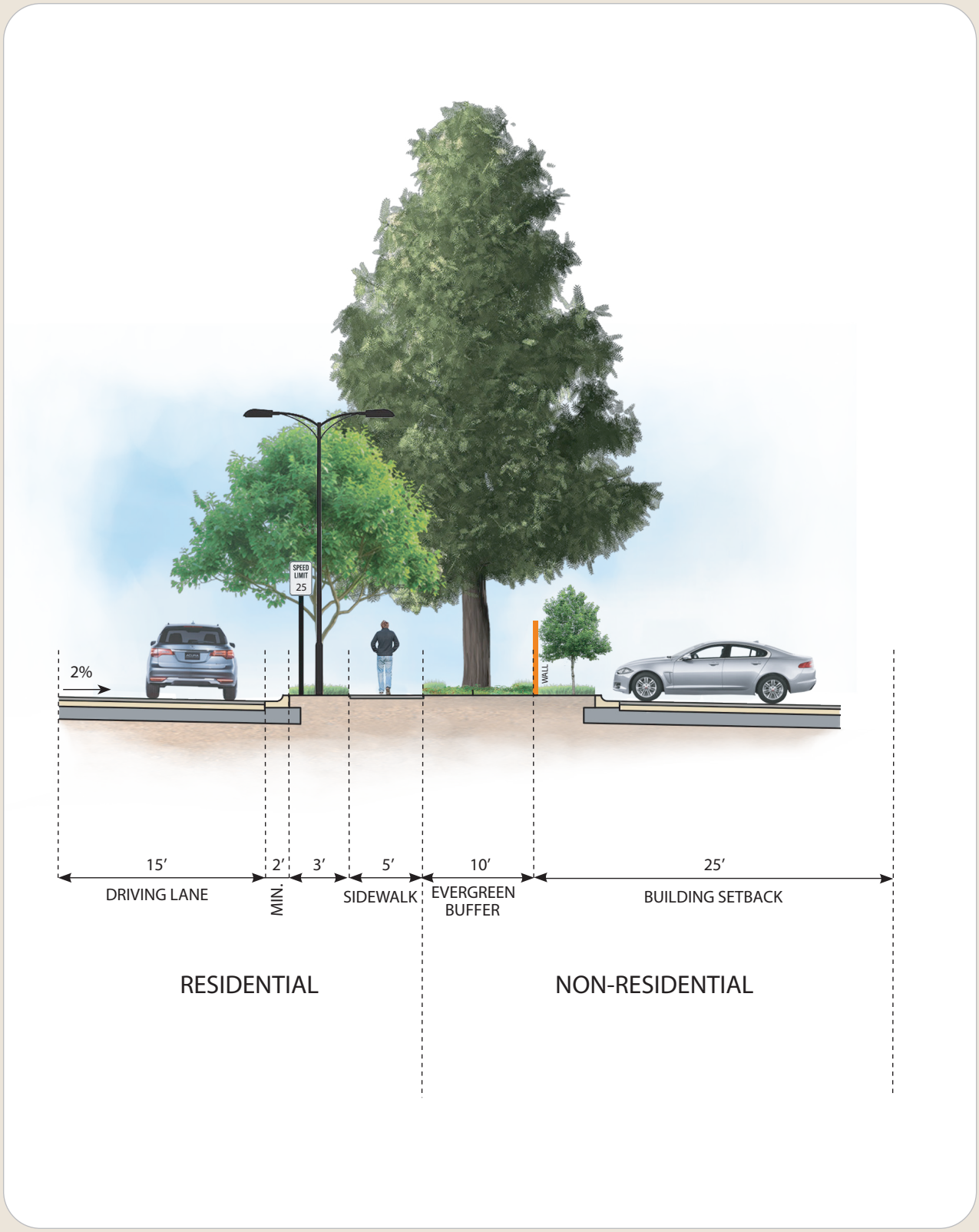


Figure 6.3 Landscape Buffer

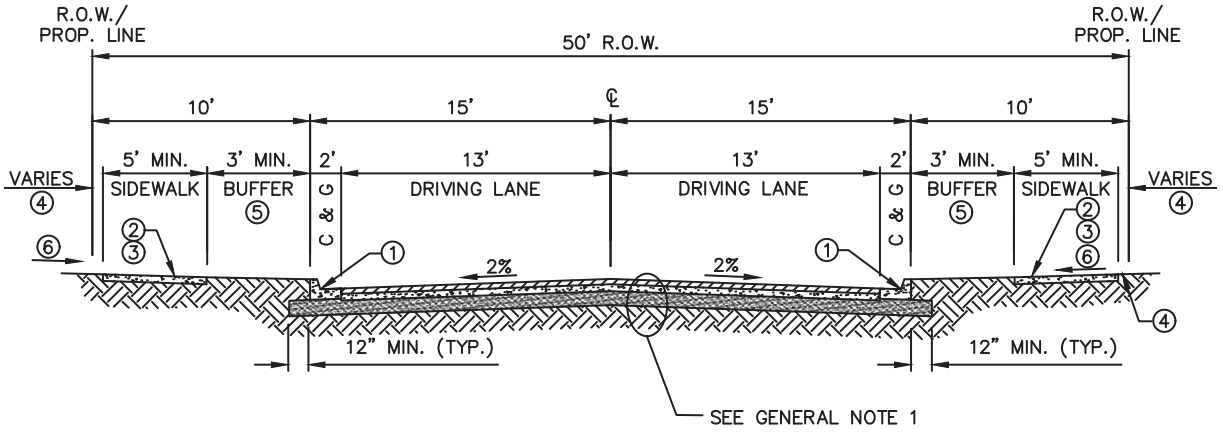
Street Design Guidelines

All City of Rio Rancho street design and right-of-way standards will be met. Access along the Rainbow Boulevard will require a different level of service through a wider Right-of-Way (ROW). Rainbow Boulevard is an existing 100 foot ROW that will expand to 156' of ROW through a 28 foot dedications on the east and west side to the City of Rio Rancho. The additional ROW dedication for the property adjcent to Rainbow Boulevard will occur at the time of subdivision platting. All other roadways in Rancho Alegria are 50 foot ROW.

Street System

9th and 8th Avenues will be reconfigured internally to the subdivision. The Plan area street system includes local and principal arterial streets:

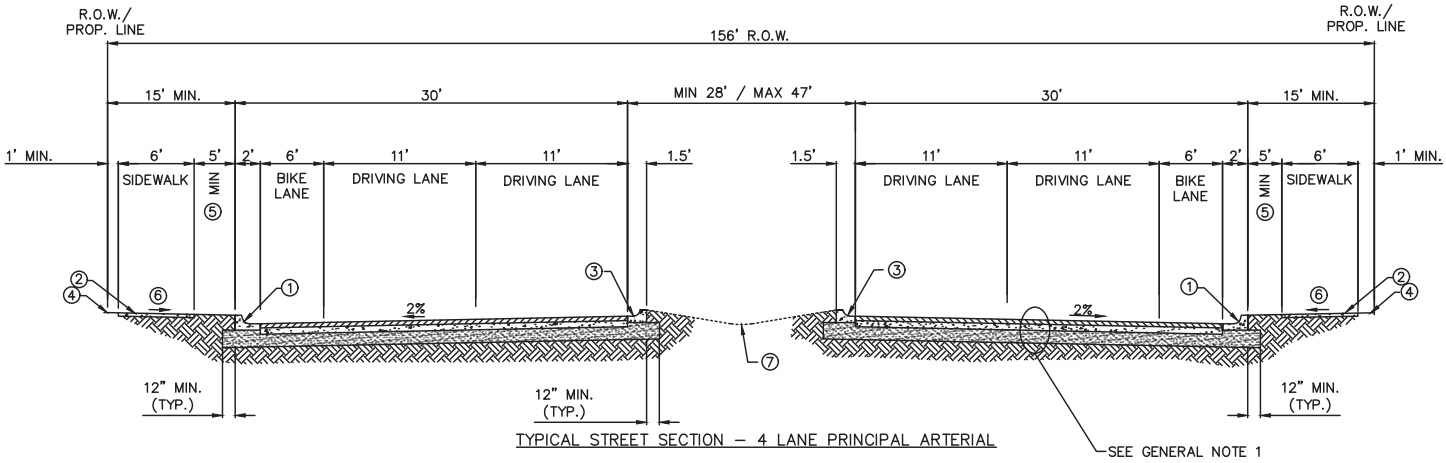
- Local Streets (50 feet wide, 2 lanes, 15 feet wide travel lanes.
- A street which is primarily for access to abutting properties and carries low volume traffic. Accessibility to homes and business is more important than mobility. Speed limits are set low, below what the roadway geometry allows, usually 25 MPH, with traffic volumes less than 1,000 VPD.



TYPICAL STREET SECTION – RESIDENTIAL STREET

NO ON–STREET PARKING PERMITTED. MASTER PLAN
APPROVAL REQUIRED FOR ON–STREET PARKING ALLOWANCE

- Arterial Streets (Principal arterials - 156 feet wide, 4 lanes)
- A street designed and used primarily for serving large volumes of traffic and to provide cross-city travel. Mobility takes precedence over accessibility. Speed limits should be 35 to 45 miles per hour (MPH) with volumes of approximately 7,000 vehicles per day (VPD) per lane. Four lane arterials with a median are common with a capacity of 28,000 vehicles per day. Access is controlled via signalized intersections and raised medians.



Rainbow Boulevard will be expanded to 156' ROW with two travel lanes and a water harvesting median dependent upon TIA. In the interim, Rainbow Boulevard will have single travel lanes separated with a center left turning lane.

Trails and Bike Paths

A bike lane is planned, for the future, along Northern Boulevard from Unser Boulevard to Hondo Road, and along Rainbow Boulevard in its entirety. Rainbow Blvd. and Northern Blvd. are both identified as bicycle routes on the City's and MRCOG's bike and trails map.

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Conceptual Drainage & Utilities

The intent of the conceptual grading plan for Rancho Alegria is to provide the initial framework for a drainage solution. The plan will consider existing conditions within the watershed and adhere to the existing conditions discharge rates. The Rancho Alegria Master Plan will fall within the jurisdiction of the City of Rio Rancho and the Southern Sandoval County Arroyo Flood Control Authority (SSCAFCA). A full drainage report will be completed with the first construction plan set.

Plan Area Description

The Rancho Alegria Master Plan consists of approximately 70 Acres. The Rancho Alegria Master plan will have a maximum of 350 lots at an overall approximate density of 5 dwelling units/acre.

Existing Conditions

The existing drainage basins will be analyzed using land treatments as defined in the City of Rio Rancho Development Manual. The existing basins consist of 76.4 Acres.

All the existing basins generally drain east to west. Two existing dirt roads, 8th Avenue and 9th Avenue, both oriented east-west, function as ridges, separating the site into three distinct basins. All three basins drain into an existing dirt road, 3rd Street and ultimately to the existing drainage easement located south and west of the 3rd and 7th intersection.

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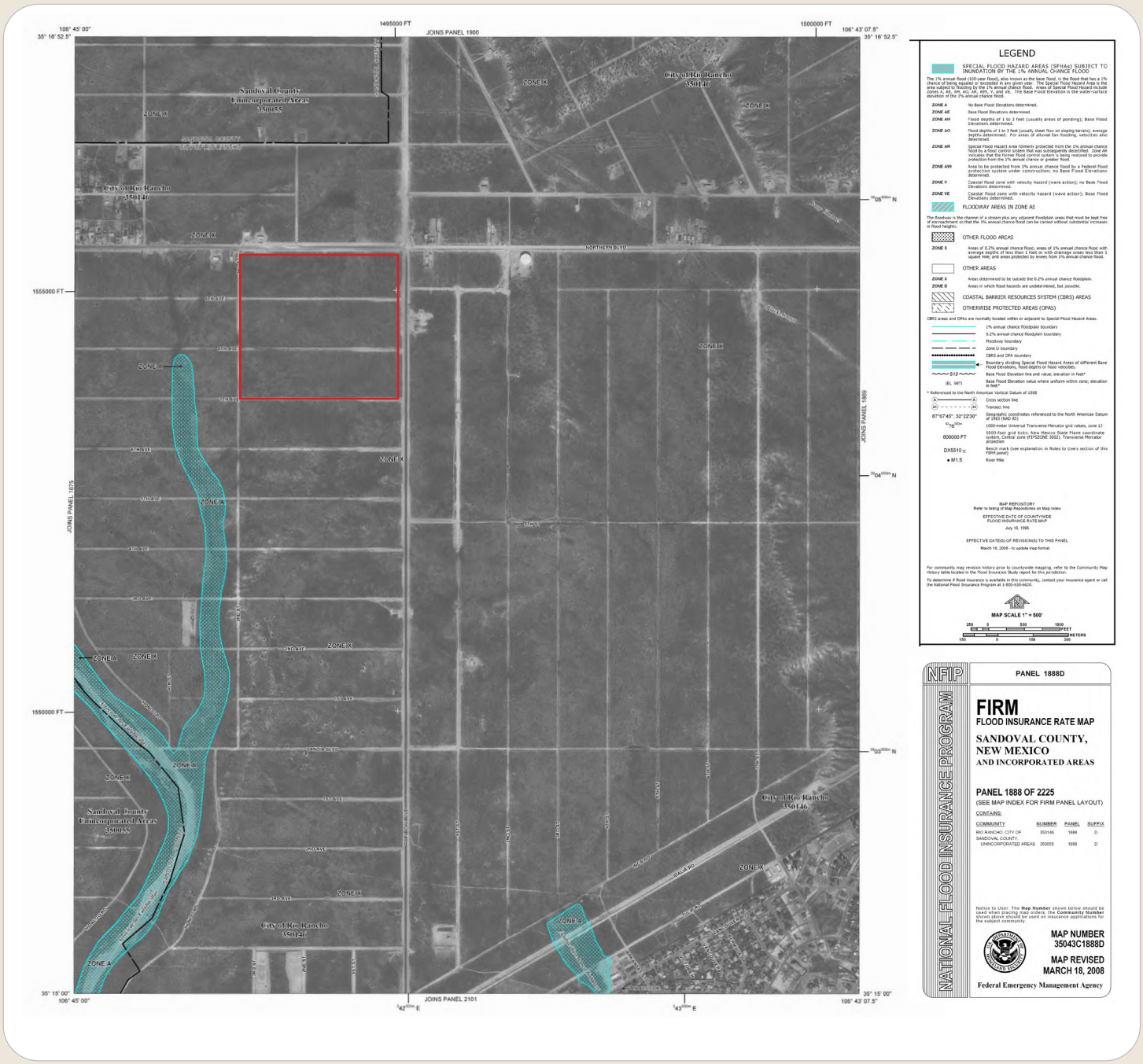
Flood Zone

Per FEMA FIRM Panel 35043C1888D dated March 18, 2008, the Rancho Alegria Master Plan does not fall within a designated flood plain. Refer to FIRM Panel included at the end of this section.



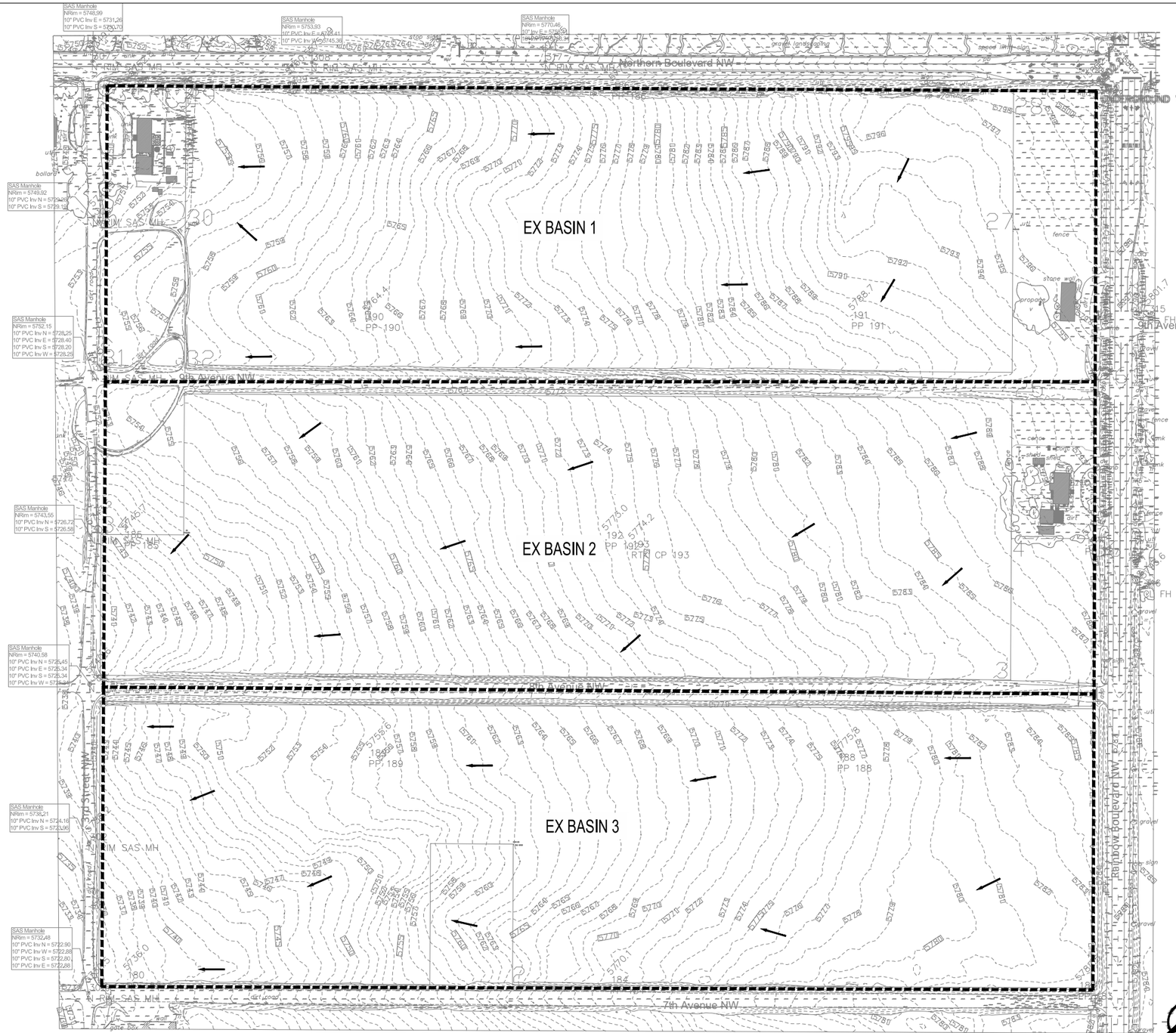
Developed Conditions

The land treatments for the developed conditions of the Rancho Alegria Master Plan will be determined using the methodology required by the City of Rio Rancho Development Process Manual for a Single-Family Residential Subdivision. Using that methodology, the %D land treatment for the site comes out to 46.4%. The remaining land will be split between Treatments B and C.

The Rancho Alegria Subdivision will take the entirety of the subdivision's proposed basin drainage to a detention pond at the Southwest corner of the site. The pond will be sized to detain the difference in runoff between the Existing Conditions and Proposed Conditions, which is approximately 5.5 ac-ft. Additionally, the pond will have a restricted discharge rate that is not to exceed the flowrate determined in the Existing Conditions. The allowable discharge will be conveyed via storm drain pipe downstream.

A drainage report will need to be prepared as part of the preliminary plat submittal of the Rancho Alegria Subdivision. The report will outline specifics pertaining to the internal storm drain system and inlet locations, as well as the ponding requirements.

See enclosed Existing and Proposed Conditions Basin Maps for historic and proposed discharge rates.



VICINITY MAP
NOT TO SCALE

EXISTING CONDITIONS

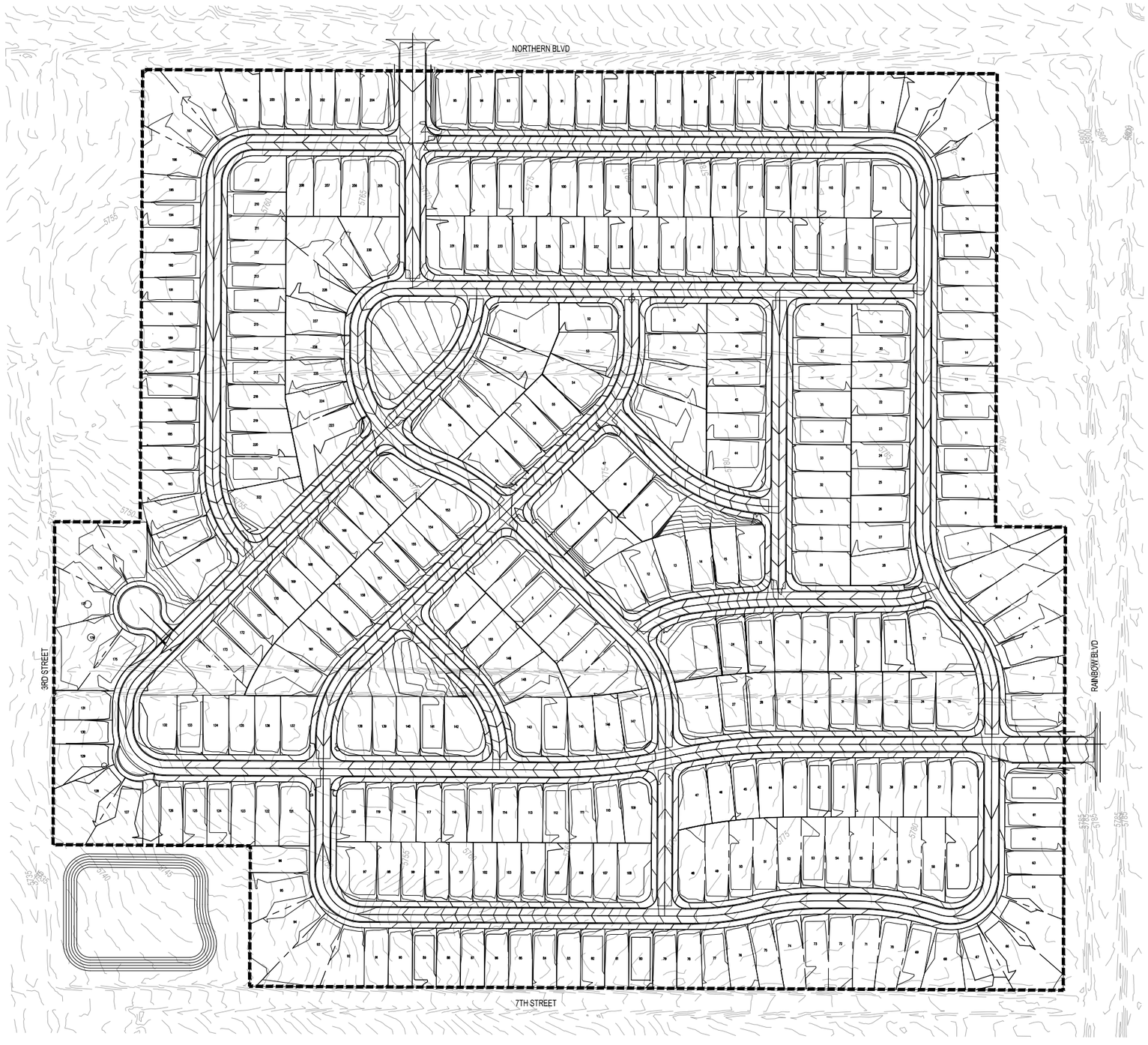
BASIN I.D.	AREA (AC)	% LAND TREATMENT A	B	C	D	DISCHARGE (CFS) 10 YR	100YR
Onsite							
EX-B1	24.903	95.9%	0.0%	3.5%	0.6%	**6.86**	**31.30**
EX-B2	26.228	87.4%	0.3%	12.0%	0.4%	**9.57**	**36.20**
EX-B3	25.307	94.7%	0.0%	5.3%	0.0%	**7.13**	**32.07**
TOTAL	**76.438**	-	-	-	-	**23.57**	**99.57**

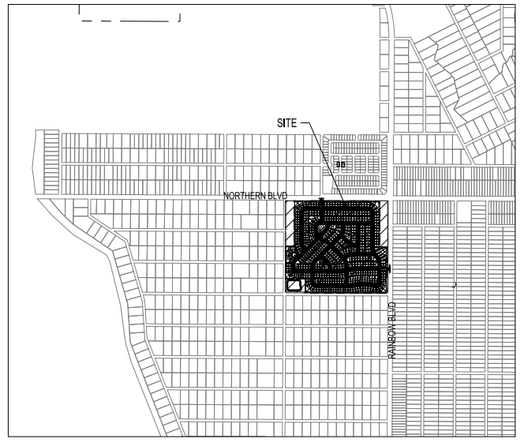
EXISTING DRAINAGE PLAN

RANCHO ALEGRIA

DRAWN BY:	DATE:	
DC	11/24/2025	
CHECKED BY:	BHI PROJECT NO.	SHEET NO.
YPM	20250043	1 OF 1

Bohannan Huston
www.bhinc.com 800.877.5332





VICINITY MAP
NOT TO SCALE

ULTIMATE CONDITIONS

BASIN I.D.	AREA (AC)	UNITS #	% LAND TREATMENT A	B	C	D	DISCHARGE (CFS) 10 YR	100YR
U1	76.44	350	0.0%	26.8%	26.8%	46.36%	**132.04**	**238.82**
TOTAL	**76.44**	**350.00**					**132.04**	**238.82**

N

100 50 0 100
1"=100'

PROPOSED DRAINAGE PLAN

RANCHO ALEGRIA

DRAWN BY:	DATE:	
DC	11/24/2025	
CHECKED BY:	BHI PROJECT NO.	SHEET NO.
YPM	20250043	1 OF 1

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G:\active\projects\20250043\CIVIL\Reconnect\20250043_Conceptual Drainage Plan - Proposed Conditions.dwg

Utilities

The Rancho Alegria Master Plan is in an area being serviced by the City of Rio Rancho Utilities Department. The closest development, Camino Crossing, is located north at the northwest corner of Northern Boulevard and Rainbow Boulevard. There is a 10", 16" and 24" waterline located within Northern Boulevard and an 8" waterline within Rainbow Boulevard that are proposed to service Rancho Alegria. Compliance with the Design Process Manual (DPM) is required. Water and Sewer availability is dependent on Water/Wastewater Availability statement from the Utilities Division.

Domestic Water

Water service will be provided from the water mains within Northern Boulevard and Rainbow Boulevard. There is an existing 8" stub from the 8" line in Rainbow Boulevard to at the existing fire hydrant just north of 8th Ave. An 8" connection is proposed to the waterline in Northern to create a looped system. An 8" waterline is proposed to be installed throughout all internal residential roadways, with a 6" fire line to fire hydrants spaced in accordance with the City of Rio Rancho DPM standards. All new homes will have service connections per the City of Rio Rancho standards. See Utility Layout Plan on the following page for line locations and sizes.

Sanitary Sewer

Sewer service will be provided through an 8" line within the right-of-way of the internal subdivision roadways. The sewer outfall for the subdivision will continue west, through a new easement located south of the cul-de-sac, to connect to the existing 10" sanitary sewer in 3rd Street. All new homes will have service connections per the City of Rio Rancho standards. See Utility Layout Plan on the following page for line locations and sizes.

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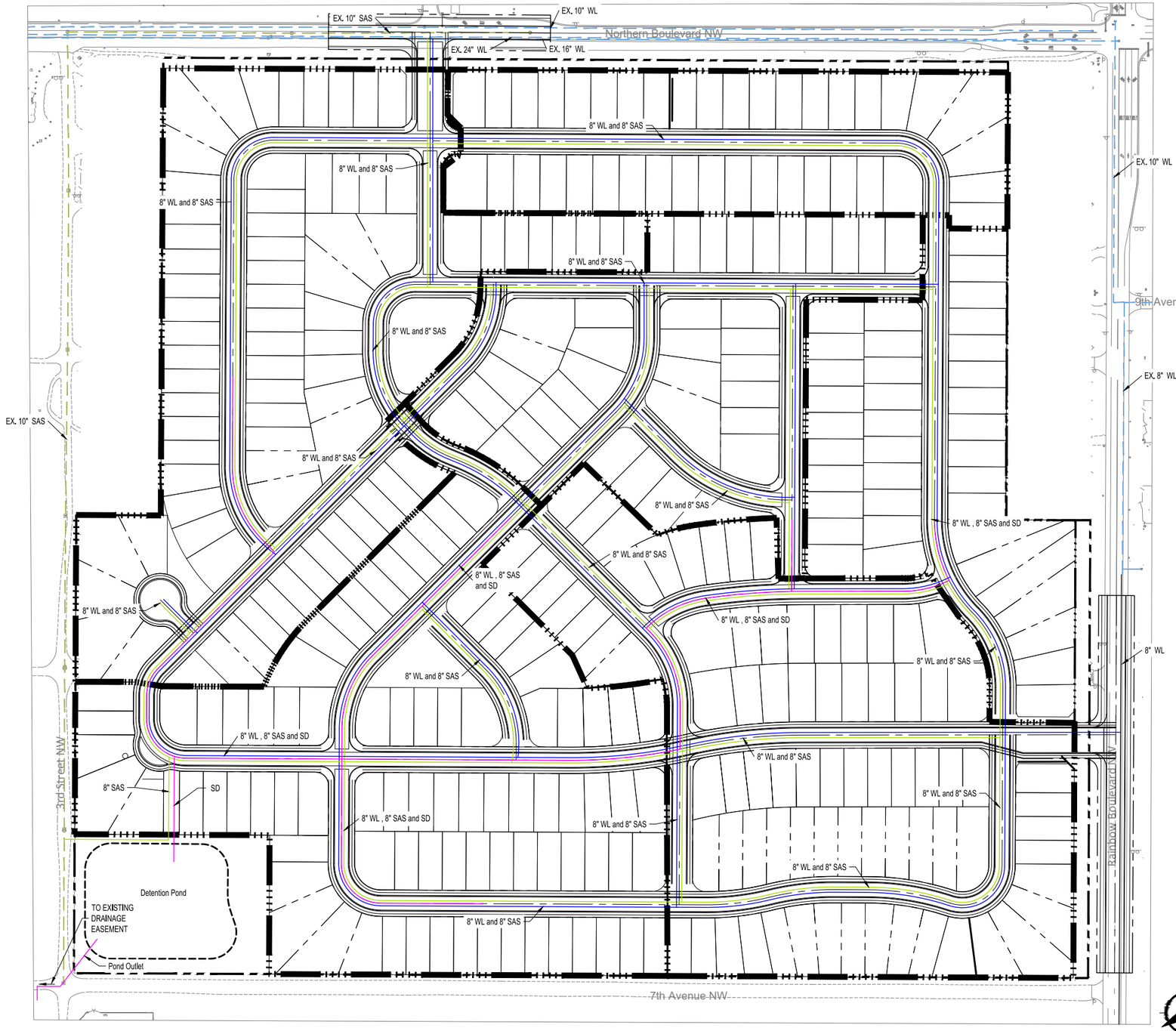

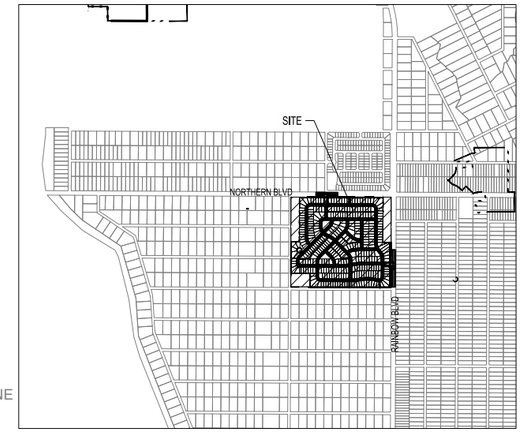

VICINITY MAP
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100 50 0 100
1"=100'

CONCEPTUAL UTILITY PLAN

RANCHO ALEGRIA

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DC	11/24/2025	
CHECKED BY:	BHI PROJECT NO.	SHEET NO.
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08

Community Facilities & Services

Educational Facilities

Northern and Rainbow will be served by schools closest to the plan area. Existing schools include Colinas del Norte Elementary School and Puesta del Sol Elementary School, Eagle Ridge Middle School and Lincoln Middle School, and Rio Rancho High School.

Community Centers

There are no existing or planned community centers in Northern and Rainbow or the immediate area. The nearest city facility is the Rainbow Park and Pool. The City's Parks and Recreation Master Plan identifies a future senior center location at Rainbow Blvd.

Public Safety

Station 2 (North Hills Station) on Cherry Road is the closest fire station to the plan area. There are no existing or planned police substations in Northern and Rainbow. However the City's Comprehensive Plan discussed adding two police substations to the northern and southern portions of the city over time. Two separate access roads for the Rio Rancho Fire and Rescue Department will be required after the 30th home is developed. Fire Hydrants shall be placed no more than 500 ft driving distance apart from one another.

Other Public Facilities & Services

The following list of public facilities is intended to provide guidance for future projects within the area if deemed appropriate by the City. This list does not require the developer to provide these services.

- **Libraries** - Should be located near regional activity centers within Northern and Rainbow.
- **Cemeteries** - None are planned or designated.
- **Solid Waste** - Waste Management, Inc. is the primary refuse collector for the entire city. This along with waste handling systems for internal collection such as refuse, recycling, composting, external collection equipment, transportation and disposal will handle Northern and Rainbows' solid waste.
- **Recycling** - Utilization of existing and private recycling programs within the City of Rio Rancho will allow for a variety of programs to be implemented within Northern and Rainbow.

Loma Colorado Library, Rio Rancho

Trails

Future trails and bikeways will provide access to other recreational facilities in accordance with the City Comprehensive Plan, the City's Bicycle and Pedestrian Transportation Master Plan, and MRMPO Metropolitan Transportation Plan. The are existing paved trails and bicycle lanes in the area. However, the majority of trails and bicycle lanes are only proposed at this time. The closed proposed paved trail and bike lanes will occur on Northern Boulevard. Traveling south of the planning area offers more opportunities with the proposed bicycle trail on Tulip Road and connection to the existing paved trail on Southern Boulevard.

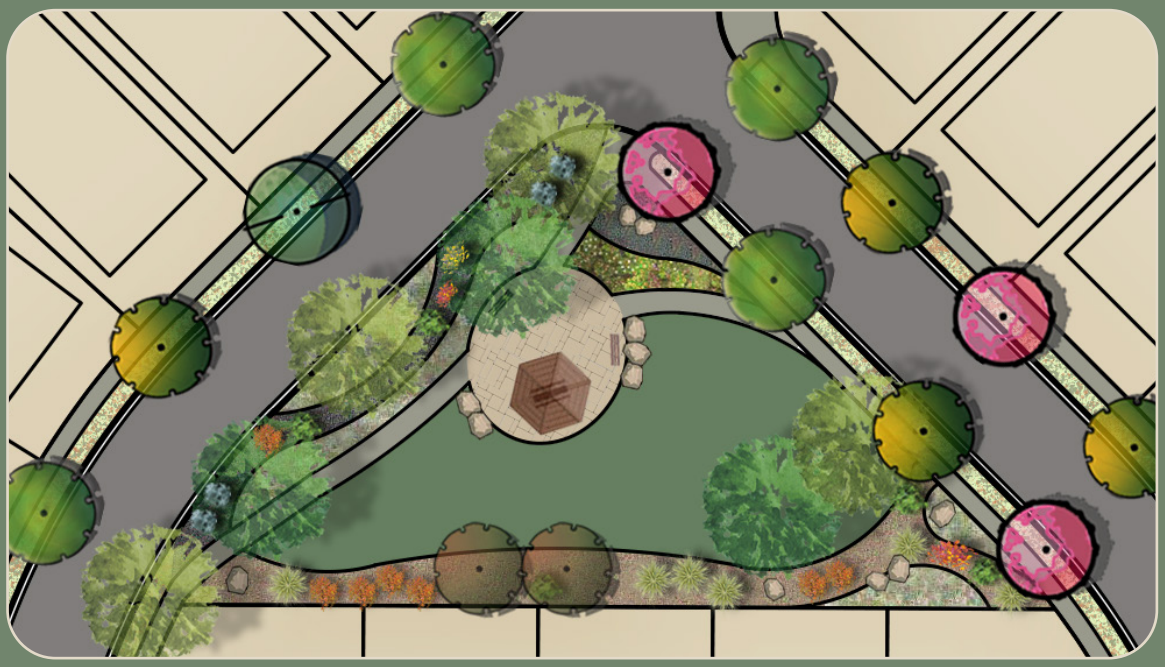
Park Concept A - 0.75 Acres

Parks and Open Space

The Master Plan identifies 2.9 acres of HOA-owned and maintained parks in the planning area. All of these parks, community gathering spaces, dog park, and walking paths meet the City's park requirements. All acreages shown are conceptual and shall be refined and finalized with each phase's subdivision plat. Park improvements will be constructed with each phase of the community.

There is one larger private pocket park closer to Northern Boulevard, which will serve as an entrance feature to the subdivision. This park space includes various amenities designed for pedestrian circulation that ultimately connect the regional trails. Amenities include traditional children's playground features and elements, such as a water harvesting garden, corn hole, and a cook-off pavilion. The second park, located closer to the southern planning area and accessed from Rainbow Boulevard, continues the pedestrian-oriented design featuring multi-age oriented amenities. Amenities include a turf area for soccer and frisbee, a croquet station, a walking path, and shaded areas. The planning area also includes a dog park with a "dogipot" pet station and a walking path

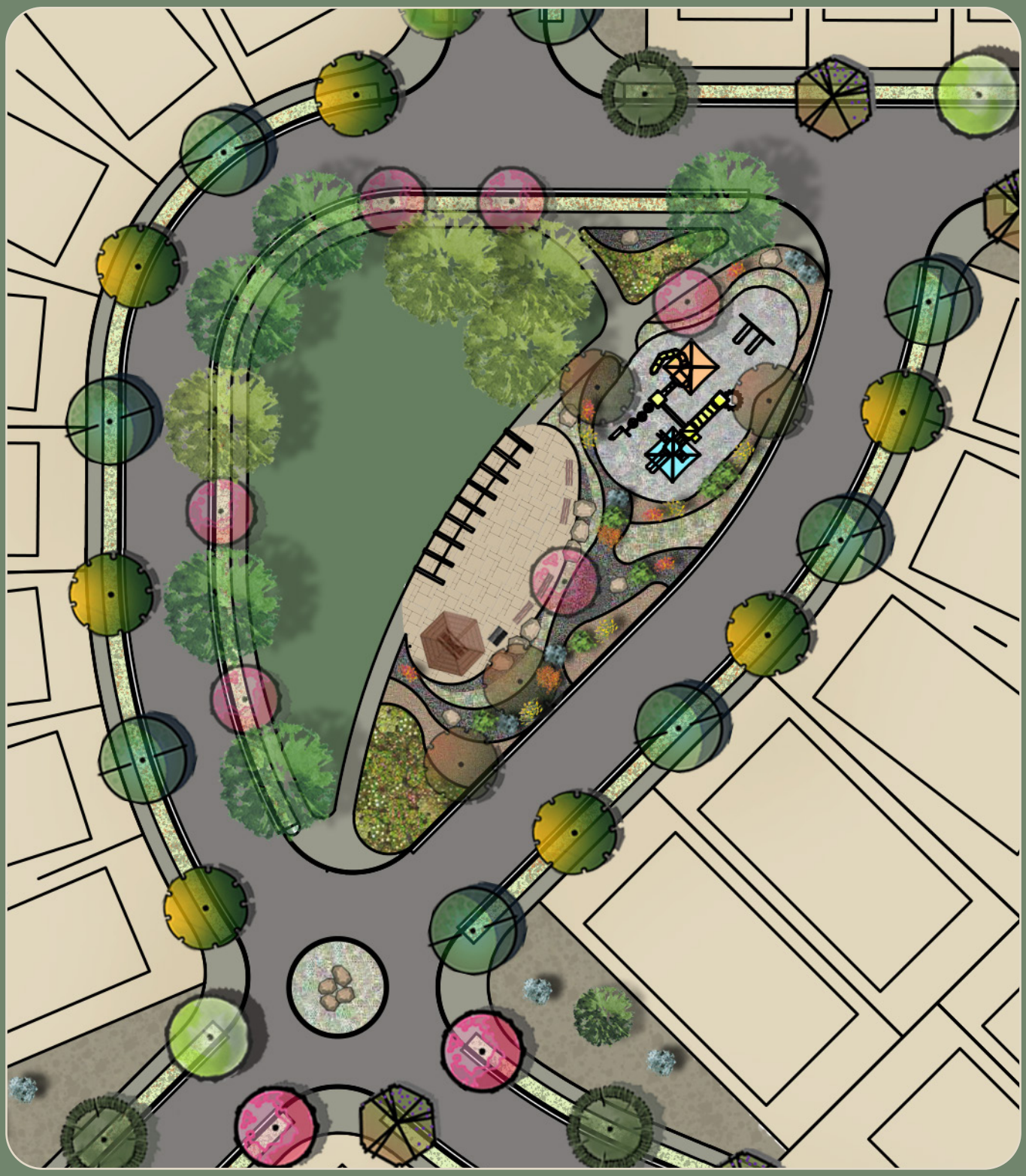
Park Concept B – 0.36 Acres



around the drainage pond (See Illustrative Plan). There are also two mini parks/ gathering spaces that provide a resting area, refuge with benches, and a trash receptacle. Camino Crossing is an adjacent subdivision that provides an existing 1-acre park with recreational amenities and pedestrian connections that is within easy walking distance to Rancho Alegria.

planting plan samples – TBD

Rancho Alegria
Park Concept C - 0.56 Acres



Rancho Alegria Illustrative Plan

R-3 Zoning

350 Units

5 HOA Pocket Parks

- Park A – 0.75 Acres
- Park B – 0.36 Acres
- Park C – 0.14 Acres
- Park D – 0.14 Acres
- Park E – 0.56 Acres

4 Roundabouts

2 Entrance Monuments

Detention Pond 5.5 ac-ft.

Entryway with Median

Monument at each entryway

Rancho Alegria Phasing Plan

Phase 1A - 79 units

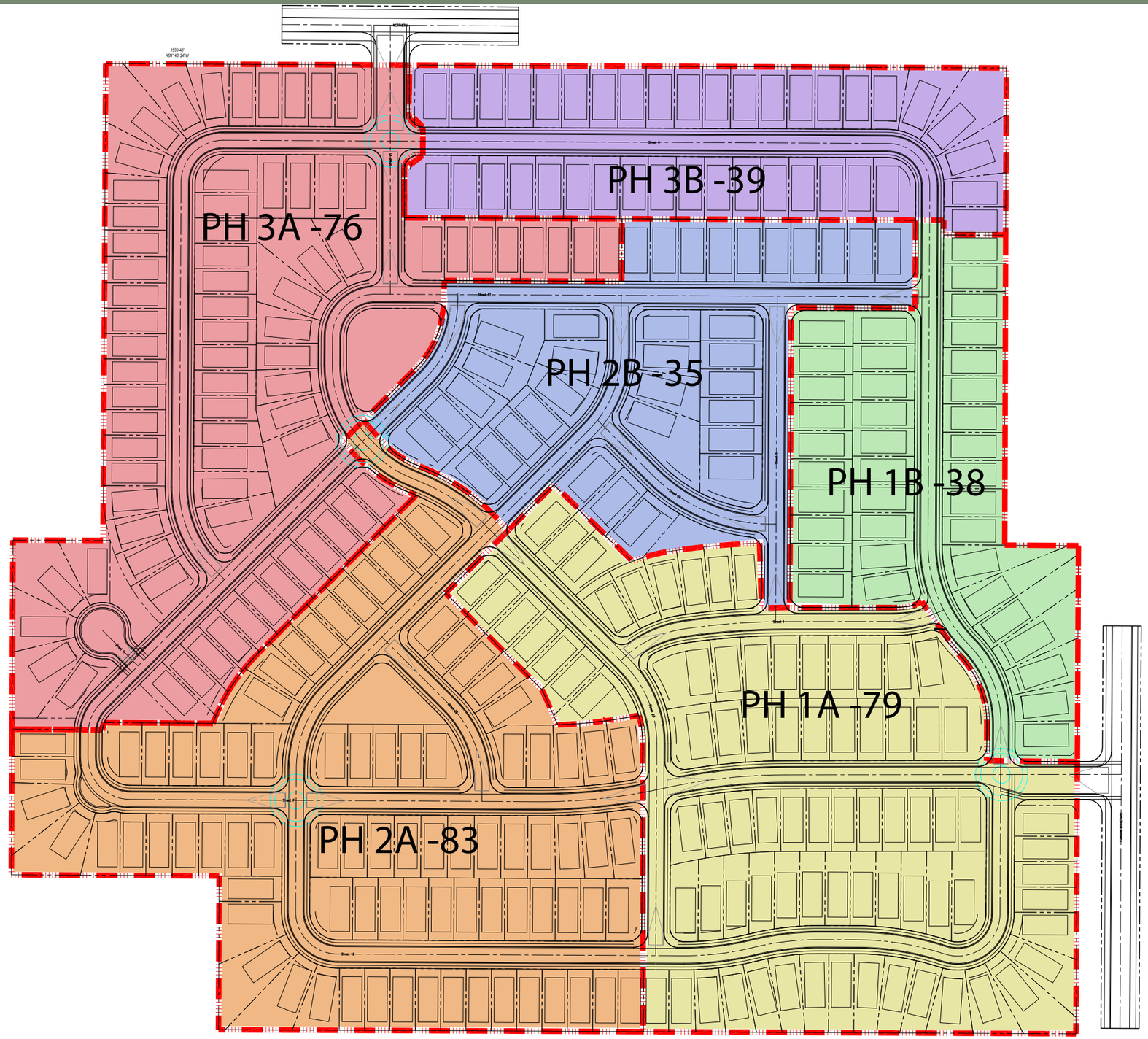
Phase 1B - 38 units

Phase 2A - 83 units

Phase 2B - 35 units

Phase 3A - 76 units

Phase 3B - 39 units



09

Phasing & Implementation

The Rancho Alegria Master Plan will be implemented through adoption by the Rio Rancho Governing Body and a zone map amendment to update the proposed zoning. Construction will proceed in six phases, organized into three primary stages, with two builders offering different housing types and price points. Major infrastructure, drainage, and transportation improvements will be constructed during each phase. To address outdated platting, the developer will replat the area into smaller lots that align with the land use plan. Pulte Homes and Westway Homes will initiate phase one with an entrance from Rainbow Boulevard. The second primary stage, encompassing phases three and four, will introduce the first dedicated park. The third primary stage, including phases five and six, will complete the Master Plan with a second dedicated park and a secondary entrance from Northern Boulevard. Any design standards will be incorporated into future CC&Rs and enforced by a new Homeowner's Association (HOA).

Phase	Pulte Homes	Westway Homes	Park
Phase 1A	79	-	0.75 acres
Phase 1B	-	38	0.36 acres
Phase 2A	83	-	0.14 acres
Phase 2B	-	35	0.14 acres
Phase 3A	76	-	0.56 acres
Phase 3B		39	-

CONSENSUS PLANNING

Memorandum

To: Amy Rincon, Director, Development Services Department

From: Jim Strozier, Consensus Planning, Inc.

Date: April 9, 2026

Re: Zone Map Amendment/Master Plan Amendment/Master Plan (25-100-00017/25-400-00006)

The following memo summarizes our responses to questions and comments on the draft Rancho Alegria Master Plan and Zone Map Amendment.

Planning and Zoning Division:

- The application, master plan, and supporting documents reflect proposed R-3 Zoning.
- At full build-out, the plan proposes 350 single-family homes.
- Phasing titles are corrected to reflect the phasing exhibit.
- The first Park and Drainage Pond will be built with Phase One. The Park improvements will include a dog park and walking paths that surround the Drainage Pond.

Parks, Community & Recreation Services:

- The City requires a certain amount of land to be dedicated and developed as usable park / common areas. The requirement is three (3) acres per 1,000 persons. Each single-family dwelling unit is assumed to have 2.83 persons as specified in the park development requirement. This master plan proposes 350 single-family detached homes. Therefore, the master plan must provide 2.97 acres of park area. In addition, Staff has indicated that since the developer is building the on-site parks, that the required park acreage can be reduced by 10% for a requirement of 2.7 acres. This master plan proposes providing that acreage in three ways.

  These consist of two typical pocket parks in the heart of the community, each with a shade structure, turf area, seating, pedestrian paths, trees, and plantings. A fenced-off dog park and pedestrian trail are being proposed around the perimeter of the community drainage pond. To complete the acreage, benches and trash receptacles will be placed in isolated areas throughout the community to encourage use of the sidewalks and paths adjacent to the street network. As allowed, there is an existing 1.0-acre public park directly across from our Northern Boulevard entrances within walking distance, which Rancho Alegria will use to meet the park requirements.

Fire & Rescue Department:

- IFC 2021 is referenced for the Fire and Life Safety Code. Appendix D is referenced for Fire Apparatus Access Roads. Fire Hydrants shall be no more than 500 feet apart from each other. A Fire 1 plan will be submitted to the Fire Marshal's Office prior to each preliminary plat subdivision.

SSCAFCA:

- The pond will be designed to provide the required stormwater quality volume.

Engineering:

- 5th Street is not a collector, and the language is removed.
- All pedestrian paths with ROW shall be ADA-compliant, subject to Public Right-of-Way Accessibility Guidelines (PROWAG).
- All roadways and access points will be designed in accordance with the City of Rio Rancho's requirements, including SAMM spacing standards, the Rio Rancho Development Process Manual (DPM), applicable City ordinances, and approval from the City Fire Marshal. All street connections will be paved and meet standard specifications. Sight distance and visibility requirements will be addressed at all intersection locations. If any aspects of the conceptual design do not meet these requirements, variance requests may be submitted for review and approval at the time of subdivision.
- Old cross-section removed and updated to reflect TS-01 and TS-05.
- Conceptual Drainage and Utilities – See Redlines for updated narrative.

In conclusion, we acknowledge the comments and feedback from staff and departments. We have responded and updated the document to address these concerns. We respectively request to be scheduled for the next available Planning and Zoning Board hearing.

c: Kevin Patton, PulteGroup, kevin.patton@pultegroup.com

CITY OF RIO RANCHO

Rancho Alegria

Master Plan

Prepared for:
Pulte HOMES

Prepared by:
Consensus Planning, Inc.
Bohannan Huston, Inc.

CONSENSUS PLANNING

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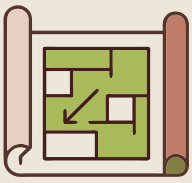
01

Introduction

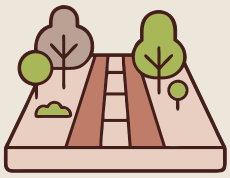
The Rancho Alegria Master Plan has been created to initiate the entitlement process for the development of up to 66 acres of property located within the Northern and Rainbow Specific Area Plan (NRSAP). The purpose of this Master Plan is to guide traffic access, circulation, parks, open space, drainage facilities, utilities, and to provide implementation technique. The vicinity map on page 3 illustrates the location of the master plan area.

Master Plan Objectives

The following are the objectives of the Master Plan:



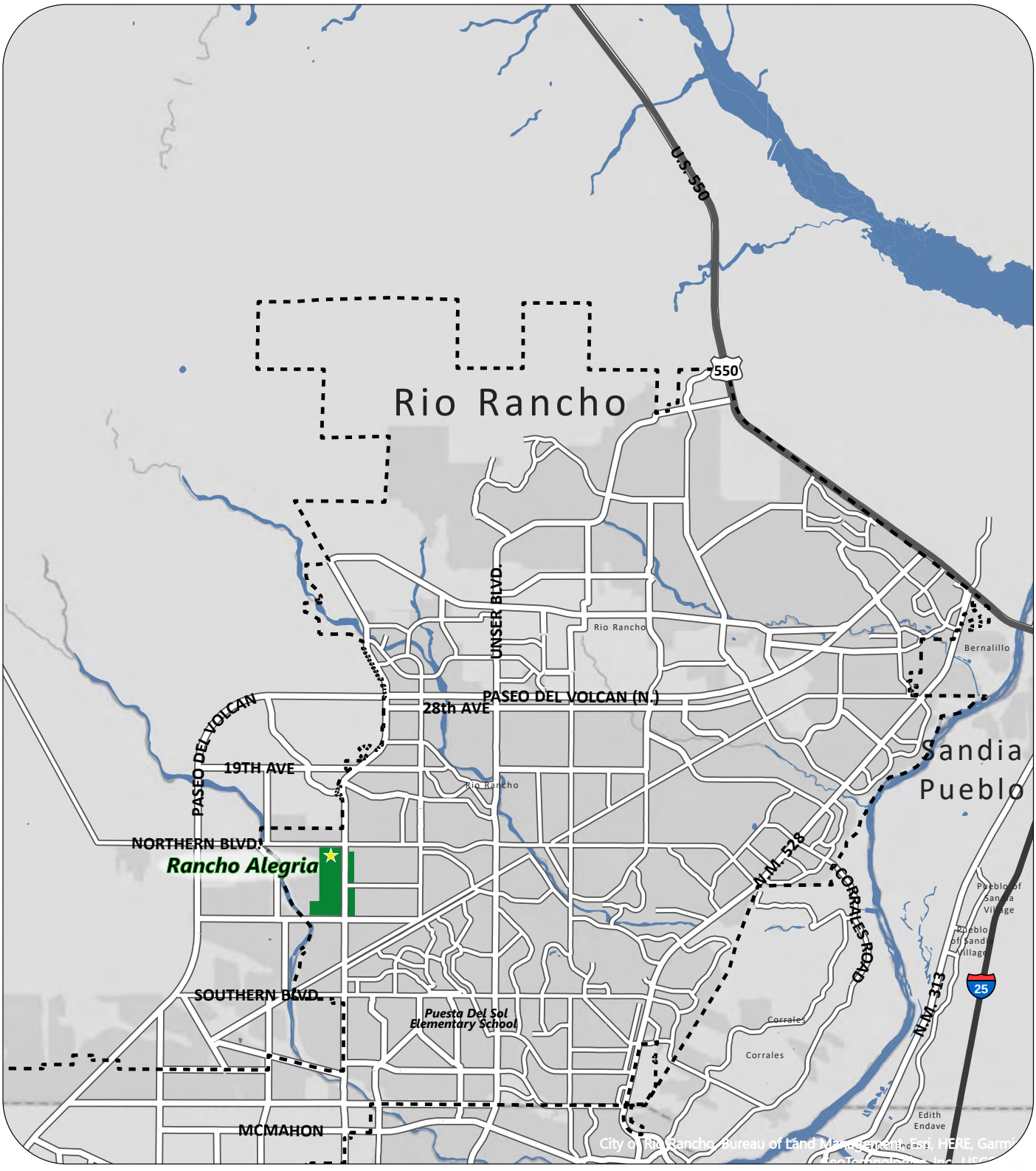
To create a framework for zoning and land use that includes single family residential neighborhoods in close proximity to planned schools, commercial services, and a business park area that will attract future employers to the City of Rio Rancho.



To connect with and extend existing transportation corridors identified in the Mid-Region Council of Government and the City's Transportation Plan.

To comply with and implement the Rio Rancho Comprehensive Plan and the Northern and Rainbow Specific Area Plan.

The Plan's approach has been tailored to the area's unique physical characteristics and will lead to the development of an attractive community for future residents.



RANCHO ALEGRIA CONTEXT

Northern and Rainbow Specific Area Plan

Rancho Alegria Master Plan Area

0 0.75 1.5 3 Miles

Figure 2.1

Planning Process

This Master Plan was accomplished in collaboration with the City of Rio Rancho Development Services Department,Pulte Homes, Bohannan Huston, Inc., and Consensus Planning, Inc. This master plan application is submitted in conjunction with the Northern/Rainbow Specific Area Plan amendment and a zoning map amendment request.

Northern and Rainbow Specific Area Plan

The Northern & Rainbow Specific Area Plan (NRSAP) provides current conditions in the plan area, identifies goals and objectives, proposes land uses and zoning and lists methods of implementation. The NRSAP was adopted in 2009 and amended in November 2025. The amendment included the expansion of the plan boundary area and the preparation of a Master Plan as one of the proposed actions to implement the recommendations of the Specific Area Plan.

02

Existing Conditions

The Master Plan Area is primarily undeveloped. There are three existing single-family residence constructed that are outside of Vista Alegria Master Plan but within the NRSAP boundaries. There are two homes near the Northern and Rainbow Boulevard. There is one home along Northern Boulevard adjacent to 3rd Street. This area is strategically positioned to accommodate new housing development, given its proximity to Rainbow Boulevard and Northern Boulevard.

Intersection at Northern & Rainbow

Location

As shown on the Vicinity Map (see Figure 2.1), Rancho Alegria is located within the NRSAP, within the Rio Rancho Estates Unit 8 Subdivision, and is in close proximity to Camino Crossing to the north and Rainbow Canyon Subdivision south of Sandia Boulevard (see Figure 2.2).

Figure 2.2

Demographics

In 2023, Rio Rancho population was 106,553. Rio Rancho is the fastest growing and third largest municipality in New Mexico with the statewide population of 2,114,768. It is expected that the City will continue to increase population over the next 20 years, with the projected population for 2040 being 118,233 people. Given this population projection from Mid-Region Council of Government (MRCOG) the percent growth from 2016 to 2040 is expected to be 24.1%.

The 2023 Census Bureau American Community Survey (ACS) 5-year estimates the median age for residents in Rio Rancho was 39.0 years of which 23.2% of the residents are under 18 years of age and 17.2% are 65 and over. Comparatively statewide median age was 39.2, with 22.1% under 18 and 18.8% 65 and over, respectively.

The average household size in Rio Rancho has 2.7 persons, similar but slightly higher than the statewide estimate of 2.51 persons. Rio Rancho had a total of 39,192 households in 2023. Of these, 54.3% were married family households, and 39.5% of those families had children under 18 years of age living in the house. Furthermore, 26.6% of the households were occupied by non-family members, of which 79.2% were living alone, and 37.8% were living alone and over 65 years old. In comparison, statewide, 41.4% of households are family households, of which 33.6% have children under 18 years. Non-family residents occupied 38.6% of the households; of that, 83.2% were living alone, and 35.7% were over 65 and living alone.

FIGURE 2.3: Population and Households

	Rio Rancho	New Mexico
Total Population	**106,553**	**2,114,768**
Under 18	81,786	1,648,151
65 years and over	18,342	397,156
Median age	39.0	39.2
Total Households	**39,192**	**825,021**
Family Households	28,751	506504
Households with children	12,522	199,170
Married	21,268	341,592
Households with children	8,393	114,795
Female	5,226	114,032
Households with children	2,814	43,483
Male	2,257	50,880
Households with children	1,315	26,125
Non-Family Households	10,441	318,517
Households 65 years	4,573	126,699
Households Living Alone	2,498	42,676

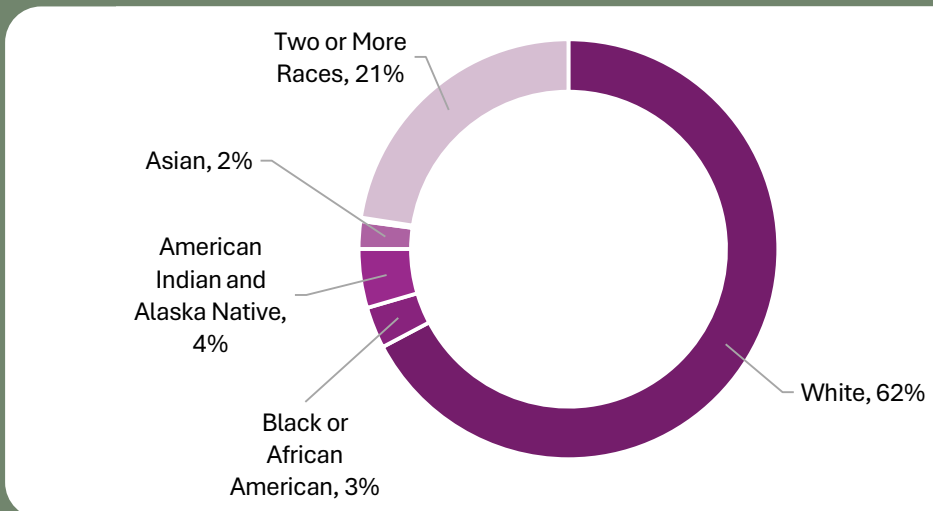
ACS 5-Year Estimates 2023

Ethnicity

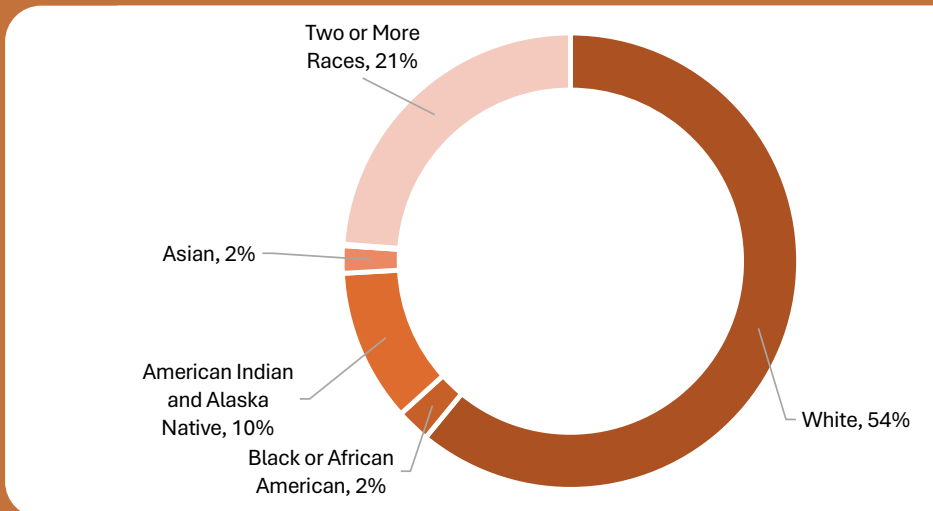
Rio Rancho is not as ethnically diverse as the rest of New Mexico. In Rio Rancho, 61.7% of the population identifies as White, 20.7% as multiracial, 4.2% as Native American, 2.9% as Black, and 2.0% as Asian. Additionally, 42.1% of the population identifies as Hispanic.

In contrast, the statewide demographics for New Mexico show that 53.6% of the population is White, 20.9% is multiracial, 9.5% is Native American, 2.1% is Black, and 1.7% is Asian. Statewide, New Mexico's population is 53.6% White, 20.9% multiracial, 9.5% Native American, 2.1% Black, and 1.7% Asian, with 48.2% of the total population identifying as Hispanic.

RIO RANCHO



NEW MEXICO

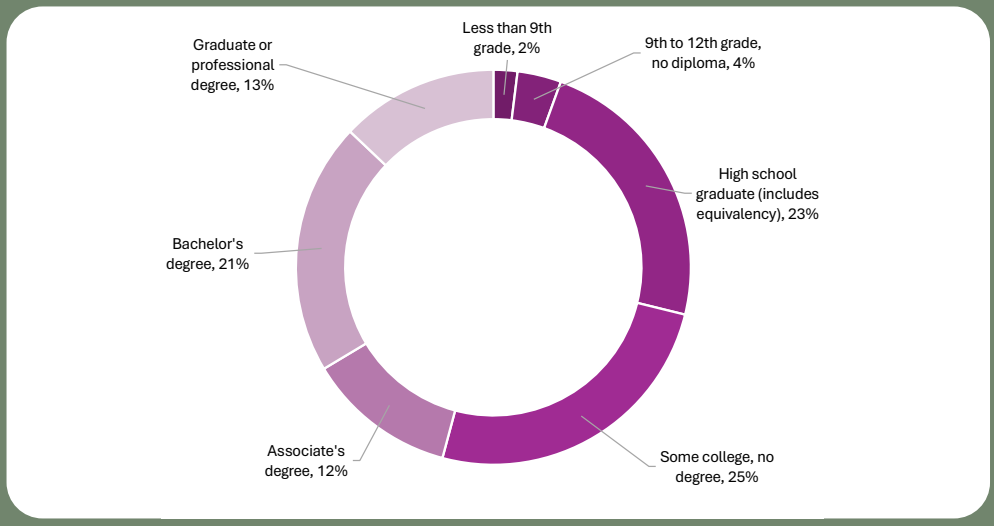


Education

Rio Rancho residents demonstrate higher educational attainment than the state overall. An estimated 94.4% of the City's population holds a high school diploma or higher. Among these residents, 25.3% have completed some college education, 12.3% hold an associate degree, 20.7% possess a bachelor's degree, and 12.9% have earned a graduate degree.

By comparison, statewide figures for New Mexico indicate 87.7% high school graduates or higher, 22.6% with some college, 9.2% with an associate degree, 16.6% with a bachelor's degree, and 13.6% with a graduate degree in 2023.

RIO RANCHO



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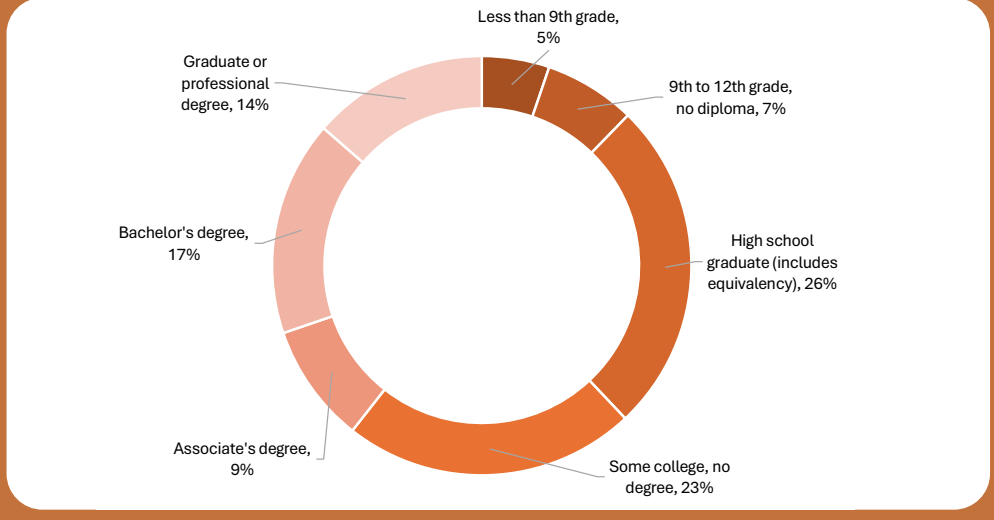
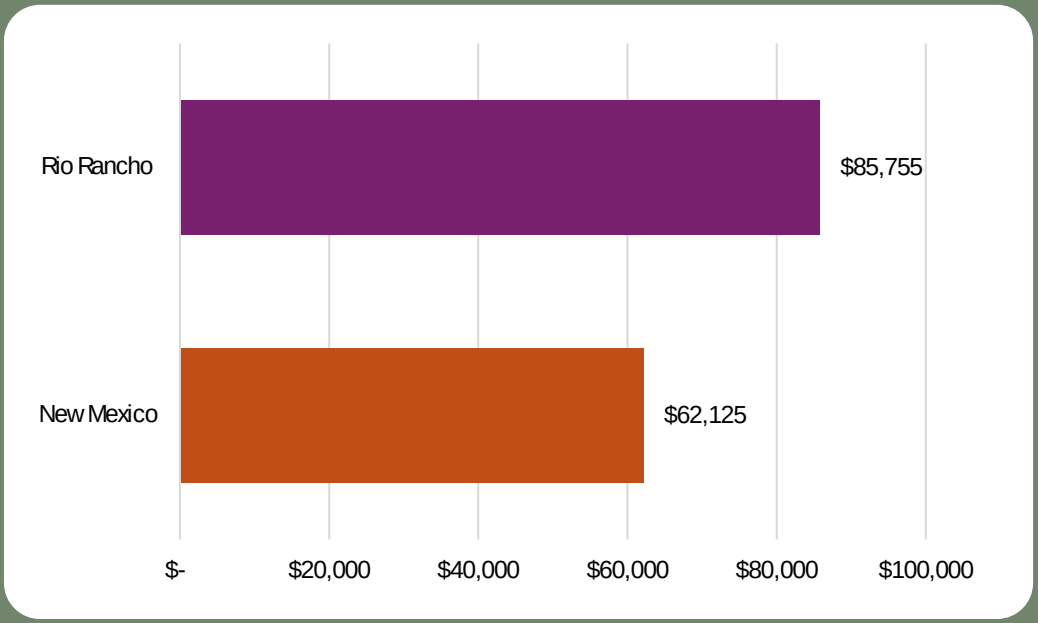


Employment and Occupation

The Rio Rancho labor force consisted of 52,665 individuals, representing 62.0% of the City's population in 2023. The unemployment rate during this period was 4.8%. Employment in the educational services, health care, and social assistance sector accounted for nearly one-quarter of all jobs held by Rio Rancho residents. The retail trade sector comprised 11.3% of employment, while professional, scientific, management, administrative, and waste management services collectively represented 13.1%, ranking as the second- and third-largest employment sectors, respectively.

Income

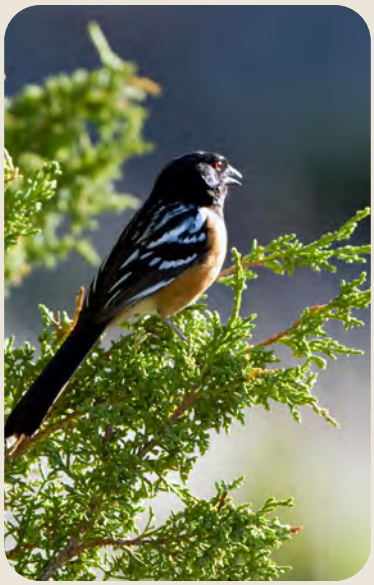
Over half of Rio Rancho's households Over half of Rio Rancho's households earned between $50,000 and $149,999 in 2023, reflecting a predominantly middle-income community—in contrast to the statewide distribution. The City's median household income of $85,755 significantly exceeds the New Mexico median of $62,125.



Housing Market Conditions

The average listing price of an existing home in Rio Rancho was $420,000 in 2025. The median sold price was estimated at $328,500 by Realtor.com, compared to Zillow.com, which estimated the average home value at $344,701. According to the 2023 Affordable Housing Plan, the majority of Rio Rancho's existing housing inventory consists of single-family detached homes.

The nature of Rio Rancho's early (pre-incorportion) development is negatively impacting its potential to develop new housing units in a cost-effective manner. Rio Rancho's original inventory of housing stock is beginning to show its age. Over half of the city's housing inventory was constructed before the year 2000. Many of these original "starter homes" are now in need a significant repair. As shown on the Vicinity Map (Figure 2.1, see page 3), Rancho Alegria is located within the (NRSAP), within the Rio Rancho Estates Unit 8 Subdivision, and is in close proximity to Camino Crossing Subdivision.



Natural Features

The most noticeable characteristic about vegetation within northern Rio Rancho is the variety of brush and native grasses. Common plants include chamisa, sand sagebrush, winterfat, mormon tea, snakeweed, cholla cacti, prickly pear cacti, fourwing saltbrush, yucca, senna, kochia, piñon, and onesee juniper.

Soils Analysis

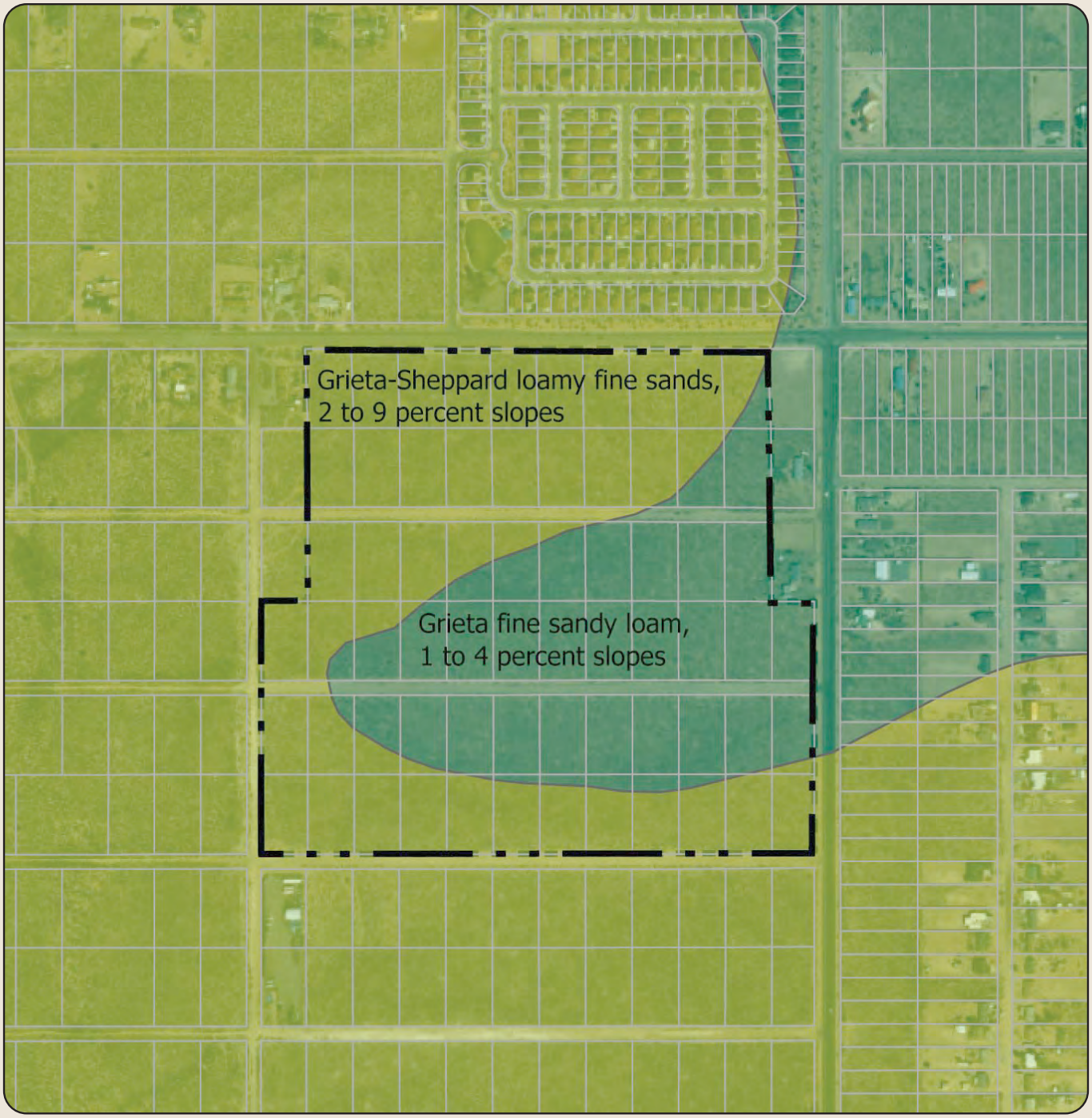
According to the United States Department of Agriculture survey, the primary soil type in the planning area is Grieta-Sheppard. These soils generally support development, with few limitations for the construction of buildings or roadways (due to slope, drainage properties, or soil stability). However, these soils are rated as "somewhat limited" for paths and trails, due to the sandy composition of the soil, which necessitates additional trail stabilization (see Figure 2.4).

Site Topography

The terrain in the contributing basins is generally characterized by various slopes, typically ranging from 0.1% to 7%, interspersed with brief, steep ridges where slopes can reach up to 15% (see Figure 2.3). Topographically, the landscape slopes east to west, decreasing from an elevation of approximately 5,830 feet at the west boundary to about 5,646 feet at the eastern edge.

Drainage

As detailed in Chapter 8: Conceptual Drainage Plan. The Rancho Alegria Master Plan aims to develop a water detention pond to manage stormwater flows through the site and merge at the southwest corner of the master plan area. The stormwater will continue downstream into the water detention pond location at the southeast corner of the NRSAP boundary, enhancing both sustainability and aesthetic proposed. A drainage management plan will be prepared.

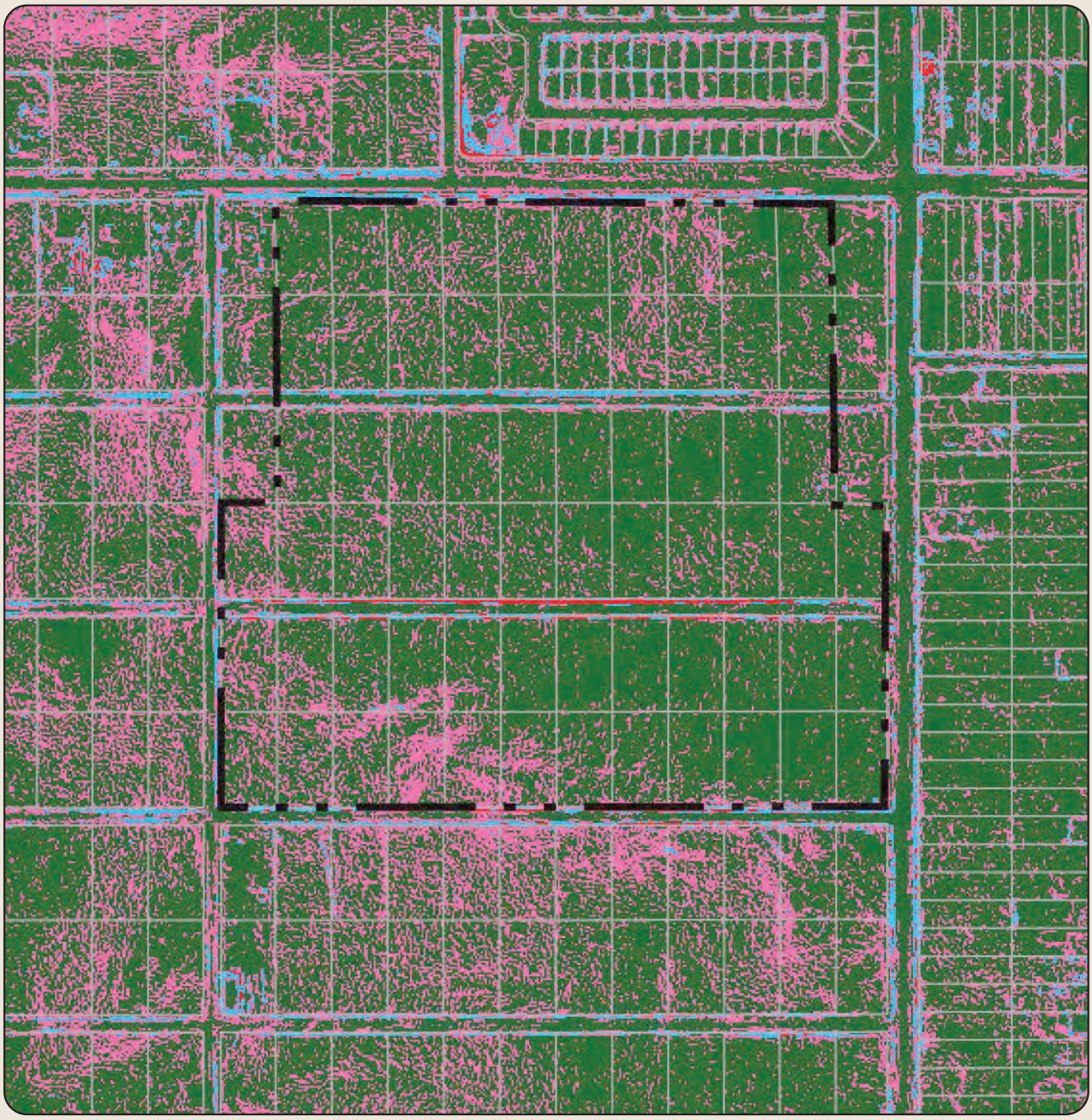


SOIL ANALYSIS

Grieta Sheppard

Grieta

Master Plan Boundary



SLOPE ANALYSIS

- 0.0 - 2.9
- 3.0 - 6.9
- 7.0 - 15.0
- 7.0 - 15.0
- Master Plan Boundary

Access and Circulation

The existing network of dirt roads, established in the antiquated subdivision process along the 50-foot wide rights-of-way. Over time, many of these roads have become eroded or overgrown with vegetation. In certain instances, the original roadway alignments no longer provide optimal access or connectivity, particularly considering the arroyos mentioned earlier. Site grading will be necessary to facilitate future development.

The street system to serve the planning area is summarized by functional classification as described in the sections below. A local street is intended primarily for access to abutting properties and carries low-volume traffic. Accessibility to homes and business is more important than mobility. Speed limits are set low, below what the roadway geometry allows, usually 25 MPH, with traffic volumes typically less than 1,000 vehicles per day (VPD). Minimum right-of-way is 50 feet.

~~Outside of the Master Plan and east of Rainbow Boulevard, 5th Street is a collector street carries traffic from local streets to arterial streets.~~ Accessibility and mobility are balanced relative to land use with speed limits generally between 25 and 35 MPH. Residential collectors with driveways are generally 25 MPH, while those with more limited access have a higher posted speed limit. Volumes can vary from 1,000 to 15,000 VPD. Collector streets are required to provide a minimum right-of-way width of 68 feet. Northern Boulevard and Rainbow Boulevard are both Arterials and primarily roadways into the planning area.

Rainbow Blvd & 5th Street

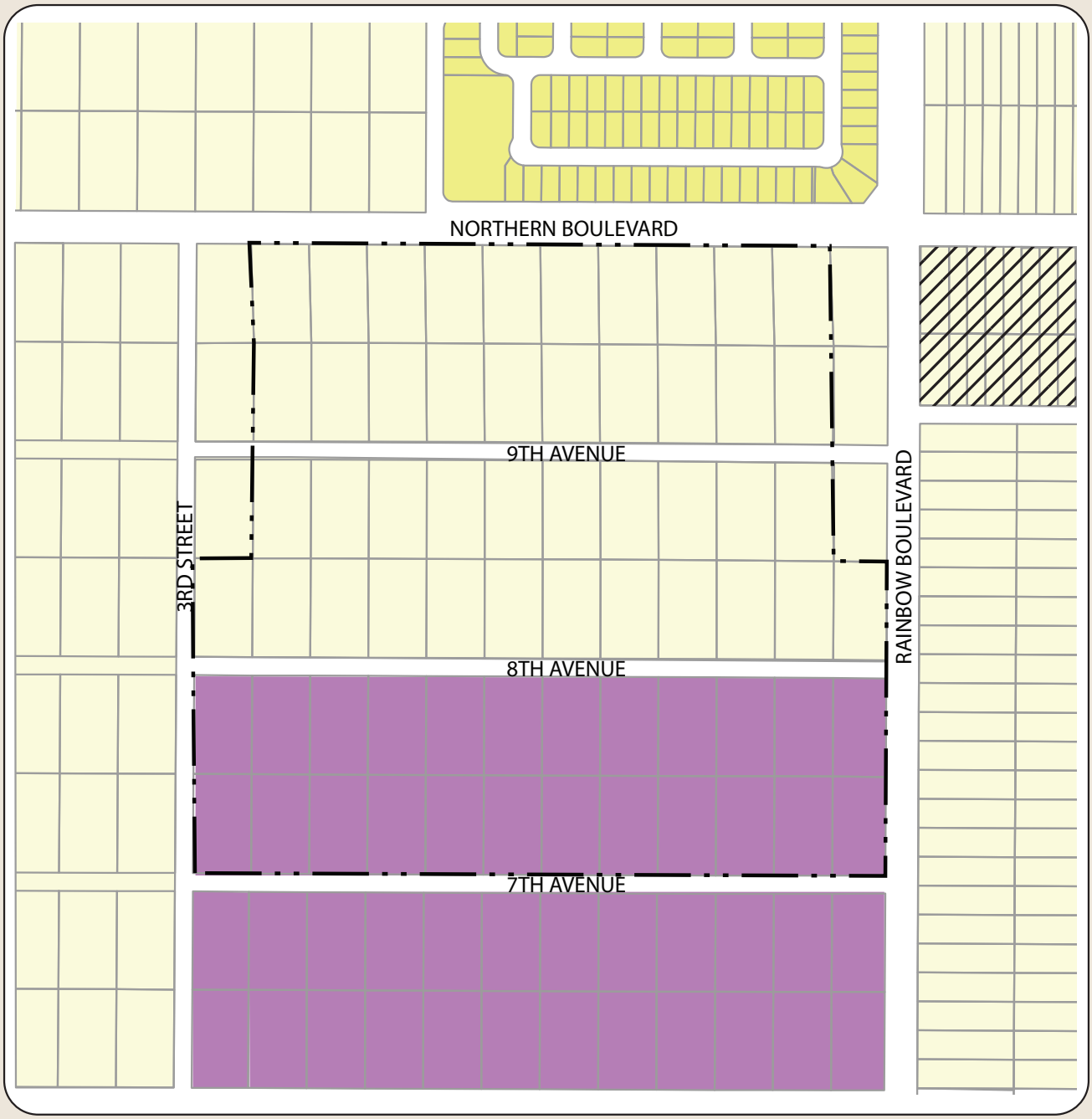
An arterial street is designed and used primarily for serving large volumes of traffic and to provide cross-city travel. Mobility takes precedence over accessibility. Speed limits are generally 35 to 45 MPH with volumes of approximately 7,000 VPD per lane. Four-lane arterials with a median are common with a capacity of 28,000 VPD. Access is controlled via signalized intersections and raised medians. Principal arterials are required to provide a minimum right-of-way width of 156 feet and minor arterials, 106 feet. As discussed above, existing roadways in the Planning Area are unpaved, although most have been graded to allow access to existing lots. Because of erosion, these roadways will most likely need to be regraded during any future lot consolidation or subdivision process. Additional information on future transportation improvements can be found in Chapter 7: Transportation.

Antiquated Platting

Antiquated platting is one of the primary issues across the undeveloped portions of northwestern Rio Rancho. Beginning in the 1960s, land was platted into multiple half-acre lots, with an underlying roadway network of 50-feet rights-of-way. These areas were platted before Rio Rancho's subdivision controls mandated improvements such as parks, open spaces, and roadway access. Consequently, some areas face developmental challenges due to the poorly connected roadway network, inefficient lot layouts, limited site access, a lack of infrastructure, and an absence of a cohesive land use plan. To alleviate the antiquated platting in this area, this Plan supports and facilitates the reconfiguration of the existing lots into a more standard-sized layout for development and the installation of needed infrastructure.

Adjacent Land Uses & Existing Zoning

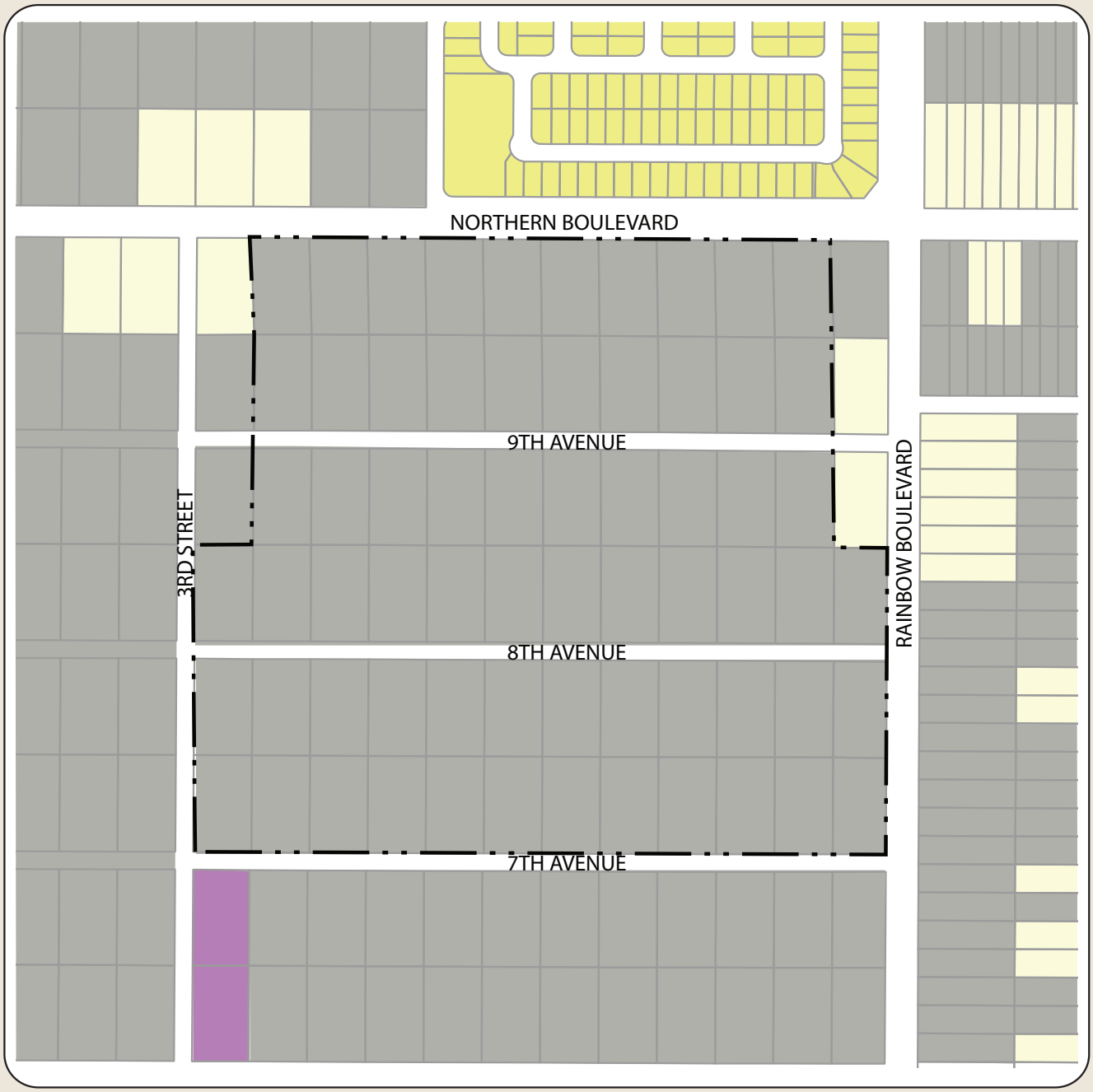
As mentioned in previous chapters, Rancho Alegria is within the NRSAP boundary that has two moderate density residential development separated by Rainbow Business Park. The Rainbow Business Park is Rancho Alegria's Southern boundary zoned M-1. All adjacent zoning to the south, east, and west of planning area is R-1. The planning area is vacant with three single-family residential homes and one outdoor storage business to the South, just outside the planning area boundary (see Figures: 2.5 and 2.6). Land on the north side of Northern Boulevard, adjacent to this Plan area, has been developed as R-2/Single Family Residential homes. The current zoning for the entire area is R-1/Single Family Residential and M-1/Industrial.



EXISTING ZONING

- R-1
- R-2
- M-1
- OZ Overlay Zone
- Master Plan Boundary

Figure 2.6: Existing Zoning



EXISTING LAND USE

- Low Density Residential
- Low/Medium Density Residential
- Industrial
- Vacant
- Master Plan Boundary

Figure 2.6: Existing Land Use

03

Goals & Policies of the Comprehensive Plan

The City of Rio Rancho's Comprehensive Plan is the principal planning tool that guides future development within the city. It set forth specific principles and policies that are relevant to development of Rancho Alegria community. These include policies addressing land use, urban design, transportation, infrastructure development, parks and recreation, and community facilities. The Comprehensive Plan recognizes the need to increase development density, which will increase the efficiency of service delivery, make transit opportunities more feasible, and increase the supply of affordable housing to the city's new families and community residents. This Master Plan furthers several goals and policies of the Comprehensive Plan as described in the following pages.

Rio Rancho

Antiquated Platting

Given the large amount of antiquated platting in Rio Rancho, the Comprehensive Plan has several adopted goals, policies, and actions to address this issue and facilitate development of obsolete subdivisions. Specific provisions that this Master Plan furthers include:

GOAL A-1:	**Eliminate antiquated platting within the City of Rio Rancho where desirable.**
POLICY A-2:	**Require appropriate development standards for infrastructure and environmental improvements for both newly platted lots and antiquated lots.**
POLICY A-3:	Ensure that the City's land use and development regulations provide the specific and detailed provisions necessary to eliminate prematurely platted land when feasible.
ACTION A-4:	**Process street name change applications to address numbered streets that conflict with the street naming policy.**

The Master Plan facilitates the replatting process by planning the infrastructure necessary to develop the additional lots available under the proposed zoning. Doing so will help eliminate antiquated platting issues in this part of the City by making the parcels more developable and sized appropriately to the proposed medium density residential land uses.

Conservation & Natural Environment

The Master Plan aims to preserve and enhance natural features wherever possible, with a special focus on open spaces, naturalized drainage systems, and water reuse. Just outside of the southwest corner of the Master Plan area, a 5-acre water retention pond will be designed to retain drainage off site from the north. This effort supports the following goals and policies of the Comprehensive Plan:

GOAL CON-1:	**Preserve water resources.**
GOAL CON-2:	**Preserve vegetation and natural resources.**

Land Use

As described in Chapter 3: Land Use, the planning area primarily supports medium-density single-family residential development. These proposed land uses align with the following goals and policies of the Comprehensive Plan:

GOAL CON L-2:	**Encourage consolidation of lots to promote a variety of land uses in a planned manner.**
POLICY A-2:	**Encourage the master planning of developments that establish a community character that considers circulation, landscaping, open space, storm drainage, utilities, and building location and design in the master plan.**

As stated above, the amended Master Plan promotes consolidation of existing lots and the development of new single-family homes at a density that works with the natural environment. Several other sections of the Plan address specific land use related elements, including circulation, building locations, and lot layouts.

Population and Housing

Rio Rancho has recovered from the Great Recession in 2008 and the subsequent downturn in the housing market. The 2023 5-year (ACS) estimates the City of Rio Rancho with 106,533 residents and which has doubled the number since 2000. The city is once again poised to grow, which will require the development of a variety of additional housing units for new families. This Plan supports several housing goals of the Comprehensive Plan including:

GOAL PH-3:	**Promote a variety of housing types to meet the needs of all members of the community.**
GOAL PH-4:	**To ensure that single-family and multifamily residential neighborhoods provide an attractive living environment.**
POLICY PH-5:	**Encourage mixed-use and mixed-income housing opportunities in designated growth nodes throughout the city.**
POLICY PH-7:	**Support residential developments with appropriate amenities for families with children.**

The Master Plan proposes to add 350 housing units at full build out. The development of these homes will provide new housing option for families in Rio Rancho and take advantage of existing and planned community amenities that will be developed for the planning area.

Transportation

The transportation element of the Rio Rancho Comprehensive Plan seeks to develop a multi-modal transportation system that enables safe travel for all users, while also mitigating congestion and supporting mass transit. There are two main roadways that access Vista Alegria: Northern Boulevard and Rainbow Boulevard. The Master Plan incorporates a network of sidewalks leading to proposed bike lanes along Rainbow Boulevard and Northern Boulevard. The proposed transportation plan described in Chapter 7: Transportation supports many of the Comprehensive Plan's goals and policies including:

GOAL TR-2:	**Transportation facilities designed and constructed in a manner to facilitate Rio Rancho's economic goals, enhance livability and meet Federal, State, regional and local requirements.**
POLICY TR-11:	**Ensure all rights-of-way and transportation facilities are ADA-compliant**
POLICY TR-10:	**Support the design of streets and highways to respect surrounding land uses, natural features and community amenities.**

Roadways in the Planning Area will be constructed to respect surrounding land uses, natural features, and meet local and state requirements. A trip generation study will be performed to ensure that trips from the residential development do not negatively impact level of service on adjacent roadways development and the installation of needed infrastructure.

Public Facilities

Along with addressing antiquated platting during the development process, the Comprehensive Plan seeks to ensure that new development occurs in areas with existing public facilities and proximity to existing infrastructure (to minimize costs associated with infrastructure expansion). The Master Plan supports the following Comprehensive Plan goals and policies:

GOAL PH-3:	**Provide public facilities that meet or exceed constituents expectations.**
GOAL PH-4:	**Current demand on public facilities should not overburden City public facilities beyond what the City can reasonably provide for future demand.**
GOAL PH-5:	**Construct new public facilities to meet demands at least 10 years into the future.**
POLICY PH-3:	**Make land use recommendations based on the availability of adequate public facilities necessary to support a proposed land use.**

All new proposed infrastructure within Vista Alegria will be improved to City of Rio Rancho Standards. See Chapter 8: Conceptual Drainage and Utilities, which outlines a clear plan for future infrastructure development and financing to ensure that costs to the City of Rio Rancho are minimized.

Parks and Recreation

The Comprehensive Plan identified improving the City's parks and recreation facilities as a clear need, especially in new master planned communities. This plan supports several Comprehensive Plan goals and policies to improve parks, create trail and recreation facilities including:

GOAL PR-1:	**Establish new and maintain existing recreation, senior centers, parks, trails and open space that foster a quality community, support a strong economy, and meet the needs of current and future residents.**
GOAL PR-4:	**Modify existing parks and recreation facilities as needed to ensure safety, accessibility, and optimum use.**
POLICY PR-1:	**Develop pedestrian and bicycle linkages between neighborhoods and major natural areas, recreation facilities, and education, employment and retail centers.**
POLICY PR-7:	**Develop a culture of sustainability by designing and constructing facilities that maximize long term conservation and stewardship of the city's human, financial and natural resources.**

Rio Rancho's Community Development Department and the Planning and Zoning Board require a certain amount of land to be dedicated and developed as usable park / common areas. The requirement is three (3) acres per 1,000 persons. Each single-family dwelling unit is assumed to have 2.83 persons related to the park development requirement. This master plan proposes 350 single-family detached homes. Therefore, the master plan must provide 2.97 acres of park area. This master plan proposes providing that acreage in five ways. In addition, Staff has indicated that since the developer is building the on-site parks, that the required park acreage can be reduced by 10% for a requirement of 2.7 acres. These consist of two typical pocket park areas in the heart of the community, each containing a shade structure, turf area, seating, pedestrian paths, trees, and plantings. A dog park and pedestrian trail are being proposed around the perimeter of the community drainage pond (fenced off). And to complete the acreage, placing benches and trash receptacles in isolated areas throughout the community to encourage use of the sidewalks and paths adjacent to the street network. There is also an existing 1.0-acre public park directly across from our Northern Boulevard entrance, which residents will use to meet the park requirements.

Urban Design

The urban design element of the Comprehensive Plan seeks to ensure that development follows basic design standards that support community identity and create a sense of place. The Master Plan furthers the following urban design goals of the Comprehensive Plan:

GOAL UD-1:	**Create focused growth areas where existing public infrastructure can support higher density development.**
GOAL UD 2:	**Create traditional neighborhood patterns that support a sense of place.**
GOAL UD 3:	**Create street patterns with development that fosters human interaction.**
GOAL UD-7:	**Create subdivision linkages to open space recreational facilities.**
POLICY UD-1:	**Identify specific areas within the city where growth should be focused.**
POLICY UD 2:	**Provide development incentives for developments that create a sense of place, foster human interaction, and discourage crime.**

Design features in future residential subdivisions will establish a community identity to foster human interaction that effectively integrates the larger regional landscape. There are three subdivisions that offer a wide range of housing types for a diverse number of families.

Economic Development

The City of Rio Rancho has sought to diversify its economy and attract business activities and working opportunities by increasing the number of households. In addition, the City has sought to increase the amount of local retail and educational opportunities within Rio Rancho, as well as increase the local population to expand the overall tax base.

GOAL EDP-3:	**Enhance the tax base.**
POLICY EDP-6:	**Continue to support Southern Sandoval County Arroyo and Flood Control Authority (SSCAFCA) and ensure the City and SSCAFCA have a collaborative relationship to ensure both entities' needs are met.**
POLICY EDP-8:	**Work with Sandoval County to enhance its website with land ownership data consistent with Bernalillo County's system.**

Development of the Master Plan Area will expand the City's tax base through both increased property taxes, and by supporting population growth with higher density housing options.

04
Proposed Land Use & Density

Medium Density Residential

This district permits a moderate density of population in which the principal use is single-family attached or detached townhome or patio home dwelling units or for small-scale multi-family units.

R-3: Townhouses, Multi-Family Residential District

Min. Lot Size: 1,200 SF (Townhouses) to 10,000 SF (Apartments), High Density: 12 DU/A

R-3: Single-Family **Min. Lot Size:** 3,000 SF, 7 DU/A

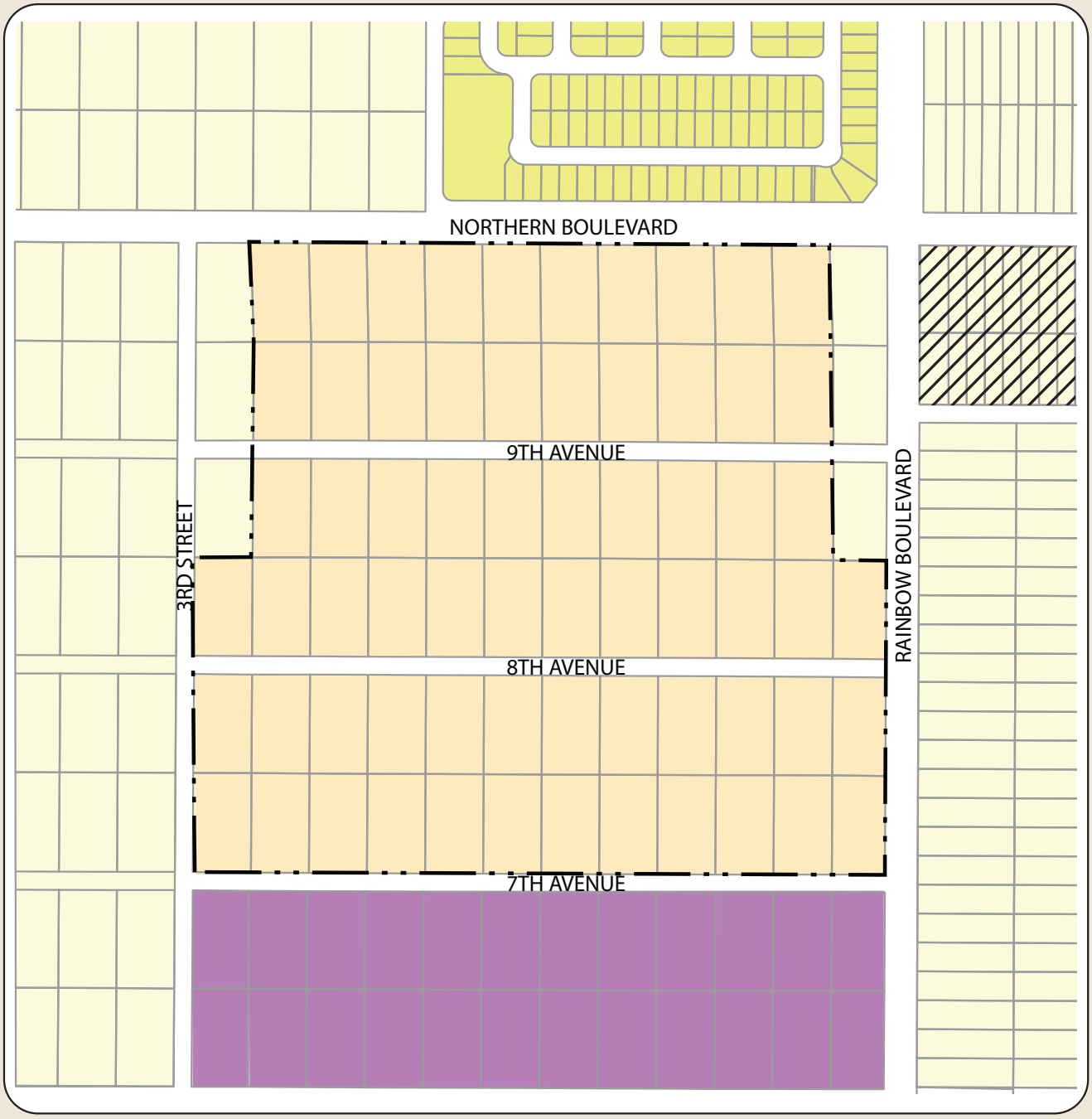
Parks: Permissive Use

Drainage: Permissive Use

Land Use Category	Area (ac.)	Proposed Zoning	Dwelling Units	Population
Medium Density Residential	66.25	R-3	350	991
Park	2.9			
Drainage	5.5 acre/feet			

Rio Ranch's Community Development Department and the Planning and Zoning Board require a certain amount of land to be dedicated and developed as usable park / common areas. The requirement is three (3) acres per 1,000 persons. Each single-family dwelling unit is assumed to have 2.83 persons related to the park development requirement. This master plan proposes 350 single-family detached homes. Therefore, the master plan must provide 2.97 acres of park area. This master plan proposes providing that acreage in five ways.

In addition, Staff has indicated that since the developer is building the on-site parks, that the required park acreage can be reduced by 10% for a requirement of 2.7 acres. These consist of two typical pocket park areas in the heart of the community, each containing a shade structure, turf area, seating, pedestrian paths, trees, and plantings. A dog park and pedestrian trail are being proposed around the perimeter of the community drainage pond (fenced off). And to complete the acreage, we are placing benches and trash receptacles in isolated areas throughout the community to encourage use of the sidewalks and paths adjacent to the street network. There is also an existing 1.0-acre public park directly across from our Northern Boulevard entrance, which residents will use to meet the park requirements.



PROPOSED ZONING

- R-1
- R-2
- R-3
- M-1
- OZ Overlay Zone
- Master Plan Boundary

Figure 4.1: Proposed Zoning

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05

Proposed Design Standards

These design standards provide a framework to assist the architects, landscape architects, civil engineers, designers and home builders in understanding the vision and development goals for the Plan Area. Minor amendments to these standards may be approved administratively by the Development Services Department Director and major amendments shall be approved by the City of Rio Rancho Governing Body.

The Rancho Alegria Master Plan recognizes the importance of promoting a sense of cohesiveness within the entire community. The purpose of these design standards is to provide a flexible framework for community design that encourages innovative and creative solutions, rather than setting a rigid set of requirements. The standards will help implement the Urban Design provisions of the City of Rio Rancho's Integrated Comprehensive Plan. These standards are a generalized guide for end users that will develop within the Rancho Alegria Master Plan area.

Architecture and Site Design

The architectural and site design standards are intended to demonstrate a high quality aesthetic character and functionality throughout the property for residential, commercial, and employment center development. While all buildings will reflect these standards, it is not the intent of these designs to prohibit a certain amount of individual expression and creativity.

1. Safe, convenient, and pleasant pedestrian circulation may be accomplished with sidewalks, bike paths, special pavings, and shade.
2. All perimeter block walls facing public rights-of-way shall be designed to complement entry monument signs. Barbed wire, chain-link, concertina wire, and similar materials are prohibited. All wall surfaces shall be finished with stucco, colored split face block, or colored burnished block.
3. Sidewalks with a minimum width of 5 feet must be provided on both sides of every street. Separate pedestrian connections shall be provided to the perimeter streets where convenient street access is not available. All pedestrian paths within ROW shall be ADA compliant, and follow the Public Right-of-Way Accessibility Guidelines (PROWAG).
4. To the maximum extent feasible, private parks, public parks, and open space areas shall be designed to create an integrated system connected through trails and sidewalks, also serving as recreational amenities for the residents.
5. Freestanding neighborhood entry signage shall be monument style. If placed within a landscape setback at the neighborhood entry, the maximum height shall not exceed 8 feet for a single family development. Neighborhood entry signage may be wall-mounted as an alternative to freestanding. All neighborhood entries shall include the specific subdivision name.

Lighting

1. Lighting shall be installed according to the City of Rio Rancho's DPM.
2. All lighting shall be fully shielded and oriented so as to eliminate glare or light trespass onto adjacent roadways and properties. All lighting shall be in compliance with the State of New Mexico Night Sky Protection Act.
3. Lighting layout shall be coordinated with proposed landscaping and trees to maximize light distribution and avoid conflicts.

Off-Street Parking

The minimum number of off-street parking spaces shall be provided according to the design standard in the DPM and requirements per the Zoning Code.

- Off-street parking is prohibited in the front setback/landscape area. Off-street parking is permitted on the driveway within the front setback in front of the garage.

Utilities

All permanent utilities shall be located underground.

Single Family Residential

1. The front yard setback shall be a minimum of 15 feet, except for 20 feet for the garage. Minimum rear setback is 15 feet. Minimum side yard setback is 5 feet on both sides of the principal building, for a total separation of 10 feet between buildings. 10 feet on the side of corner lots.
2. Proposed driveway locations shall be consistent with curb cut requirements identified in City standards.
3. Lots that face the streets at the front and rear shall be limited to one driveway at the front facing street.
4. Front porches, entryways, and/or portals, if used, shall have a minimum 6 foot depth.
5. Stucco shall be the primary building material and shall be limited to shades of brown, tan, sage green, and sand. Bright colors as the dominant exterior color are prohibited.
6. Building heights shall not exceed 32-feet.
7. Exterior siding materials on homes shall be either stucco, brick or stone and shall be limited to earth-toned shades of brown or green.
8. Roofs may be flat, pitched, or a combination of both, and they shall be made of non-reflective materials.
9. Window frames can be wood, metal, or solid vinyl. All exterior doors shall be stained or painted to match the architectural theme of the main building.

The landscape at Rancho Alegria shall provide for the preservation and integration of native vegetation and materials creating a sense of place for a community located in the environment of central New Mexico. This objective provides habitat enhancement and strives to reduce the irrigation water requirements for plant material in parks, streetscape and open space areas. All design guidelines are subject to City of Rio Rancho Codes, ordinances and policies. The following are general guidelines for development of Rancho Alegria.

General guidelines for landscape design include:

1. All Disturbed areas will require native re-vegetation with native plant seeding procedures;

2. Exotic ornamental plants shall be prohibited except in predetermined areas such as backyards, courtyards, etc.;

3. Xeriscape landscapes shall be utilized for public rights-of-way and conservation areas; and

4. To the furthest extent possible, commercial and residential land uses shall be buffered by a landscape buffer from one another to minimize noise, views and traffic.

5. Landscape within all private common areas shall be maintained by the HOA.

Plant Material

1. Cool season turf grass shall not be used within the street R.O.W. or within the landscape area between the curb and sidewalk. There shall not be any non-recreational use turf areas greater than 100 square feet.
2. Street trees shall be planted within 10 feet of the back of curb. One shade tree should be planted every 30 feet.
3. All planting areas shall have decorative rock or organic mulch of aggregate, shredded bark, gravel mulch, or similar material which extends completely under the plant material.
4. Minimum plant sizes at time of installation shall be as follows:
    a. Trees 2.5" inch caliper, or 8-10 feet in height. The lowest branch of any tree along trails, sidewalks, and rights-of-way must have a clearance of 7 ft.
    b. Shrubs & Ground covers 1 gallon.
5. Clear sight triangles and plant material heights shall be maintained at all intersections.
6. A 15'-0' minimum landscape buffer shall separate adjacent commercial or industrial and residential land uses.

Irrigation Systems

1. A fully automated irrigation system, shall be provided for all landscaped areas. The system shall be designed to avoid over spraying walks, buildings, fences, etc.
2. Irrigation systems shall be designed with dedicated irrigation meters and comply with backflow prevention ordinances.

06

Transportation

Major Roadways

Circulation within the Master Plan area carefully considers the entire NRSAP and future proposed uses. The northern boundary of the area is Northern Boulevard, an existing Minor Arterial that runs east and west. To the east lies Rainbow Boulevard, which runs north and south and is proposed to be a Regional Principal Arterial as outlined by the Mid Regional Council of Government (MRCOG) Metropolitan Transportation Plan (MTP).

All roadways and access points will be designed in accordance with the City of Rio Rancho's requirements, including SAMM spacing standards, the Rio Rancho Development Process Manual (DPM), applicable city ordinances, and approval from the City Fire Marshal. All street connections will be paved and meet standard specifications. Sight distance and visibility requirements will be addressed at all intersection locations. If any aspects of the conceptual design do not meet these requirements, variance requests may be submitted for review and approval. A Traffic Impact Analysis (TIA) will be completed in conjuction with the future preliminary plats and the corridor anaylsis for final SAMM spacing.

The entrances for Rancho Alegria will be off of Rainbow Boulevard and Northern Boulevard. These entrances and intersections within the development shall comply with AASHTO sight distance standards.

The entrance from Northern Boulevard will line up with Camino Crossing, and an eastern entrance off of Rainbow Boulevard will be location a little north of the 7th Ave. These entrances will be connected via internal local streets designed to City standards. To avoid monotony in the design of blocks within the development, interior streets will have curves and public spaces throughout

The City of Rio Rancho has identified Northern Blvd as a Principal Arterial and Rainbow Blvd as a Minor Arterial. Northern Blvd and Rainbow Blvd are both currently a 100 foot right-of-way. Any turn lanes or other modifications will be provided if deemed necessary by the traffic impact analysis approved by the City.

Sidewalks and multi-use trails will be provided per City of Rio Rancho standards.

All existing rights-of-way within Rancho Alegria are proposed to be vacated in conjunction with a bulk plat. The total area vacated by the development will be 4.4 acres. Ultimately, a total of 15.7 acres of public rights of way within Rancho Alegria will be dedicated to the City of Rio Rancho.

As previously mentioned, Rancho Alegria will consist of a maximum of 350 single-family detached homes. The following table is the trip generation for land use within the development.

Figure 6.1: Single Family Detached Housing					
Dwelling Units 350	24 HR	A.M. Peak Hour		P.M. Peak Hour	
	Volume	Enter	Exit	Enter	Exit
	3,382	70	192	214	126

Landscape Buffer

The Rancho Alegria residential planning area borders the Rainbow Business Park, necessitating a buffer to separate residential and non-residential uses. Responsibility for creating this buffer lies with the Rainbow Business Park property owners. Development within the Rainbow Business Park, south of 7th Street, has additional buffering requirements in the adopted Specific Area Plan. Upon commencement of commercial or industrial development, projects will be required to implement a buffer that includes a 10-foot landscape area with large evergreens, a six-foot wall, and an additional 25-foot building setback.

See figures 6.2 and 6.3.

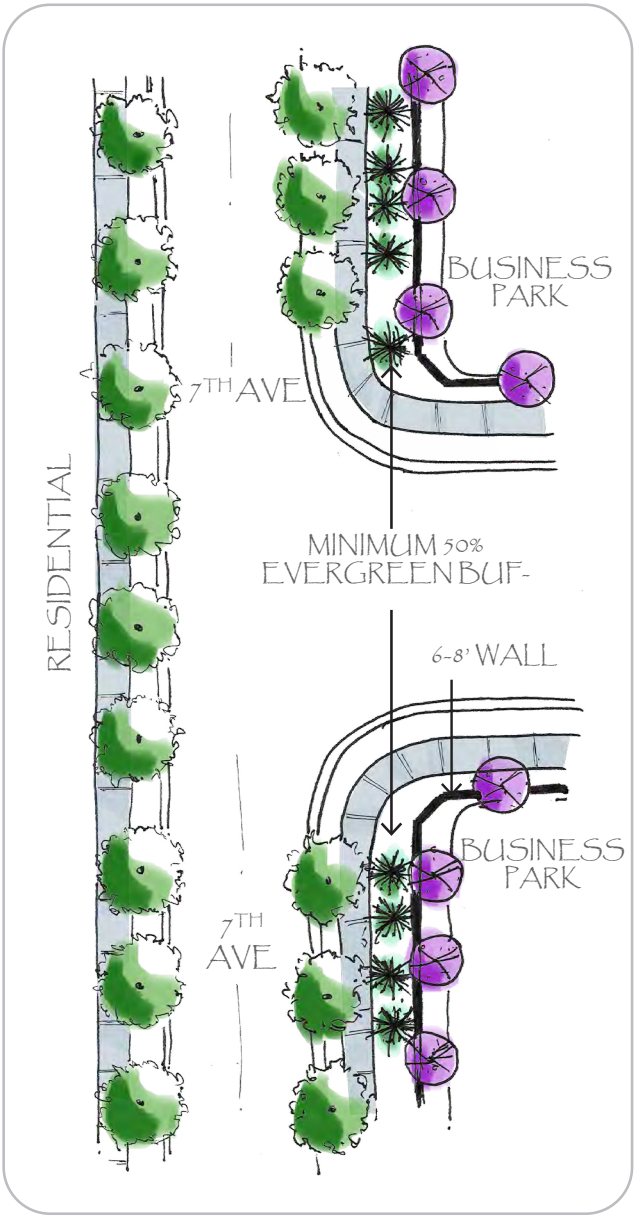


Figure 6.2 Landscape Buffer

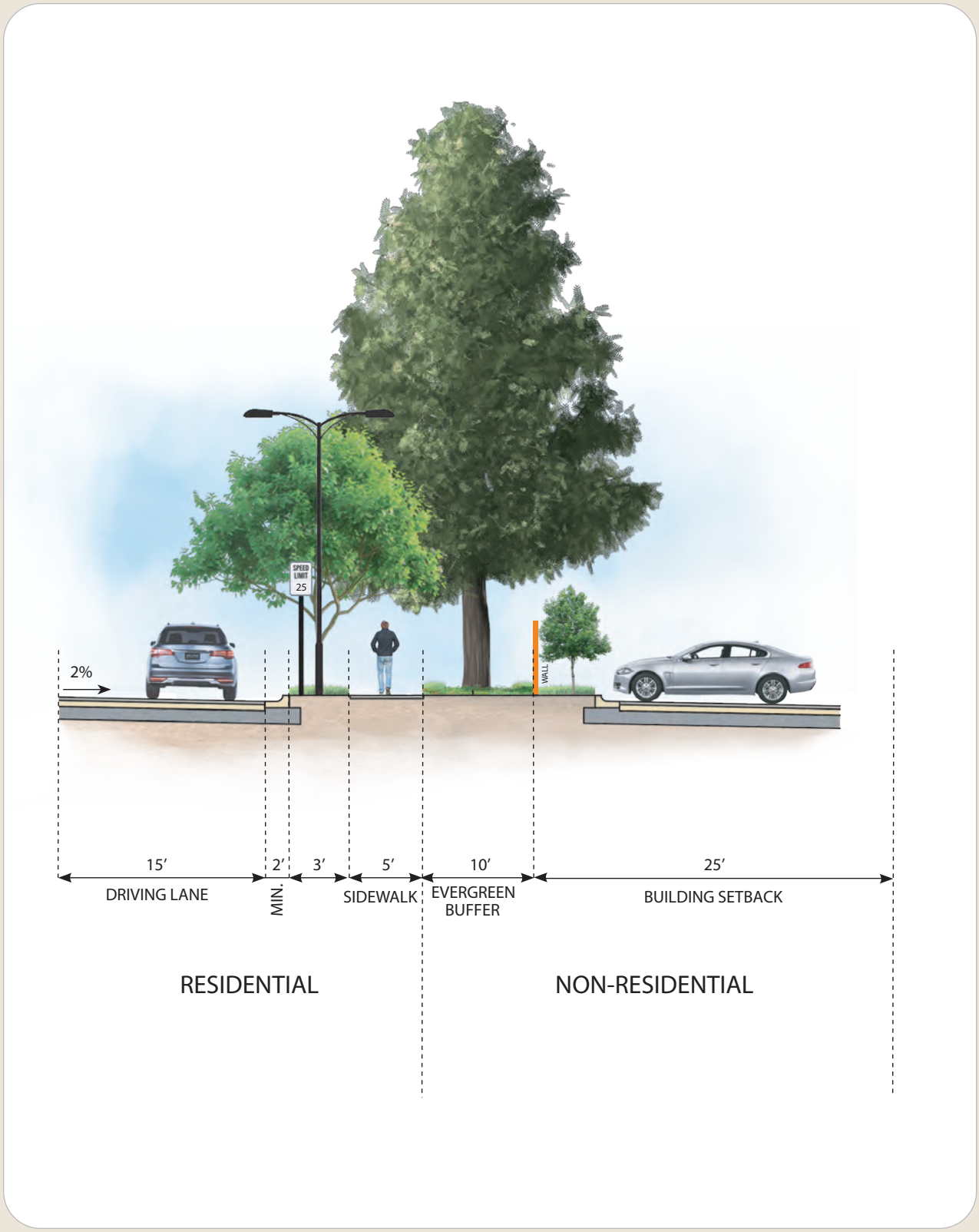


Figure 6.3 Landscape Buffer

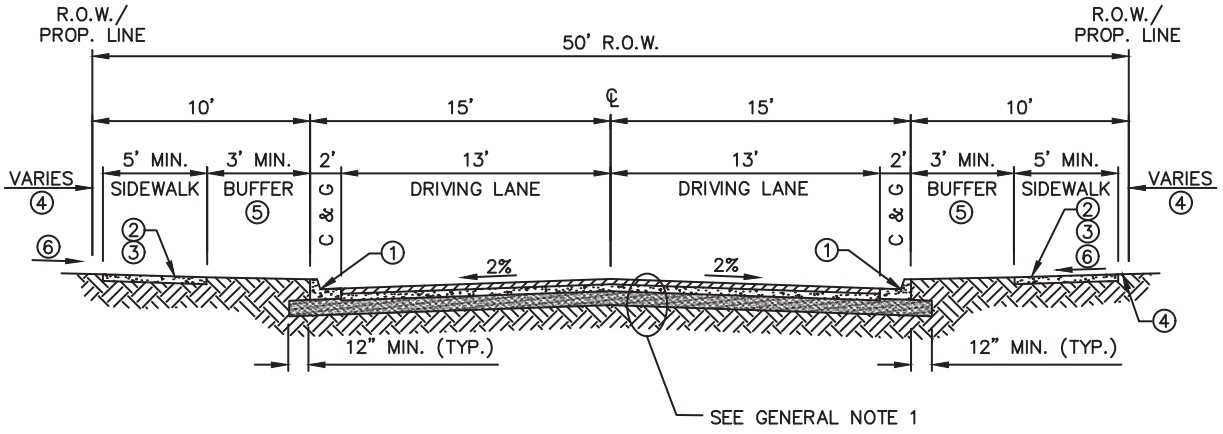
Street Design Guidelines

All City of Rio Rancho street design and right-of-way standards will be met. Access along the Rainbow Boulevard will require a different level of service through a wider Right-of-Way (ROW). Rainbow Boulevard is an existing 100 foot ROW that will expand to 156' of ROW through a 28 foot dedications on the east and west side to the City of Rio Rancho. The additional ROW dedication for the property adjcent to Rainbow Boulevard will occur at the time of subdivision platting. All other roadways in Rancho Alegria are 50 foot ROW.

Street System

9th and 8th Avenues will be reconfigured internally to the subdivision. The Plan area street system includes local and principal arterial streets:

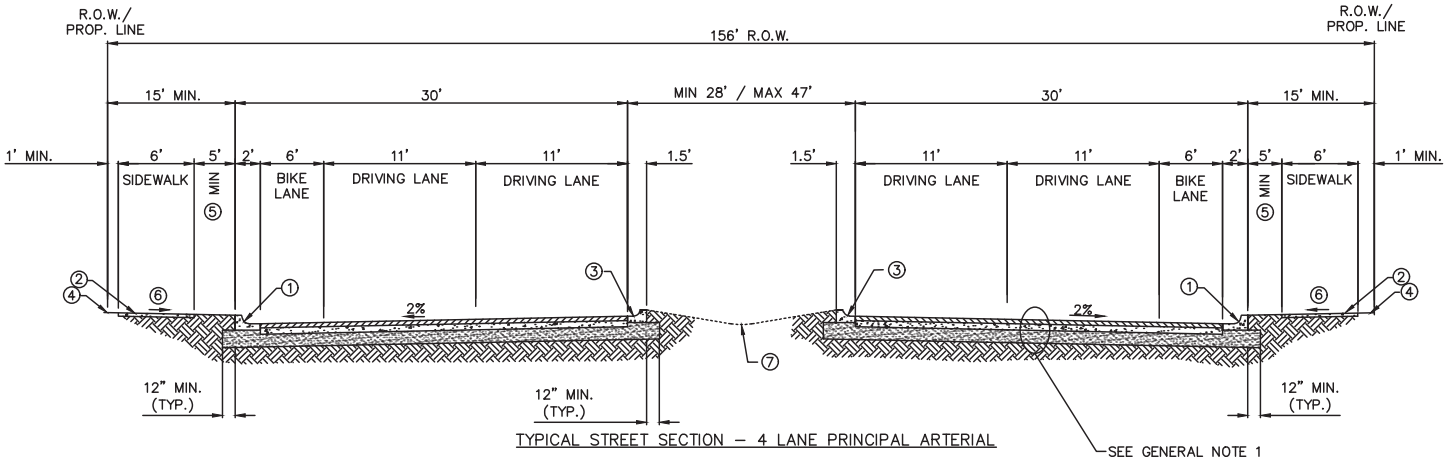
- Local Streets (50 feet wide, 2 lanes, 15 feet wide travel lanes)
- A street which is primarily for access to abutting properties and carries low volume traffic. Accessibility to homes and business is more important than mobility. Speed limits are set low, below what the roadway geometry allows, usually 25 MPH, with traffic volumes less than 1,000 VPD.



TYPICAL STREET SECTION – RESIDENTIAL STREET

NO ON-STREET PARKING PERMITTED. MASTER PLAN
APPROVAL REQUIRED FOR ON-STREET PARKING ALLOWANCE

- Arterial Streets (Principal arterials - 156 feet wide, 4 lanes)
- A street designed and used primarily for serving large volumes of traffic and to provide cross-city travel. Mobility takes precedence over accessibility. Speed limits should be 35 to 45 miles per hour (MPH) with volumes of approximately 7,000 vehicles per day (VPD) per lane. Four lane arterials with a median are common with a capacity of 28,000 vehicles per day. Access is controlled via signalized intersections and raised medians.



Rainbow Boulevard will be expanded to 156' ROW with two travel lanes and a water harvesting median dependent upon TIA. In the interim, Rainbow Boulevard will have single travel lanes separated with a center left turning lane.

Trails and Bike Paths

A bike lane is planned, for the future, along Northern Boulevard from Unser Boulevard to Hondo Road, and along Rainbow Boulevard in its entirety. Rainbow Blvd. and Northern Blvd. are both identified as bicycle routes on the City's and MRCOG's bike and trails map.

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Conceptual Drainage & Utilities

The intent of the conceptual grading plan for Rancho Alegria is to provide the initial framework for a drainage solution. The plan will consider existing conditions within the watershed and adhere to the existing conditions discharge rates. The Rancho Alegria Master Plan will fall within the jurisdiction of the City of Rio Rancho and the Southern Sandoval County Arroyo Flood Control Authority (SSCAFCA). A full drainage report will be completed with the first construction plan set.

Plan Area Description

The Rancho Alegria Master Plan consists of approximately 70 Acres. The Rancho Alegria Master plan will have a maximum of 350 lots at an overall approximate density of 5 dwelling units/acre.

Existing Conditions

The existing drainage basins will be analyzed using land treatments as defined in the City of Rio Rancho Development Manual. The existing basins consist of 76.4 Acres.

All the existing basins generally drain east to west. Two existing dirt roads, 8th Avenue and 9th Avenue, both oriented east-west, function as ridges, separating the site into three distinct basins. All three basins drain into an existing dirt road, 3rd Street and ultimately to the existing drainage easement located south and west of the 3rd and 7th intersection.

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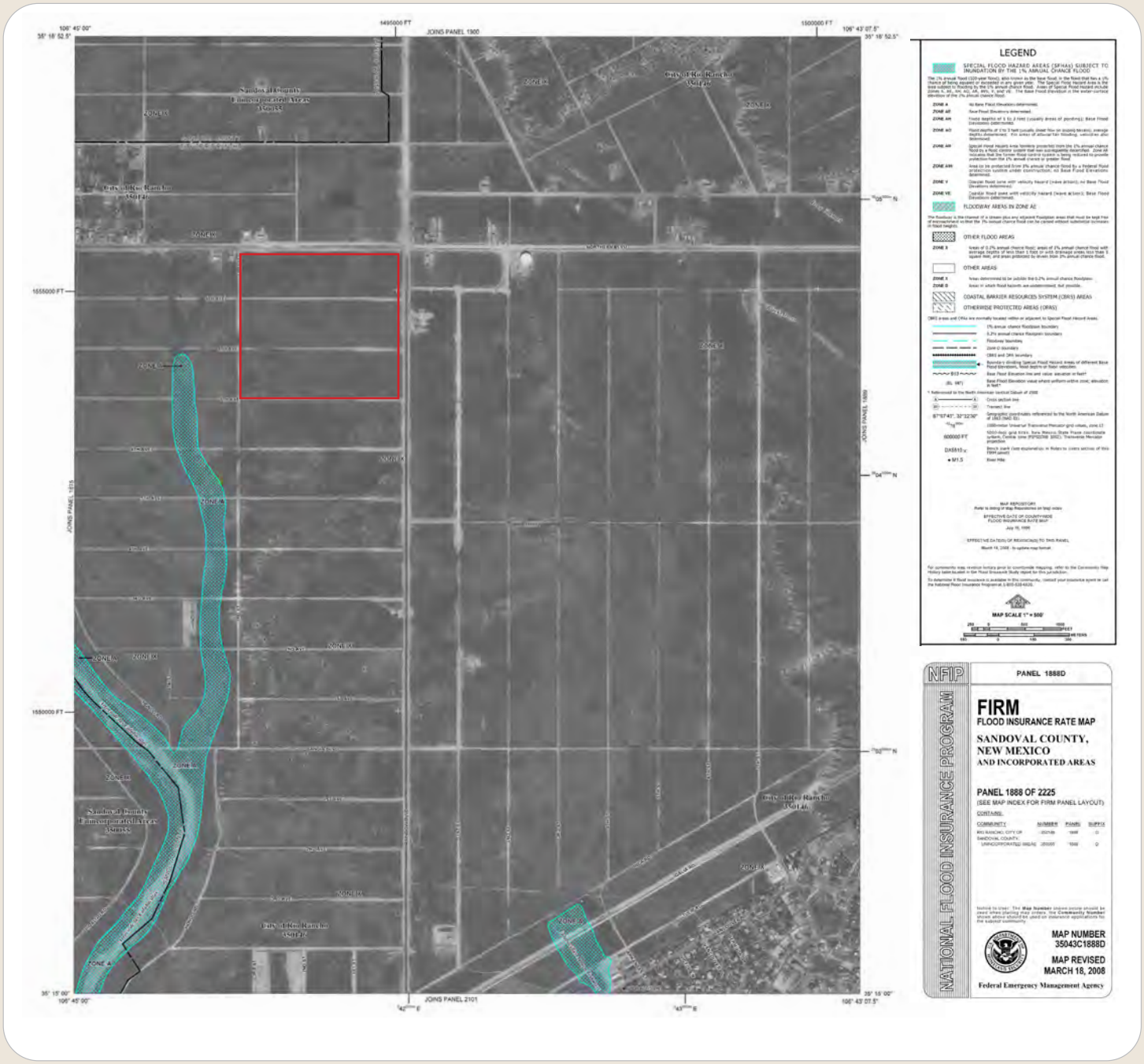
Flood Zone

Per FEMA FIRM Panel 35043C1888D dated March 18, 2008, the Rancho Alegria Master Plan does not fall within a designated flood plain. Refer to FIRM Panel included at the end of this section.



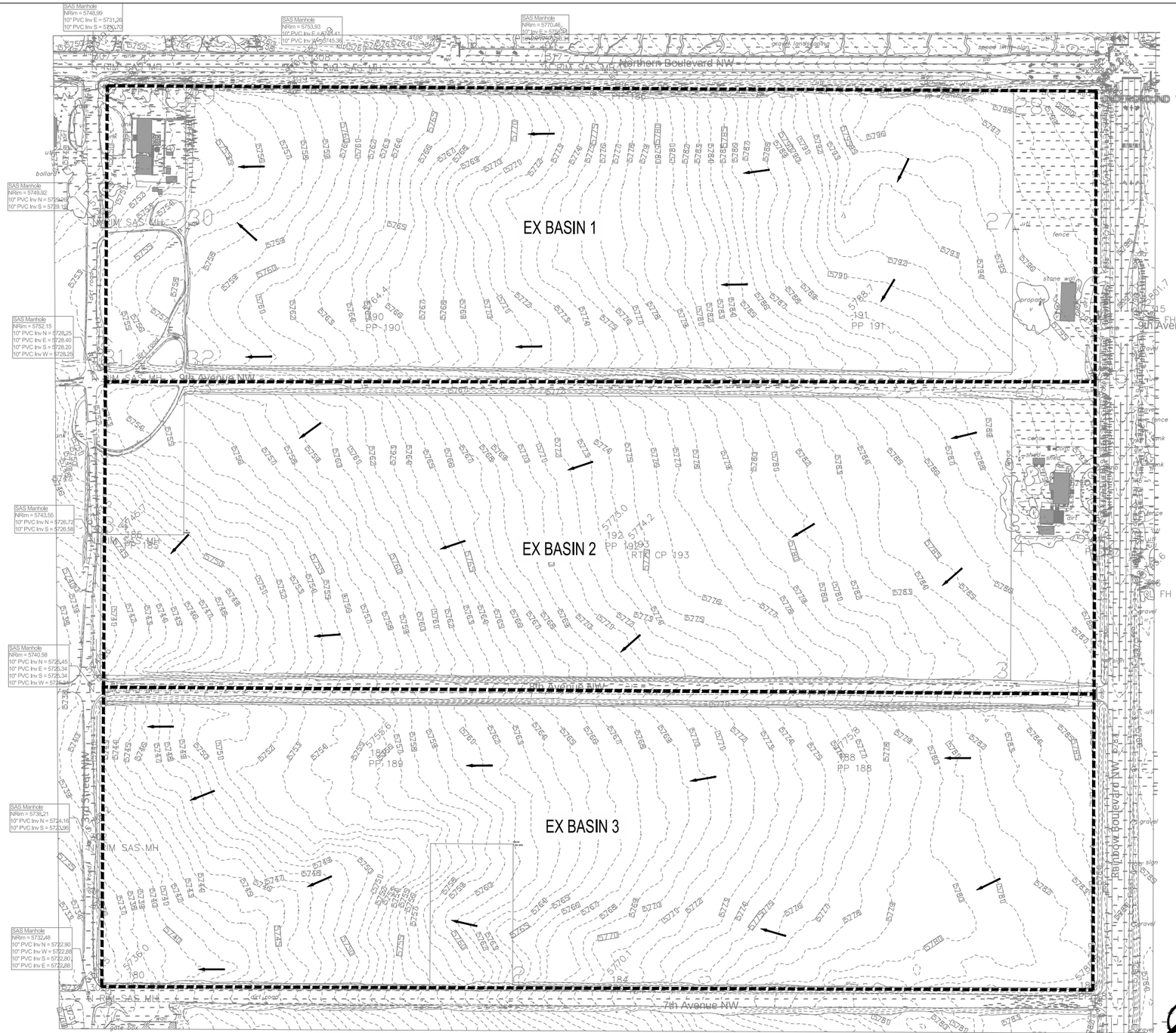
Developed Conditions

The land treatments for the developed conditions of the Rancho Alegria Master Plan will be determined using the methodology required by the City of Rio Rancho Development Process Manual for a Single-Family Residential Subdivision. Using that methodology, the %D land treatment for the site comes out to 46.4%. The remaining land will be split between Treatments B and C.

The Rancho Alegria Subdivision will take the entirety of the subdivision's proposed basin drainage to a detention pond at the Southwest corner of the site. The pond will be sized to detain the difference in runoff between the Existing Conditions and Proposed Conditions, which is approximately 5.5 ac-ft. Additionally, the pond will have a restricted discharge rate that is not to exceed the flowrate determined in the Existing Conditions. The allowable discharge will be conveyed via storm drain pipe downstream.

A drainage report will need to be prepared as part of the preliminary plat submittal of the Rancho Alegria Subdivision. The report will outline specifics pertaining to the internal storm drain system and inlet locations, as well as the ponding requirements.

See enclosed Existing and Proposed Conditions Basin Maps for historic and proposed discharge rates.



VICINITY MAP
NOT TO SCALE

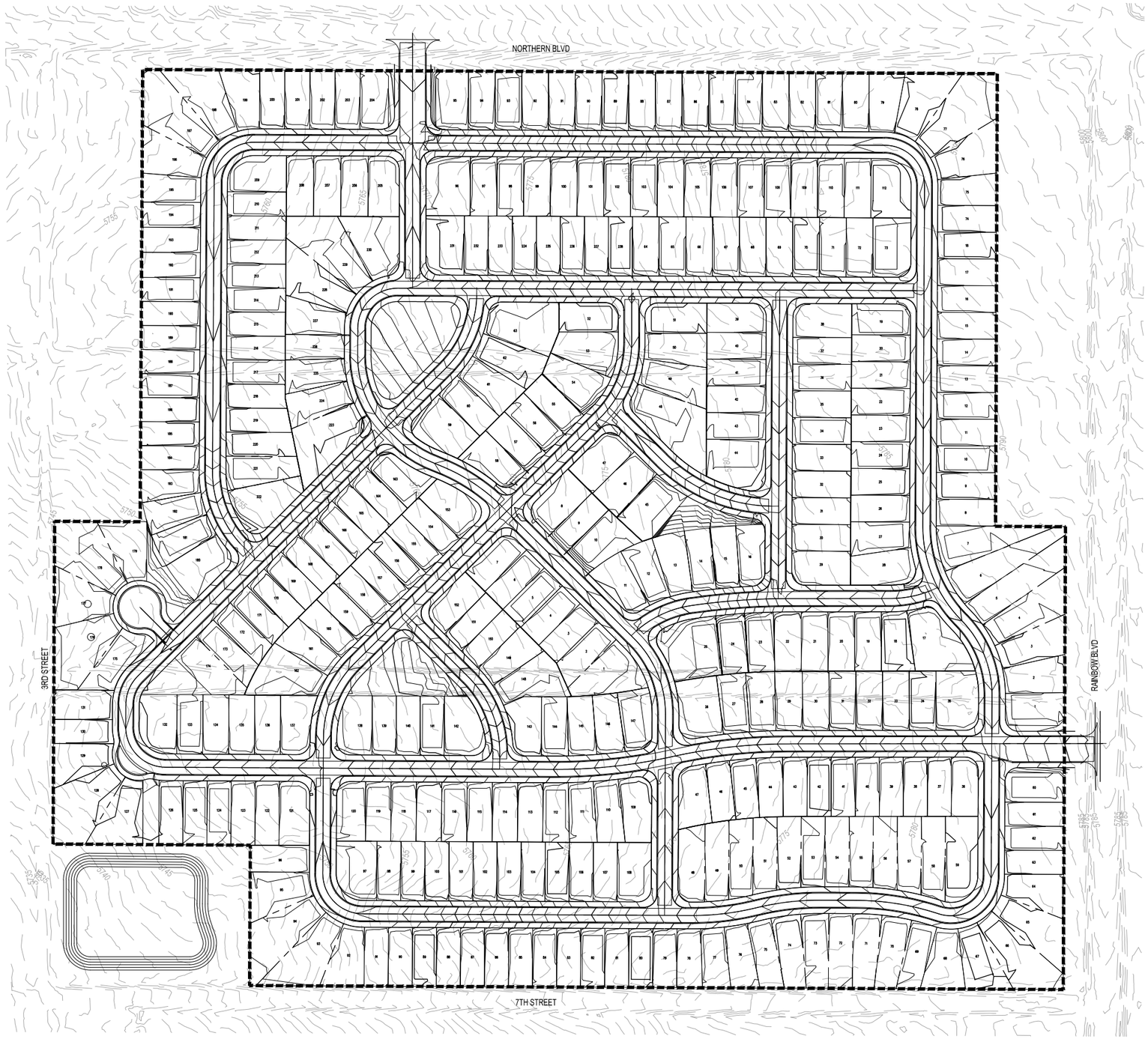
EXISTING CONDITIONS

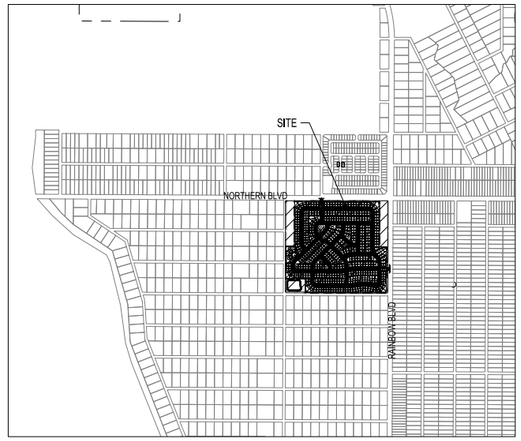
BASIN I.D.	AREA (AC)	% LAND TREATMENT A	B	C	D	DISCHARGE (CFS) 10 YR	100YR
Onsite							
EX-B1	24.903	95.9%	0.0%	3.5%	0.6%	**6.86**	**31.30**
EX-B2	26.228	87.4%	0.3%	12.0%	0.4%	**9.57**	**36.20**
EX-B3	25.307	94.7%	0.0%	5.3%	0.0%	**7.13**	**32.07**
TOTAL	**76.438**	-	-	-	-	**23.57**	**99.57**

EXISTING DRAINAGE PLAN

RANCHO ALEGRIA

DRAWN BY:	DATE:	
DC	11/24/2025	
CHECKED BY:	BHI PROJECT NO.	SHEET NO.
YPM	20250043	1 OF 1





VICINITY MAP
NOT TO SCALE

ULTIMATE CONDITIONS

BASIN I.D.	AREA (AC)	UNITS #	% LAND TREATMENT A	B	C	D	DISCHARGE (CFS) 10 YR	100YR
U1	76.44	350	0.0%	26.8%	26.8%	46.36%	**132.04**	**238.82**
TOTAL	**76.44**	**350.00**					**132.04**	**238.82**

N

100 50 0 100
1"=100'

PROPOSED DRAINAGE PLAN

RANCHO ALEGRIA

DRAWN BY:	DATE:	
DC	11/24/2025	
CHECKED BY: YPM	BHI PROJECT NO. 20250043	SHEET NO. 1 OF 1

Bohannan Huston
www.bhinc.com 800.877.5332

d: \Docs\255-1377.pm, Plotted by: PPADILLA
w:\active\projects\2025\043\CIVIL\Reconnect\Exhibits\20250043_Conceptual Drainage Plan - Proposed Conditions.dwg

Utilities

The Rancho Alegria Master Plan is in an area being serviced by the City of Rio Rancho Utilities Department. The closest development, Camino Crossing, is located north at the northwest corner of Northern Boulevard and Rainbow Boulevard. There is a 10", 16" and 24" waterline located within Northern Boulevard and an 8" waterline within Rainbow Boulevard that are proposed to service Rancho Alegria. Compliance with the Design Process Manual (DPM) is required. Water and Sewer availability is dependent on Water/Wastewater Availability statement from the Utilities Division.

Domestic Water

Water service will be provided from the water mains within Northern Boulevard and Rainbow Boulevard. There is an existing 8" stub from the 8" line in Rainbow Boulevard to at the existing fire hydrant just north of 8th Ave. An 8" connection is proposed to the waterline in Northern to create a looped system. An 8" waterline is proposed to be installed throughout all internal residential roadways, with a 6" fire line to fire hydrants spaced in accordance with the City of Rio Rancho DPM standards. All new homes will have service connections per the City of Rio Rancho standards. See Utility Layout Plan on the following page for line locations and sizes.

Sanitary Sewer

Sewer service will be provided through an 8" line within the right-of-way of the internal subdivision roadways. The sewer outfall for the subdivision will continue west, through a new easement located south of the cul-de-sac, to connect to the existing 10" sanitary sewer in 3rd Street. All new homes will have service connections per the City of Rio Rancho standards. See Utility Layout Plan on the following page for line locations and sizes.

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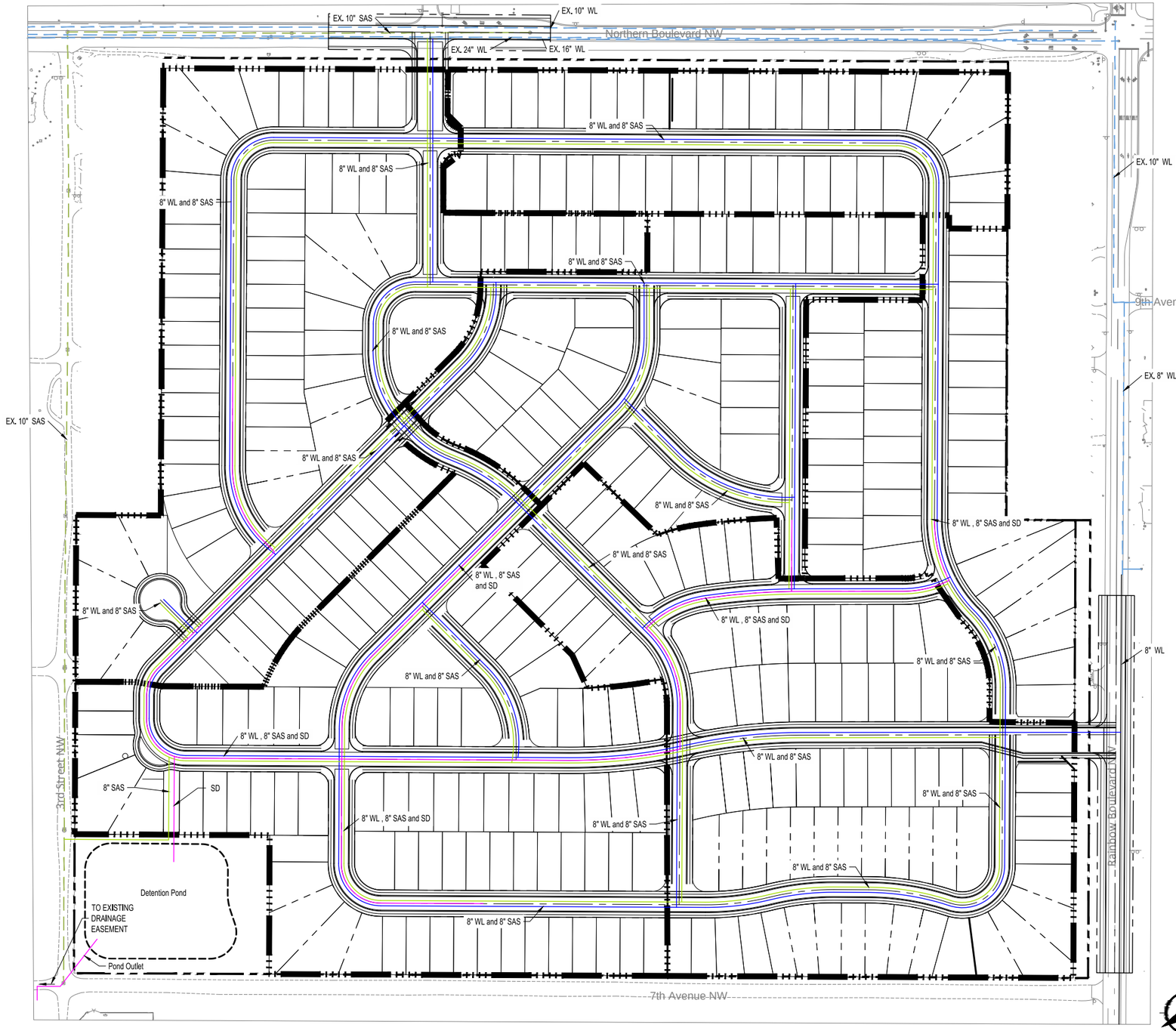

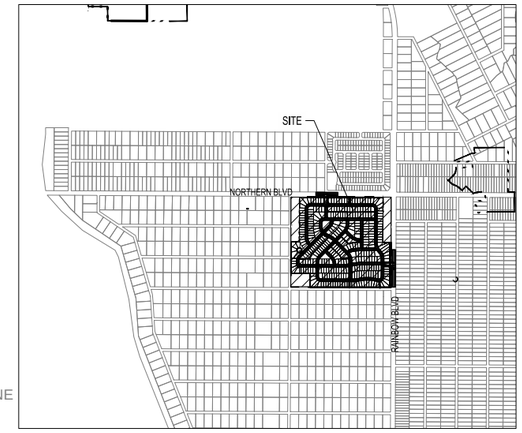

VICINITY MAP
NOT TO SCALE

N

100 50 0 100
1"=100'

CONCEPTUAL UTILITY PLAN

RANCHO ALEGRIA

DRAWN BY:	DATE:	
DC	11/24/2025	
CHECKED BY:	BHI PROJECT NO.	SHEET NO.
YPM	20250043	1 OF 1

Bohannan Huston
www.bhinc.com 800.877.5332

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Community Facilities & Services

Educational Facilities

Northern and Rainbow will be served by schools closest to the plan area. Existing schools include Colinas del Norte Elementary School and Puesta del Sol Elementary School, Eagle Ridge Middle School and Lincoln Middle School, and Rio Rancho High School.

Community Centers

There are no existing or planned community centers in Northern and Rainbow or the immediate area. The nearest city facility is the Rainbow Park and Pool. The City's Parks and Recreation Master Plan identifies a future senior center location at Rainbow Blvd.

Public Safety

Station 2 (North Hills Station) on Cherry Road is the closest fire station to the plan area. There are no existing or planned police substations in Northern and Rainbow. However the City's Comprehensive Plan discussed adding two police substations to the northern and southern portions of the city over time. Two separate access roads for the Rio Rancho Fire and Rescue Department will be required after the 30th home is developed. Fire Hydrants shall be placed no more than 500 ft driving distance apart from one another.

Other Public Facilities & Services

The following list of public facilities is intended to provide guidance for future projects within the area if deemed appropriate by the City. This list does not require the developer to provide these services.

- **Libraries** - Should be located near regional activity centers within Northern and Rainbow.
- **Cemeteries** - None are planned or designated.
- **Solid Waste** - Waste Management, Inc. is the primary refuse collector for the entire city. This along with waste handling systems for internal collection such as refuse, recycling, composting, external collection equipment, transportation and disposal will handle Northern and Rainbows' solid waste.
- **Recycling** - Utilization of existing and private recycling programs within the City of Rio Rancho will allow for a variety of programs to be implemented within Northern and Rainbow.

Loma Colorado Library, Rio Rancho

Trails

Future trails and bikeways will provide access to other recreational facilities in accordance with the City Comprehensive Plan, the City's Bicycle and Pedestrian Transportation Master Plan, and MRMPO Metropolitan Transportation Plan. The are existing paved trails and bicycle lanes in the area. However, the majority of trails and bicycle lanes are only proposed at this time. The closed proposed paved trail and bike lanes will occur on Northern Boulevard. Traveling south of the planning area offers more opportunities with the proposed bicycle trail on Tulip Road and connection to the existing paved trail on Southern Boulevard.

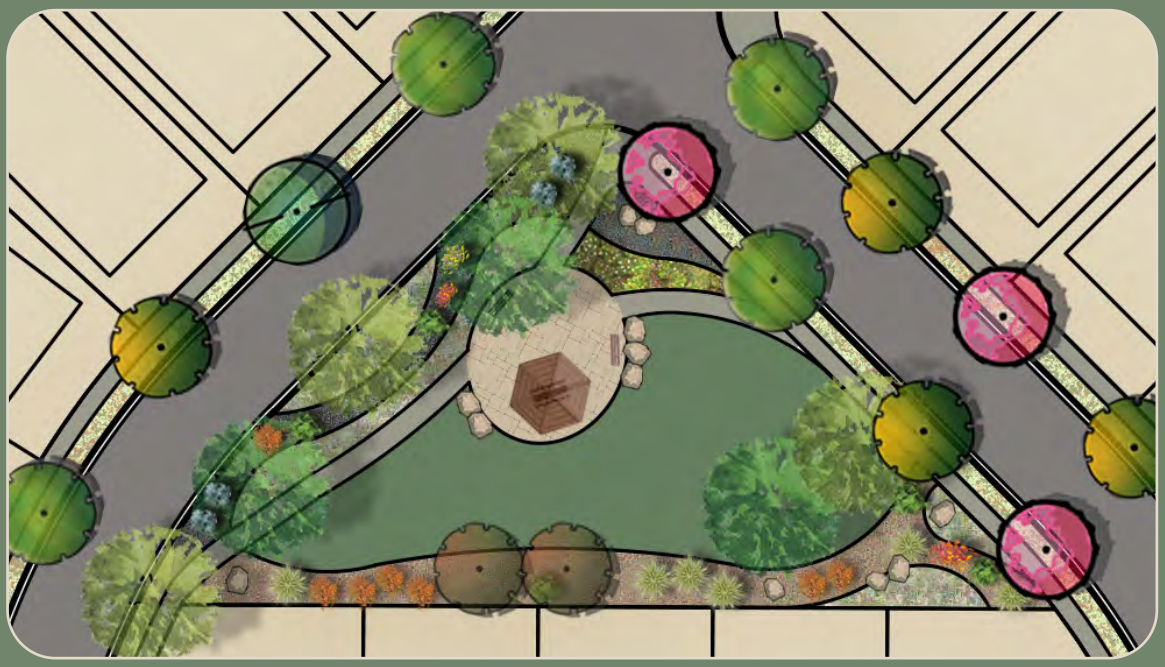
Park Concept A - 0.75 Acres

Parks and Open Space

The Master Plan identifies 2.9 acres of HOA-owned and maintained parks in the planning area. All of these parks, community gathering spaces, dog park, and walking paths meet the City's park requirements. All acreages shown are conceptual and shall be refined and finalized with each phase's subdivision plat. Park improvements will be constructed with each phase of the community.

There is one larger private pocket park closer to Northern Boulevard, which will serve as an entrance feature to the subdivision. This park space includes various amenities designed for pedestrian circulation that ultimately connect the regional trails. Amenities include traditional children's playground features and elements, such as a water harvesting garden, corn hole, and a cook-off pavilion. The second park, located closer to the southern planning area and accessed from Rainbow Boulevard, continues the pedestrian-oriented design featuring multi-age oriented amenities. Amenities include a turf area for soccer and frisbee, a croquet station, a walking path, and shaded areas. The planning area also includes a dog park with a "dogipot" pet station and a walking path

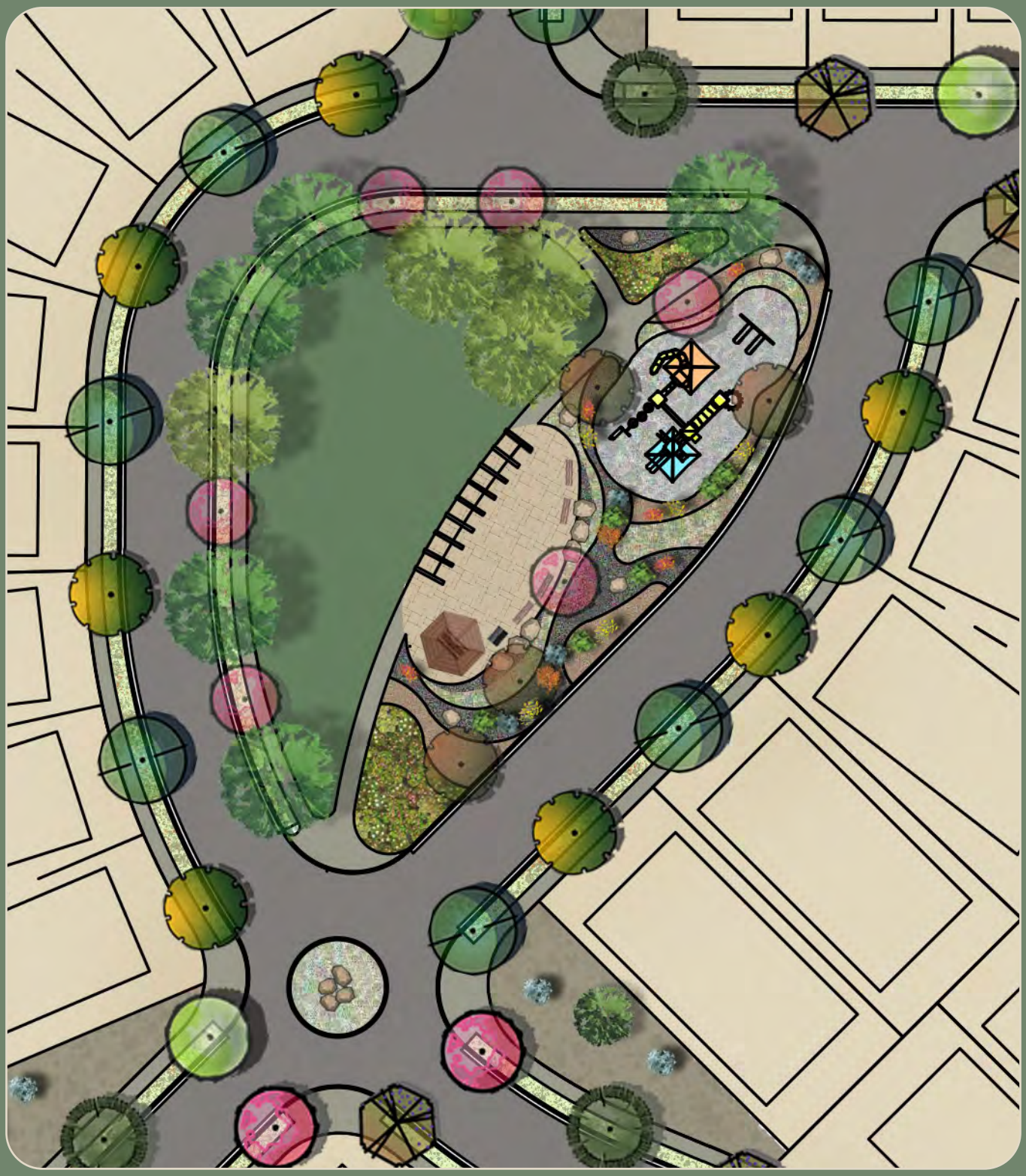
Park Concept B – 0.36 Acres



around the drainage pond (See Illustrative Plan). There are also two mini parks/ gathering spaces that provide a resting area, refuge with benches, and a trash receptacle. Camino Crossing is an adjacent subdivision that provides an existing 1-acre park with recreational amenities and pedestrian connections that is within easy walking distance to Rancho Alegria.

planting plan samples – TBD

Rancho Alegria
Park Concept C - 0.56 Acres



Northern Boulevard

3rd Street

Rainbow Boulevard

Rancho Alegria Illustrative Plan

R-3 Zoning

350 Units

5 HOA Pocket Parks

- Park A – 0.75 Acres
- Park B – 0.36 Acres
- Park C – 0.14 Acres
- Park D – 0.14 Acres
- Park E – 0.56 Acres

4 Roundabouts

2 Entrance Monuments

Detention Pond 5.5 ac-ft.

Entryway with Median

Monument at each entryway

Rancho Alegria Phasing Plan

Phase 1A - 79 units

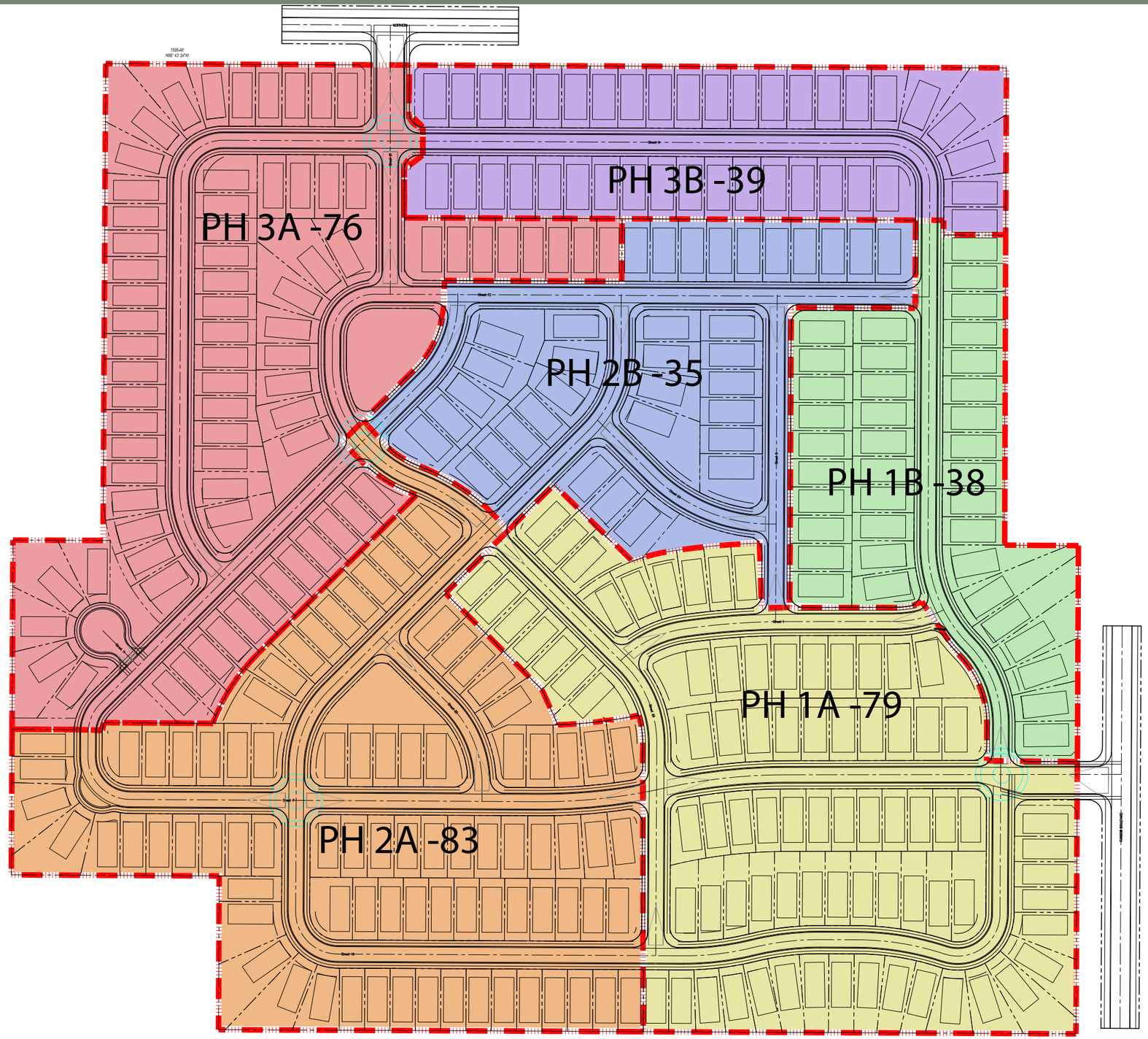
Phase 1B - 38 units

Phase 2A - 83 units

Phase 2B - 35 units

Phase 3A - 76 units

Phase 3B - 39 units



09

Phasing & Implementation

The Rancho Alegria Master Plan will be implemented through adoption by the Rio Rancho Governing Body and a zone map amendment to update the proposed zoning. Construction will proceed in six phases, organized into three primary stages, with two builders offering different housing types and price points. Major infrastructure, drainage, and transportation improvements will be constructed during each phase. To address outdated platting, the developer will replat the area into smaller lots that align with the land use plan. Pulte Homes and Westway Homes will initiate phase one with an entrance from Rainbow Boulevard. The second primary stage, encompassing phases three and four, will introduce the first dedicated park. The third primary stage, including phases five and six, will complete the Master Plan with a second dedicated park and a secondary entrance from Northern Boulevard. Any design standards will be incorporated into future CC&Rs and enforced by a new Homeowner's Association (HOA).

Phase	Pulte Homes	Westway Homes	Park
Phase 1A	79	-	0.75 acres
Phase 1B	-	38	0.36 acres
Phase 2A	83	-	0.14 acres
Phase 2B	-	35	0.14 acres
Phase 3A	76	-	0.56 acres
Phase 3B		39	-

DEVELOPMENT SERVICES DEPARTMENT— TRANSMITTAL AND REVIEW SHEET

DATE: April 15, 2025

TO:
(X) Development Services –David Serrano, Amy Rincon, Patrick Kingsbury, Jesse Gilliam
(X) Fire and Rescue – Brian Johnson, Alex Bartra
(X) Police – Lt. Scott Pope
(X) SSCAFCA – Andy Edmondson, Sara Rassa
(X) Parks and Recreation - Dyane Sonier
(X) Rio Rancho Public Schools – Michael Baker
(X) MRCOG – Aaron Hill

FROM: **Development Services Department, Planning & Zoning Division**

RE: Master Plan /Zone Map Amendment
DSD #25-400-00006, 25-100-00017 (Rancho Alegria)

The applicants, Pulte Homes, Crazy 8's, and JLAD, LLC, through their agent, Consensus Planning, request approval of a Master Plan for the lots legally described as U8, Blk 53, Lots 1-24; Blk 49, Lots 2-11, and 14-23; and Blk 50, Lots 2-24. The applicant concurrently requests approval of a zone map amendment, to rezone the properties from M-1: Industrial and Business Park and R-1: Single-Family Residential, to R-4: Single-Family Residential. The properties total 66.25 acres. ***Note that this is the second submittal of the plan, in response to the first round of staff comments.

Please review and provide recommendations, comments or corrections on this form and return via hand delivery, fax or e-mail by **Friday, April 24, 2026**. If redline comments are made on the application, please also provide me with a copy. Please contact Liz Ruiz Carlos at 505-896-8785 or e-mail lruizcarlos@rrnm.gov if you have any questions or would like to review a hard copy at my office.

This item has been reviewed and is hereby:
(●) RECOMMENDED FOR APPROVAL
(_) RETURNED FOR REVISIONS RESUBMITTAL REQUIRED
(_) RETURNED WITH COMMENTS RESUBMITTAL NOT REQUIRED

2021 IFC shall be referenced for Fire and Life Safety Code. Appendix D shall be referenced for Fire Apparatus Access Roads. A Fire hydrant shall be no more than 500 ft driving distance from the building. A Fire 1 Plan shall be submitted to the Fire Marshals Office for Review and Approval prior to the full plan set submittal

Comments provided by FMO Captain Alejandro Bartra

Alejandro Bartra — Reviewer
04/16/26 — Date

DEVELOPMENT SERVICES DEPARTMENT— TRANSMITTAL AND REVIEW SHEET

DATE: April 15, 2025

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(X) Development Services –David Serrano, Amy Rincon, Patrick Kingsbury, Jesse Gilliam
(X) Fire and Rescue – Brian Johnson, Alex Bartra
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This item has been reviewed and is hereby:
(X) RECOMMENDED FOR APPROVAL
(_) RETURNED FOR REVISIONS RESUBMITTAL REQUIRED
(_) RETURNED WITH COMMENTS RESUBMITTAL NOT REQUIRED

No comments on the zone map amendment. Master Plan – recommended approval with the following conditions/understanding:
1. The 0.36 and 0.56 acre pocket parks (parks B and E), IF developed as shown with playground, picnic/shade and grass play areas meet the recreational "value" and requirements of a park and have capacity to meet the recreational needs of this development. They are located within safe, easy access to the residents of this community. Parks C and D will also have recreational elements such as benches and trash cans. It is important that these pocket parks serve the neighborhood, as the referenced public park (Camino Crossing Park) that is across Northern Blvd. is not currently safely accessible to pedestrians from this development as there is no crosswalk or lighted intersection to ensure safe crossing of the street.
2. Park A is indicated as being part of the development's detention pond. To clarify, it appears that ONLY 0.75 acres of the area also designated as a pond tract – will be considered as park land, not the pond itself. The Master Plan shows that a walking path around the pond and fenced dog park with dog waste receptacle will be added to ensure recreational value, but residents will not be directly interacting with the pond slope and basin (important as various standards do not allow for ponds to be used as functional park land), therefore for safety and park improvement criteria, PRCS assumes that any constructed path would be at the top of the slope of the pond. It should be noted that dog facilities are not located inside or next to a ponding feature due to possible introduction of dog feces into ponded or overflow water and distribution of enteric bacteria. Providing a regularly stocked (bags) and maintained (emptied) dog waste station can somewhat minimize impacts.
3. It must be noted that the main pedestrian routes through "parks" must be ADA compliant, and that access to the main park features must meet these criteria (should be sidewalk meeting the stable surfacing, cross slopes and run slopes required for ADA compliance). For natural path routes, material such as a stabilized crusher fine may meet these requirements. If benches or picnic tables are provided, a percentage must meet ADA requirements such as having backs and arms (benches) and be wheelchair accessible (table/s). Any playground installations must meet national and industry standards for installation and safety such as having an independent playground audit. All private park plans will be permitted (in whole, not just the shade structures) and will be reviewed for ADA and safety compliance.

Dyane N. Sonier — Reviewer
04/24/2026 — Date

The City of Rio Rancho

Development Services
Planning Division
3200 Civic Center Circle NE
Rio Rancho, NM 87144
Phone (505) 891-5005 ● Fax (505) 896-8994

May 8, 2026

RE: **Zone Map Amendment/Master Plan**
Case No. #25-100-00017/#25-400-00006
Rancho Alegria

Dear Property Owner:

You are receiving this notice because your property abuts a site where a land development decision is required by the Planning and Zoning Board.

The applicant, Pulte Homes, through their agent, Consensus Planning, requests approval of a Master Plan for the lots legally described as U8, Blk 53, Lots 1-24; Blk 49, Lots 2-11, and 14-23; and Blk 50, Lots 2-24. The applicant concurrently requests approval of a Zone Map Amendment, to rezone the properties from M-1: Industrial and Business Park and R-1: Single-Family Residential, to R-3: Mixed Residential. The properties total 66.25 acres.

The **Planning and Zoning Board** will consider the request on **Tuesday, May 26, 2026** at 6:00 pm in the **Council Chambers** and **Virtually** as a hybrid meeting, through the **Zoom link and number below.**

***Note that these items were postponed from the May 12, 2026 meeting.

On the back of this letter is a location map of the project, with the subject property identified.

If you would like to comment on this application, you are encouraged to send in comments in writing, which will be presented to the Planning and Zoning Board. This Planning and Zoning Board meeting will be hybrid with options to participate virtually or in person. The City highly encourages citizens to watch the meeting live on the City's website www.rrnm.gov or on Sparklight cable channel 56.

For the **Planning and Zoning Board meeting**, to participate virtually: Join via computer:
https://us06web.zoom.us/j/85180741871?pwd=T3BlSHVpWkp6d3dDRmlHd3k2VzYvUT09
Meeting ID: 851 8074 1871 Passcode: **026819** Join via phone: 1-253-215-8782 US

Please do not hesitate to contact me via e-mail me at lruizcarlos@rrnm.gov or call me at 505-896-8785, if you have any questions concerning this matter. The agenda for this hearing and related staff reports will be posted on the City's website, www.rrnm.gov, the Friday before the hearing.

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact the City Clerk, 505-891-5004, as soon as possible prior to the meeting. Please contact the City Clerk if a summary or other type of accessible format is needed.

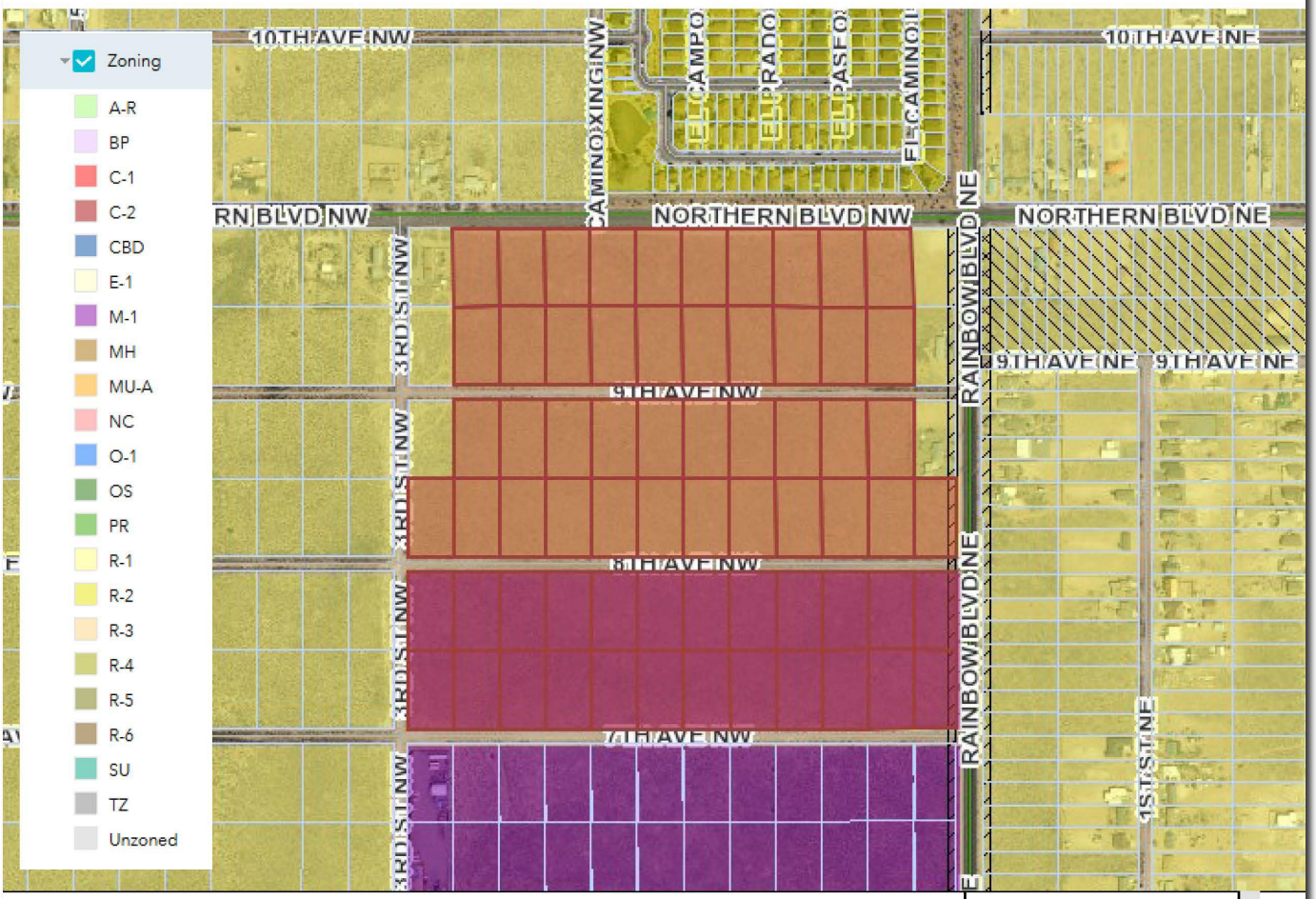
Respectfully,

Liz Ruiz Carlos
Municipal Planner II
Development Services Department
City of Rio Rancho

The City of Rio Rancho

Development Services
Planning Division
3200 Civic Center Circle NE
Rio Rancho, NM 87144
Phone (505) 891-5005 ● Fax (505) 896-8994

RANCHO ALEGRIA (MASTER PLAN) & ZONE MAP AMENDMENT: M-1 AND R-1 TO R-3: MIXED RESIDENTIAL



GIS Moving Spatial Data Forward

Subject Property

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DISCLAIMER: All information on this map is provided "as is" without warranty or any representation of accuracy, timeliness or completeness. This map is not a survey and should be used for graphical purposes only.

Map courtesy of Liz Ruiz Carlos, 4/24/2026

CITY OF RIO RANCHO
PUBLIC HEARING NOTICE

The PLANNING and ZONING BOARD of the CITY of RIO RANCHO will consider the following matters at its regularly scheduled meeting at 6:00 p.m. on Tuesday, May 26, 2026:

Variance
Case #26-110-00010
The applicant, Stephen Meyers, requests approval of a Variance to the rear setback requirement at the property 7175 Wrangell Loop NE, legally described as Lomas Encantadas 4A, Block 4, Lot 19. This request will allow for an encroachment into the rear setback to allow for an existing 180 square foot gazebo. The subject property is zoned R-4: Single Family Residential and is approximately 0.1470 acre.

Zone Map Amendment
Case #26-100-00007
The applicant, J & W Investments, LLC, requests approval of a Zone Map Amendment for the property legally described as Unit 10, Block A, Lot 6. The property, which consists of approximately 0.28 acres, is physically located at 1050 Veranda Road SE and is currently zoned C-1: Retail Commercial. The applicant is requesting to change the zoning designation of the lot to C-2: Wholesale and Warehousing Commercial to match the existing zoning of the immediately adjacent parcel (Lot 7-A) which is under common ownership.

Variance
Case #26-110-00013
The applicant, Solano Builders & Construction, LLC, requests approval of a Variance for the property legally described as Unit 11, Block V, Lot 48 and addressed as 700 Northern Boulevard NE. The applicant requests a variance to the 60' lot width requirement for the R-1: Single-Family Residential zoning district to allow for development on the 50' wide lot. The property is zoned R-1: Single-Family Residential and consists of approximately 0.26 acres.

Variance
Case #26-110-00014
The Applicant, CLI Properties, LLC., through their agent, Solano Builders & Construction, LLC., requests approval of a Variance to allow for development of a single-family home on a substandard 50' width R-1: Single-Family lot at the subject property of Rio Rancho Estates Unit 11, Block V, Lot 49.

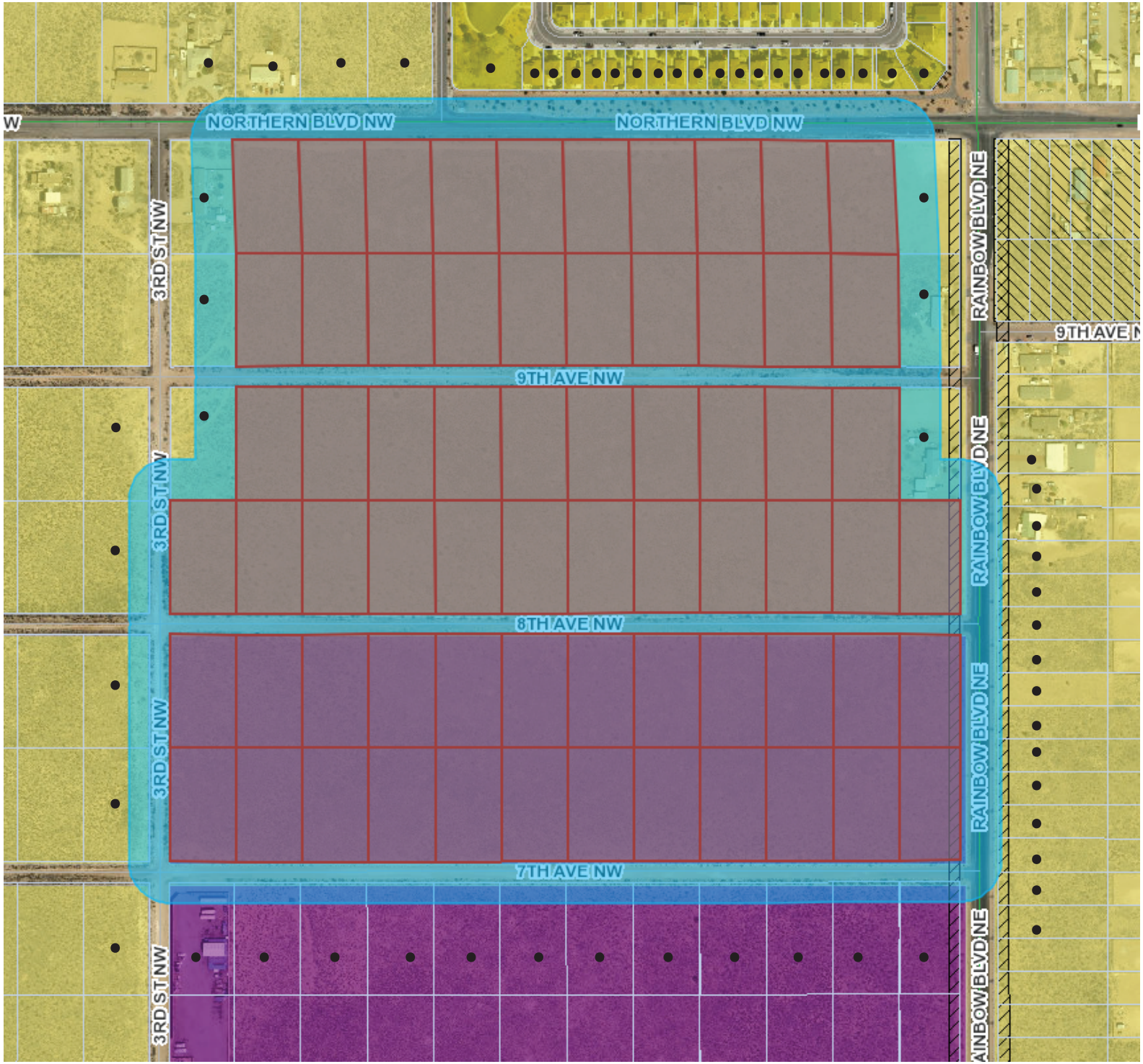
Zone Map Amendment
Case #25-100-00017
The applicant, Pulte Homes, through their agent, Consensus Planning, requests approval of a Zone Map Amendment to rezone the properties legally described as: Unit 8, Block 53, Lots 1-24; Block 49, Lots 2-11, and 14-23; and Block 50, Lots 2-24, from M-1: Industrial and Business Park and R-1: Single-Family Residential, to R-3: Mixed Residential.

Master Plan
Case #25-400-00006
The applicant, Pulte Homes, through their agent, Consensus Planning, requests approval of the Rancho Alegria Master Plan for the lots legally described as: Unit 8, Block 53, Lots 1-24; Block 49, Lots 2-11, and 14-23; and Block 50, Lots 2-24.

Zone Map Amendment
Case #26-100-00003
The applicant, Michael McDermott, requests approval of a Zone Map Amendment for the subject property legally described as LOMA, Tract P-1C-A, to amend the SU: Special Use zoning designation, to allow for Restaurants, Bars, Lounges, coffee/Tea Rooms, Delicatessens, and Patio/Al Fresco Dining Facilities. The property consists of 8.59 acres and is physically located at 801 Loma Colorado Blvd NE.

If you would like to comment on any of these applications, you are encouraged to submit a written comment to planning@rrnm.gov. Written comments will be inserted into the public record.

Journal: May 11, 2026



Notice Map: • - 100ft f/subject property, first class letter

The City of Rio Rancho

Development Services
Planning Division
3200 Civic Center Circle NE
Rio Rancho, NM 87144
Phone (505) 891-5005 ● Fax (505) 896-8994

May 27, 2026

RE: **Zone Map Amendment/Master Plan**
Case No. #25-100-00017/#25-400-00006
Rancho Alegria

Dear Property Owner:

You are receiving this notice because your property abuts a site where a land development decision is required by the Governing Body.

The applicant, Pulte Homes, through their agent, Consensus Planning, requests approval of a Master Plan for the lots legally described as U8, Blk 53, Lots 1-24; Blk 49, Lots 2-11, and 14-23; and Blk 50, Lots 2-24. The applicant concurrently requests approval of a Zone Map Amendment, to rezone the properties from M-1: Industrial and Business Park and R-1: Single-Family Residential, to R-3: Mixed Residential. The properties total 66.25 acres.

The **Governing Body** will consider the request on **Thursday, June 11, 2026** at 6:00 pm in the **Council Chambers** and **Virtually** as a hybrid meeting, through the **Zoom link and number below.**

On the back of this letter is a location map of the project, with the subject property identified.

If you would like to comment on this application, you are encouraged to send in comments in writing, which will be presented to the Governing Body. This Governing Body meeting will be hybrid with options to participate virtually or in person. The City highly encourages citizens to watch the meeting live on the City's website www.rrnm.gov or on Sparklight cable channel 56.

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https://us06web.zoom.us/j/85180741871?pwd=T3BlSHVpWkp6d3dDRmlHd3k2VzYvUT09
Meeting ID: 851 8074 1871 Passcode: **026819** Join via phone: 1-253-215-8782 US

Please do not hesitate to contact me via e-mail me at lruizcarlos@rrnm.gov or call me at 505-896-8785, if you have any questions concerning this matter. The agenda for this hearing and related staff reports will be posted on the City's website, www.rrnm.gov, the Friday before the hearing.

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Respectfully,

Liz Ruiz Carlos
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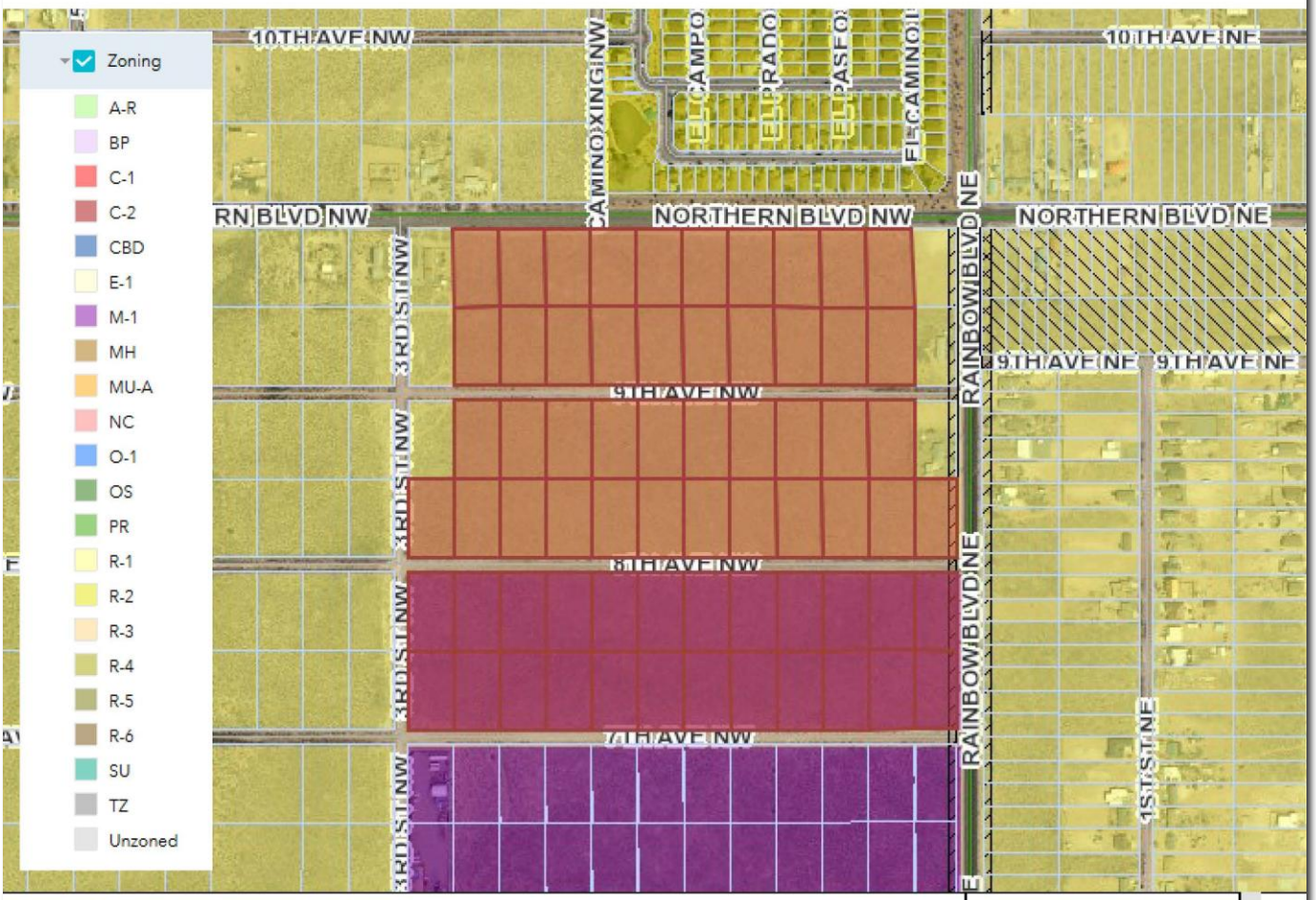
RANCHO ALEGRIA (MASTER PLAN) & ZONE MAP AMENDMENT: M-1 AND R-1 TO R-3: MIXED RESIDENTIAL



GIS Moving Spatial Data Forward

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Subject Property

DISCLAIMER: All information on this map is provided "as is" without warranty or any representation of accuracy, timeliness or completeness. This map is not a survey and should be used for graphical purposes only.

Map courtesy of Liz Ruiz Carlos, 4/24/2026

CITY OF RIO RANCHO
PUBLIC HEARING NOTICE

The GOVERNING BODY of the CITY of RIO RANCHO will consider the following matter at its regularly scheduled meeting at 6:00 p.m. on Thursday, June 11, 2026:

Zone Map Amendment
Case #25-100-00017

The applicant, Pulte Homes, through their agent, Consensus Planning, requests approval of a Zone Map Amendment to rezone the properties legally described as: Unit 8, Block 53, Lots 1-24; Block 49, Lots 2-11, and 14-23; and Block 50, Lots 2-24, from M-1: Industrial and Business Park and R-1: Single-Family Residential, to R-3: Mixed Residential.

Master Plan
Case #25-400-00006

The applicant, Pulte Homes, through their agent, Consensus Planning, requests approval of the Rancho Alegria Master Plan for the lots legally described as: Unit 8, Block 53, Lots 1-24; Block 49, Lots 2-11, and 14-23; and Block 50, Lots 2-24.

Zone Map Amendment
Case #26-100-00006

The applicant, Gospel Light Baptist Church of Rio Rancho, through their agent, Community Design Solutions, requests approval of a Zone Map Amendment for the property legally described as Unit 10, Block 33, Lot 98-A. The property, which consists of approximately 0.94 acres, is physically located at 1600 Southern Blvd SE and is currently zoned R-1: Single-Family Residential. The applicant is requesting to change the zoning designation of the lot to C-1: Retail Commercial to accommodate a proposed fitness center on the subject property.

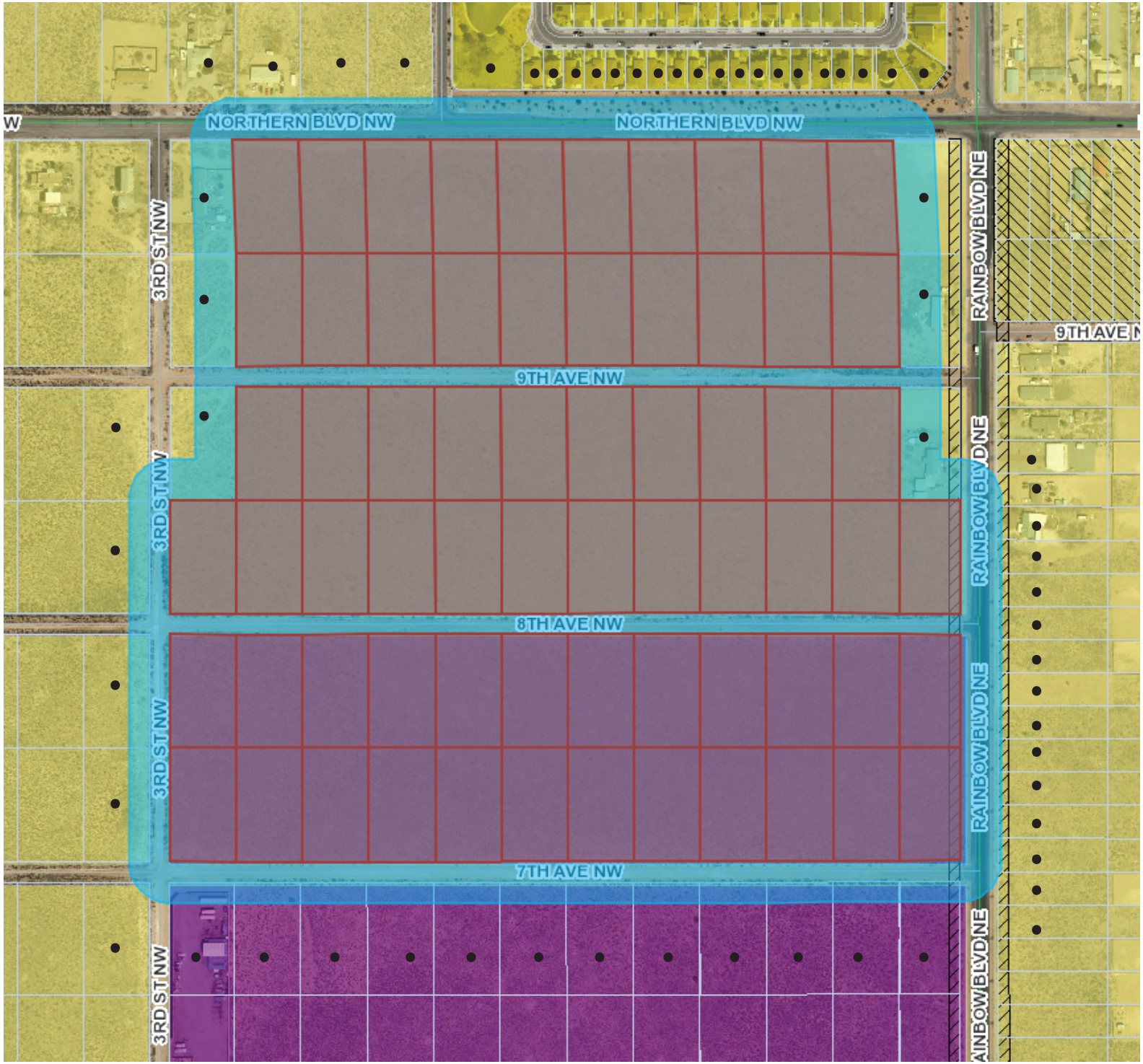
Zone Map Amendment
Case #26-100-00003

The applicant, Michael McDermott, requests approval of a Zone Map Amendment with accompanying site plan, for the subject property legally described as Loma Colorado, Tract P-1C-A, to amend the SU: Special Use zoning designation, to allow for Restaurants, Bars, Lounges, coffee/Tea Rooms, Delicatessens, and Patio/Al Fresco Dining Facilities. The property consists of 7.3264 acres and is physically located at 801 Loma Colorado Blvd NE.

The meeting is scheduled for 6 pm in the Council Chambers at City Hall, 3200 Civic Center Cir. NE, Rio Rancho, NM. The public is invited to attend in person or virtually at www.rrnm.gov. Materials related to this item are available for viewing in the Development Services Department at City Hall.

If you would like to comment on this application, you are encouraged to submit a written comment to planning@rrnm.gov. Written comments will be inserted into the public record.

Journal: May 27, 2026



Notice Map: • - 100ft f/subject property, first class letter

CITY OF RIO RANCHO
COVER PAGE

Legislation Item: O8

AGENDA DATE:
June 11, 2026

DEPARTMENT:
Development Services

SUBJECT:
O8, Ordinance of the City of Rio Rancho, New Mexico, Amending the Zoning Classification and Official Zoning Map for the Property Legally Described as Unit 8, Block 53, Lots 1-24, Block 49, Lots 2-11, 14-23 and Block 50, Lots 2-11, 9-11, and 13-24, From M-1: Industrial and Business Park and R-1: Single-Family Residential, to R-3: Mixed-Residential, Identifying Conditions of Development, Providing for Severability and an Effective Date

BACKGROUND AND ANALYSIS:
The applicant, Pulte Homes, through their agent, Consensus Planning, requests approval of a Zone Map Amendment to rezone the properties legally described as: Unit 8, Block 53, Lots 1-24; Block 49, Lots 2-11, and 14-23; and Block 50, Lots 2-24, from M-1: Industrial and Business Park and R-1: Single-Family Residential, to R-3: Mixed-Residential.

The properties total 66.25 acres and the area is bounded by Northern Blvd NW (a minor arterial) to the North, 3rd St NW (a residential road) to the West, 7th Ave NW (a residential road) to the South, and Rainbow Blvd. NE (a minor arterial road) to the east. The Northern Rainbow Specific Area Plan identifies the subject properties as "Medium Density Residential" with a suggested zoning of R-3: Mixed Residential.

The applicant is concurrently requesting approval of the adoption of the Rancho Alegria Master Plan, under case #25-400-00006.

The Planning and Zoning Board was slated to review this item at the May 26, 2026 Planning and Zoning Board Meeting, but the meeting was canceled due to a lack of quorum, and the items postponed to the following meeting. The Planning and Zoning Board will review this item at the June 9, 2026 Planning and Zoning Board meeting.

CONFORMANCE WITH THE CITY ZONING ORDINANCE:
City of Rio Rancho Code of Ordinances (R.O. 2003) Section 150.07 (A) requires that an applicant file a request for a zone map amendment through the City Planning & Zoning Board when a change in zoning designation is sought.

The Planning and Zoning Board will review on June 9, 2026. Criteria is satisfied.

Pursuant to the criteria provided by R.O. 2003 Section 150.07 (D) through (G), a request for change in zoning designation must address the following policies and criterion for a zone map change: (D) The following policies for deciding zone map change applications pursuant to the City zoning code are hereby adopted:

(1) A proposed zone change must be found to be consistent with the health, safety, morals, and general welfare of the City.

The applicant states: "The proposed Zone Map Amendment (ZMA) for the Rancho Alegria residential community is consistent with the health, safety, morals, and general welfare of the city. The proposed ZMA offers an opportunity to enhance the health and welfare of the City by establishing the development conditions necessary for constructing residential projects that will meet the needs of the Northern / Rainbow area and future Rancho Alegria residents. The amendment will complement the existing and surrounding developed residential areas by allowing a variety of housing options in what the Rio Rancho Comprehensive Plan defines as a development node, corridor, and gateway (Page V-11). As described in Section 1.3 Development Nodes, "The creation of development nodes where higher concentration of land uses exist in the form of commercial, multifamily and mixed-use developments helps to develop a sense of place," the proposed ZMA will further the general welfare of the City by providing high-quality homes and creating a sense of place for current and future residents within a developing neighborhood within Rio Rancho."

Staff recommends the Governing Body find that the proposed zoning is consistent with the health, safety, morals and general welfare of the City. The requested Zone Map Amendment would enable additional housing dwellings in the City of Rio Rancho, thereby providing residents with both increased, and varied housing options, in a growing area of the City; consistent with the morals and welfare of the City. The proposed zoning is being proposed along with the Rancho Alegria Master Plan, which would provide for an additional safe and healthy residential neighborhood in the City. Conforms.

(2) Stability of land use and zoning is desirable; therefore, the applicant must provide a sound justification for the change. The burden is on the applicant to show why the change should be made, not on the City to show why the change should be made.

The applicant states: "The request to rezone the site to R-3 is consistent with the NRSAP. Westway Homes has been assembling land to address the antiquated platting and checkerboard ownership, which have hitherto that presented a significant challenge for development. In addition, the subject properties have remained vacant for over 15 years under the existing R-1 and M-1 zoning. However, within the last few years, there has been a growing demand for additional mixed-density, mixed-income housing in Rio Rancho. Further, there has been less interest from homebuilders in large estate lots at lower densities, especially in areas that require substantial transportation and drainage improvements due to access and topography challenges. As a result, the subject parcels, with their larger lot and infrastructure requirements under the existing R-1 "low density residential" zoning, are likely to continue to remain undeveloped as large estate lots. The proposed R-3 zoning is better suited and provides a logical transition from R-1 with a medium lot size option for more productive use of currently vacant land. This transition ensures stability for non-contiguous lots that would remain R-1 as it provides a complementary transition in densities. Adequate consideration for buffering and traffic circulation has been given to the out parcel lots not owned by the applicant (see Master Plan). The zone change will create the opportunity for diverse housing product options tailored to current and future housing needs in the area."

Staff recommends the Governing Body find that the applicant has provided sound justification for stability of land use and zoning, as the request will enable stable and consistent residential zoning across the subject properties. The zoning change may enable further residential development in this area and will expand infrastructure that can serve future commercial development as well; given that the subject properties are within close proximity to intended future commercial development to the south (per the Northern and Rainbow Specific Area Plan).

Staff recommends the Governing Body find that the proposed zoning will still accomplish the

original intent of this area, as far as allowing for residential development, but may also potentially encourage future commercial growth to fulfill the needs of the surrounding community, contributing to a stability in land use. Conforms.

(3) A proposed change shall generally be consistent with adopted elements of the Comprehensive Plan or other City master plans and amendments thereto including privately developed area plans which have been adopted by the City.

The applicant states: "The proposed ZMA is consistent with and furthers several goals and policies of the City's Comprehensive Plan as identified in the Rio Rancho Comprehensive Plan Justification Criteria on page 5. The proposed ZMA is consistent with and furthers the NRSAP, a privately developed area plan, which has been adopted by the City. The Rancho Alegria Master Plan is within the NRSAP and identifies the NRSAP's proposed land uses, aligns development with the proposed land uses, and implements them through zone map amendments."

Staff recommends the Governing Body find that the zone change is consistent with adopted elements of the Comprehensive Plan. Staff recommends that the Governing Body find that the proposed zone change promotes and furthers goals and policies of the Population and Housing Element of the City Comprehensive Plan, as well as Goal PH-3: Promote a variety of housing types to meet the needs of all members of the community.

Staff recommends the Governing Body find that the zone change also meets the Goals and Objectives of the Northern and Rainbow Specific Area Plan and the now proposed Rancho Alegria Master Plan, in that it maintains the desired residential land-use for the subject properties.

Staff recommends the Governing Body find that conformance and consistency with the existing Master Plans and Area Plans for the subject properties is contingent upon approval of the concurrent Rancho Alegria Master Plan request (case #25-400-00006). Conforms.

(4) The applicant must demonstrate that the existing zoning is inappropriate because:
(a) There was an error, mistake or is necessary to correct an injustice that occurred when the existing zone map pattern was created, including the placement of an R-1 or transitional zone on an antiquated plat filed before the City's incorporation and adoption of its own zoning code or on land annexed by the City; or
(b) Changed neighborhood or community conditions justify the change; or
(c) A different use category is more advantageous to the community, as articulated in the Comprehensive Plan or other City master plan, even though (D)(1) or (2) does not apply. Applicant's reliance on this provision requires proof that (i) there is a public need for a change of the kind in question, and (ii) that need will be best served by changing the classification of the particular piece of property in question as compared with other available property.

In response to criteria C, the applicant states that: "Considering the current and future conditions of the site and community, a different zoning category is more advantageous (Criterion C). The subject properties have not developed under the existing R-1 zoning. They have remained vacant for over 15 years since the original Northern and Rainbow Specific Area Plan was adopted in 2009. The requested R-3 zoning is more advantageous to the community, as it responds to the City of Rio Rancho's goal to support the construction of a "variety of housing types that meet the needs of all members of the community" and policy to "encourage mixed-income housing opportunities in designated growth nodes throughout the city," of which Northern and Rainbow is a designated node. It is unlikely that the R-1 lots envisioned in the original Northern and Rainbow Specific Area Plan will develop in the near future due to current housing market trends towards smaller homes on smaller lots. According to the Rio Rancho's 2023 NM Affordable Housing Needs Assessment, adding to the supply of townhomes and smaller detached units in rapidly growing cities like Rio Rancho can create affordable options for first-time or lower-income home buyers. The development

of market-rate multi-family properties will also reduce rental market pressure for households at all income levels. The increasing demand for single-family homes, townhomes, smaller detached units, and multi-family units in Rio Rancho and the Greater Albuquerque Metro Region, coupled with a shortage of development-ready sites necessitates a need for the zone change. The subject site is well suited to support housing development at medium densities. The requested R-3 zoning for this property will better serve the needs of the community than the existing R-1 and M-1 zoning."

Staff recommends the Governing Body find that the proposed zoning is more advantageous for the community as it will bring the land use and zoning in-line with the Northern and Rainbow Specific Area Plan. It also serves as a natural transition from the R-4: Single-Family lots to the north (Camino Crossing Subdivision), into the intended future commercial development to the south (per the Northern and Rainbow Specific Area Plan).

Staff recommends the Governing Body find that the site has not developed under R-1 zoning is not sufficient justification for the request; however, the proposed zoning conforms to the use and zoning of the Northern Rainbow Specific Area Plan and the proposed zoning with accompanying Master Plan is more advantageous to the community. Conforms.

(E) The cost of land or other economic considerations pertaining to the applicant shall not be a determining factor for a change of zone.
The applicant states, "The cost of land or other economic considerations are not the determining factors for the applicant's request for a zone change. The request for a zone change aligns with implementation strategies for the Northern and Rainbow Specific Area Plan, Rancho Alegria Master Plan and is consistent with the goals of the City’s Comprehensive Plan and Affordable Housing Plan to provide mixed-income, mixed-density homes across the city."

Staff recommends the Governing Body find that the cost of land or other economic considerations pertaining to the applicant is not considered a determining factor in the change in zoning designation. Conforms.

(F) Location on a collector or major street is not in itself sufficient justification of apartment, office, or commercial zoning.

The applicant states, "The zone change is not being requested due to its location along a major street. The zone change is sought to implement the proposed land use of the Northern and Rainbow Specific Area Plan and the Rancho Alegria Master Plan. The requested zone map amendment is not for apartment, office, or commercial zoning."

Staff recommends the Governing Body find that the criterion is not applicable.

(G) A zone change request which would give a zone different from surrounding zoning to one small area, especially when only one premises is involved, is generally called a “spot zone.” Such a change of zone may be approved only when:
(1) The change will clearly facilitate realization of the comprehensive Plan and any applicable adopted sector development plan or area development plan; or
(2) The area of the proposed zone change is different form surrounding land because it could function as a transition between adjacent zones; because the site is not suitable for the uses allowed in any adjacent zone due to topography, traffic, or special adverse land uses nearby; or because the nature of structures already on the premises makes the site unsuitable for the uses allowed in any adjacent zone.
The applicant states, "A spot zone is not created on the subject properties since it applies to a large, contiguous area within the Northern and Rainbow Specific Area that prescribes such land uses and zoning. The area is master planned and will facilitate the realization of several goals and policies of the Comprehensive Plan."

Staff recommends the Governing Body find that the requested zone map amendment is not a spot zone, as the request will bring the land use and zoning in-line with the Northern and Rainbow Specific Area Plan. Additionally, while the proposed zoning is R-3: Mixed-Residential, the intent is for the subject properties to be developed with single-family homes; which aligns with the existing single-family subdivision to the north (Camino Crossing).

Staff recommends the Governing Body find that pending approval of the concurrent Master Plan request, the proposed Zone Map Amendment would facilitate realization of the Northern and Rainbow Specific Area Plan. Conforms.

SURROUNDING LAND USE/ZONING: The surrounding properties to the north are zoned R-1: Single-Family Residential and R-4: Single Family Residential (Camino Crossing Neighborhood); the properties to the west are also zoned R-1: Single-Family Residential; the properties to the South are zoned M-1: Industrial and Business Park; and the properties to the east are zoned R-1: Single-Family Residential. There are three residentially developed lots that abut the subject properties, as well as two industrially developed lots that abut the subject properties; these lots are all excluded from both the Zone Map Amendment and the Rancho Alegria Master Plan requests.

NOTIFICATIONS: Notifications were sent to affected property owners in conjunction with the Master Plan request, 15 days prior to the hearing date. A legal advertisement was placed in the May 27, 2026 edition of the Albuquerque Journal. All legal notification requirements have been met.

INTERDEPARTMENTAL/INTERAGENCY REVIEW:
See comments for Case #25-400-00006

IMPACT:

The Planning and Zoning Board will review this item at their June 9, 2026 meeting. Staff recommends the Governing Body adopt the Zoning Ordinance, subject to the following findings below:

GENERAL FINDINGS OF FACT:
1. The Governing Body has the authority to make a decision on the Applicant's request for a Zone Map Amendment.
2. The applicant has the authority to apply for a zone map amendment on the subject property.
3. The applicant and adjacent property owners received due process.

SPECIFIC FINDINGS OF FACT:
The applicant has submitted an application and narrative which demonstrates that the change in zoning designation meets the requirements of the Rio Rancho Code of Ordinances (R.O. 2003) §150.07(D) Amendments, including:

1. The proposed zone change would be consistent with the health, safety, morals, and general welfare of the City by furthering goals of the existing Northern and Rainbow Specific Area Plan, the proposed Rancho Alegria Master Plan, and the City's Comprehensive Plan.
2. The applicant has provided sound justification, in a narrative dated December 18, 2025, for the proposed zone change and that the Zone Map Amendment would provide for a more advantageous zoning designation.
3. The proposed Zone Map Amendment would be consistent with the intent of the adopted elements of the City's Comprehensive Plan and the Northern and Rainbow Specific Area Plan, and would be consistent with the proposed Rancho Alegria Master Plan.
4. The applicant has demonstrated that the proposed R-3: Mixed-Residential zoning designation would be a more advantageous zone for the subject properties, as it furthers goals of the Northern

and Rainbow Specific Area Plan, the proposed Rancho Alegria Master Plan, and of the City's Comprehensive Plan.
5. The requested zone map amendment would not create a "spot zone."

If the Board determines the proposed zone map amendment is not justified, the following findings are recommended for denial:

SPECIFIC FINDINGS OF FACT FOR DENIAL:
1. The proposed zone map amendment does not meet the requirements of Rio Rancho Code of Ordinances (R.O. 2003) §150.07(D) Amendments.

ALTERNATIVES:

The Governing Body may:
1. The Governing Body may approve the request.
2. The Governing Body may deny the request.
3. The Governing Body may modify the request and approve such modifications.
4. The Governing Body may postpone final action on the request and continue the public hearing to request additional information or consider testimony provided at the public hearing.

DEPARTMENT RECOMMENDATION:

The Planning and Zoning Board will review on June 9, 2026. Staff recommends the Governing Body adopt the Ordinance.

ATTACHMENT: Ordinance
ATTACHMENT: Application
ATTACHMENT: Justification Letter
ATTACHMENT: Zoning & Location Map
ATTACHMENT: Reproduction of Notices

CITY OF RIO RANCHO
ORDINANCE

ORDINANCE NO. **ENACTMENT NO.**

ORDINANCE OF THE CITY OF RIO RANCHO, NEW MEXICO AMENDING THE ZONING CLASSIFICATION AND OFFICIAL ZONING MAP FOR THE PROPERTY LEGALLY DESCRIBED AS UNIT 8, BLOCK 53, LOTS 1-24, BLOCK 49, LOTS 2-11, 14-23 AND BLOCK 50, LOTS 2-11, 9-11, AND 13-24, FROM M-1: INDUSTRIAL AND BUSINESS PARK AND R-1: SINGLE-FAMILY RESIDENTIAL, TO R-3: MIXED-RESIDENTIAL; PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE

WHEREAS: the Governing Body of the City of Rio Rancho has adopted zoning regulations and an official zone map in accordance with New Mexico Statutes Annotated 1978 (NMSA 1978) Chapter 3, Article 21; and

WHEREAS: in accordance with Rio Rancho Code of Ordinances (R.O. 2003) Section 150.07, an application to amend the zoning ordinance on the subject properties has been submitted by the City of Rio Rancho, and assigned City Case No. 25-100-00017; and

WHEREAS: the Governing Body of the City of Rio Rancho adopted the Northern/Rainbow Specific Area Plan on January 14, 2009, under Resolution No. 04, Enactment No. 09-004, and amended on November 13, 2025, under Resolution No. 133, Enactment No. 25-132; and

WHEREAS: the Governing Body of the City of Rio Rancho adopted the Rancho Alegria Master Plan on June 11, 2026 under Resolution No. __, Enactment No. 26-__; and

WHEREAS: the City of Rio Rancho Planning and Zoning Board held a duly noticed public hearing on June 9, 2026, regarding proposed changes to the Official Zoning Map and, following study and consideration, has made findings (where applicable) whether or not the criteria in R.O. 2003 Section 150.07 are satisfied, and made these recommendations to the Governing Body regarding adoption of the changes; and

WHEREAS: the Governing Body received a report from the Planning and Zoning Board, and such report indicates the Planning and Zoning Board has studied and considered the proposed changes pursuant to R.O. 2003 Section 150.07, and said report includes specific findings related to the affected property; and

WHEREAS: a public hearing occurred, in accordance with procedures set forth in R.O. 2003 Section 150.07, and NMSA 1978 Section 3-21-6, on the proposed zoning district and Official Zone Map changes hereinafter described were duly advertised and held by the Governing Body of Rio Rancho on June 11, 2026 and the Governing Body heard interested parties and citizens for an against the proposed amendments; and

WHEREAS: the proposed amendments to be adopted by this Ordinance comply with the statutory and regulatory requirements of the aforesaid Code of Ordinances and Statutes, and upon specific findings related to the subject property and determining the proposed amendment is consistent with the policies and criteria set forth in R.O. 2003 Section 150.07 (D) through (G), the Governing Body finds the amendments promote the health, safety, morals, and general welfare of the City;

NOW THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF RIO RANCHO:

Section 1. Rezoning of Property and Change in Land Use.

A. The Official Zone Ordinance is hereby amended by assigning a zoning designation on approximately 66.25 acres from M-1: Industrial and Business Park and R-1: Single-Family Residential, to R-3: Mixed-Residential, on the lands legally described as:

Unit 8, Block 3, Lots 1-24; Block 49, Lots 2-11, and 14-23; and Block 50, Lots 2-24, as shown on the plat entitled, "NE PORTION OF UNIT EIGHT, RIO RANCHO ESTATES, TOWN OF ALAMEDA GRANT, SANDOVAL COUNTY, NEW MEXICO," filed in the office of the County Clerk of Sandoval County, New Mexico on December 11, 1962 (RRE Book 1, Page 41).

Section 2. Land Use, Conditions, Development Standards/Regulations and use of PROPERTY:

A. The property identified in Section 1, above, is subject to all requirements of the R-3: Mixed-Residential District set forth in R.O. 2003 Section 154.10 (as of the effective date of the ordinance or as subsequently amended).
B. The property identified in Section 1, above, is subject to all requirements, regulations, and design standards of the Rancho Alegria Master Plan.

Section 3. Severability Clause. If any section, paragraph, clause, or provision of this Ordinance, or any section, paragraph, clause, or provision of any regulation promulgated hereunder shall for any reason be held to be invalid, unlawful, or enforceable, the invalidity, illegality, or unenforceability of such section, paragraph, clause, or provision shall not affect the validity of the remaining portions of this Ordinance or the regulation so challenged.

Section 4. Effective Date. This Ordinance shall become effective ten days after adoption.

ADOPTED THIS _____DAY OF _____, 2026.

_____
Paul Wymer, Mayor

ATTEST:

_____

Noel C. Davis, City Clerk
(SEAL)

Development Services Department, Ste. 130
3200 Civic Center Circle NE, Rio Rancho, NM 87144
(505) 891-5005

PLANNING & ZONING LAND USE APPLICATION

Please check appropriate box

Administrative Permit	Plan	Subdivision	Zoning
☐ Community Residential Care Facility	☐ Comprehensive Plan Amendment	☐ Final Plat	☐ Annexation
☐ Development Review Committee (DRC)	☐ Corridor Plan Amendment	☐ Preliminary Plat	☐ Appeal
☐ Home Occupation	☑ Master Plan	☐ Summary Plat	☐ Conditional Use Permit
☐ Model Home / Sales Office	☐ Master Plan Amendment	☐ Vacation of Plat/Street	☐ Master Sign Plan
☐ Residential Child Care Facility 6 or <	☐ Specific Area Plan Amendment	☐ Street Name Change	☐ Site Plan
☐ Sign Permit	☐ Text Amendment	☐ Subdivision Interpretation	☐ Special Exception
☐ Other		☐ Subdivision Variance	☐ Variance
			☑ Zone Map Amendment
			☐ Zoning Certification
			☐ Zoning Interpretation

Please Print In Ink Only or Type
Application must be complete. Please attach the appropriate checklist for the action you are requesting, if applicable.

APPLICANT/AGENT INFORMATION

Applicant Name: Pulte Homes		Phone: 505-331-8711
Address:		E-Mail:Kevin.Patton@PulteGroup.com
City: Albuquerque	State: New Mexico	Zip:
Proprietary Interest:	List Owners: Crazy 8's, LLC & JLAD, LLC	
Deed or Ownership Verification Provided: (Initials) W.F.	Letter of Authorization Provided: (Initials) W.F & K.P	
Agent Name: Consensus Planning		Phone: 505-764-9801
Address: 302 Eighth Street NW		E-Mail: cp@consensusplanning.com
City: Albuquerque	State: New Mexico	ZIP Code: 87102

DESCRIPTION OF REQUEST: (PLEASE ADD ADDITIONAL SHEET(S) IF NECESSARY)

Master Map and Zone Map Amendment

SITE INFORMATION: (PLEASE PROVIDE ACCURATE LEGAL DESCRIPTION)

Subdivision/Unit : Unit 8	Block(s): 49, 50, 53	Lot(s): see attached
Existing Zoning: M-1 & R-1	Proposed Zoning: R-4	
No. of existing lots: 66	No. of proposed lots: 350	Total area of site (acres) 66.25

ACKNOWLEDGEMENT

I hereby acknowledge that I have read this entire application and affirm that all information provided is correct. I agree to comply with the requirements of the City of Rio Rancho as outlined in all applicable laws, ordinances and regulations.

Print Name: James K. Strozier, FAICP	Applicant: Pulte Homes	Agent: Consensus Planning
Signature:		Date: 12/18/2025

FOR OFFICIAL USE ONLY

H.T.E. PROJECT #	FEE	RECEIPT #

APPLICATION ACCEPTED BY: _____ **DATE:** _____

Form revised January 26, 2017

December 8, 2025

City of Rio Rancho

3200 Civic Circle NE

Rio Rancho, NM 87144

Letter of Authorization

To Whom It May Concern,

This letter authorizes Applicant Pulte Homes (Applicant) and Consensus Planning, Inc. (Agent) to represent Crazy 8's LLC and JLAD, LLC (Owner) for the Rancho Alegria Master Plan and Zone Map Amendment occurring within the City of Rio Rancho. The agent shall have full authority to meet with City Staff, hold meetings, and submit any documents related to the ongoing projects. Thank you for your help and cooperation.

Sincerely,

Crazy Eights & JLAD, LLC

By: _____

Printed Name: W. MICHAEL FIETZ

Title: MANAGING MEMBER

Pulte Homes

By: _____

Printed Name: Kevin Patton

Title: Director of Land Planning & Entitlements

Subd	Block	Lot	StrAddr	ZipCode	Acres	existing	proposed
U08	49	2	222 NORTHERN BLVD NW	87124	1.000661	R-1	R-4
U08	49	3	218 NORTHERN BLVD NW	87124	0.996125	R-1	R-4
U08	49	4	214 NORTHERN BLVD NW	87124	0.99603	R-1	R-4
U08	49	5	210 NORTHERN BLVD NW	87124	0.997477	R-1	R-4
U08	49	6	122 NORTHERN BLVD NW	87124	0.999022	R-1	R-4
U08	49	7	118 NORTHERN BLVD NW	87124	1.001355	R-1	R-4
U08	49	8	114 NORTHERN BLVD NW	87124	1.005553	R-1	R-4
U08	49	9	110 NORTHERN BLVD NW	87124	1.007551	R-1	R-4
U08	49	10	30 NORTHERN BLVD NW	87124	1.012577	R-1	R-4
U08	49	11	20 NORTHERN BLVD NW	87124	1.017513	R-1	R-4
U08	49	14	21 9TH AVE NW	87124	1.022049	R-1	R-4
U08	49	15	31 9TH AVE NW	87124	1.01291	R-1	R-4
U08	49	16	111 9TH AVE NW	87124	1.007794	R-1	R-4
U08	49	17	115 9TH AVE NW	87124	1.004578	R-1	R-4
U08	49	18	119 9TH AVE NW	87124	0.99852	R-1	R-4
U08	49	19	123 9TH AVE NW	87124	0.997492	R-1	R-4
U08	49	20	211 9TH AVE NW	87124	0.997917	R-1	R-4
U08	49	21	215 9TH AVE NW	87124	0.998161	R-1	R-4
U08	49	22	219 9TH AVE NW	87124	0.996457	R-1	R-4
U08	49	23	223 9TH AVE NW	87124	0.999696	R-1	R-4
U08	50	2	222 9TH AVE NW	87124	1.00478	R-1	R-4
U08	50	3	218 9TH AVE NW	87124	1.003001	R-1	R-4
U08	50	4	214 9TH AVE NW	87124	1.005854	R-1	R-4
U08	50	5	210 9TH AVE NW	87124	1.005565	R-1	R-4
U08	50	6	122 9TH AVE NW	87124	1.003659	R-1	R-4
U08	50	7	118 9TH AVE NW	87124	1.001663	R-1	R-4
U08	50	8	114 9TH AVE NW	87124	1.00512	R-1	R-4
U08	50	9	110 9TH AVE NW	87124	1.006339	R-1	R-4
U08	50	10	30 9TH AVE NW	87124	1.010555	R-1	R-4
U08	50	11	20 9TH AVE NW	87124	1.017916	R-1	R-4
U08	50	13	11 8TH AVE NW	87124	0.919788	R-1	R-4
U08	50	14	21 8TH AVE NW	87124	1.014532	R-1	R-4
U08	50	15	31 8TH AVE NW	87124	1.009226	R-1	R-4
U08	50	16	111 8TH AVE NW	87124	1.007832	R-1	R-4
U08	50	17	115 8TH AVE NW	87124	1.008867	R-1	R-4
U08	50	18	119 8TH AVE NW	87124	1.006218	R-1	R-4
U08	50	19	123 8TH AVE NW	87124	1.008212	R-1	R-4
U08	50	20	211 8TH AVE NW	87124	1.009214	R-1	R-4
U08	50	21	215 8TH AVE NW	87124	1.009733	R-1	R-4
U08	50	22	219 8TH AVE NW	87124	1.007083	R-1	R-4
U08	50	23	223 8TH AVE NW	87124	1.007233	R-1	R-4
U08	50	24	311 8TH AVE NW	87124	1.006594	R-1	R-4
U08	53	1	310 8TH AVE NW	87124	1.008385	M-1	R-4
U08	53	2	222 8TH AVE NW	87124	1.007048	M-1	R-4
U08	53	3	218 8TH AVE NW	87124	1.007782	M-1	R-4
U08	53	4	214 8TH AVE NW	87124	1.0101	M-1	R-4
U08	53	5	210 8TH AVE NW	87124	1.009653	M-1	R-4
U08	53	6	122 8TH AVE NW	87124	1.009539	M-1	R-4
U08	53	7	118 8TH AVE NW	87124	1.00787	M-1	R-4
U08	53	8	114 8TH AVE NW	87124	1.010223	M-1	R-4
U08	53	9	110 8TH AVE NW	87124	1.009348	M-1	R-4
U08	53	10	30 8TH AVE NW	87124	1.009541	M-1	R-4
U08	53	11	20 8TH AVE NW	87124	1.011219	M-1	R-4
U08	53	12	10 8TH AVE NW	87124	0.919046	M-1	R-4
U08	53	13	11 7TH AVE NW	87124	0.922158	M-1	R-4
U08	53	14	21 7TH AVE NW	87124	1.017511	M-1	R-4
U08	53	15	31 7TH AVE NW	87124	1.015914	M-1	R-4
U08	53	16	111 7TH AVE NW	87124	1.015076	M-1	R-4
U08	53	17	115 7TH AVE NW	87124	1.015571	M-1	R-4
U08	53	18	119 7TH AVE NW	87124	1.012024	M-1	R-4
U08	53	19	123 7TH AVE NW	87124	1.013491	M-1	R-4
U08	53	20	211 7TH AVE NW	87124	1.014883	M-1	R-4
U08	53	21	215 7TH AVE NW	87124	1.014209	M-1	R-4
U08	53	22	219 7TH AVE NW	87124	1.012412	M-1	R-4
U08	53	23	223 7TH AVE NW	87124	1.01413	M-1	R-4
U08	53	24	311 7TH AVE NW	87124	1.013486	M-1	R-4
					66.24904		

CONSENSUS PLANNING

Landscape Architecture
Urban Design
Planning Services

302 Eighth St. NW
Albuquerque, NM 87102

(505) 764-9801
Fax 842-5495
cp@consensusplanning.com
www.consensusplanning.com

December 18, 2025

Scottie Richardson, Chairman
Planning and Zoning Board
City of Rio Rancho
3200 Civic Center Circle NE
Rio Rancho, NM 87144

RE: Rancho Alegria Master Plan and Zone Map Amendment

Dear Mr. Chairman:

The purpose of this letter is to request review and approval of a Master Plan and Zone Map Amendment on behalf of Pulte Homes (Applicant) and Crazy 8's and JLAD, LLC (Owner).

Summary of Request: This two-part request includes:

1. Approval of a Master Plan to guide traffic and circulation, parks and recreation, drainage, utilities, and to provide design guidelines for future development. The Rancho Alegria Master Plan boundary totals 66.25 acres with 66 parcels.
2. Approval of a Zone Map Amendment to rezone the properties that are owned by Crazy 8's and JLAD, Inc. These parcels are currently zoned and legally described:
    - M-1: Industrial Rio Rancho Estates, Unit 8, Block 53, Lots 1-24.
    - R-1: Single-family Residential, Block 49, Lots 2-11, 14-23; Block 50, Lots 2-11, 9-11, 13-24 (see Figure 3 on page 5).

PROJECT DESCRIPTION

The subject properties are generally bound by Northern Boulevard (N), 7th Avenue (S), Rainbow Boulevard (E), 3rd Street (W). Pulte Homes is requesting the approval of a Master Plan and a zone change from R-1 and M-1 to entirely R-3, to allow for the development of medium-density homes.

The recently approved Amendment of the Northern and Rainbow Specific Area Plan (NRSAP) boundaries and modification of its Land Use Map provide guidelines for future development within the NRSAP. The proposed Master Plan ensures well-planned neighborhoods, and the zone map amendment implements the goals of this Master Plan, the Specific Area Plan, and the Comprehensive Plan.

The Master Plan area is owned by a single owner, Westway Homes, deeded under LJAD, LLC, and Crazy 8's, LLC. There are six parcels not included in the Master Plan boundary but adjacent to the planning area. Three of the six parcels are currently developed with single-family houses. These "out parcels" are adjacent to Rainbow Boulevard and 3rd Avenue (see Figure 1).

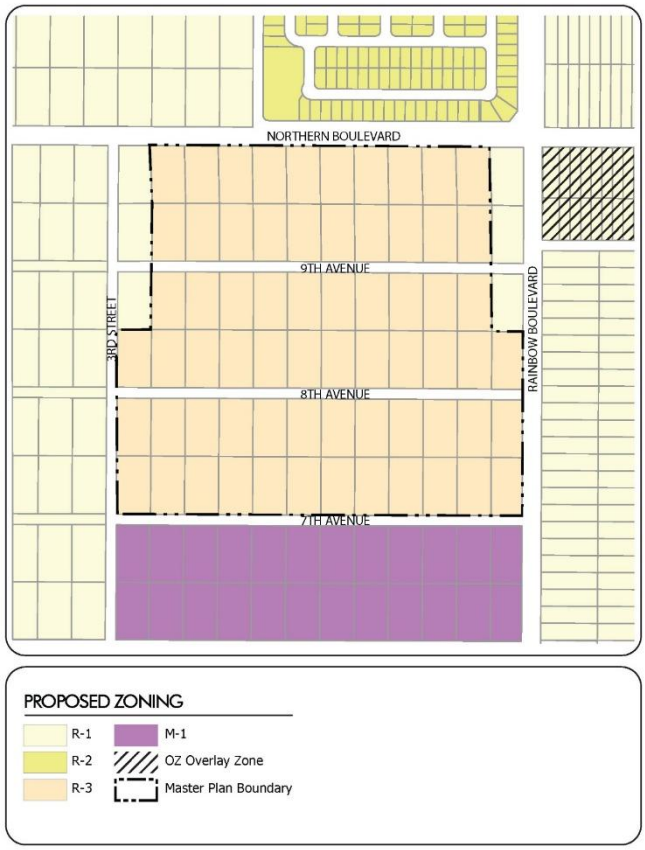
PRINCIPALS

James K. Strozier, FAICP

ASSOCIATES

Ken Romig, PLA, ASLA
Erin Callahan, AICP

Figure 1. Proposed Zoning



CASE HISTORY

The current R-1: Single-family Residential zoning was adopted by the Governing Body in 1994 as Ordinance No. 62, Enactment No. 94-060. The existing Northern and Rainbow Specific Area Plan was adopted by the City of Rio Rancho on January 14, 2009. At that time, the primary emphasis was that the area would be anchored by the Rainbow Business Park, which would serve as an Employment Center for western Rio Rancho. The plan also proposed future zoning and a land use map for the entire plan area. The proposed zoning and land uses were to be implemented by the private landowners through separate Master Plans and zone map amendments. Of the proposed zoning, only the M-1: Light Manufacturing District was requested to be changed and adopted by the Governing Body in 2009, as Ordinance No. 8, Enactment No. 09-06. Since then, no other zone map amendments have been requested, and the majority of the site has remained vacant.

A Planning Zoning Board (PZB) hearing was held on October 28, 2025, regarding the land use update within the Northern and Rainbow Specific Area Plan, with staff recommending approval, and the PZB unanimously recommending approval to the Governing Body. On November 13, 2025, the NRSAP Amendment was unanimously adopted.

NRSAP Amendment in 2025 updated the original proposed land uses to include more residential components with various housing densities and reduced the Industrial component, which never came to fruition, except for only one business.

The Rainbow Business Park will remain; however, the heavy industrial areas are recommended to be replaced with new neighborhood commercial (C-1) and a light manufacturing district (C-2).

The Applicant held a pre-application meeting with Development Services staff on February 27, 2025, to discuss the proposed Rancho Alegria Master Plan and Zone Map Amendment requests.

ADJACENT LAND USE AND ZONING

The subject property is within the NRSAP boundary and is currently zoned R-1 and M-1 (see Figure 2). Most of the NRSAP area has been vacant since it was designated. There is only one industrial business and four existing homes currently (see Figure 1). The adjacent properties to the north are zoned R-2 with a built-out single-family neighborhood and park. The properties to the east, west, and south are zoned R-1 with very limited single-family houses. There is an Overlay Zone (OZ) along segments of Rainbow Boulevard. The Zoning Overlay enactment 98-023 aims to promote replatting in areas where the subdivision layout is substandard or ill-conceived, or where it hinders the continuity of the street network.

Figure 2. Existing Land Use

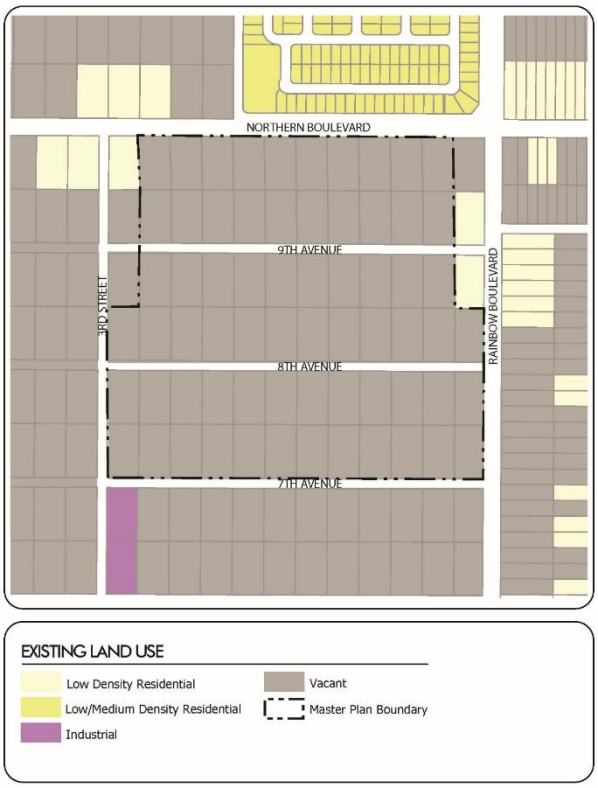
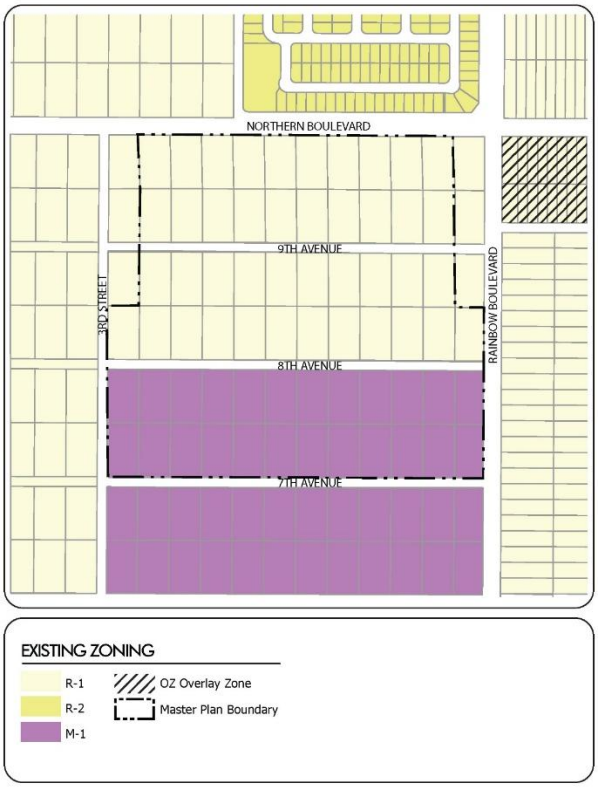


Figure 3. Existing Zoning



RIO RANCHO COMPREHENSIVE PLAN JUSTIFICATION CRITERIA

The following responses justify how the requests for both the Master Plan and the Zone Map Amendment for the properties align with the goals and policies of the City of Rio Rancho Comprehensive Plan.

GOAL A-1: Eliminate antiquated platting within the City of Rio Rancho where desirable.
POLICY A-2: Require appropriate development standards for infrastructure and environmental improvements for both newly platted lots and antiquated lots.
POLICY A-3: Ensure that the City's land use and development regulations provide the specific and detailed provisions necessary to eliminate prematurely platted land when feasible.
Action A-4: Process street name change applications to address numbered streets that conflict with the street naming policy.

> **Applicant Response:** *The adopted Rancho Alegria Master Plan provides a framework to consolidate, and re-plat prematurely developed lots in the planning area. The Zone Map Amendment will allow the Applicant to address issues of antiquated platting by* removing the R-1 and M-1 zones and replacing them with R-3.

GOAL CON-5: Meet federal, state, regional and local water quality standards through coordinated, long-term strategies that address the many contributors to water pollution.

> **Applicant Response:** *These requests will meet federal, state, regional, and local water quality standards through coordinated, long-term strategies through the implementation of an approved master drainage plan as part of the Rancho Alegria Master Plan. The drainage plan will ensure that all future development meets water requirements and water quality standards.*

GOAL L-2: Encourage consolidation of lots to promote a variety of land uses in a planned manner.
POLICY L-1: Encourage the Master Planning of developments that establish a community character that considers circulation, landscaping, open space, storm drainage, utilities, and building location and design in the Master Plan.

> **Applicant Response:** *These requests encourage the consolidation of lots to promote a variety of land uses in a planned manner by two local Home Builders, Westway Homes and Pulte Homes, thereby providing a variety of complementary housing types. Additionally, the request encourages the Master Planning of developments that establish community character by enhancing the community's design standards, outlining circulation, landscaping, open space, storm drainage, utilities, and building locations and designs*.

GOAL PH-4: To ensure that single-family and multifamily residential neighborhoods provide an attractive living environment.
POLICY PH-7: Support residential developments with appropriate amenities for families with children.

> **Applicant Response:** *These requests support residential development with appropriate amenities for families with children, as the Zone Map*

Amendment will implement single-family residential neighborhoods with HOA Pocket Parks, creating an attractive living environment. The Master Plan will include a proposed land-use map showing where future residential and recreational areas will be and how the added recreational features will add value and be appropriate amenities for families with children.

GOAL TR-2: Transportation facilities designed and constructed in a manner to facilitate Rio Rancho's economic goals, enhance livability and meet Federal, State, regional and local requirements.
POLICY TR-11: Ensure all rights-of-way and transportation facilities are ADA-compliant
POLICY TR-10: Support the design of streets and highways to respect surrounding land uses, natural features and community amenities.

Applicant Response: *The Master Plan outlines transportation facilities designed and constructed in a manner to facilitate Rio Rancho's economic goals, enhance livability, meet Federal, State, regional, and local requirements. The Master Plan supports a balanced transportation system by including a variety of transportation options to meet future development needs. The Master Plan acknowledges the planned 156-foot ROW along Rainbow Boulevard and has reduced its site, dedicating 28 feet of property to the ROW's future expansion. The Master Plan includes developing residential roads throughout the proposed neighborhoods, extending the existing sidewalks, and creating a network of paths to support all modes of transportation.*

GOAL PF-3: Provide public facilities that meet or exceed constituents expectations.
GOAL PF-4: Current demand on public facilities should not overburden City public facilities beyond what the City can reasonably provide for future demand.
GOAL PF-5: Construct new public facilities to meet demands at least 10 years into the future.
POLICYPF-3: Make land use recommendations based on the availability of adequate public facilities necessary to support a proposed land use.

Applicant Response: *The Master Plan will implement a broad range of services and public facilities that meet the needs of current and future City residents. The Master Plan will incorporate* public facilities such as roads, water, *and sewer infrastructure that is suitable for all development within the planned area.*

GOAL UD-1: Create focused growth areas where existing public infrastructure can support higher density development.
GOAL UD 3: Create street patterns with development that fosters human interaction.
POLICY UD-1: Identify specific areas within the city where growth should be focused.
POLICY UD 2: Provide development incentives for developments that create a sense of place, foster human interaction, and discourage crime.

Applicant Response: *The Rancho Alegria Master Plan was created with the Northern and Rainbow Specific Area Plan to expand on focus growth areas where existing public infrastructure can support higher-density development. The created street patterns with development foster human interaction, create a sense of place, and discourage crime.*

GOAL EDP-3: Enhance the tax base.
Policy EDP-6: Continue to support Southern Sandoval County Arroyo and Flood Control Authority (SSCAFCA) and ensure the City and SSCAFCA have a collaborative relationship to ensure both entities' needs are met.

> **Applicant Response:** *These requests will enhance the tax base because this residential development is adjacent to Northern Boulevard and Rainbow Boulevard, which provide access and links to surrounding communities where economic development, jobs, and needed services can be obtained. The Master Plan's development and ultimate adoption require continued support from the Southern Sandoval County Arroyo and Flood Control Authority (SSCAFCA) to ensure a collaborative relationship between the City and SSCAFCA, with both entities' needs met.*

RIO RANCHO DEVELOPMENT PROCESS MANUAL (DPM) MASTER PLAN JUSTIFICATION CRITERIA

This request for a Master Plan complies with the criteria outlined in Volume I.5 Planning – Rio Rancho's Future of the Rio Rancho Development Process Manual as follows:

Master Plans are prepared by either the City or private sector and submitted to the City for review and approval. Master Plans address the Principles and Policies of the Vision 2020, but specific to a defined area within the City; at least 20 acres but usually more than 100 acres.

> **Applicant Response:** *The proposed Rancho Alegria Master Plan was prepared by the private sector and is being submitted to the City for review and approval. The Master Plan addresses the Principles and Policies of the Comprehensive Plan, as detailed in the Rio Rancho Comprehensive Plan Justification Criteria starting on page 5, and follows the Goals and Policies of the Northern and Rainbow Specific Area Plan. This 66 acres Master Plan is greater than 20 acres and contains conceptual Grading & Drainage, Circulation, Utilities, layouts, and a land use map. The Master Plan is 100% owned by Westway Homes and deeded by JLAD, LLC and Crazy 8's, LLC.*

RIO RANCHO MUNICIPAL CODE ZMA JUSTIFICATION CRITERIA

This request for a zone map amendment complies with the criteria outlined in Section 150.07 AMENDMENTS of the Rio Rancho Municipal Code as follows:

150.07(D)(1) A proposed zone change must be found to be consistent with the health, safety, morals, and general welfare of the City.

> **Applicant Response**: *The proposed Zone Map Amendment (ZMA) for the Rancho Alegria residential community is consistent with the health, safety, morals, and general welfare of the city. The proposed ZMA offers an opportunity to enhance the health and welfare of the City by establishing the development conditions necessary for constructing residential projects that will meet the needs of the Northern / Rainbow area and future Rancho Alegria residents. The amendment will complement the existing and surrounding developed residential areas by allowing a variety of housing options in what the Rio Rancho Comprehensive Plan defines as a development node, corridor, and gateway (Page V-11). As described in Section 1.3 Development Nodes, 'The creation of development nodes where*

higher concentration of land uses exist in the form of commercial, multi-family and mixed-use developments helps to develop a sense of place.', the proposed ZMA will further the general welfare of the City by providing high-quality homes and creating a sense of place for current and future residents within a developing neighborhood within Rio Rancho.

150.07(D)(2) Stability of land use and zoning is desirable; therefore, the applicant must provide a sound justification for the change. The burden is on the applicant to show why the change should be made, not on the City to show why the change should not be made.

Applicant's Response: *The request to rezone the site to R-3 is consistent with the NRSAP. Westway Homes has been assembling land to address the antiquated platting and checkerboard ownership, which have hitherto that presented a significant challenge for development. In addition, the subject properties have remained vacant for over 15 years under the existing R-1 and M-1 zoning. However, within the last few years, there has been a growing demand for additional mixed-density, mixed-income housing in Rio Rancho. Further, there has been less interest from homebuilders in large "estate" lots at lower densities, especially in areas that require substantial transportation and drainage improvements due to access and topography challenges. As a result, the subject parcels, with their larger lot and infrastructure requirements under the existing R-1 "low density residential" zoning, are likely to continue to remain undeveloped as large estate lots. The proposed R-3 zoning is better suited and provides a logical transition from R-1 with a medium lot size option for more productive use of currently vacant land. This transition ensures stability for non-contiguous lots that would remain R-1 as it provides a complementary transition in densities. Adequate consideration for buffering and traffic circulation has been given to the out parcel lots not owned by the applicant (see Master Plan). The zone change will create the opportunity for diverse housing product options tailored to current and future housing needs in the area.*

150.07(D)(3) A proposed change shall generally be consistent with adopted elements of the Comprehensive Plan or other City Master Plans and amendments thereto including privately developed area plans which have been adopted by the City.

Applicant's Response: *The proposed ZMA is consistent with and furthers several goals and policies of the City's Comprehensive Plan as identified in the Rio Rancho Comprehensive Plan Justification Criteria on page 5.*

The proposed ZMA is consistent with and furthers the NRSAP, a privately developed area plan, which has been adopted by the City. The Rancho Alegria Master Plan is within the NRSAP and identifies the NRSAP's proposed land uses, aligns development with the proposed land uses, and implements them through zone map amendments.

150.07(D)(4) The applicant must demonstrate that the existing zoning is inappropriate because:

(a) There was an error, mistake or is necessary to correct an injustice that occurred when the existing zone map pattern was created, including the placement of an R-1

or transitional zone on an antiquated plat filed before the City's incorporation and adoption of its own zoning code or on land annexed by the City; or

(b) Changed neighborhood or community conditions justify the change; or

(c) A different use category is more advantageous to the community, as articulated in the Comprehensive Plan or other City Master Plan, even though (D)(1) or (2) does not apply. Applicant's reliance on this provision requires proof that (i) there is a public need for a change of the kind in question, and (ii) that need will be best served by changing the classification of the particular piece of property in question as compared with other available property.

Applicant's Response: *Considering the current and future conditions of the site and community, a different zoning category is more advantageous (Criterion C). The subject properties have not developed under the existing R-1 zoning. They have remained vacant for over 15 years since the original Northern and Rainbow Specific Area Plan was adopted in 2009. The requested R-3 zoning is more advantageous to the community, as it responds to the City of Rio Rancho's goal to support the construction of a "variety of housing types that meet the needs of all members of the community" and policy to "encourage mixed-income housing opportunities in designated growth nodes throughout the city", of which Northern and Rainbow is a designated node. It is unlikely that the R-1 lots envisioned in the original Northern and Rainbow Specific Area Plan will develop in the near future due to current housing market trends towards smaller homes on smaller lots.*

According to the Rio Rancho's 2023 NM Affordable Housing Needs Assessment, adding to the supply of townhomes and smaller detached units in rapidly growing cities like Rio Rancho can create affordable options for first-time or lower-income home buyers. The development of market-rate multi-family properties will also reduce rental market pressure for households at all income levels. The increasing demand for single-family homes, townhomes, smaller detached units, and multi-family units in Rio Rancho and the Greater Albuquerque Metro Region, coupled with a shortage of development-ready sites necessitates a need for the zone change. The subject site is well suited to support housing development at medium densities. The requested R-3 zoning for this property will better serve the needs of the community than the existing R-1 and M-1 zoning.

150.07(E) The cost of land or other economic considerations pertaining to the applicant shall not be the determining factor for a change of zone.

Applicant's Response: *The cost of land or other economic considerations are not the determining factors for the applicant's request for a zone change. The request for a zone change aligns with implementation strategies for the Northern and Rainbow Specific Area Plan, Rancho Alegria Master Plan and is consistent with the goals of the City's Comprehensive Plan and Affordable Housing Plan to provide mixed-income, mixed-density homes across the city.*

150.07(F) Location on a collector or major street is not in itself sufficient justification of apartment, office, or commercial zoning.

Applicant's Response: *The zone change is not being requested due to its location along a major street. The zone change is sought to implement the*

proposed land use of the Northern and Rainbow Specific Area Plan and the Rancho Alegria Master Plan. The requested zone map amendment is not for apartment, office, or commercial zoning.

150.07(G) A zone change request which would give a zone different from surrounding zoning to one small area, especially when only one premises is involved, is generally called a "spot zone." Such a change of zone may be approved only when: (1) The change will clearly facilitate realization of the Comprehensive Plan and any applicable adopted sector development plan or area development plan; or

(2) The area of the proposed zone change is different from surrounding land because it could function as a transition between adjacent zones; because the site is not suitable for the uses allowed in any adjacent zone due to topography, traffic, or special adverse land uses nearby; or because the nature of structures already on the premises makes the site unsuitable for the uses allowed in any adjacent zone.

Applicant's Response: *A spot zone is not created on the subject properties since it applies to a large, contiguous area within the Northern and Rainbow Specific Area that prescribes such land uses and zoning. The area is master-planned and will facilitate the realization of several goals and policies of the Comprehensive Plan.*

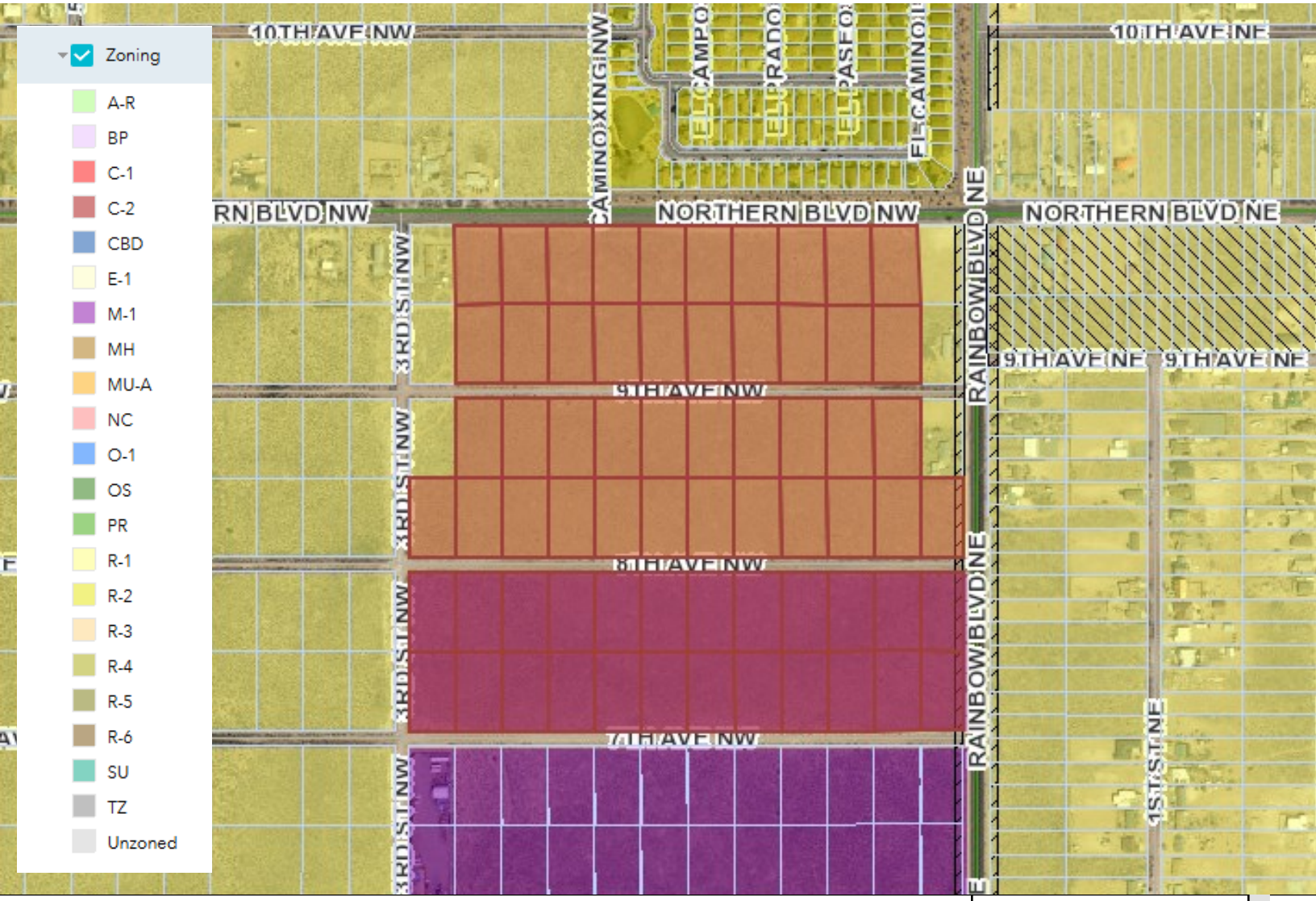
CONCLUSION

On behalf of Pulte Homes and Westway Homes, we respectfully request that the Planning and Zoning Board approve the Rancho Alegria Master Plan and Zone Map Amendment for the subject properties. Thank you for your consideration.

Sincerely,

James K. Strozier, FAICP
Principal

RANCHO ALEGRIA (MASTER PLAN) & ZONE MAP AMENDMENT: M-1 AND R-1 TO R-4: SINGLE-FAMILY RESIDENTIAL DISTRICT



Rio Rancho City of Vision

GIS Moving Spatial Data Forward

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Subject Property

DISCLAIMER: All information on this map is provided "as is" without warranty or any representation of accuracy, timeliness or completeness. This map is not a survey and should be used for graphical purposes only.

Map courtesy of Liz Ruiz Carlos, 4/24/2026

The City of Rio Rancho

Development Services
Planning Division
3200 Civic Center Circle NE
Rio Rancho, NM 87144
Phone (505) 891-5005 ● Fax (505) 896-8994

May 27, 2026

RE: **Zone Map Amendment/Master Plan**
Case No. #25-100-00017/#25-400-00006
Rancho Alegria

Dear Property Owner:

You are receiving this notice because your property abuts a site where a land development decision is required by the Governing Body.

The applicant, Pulte Homes, through their agent, Consensus Planning, requests approval of a Master Plan for the lots legally described as U8, Blk 53, Lots 1-24; Blk 49, Lots 2-11, and 14-23; and Blk 50, Lots 2-24. The applicant concurrently requests approval of a Zone Map Amendment, to rezone the properties from M-1: Industrial and Business Park and R-1: Single-Family Residential, to R-3: Mixed Residential. The properties total 66.25 acres.

The **Governing Body** will consider the request on **Thursday, June 11, 2026** at 6:00 pm in the **Council Chambers** and **Virtually** as a hybrid meeting, through the **Zoom link and number below.**

On the back of this letter is a location map of the project, with the subject property identified.

If you would like to comment on this application, you are encouraged to send in comments in writing, which will be presented to the Governing Body. This Governing Body meeting will be hybrid with options to participate virtually or in person. The City highly encourages citizens to watch the meeting live on the City's website www.rrnm.gov or on Sparklight cable channel 56.

For the **Governing Body meeting**, to participate virtually: Join via computer:
https://us06web.zoom.us/j/85180741871?pwd=T3BlSHVpWkp6d3dDRmlHd3k2VzYvUT09
Meeting ID: 851 8074 1871 Passcode: **026819** Join via phone: 1-253-215-8782 US

Please do not hesitate to contact me via e-mail me at lruizcarlos@rrnm.gov or call me at 505-896-8785, if you have any questions concerning this matter. The agenda for this hearing and related staff reports will be posted on the City's website, www.rrnm.gov, the Friday before the hearing.

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact the City Clerk, 505-891-5004, as soon as possible prior to the meeting. Please contact the City Clerk if a summary or other type of accessible format is needed.

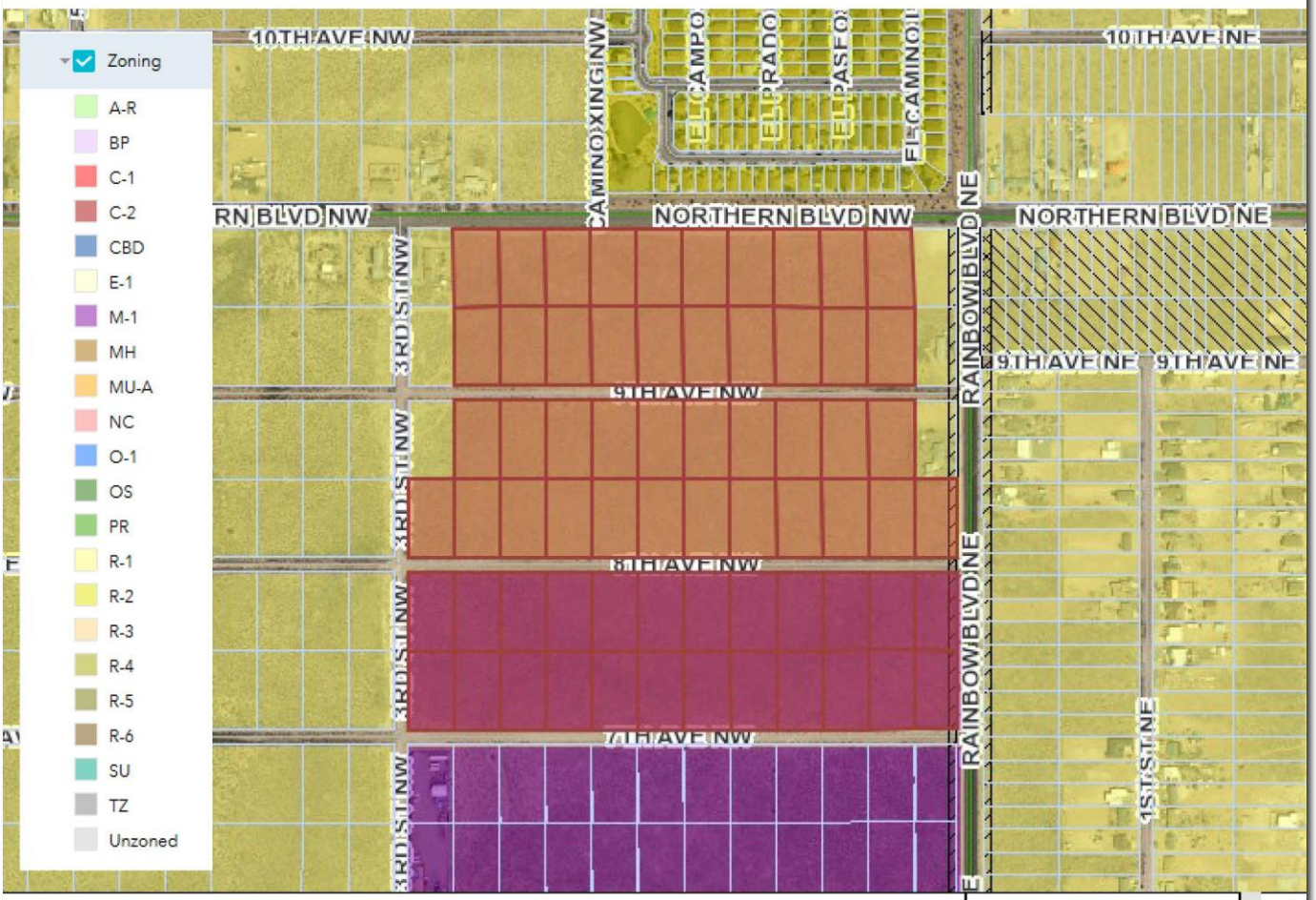
Respectfully,

Liz Ruiz Carlos
Municipal Planner II
Development Services Department
City of Rio Rancho

The City of Rio Rancho

Development Services
Planning Division
3200 Civic Center Circle NE
Rio Rancho, NM 87144
Phone (505) 891-5005 ● Fax (505) 896-8994

RANCHO ALEGRIA (MASTER PLAN) & ZONE MAP AMENDMENT: M-1 AND R-1 TO R-3: MIXED RESIDENTIAL



GIS Moving Spatial Data Forward

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Subject Property

DISCLAIMER: All information on this map is provided "as is" without warranty or any representation of accuracy, timeliness or completeness. This map is not a survey and should be used for graphical purposes only.

Map courtesy of Liz Ruiz Carlos, 4/24/2026

CITY OF RIO RANCHO
PUBLIC HEARING NOTICE

The GOVERNING BODY of the CITY of RIO RANCHO will consider the following matter at its regularly scheduled meeting at 6:00 p.m. on Thursday, June 11, 2026:

Zone Map Amendment
Case #25-100-00017

The applicant, Pulte Homes, through their agent, Consensus Planning, requests approval of a Zone Map Amendment to rezone the properties legally described as: Unit 8, Block 53, Lots 1-24; Block 49, Lots 2-11, and 14-23; and Block 50, Lots 2-24, from M-1: Industrial and Business Park and R-1: Single-Family Residential, to R-3: Mixed Residential.

Master Plan
Case #25-400-00006

The applicant, Pulte Homes, through their agent, Consensus Planning, requests approval of the Rancho Alegria Master Plan for the lots legally described as: Unit 8, Block 53, Lots 1-24; Block 49, Lots 2-11, and 14-23; and Block 50, Lots 2-24.

Zone Map Amendment
Case #26-100-00006

The applicant, Gospel Light Baptist Church of Rio Rancho, through their agent, Community Design Solutions, requests approval of a Zone Map Amendment for the property legally described as Unit 10, Block 33, Lot 98-A. The property, which consists of approximately 0.94 acres, is physically located at 1600 Southern Blvd SE and is currently zoned R-1: Single-Family Residential. The applicant is requesting to change the zoning designation of the lot to C-1: Retail Commercial to accommodate a proposed fitness center on the subject property.

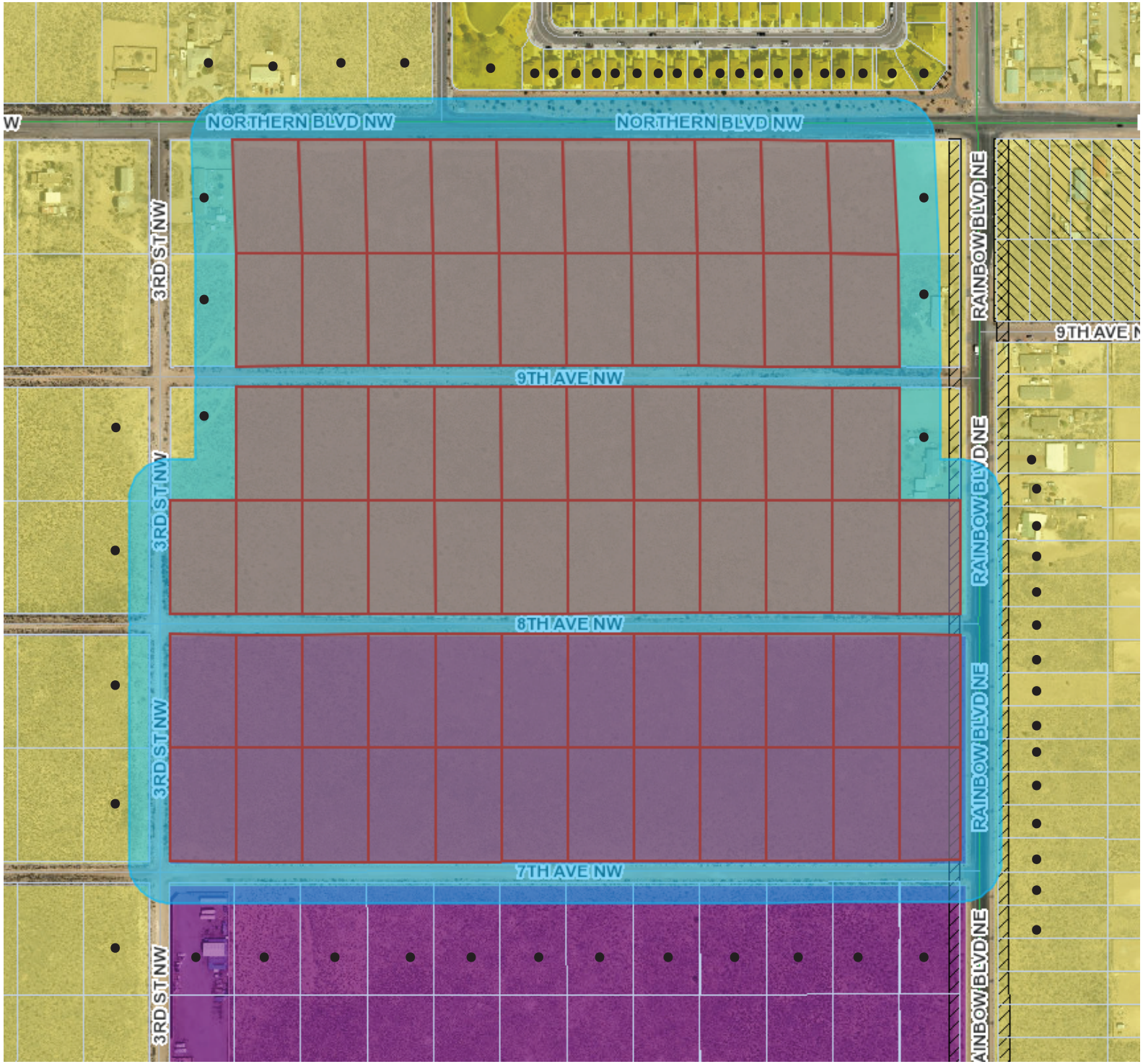
Zone Map Amendment
Case #26-100-00003

The applicant, Michael McDermott, requests approval of a Zone Map Amendment with accompanying site plan, for the subject property legally described as Loma Colorado, Tract P-1C-A, to amend the SU: Special Use zoning designation, to allow for Restaurants, Bars, Lounges, coffee/Tea Rooms, Delicatessens, and Patio/Al Fresco Dining Facilities. The property consists of 7.3264 acres and is physically located at 801 Loma Colorado Blvd NE.

The meeting is scheduled for 6 pm in the Council Chambers at City Hall, 3200 Civic Center Cir. NE, Rio Rancho, NM. The public is invited to attend in person or virtually at www.rrnm.gov. Materials related to this item are available for viewing in the Development Services Department at City Hall.

If you would like to comment on this application, you are encouraged to submit a written comment to planning@rrnm.gov. Written comments will be inserted into the public record.

Journal: May 27, 2026



Notice Map: • - 100ft f/subject property, first class letter

CITY OF RIO RANCHO
COVER PAGE

Legislation Item: O9

AGENDA DATE:
June 11, 2026

DEPARTMENT:
Development Services

SUBJECT:
O9, Ordinance of the City of Rio Rancho, New Mexico, Amending the Zoning Classification and Official Zoning Map for the Property Legally Described as Loma Colorado, Tract P-1C-A, to Add Restaurants, Bars, Lounges, Coffee/Tea Rooms, Delicatessens, and Patio/Al Fresco Dining Facilities as a Permissive Use to the SU: Special Use for Educational, Recreational, and Cultural Uses Zoning Designation, Identifying Conditions of Development; Providing for Severability and an Effective Date

BACKGROUND AND ANALYSIS:
The applicant, Michael McDermott, requests approval of a Zone Map Amendment, with accompanying Site Plan, for the subject property legally described as Loma Colorado, Tract P-1C-A, to amend the SU: Special Use zoning designation, to allow for Restaurants, Bars, Lounges, coffee/Tea Rooms, Delicatessens, and Patio/Al Fresco Dining Facilities. The proposed amended SU: Special Use zoning Ordinance also includes an amended Site Plan for the subject property. The property consists of 7.3264 acres and is physically located at 801 Loma Colorado Blvd. NE.

The subject property is currently zoned SU/Special Use for Educational, Recreational, and Cultural Uses, by Ordinance No. 94-069. The SU/Special Use District Ordinance for this site, calls out the following: Development plan approval shall be given by the Governing Body pursuant to a review by the Planning and Zoning Commission for any and all specific projects. The subject property is currently developed with the McDermott Athletic Center (known as the "MAC Center"), a recreation center, and the proposed expansion for this site plan is to allow for the addition of a proposed food and beverage area and taproom, immediately adjacent to the turf field area.

It is important to note that the City owns the subject property and the applicant has an existing ground lease to operate a multi-purpose sports facility for sports, fitness, recreation, and leisure activities. The ground lease establishes that these activities may occur inside or outside of the facility proper. Moreover, the ground lease establishes that the tenant may offer complementary features such as concession, game room, and retail pro shop among others. The ground lease allows for authorization of uses beyond sports, fitness, recreation, and leisure activities, but it does not explicitly allow for alcohol consumption/a tap room. The applicant also has a shared parking agreement with the neighboring property at 821 Loma Colorado Blvd. NE, to allow for parking on said lot.

Per the applicant, "the proposed food and beverage uses are designed to be complementary and subordinate to these existing recreational functions. Alcohol sales and service will be strictly limited to the taproom itself and the immediately adjacent turf patio area, as clearly delineated in red on the submitted site plan. No alcohol sales or consumption will be permitted within the main MAC building or elsewhere on the site. This limited and clearly defined service area ensures safe operations and

compatibility with the family-oriented nature of the facility."

Per the attached Site Plan, the proposed tap room measures 16x20' (320sf) and the turf area measures 2600sf; for a total alcohol consumption area of 2920sf. The applicant has provided renderings of the proposed tap room as well.

Following Governing Body adoption of the Zone Map Amendment with accompanying Site Plan, the proposed use of a food and beverage area and taproom is permitted from a land use and zoning standpoint, but the applicant will still be required to pursue an amendment to the ground lease, before they may proceed with any development.

The Planning and Zoning Board was slated to review this item at the May 26, 2026 Planning and Zoning Board Meeting, but the meeting was canceled due to a lack of quorum, and the items postponed to the following meeting. The Planning and Zoning Board will review this item at the June 9, 2026 meeting.

ZONE MAP AMENDMENT REVIEW CRITERIA:

City of Rio Rancho Code of Ordinances (R.O. 2003) Section 150.07 (A) requires that an applicant file a request for a zone map amendment through the City Planning & Zoning Board when a change in zoning designation is sought.

Staff recommends the Governing Body find that the application, presented as an attachment, meets the submittal requirements for the proposed zoning request. Criteria is satisfied.

Pursuant to the criteria provided by R.O. 2003 Section 150.07 (D) through (G), a request for change in zoning designation must address the following policies and criterion for a zone map change: (D) The following policies for deciding zone map change applications pursuant to the City zoning code are hereby adopted:

(1) A proposed zone change must be found to be consistent with the health, safety, morals, and general welfare of the City.

The applicant states: "The proposed zoning amendment is consistent with, and supportive of, the health, safety, morals, and general welfare of the City of Rio Rancho. For nearly ten years, the MAC has been a trusted community asset, providing youth, recreational, and athletic services throughout its existing approximately 70,000-square-foot indoor facility, in full compliance with the requirements of the City lease. In addition, the MAC has invested in and developed approximately 30,000 square feet of new exterior recreational space, expanding opportunities for organized sports, informal recreation, and community gathering. These improvements enhance public access to recreation and directly advance the City’s quality-of-life goals...[the proposed] limited and clearly defined service area ensures safe operations and compatibility with the family-oriented nature of the facility."

Staff recommends the Governing Body find that the proposed zoning is consistent with the health, safety, morals and general welfare of the City. The requested Zone Map Amendment is proposing a use that is subordinate to the lot's primary use, takes place entirely outside, and is further limited to the 2920 sf area denoted on the Site Plan. Alcohol consumption will be clearly separated from the recreational uses taking place inside the MAC center. Criteria is satisfied.

(2) Stability of land use and zoning is desirable; therefore, the applicant must provide a sound justification for the change. The burden is on the applicant to show why the change should be made, not on the City to show why the change should be made.

The applicant states: "The current SU zoning, while appropriate at the time it was established, no longer fully reflects current conditions or community needs. The original LEDA agreement between the City and the facility located at 801 Loma Colorado, Blvd. was formed more than 30 years ago. Since that time, Rio Rancho has experienced substantial changes in demographics, population growth, economic conditions, and resident expectations. The intent of the LEDA agreement has evolved alongside the City itself. Importantly, while the MAC continues to uphold the core goals of the original LEDA project—providing recreational services, community access, and public benefit—the facility must be allowed to evolve to remain economically viable and sustainable as a long-term community resource."

Staff recommends the Governing Body find that the zone change is justified, as the proposed SU zoning addition of restaurants and bars will bring the subject property in alignment with the zoning of the adjacent SU site. The request will maintain the existing recreational site development, while enabling the supplemental use of bars and restaurants on the subject property. The applicant has demonstrated that the additional subordinate use provides for stability of zoning by maintaining the current recreational site while also providing an additional public benefit through a restaurant and bar. Coupled with the Site Plan, the proposed ZMA both expands the existing zoning to allow for Restaurants, Bars, Lounges, coffee/Tea Rooms, Delicatessens, and Patio/Al Fresco Dining Facilities, while limiting the actual footprint area to the 2920sf designated area called out on the Site Plan. Criteria is satisfied.

(3) A proposed change shall generally be consistent with adopted elements of the Comprehensive Plan or other City master plans and amendments thereto including privately developed area plans which have been adopted by the City.

The applicant states: "This zoning amendment represents a reasonable, well-regulated evolution that allows the MAC to continue fulfilling the goals of the original LEDA agreement while responding to the realities of a growing and changing city."

Staff recommends the Governing Body find that the applicant has not adequately addressed this criteria in their justification letter. Criteria is not satisfied.

Staff recommends the Governing Body find that while the applicant has not addressed this criteria, the zone change may be found to be consistent with adopted elements of the Comprehensive Plan including Goal EDR-2: Reduce retail sales leakage to other New Mexico cities, Goal EDR-1: expand the economic base of Rio Rancho, and Goal EDP-4: improve the quality of life [of residents]. Furthermore, the MAC center is within walking distance to the library and patrons using the MAC center's existing services may also benefit from the expanded uses facilitated by this zone change.

(4) The applicant must demonstrate that the existing zoning is inappropriate because:
(a) There was an error, mistake or is necessary to correct an injustice that occurred when the existing zone map pattern was created, including the placement of an R-1 or transitional zone on an antiquated plat filed before the City’s incorporation and adoption of its own zoning code or on land annexed by the City; or
(b) Changed neighborhood or community conditions justify the change; or
(c) A different use category is more advantageous to the community, as articulated in the Comprehensive Plan or other City master plan, even though (D)(1) or (2) does not apply. Applicant’s reliance on this provision requires proof that (i) there is a public need for a change of the kind in question, and (ii) that need will be best served by changing the classification of the particular piece of property in question as compared with other available property.

In response to criteria B, the applicant states that: "changed neighborhood and community conditions further justify the proposed amendment. Rio Rancho is a growing community that has

recently experienced the closure of several local restaurants, bars, and breweries. These closures reduce opportunities for social gathering, local economic activity, and adult-oriented recreation. The MAC proposes to partner with Brew Lab, a local Rio Rancho business, to operate a small taproom adjacent to the MAC's outdoor athletic amenities. The purpose of this partnership is twofold: to support local business and to appeal to an underserved demographic—adults—by enhancing participation in adult sports leagues and providing a welcoming place for community members to gather, socialize, and enjoy food and beverages in a controlled environment."

Staff recommends the Governing Body find that the proposed zoning is justified by changed community conditions and would be more advantageous to the community. The proposed SU zoning will facilitate growth for the MAC Center and allow them to continue serving Rio Rancho citizens, in an expanded capacity by providing a restaurant and bar use to supplement the existing recreational uses. An additional restaurant and bar use in the community, such as the proposed use at the MAC Center, is justified by a need for additional restaurant and bar spaces in the City due to the community conditions of a growing population with not as many or enough restaurants to serve the populace and reduce retail sales leakage to other Cities. Criteria is satisfied.

(E) The cost of land or other economic considerations pertaining to the applicant shall not be a determining factor for a change of zone.

The applicant's justification letter relies heavily on economic considerations for the zone change, with frequent mention of LEDA funding and economic viability. Staff recommends the Governing Body find that this criteria has not been met. Criteria is not satisfied.

(F) Location on a collector or major street is not in itself sufficient justification of apartment, office, or commercial zoning.

Staff recommends the Governing Body find that the zoning request does not involve apartment, office, or commercial zoning. Criteria is satisfied.

(G) A zone change request which would give a zone different from surrounding zoning to one small area, especially when only one premises is involved, is generally called a "spot zone." Such a change of zone may be approved only when:
(1) The change will clearly facilitate realization of the comprehensive Plan and any applicable adopted sector development plan or area development plan; or
(2) The area of the proposed zone change is different form surrounding land because it could function as a transition between adjacent zones; because the site is not suitable for the uses allowed in any adjacent zone due to topography, traffic, or special adverse land uses nearby; or because the nature of structures already on the premises makes the site unsuitable for the uses allowed in any adjacent zone.
In their justification letter, the applicant states: "Notably, similar food and beverage services were previously approved by the city on the parcel directly to the north of the subject property, which was replatted for a project that is no longer viable. That area is now used for parking at the City's request and therefore cannot accommodate those services, further supporting the appropriateness of the requested amendment on the MAC parcel."

Staff recommends the Governing Body find that the requested zone map amendment does not constitute a "spot zone" as the proposed zoning will mirror that of the adjacent property to the northeast. The primary use and zoning of the property as a recreational center will also remain unchanged. Criteria is satisfied.

SITE PLAN REVIEW CRITERIA:

The Rio Rancho Code of Ordinances (R.O. 2003) § 154.43 (3) requires, "All SU zoned property

must have a site plan approved by the Governing Body. The site plan may accompany the application for a change in zoning designation or may be submitted for approval at a later date. Approval of the site plan must be obtained prior to any development of the property."

The applicant is requesting approval of the attached Site Plan for the subject property's SU zoning, accompanying the application for the change in zoning designation.

Pursuant to the criteria provided by R.O. 2003 § 154.43 (3)(a) through (3)(j), the site plan at a minimum shall contain the following:
a. Scale and north arrow; Criteria is satisfied.
b. Lot boundaries and easements; Surveyed Site Plan with easements and lot boundaries has been included in the submittal; Criteria is satisfied.
c. Existing and proposed utilities; Utility lines are included on the surveyed site plan; Criteria is satisfied.
d. Existing and proposed rights-of-way; Criteria is satisfied.
e. Proposed structure with uses, dimension, and setbacks; Criteria is satisfied. There will be a taproom building measuring 16'x20', and the alcohol consumption area is identified as totaling 2920 sf (including the taproom square footage and a turf area). There are also 5,720 sf of sand volleyball courts to the rear (north) of the alcohol consumption area.
f. Proposed ingress, egress, parking and circulation; criteria is satisfied. The ingress and egress points for the property will remain unchanged from the existing ingress and egress for the MAC Center. The access is on the northwest side of Loma Colorado Blvd. NE. No parking spots will be lost as a result of this updated site plan; the proposed Site Plan indicates an addition of 70 spaces on the adjacent property under common ownership and in a portion of adjacent property in the existing right-of-way. The City has executed parking agreements as the landowner, accepting this cross-lot parking. The proposed use requires 29 spaces for the alcohol consumption and tap room area an 29 spaces for the recreation area; the proposed additional spaces satisfy these requirements; Criteria is satisfied.
g. Landscaping and landscaping buffers; Per the landscaping standards shown in the applicable Ordinance, a minimum 10% of the site is to be landscaped. The site landscaping will remain unchanged from the current landscaping on the developed site. Any disturbed landscaping as a result of development shall be met and replaced elsewhere on the site. Criteria is satisfied.
h. Elevations; the existing building will remain unchanged as a result of this expansion, but the applicant has provided renderings of the proposed taproom building. Development of the proposed taproom shall closely conform to the renderings of the proposed two-story taproom; Criteria is satisfied.
i. Adjacent property characteristics; Criteria is satisfied. The adjacent property to the southeast across Loma Colorado Blvd. NE is the Loma Colorado Subdivision, zoned SU/Special Use for Medium Density Single-Family Residential. The property to the southwest has the same zoning ordinance and is the location of the Loma Colorado Main Library. To the west and north are undeveloped SU/Special Use: Mixed-Use properties, and to the immediate northwest, the property has a similar zoning designation with restaurants, bars, and similar uses included.
j. Preliminary drainage plan; criteria may be satisfied. The applicant is required to submit a grading and drainage plan.

NOTIFICATIONS: Adjacent property owners were sent notices via certified mail, 15 days prior to the hearing. A legal notice was published in the May 27, 2026 edition of the Albuquerque Journal. All legal notification requirements for this project have been met.

REVIEWED BY:
Planning and Zoning: Comments included in this document.
Development Services Engineering: Grading and drainage plan required.
Parks, Recreation, and Community Services: It appears that the case is creating a structure that is accessible by a fire truck really only (easily) through the artificial turf field, and that the tap room

area is partially where they already have another/existing feature and that the new building/feature might require some level of retaining the hillside to the west; what will that disturbance have on the related area (as prior comments about minimizing the impact of runoff from the artificial turf field were not addressed to my understanding/satisfaction). So approval by Fire, and a grading and drainage plan for the proposed improvements would be required for review before PRCS could provide any recommendation for approval.
CoRR Fire and Rescue: Fire approves and has no comments for the Zone Map Amendment. Fire will have requirements for the future building.
CoRR Police: No comments
Rio Rancho Public Schools: No comments
SSCAFCA: No comments
Mid-Region Council of Government - MRMPO: No comments
PNM: PNM has three-phase underground lines running along the south and north sides of the property. There is an existing 300kVA transformer serving the property that could be utilized for this expansion. There is no existing single-phase power in the area and that would require the installation of a new switchgear in order to provide it.

IMPACT:

The Planning and Zoning Board will review this item on June 9, 2026. Staff recommends the Governing Body adopt the Zoning Ordinance, along with the accompanying Site Plan; subject to the following findings below:

GENERAL FINDINGS OF FACT:
1. The Planning and Zoning Board may make a recommendation to the Governing Body on the applicant's request for a Zone Map Amendment.
2. The applicant has the authority to apply for a Zone Map Amendment on the subject property.
3. The applicant and adjacent property owners received due process.

SPECIFIC FINDINGS OF FACT AND CONDITIONS FOR APPROVAL:
1. The proposed Ordinance change would be consistent with the health, safety, morals, and general welfare of the City as it is proposing a use that is subordinate to the lot's primary use, takes place entirely outside, and is further limited to the 2920 sf area denoted on the site plan. Alcohol consumption will be clearly separated from the recreational uses taking place inside the MAC center.
2. The applicant has provided sound justification, in a narrative dated January 21, 2026 for the proposed zone change.
3. The proposed zone map amendment would be consistent with the adopted elements, goals, policies, and objective of the Comprehensive Plan, economic goals EDR-2: Reduce retail sales leakage to other New Mexico cities, Goal EDR-1: expand the economic base of Rio Rancho, and Goal EDP-4: improve the quality of life [of residents].
4. The applicant has demonstrated that the proposed zoning designation would be more advantageous zoning for the subject property and changed community conditions justify the request.
5. The applicant has provided sufficient justification that the zone map amendment request is not solely based on the properties' location.
6. The requested zone map amendment would not create a "spot zone."
7. Future development of the subject property shall conform to the accompanying Site Plan
8. Amendment of the Ground Lease Agreement between the City and the applicant shall be executed prior to any approval and issuance of alcohol licensing.

If the Governing Body determines the proposed Zone Map Amendment is not justified, the following findings are recommended for denial:

SPECIFIC FINDINGS OF FACT FOR DENIAL:

1. The proposed zone map amendment does not meet the requirements of Rio Rancho Code of Ordinances (R.O. 2003) §150.07(D) Amendments.
2. The applicant's justification letter relies too heavily on economic considerations.

ALTERNATIVES:

The Governing Body may:

1. The Governing Body may approve the request.
2. The Governing Body may deny the request.
3. The Governing Body may modify the request and approve such modifications.
4. The Governing Body may postpone final action on the request and continue the public hearing to request additional information or consider testimony provided at the public hearing.

DEPARTMENT RECOMMENDATION:

The Planning and Zoning Board will review this item at their meeting on June 9, 2026. Staff recommends the Governing Body adopt the Ordinance.

ATTACHMENT: Ordinance
ATTACHMENT: Application
ATTACHMENT: Letter of Authorization
ATTACHMENT: Justification Letter
ATTACHMENT: Location Zoning Map
ATTACHMENT: Site Plan
ATTACHMENT: MAC CENTER - Surveyed Site Plan
ATTACHMENT: Renderings
ATTACHMENT: Exhibit A Site Plan
ATTACHMENT: MAC Fact Sheet
ATTACHMENT: Reproduction of Notice
ATTACHMENT: Public Comment Faulhaber

CITY OF RIO RANCHO
ORDINANCE

ORDINANCE NO. **ENACTMENT NO.**

ORDINANCE OF THE CITY OF RIO RANCHO, NEW MEXICO AMENDING THE ZONING CLASSIFICATION AND OFFICIAL ZONING MAP FOR THE PROPERTY LEGALLY DESCRIBED AS LOMA COLORADO, TRACT P-1C-A, TO ADD RESTAURANTS, BARS, LOUNGES, COFFEE/TEA ROOMS, DELICATESSENS, AND PATIO/AL FRESCO DINING FACILITIES AS A PERMISSIVE USE TO THE SU: SPECIAL USE FOR EDUCATIONAL, RECREATIONAL, AND CULTURAL USES ZONING DESIGNATION; PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE

WHEREAS: the Governing Body of the City of Rio Rancho has adopted zoning regulations and an official zone map in accordance with New Mexico Statutes Annotated 1978 (NMSA 1978) Chapter 3, Article 21; and

WHEREAS: in accordance with Rio Rancho Code of Ordinances (R.O. 2003) Section 150.07, an application to amend the zoning ordinance on the subject properties has been submitted by the City of Rio Rancho, and assigned City Case No. 26-100-00003; and

WHEREAS: the City of Rio Rancho Planning and Zoning Board held a duly noticed public hearing on June 9, 2026, regarding proposed changes to the Official Zoning Map and, following study and consideration, has made findings (where applicable) whether or not the criteria in R.O. 2003 Section 150.07 are satisfied, and made these recommendations to the Governing Body regarding adoption of the changes; and

WHEREAS: the Governing Body adopted the Loma Colorado Redevelopment Plan on May 10, 2006, Resolution No. 33, Enactment No 06-035; amended April 23, 2008 by Resolution No. 25, Enactment No. 08-030 and Resolution No. 26, Enactment No. 08-031; amended February 22, 2012 by Resolution No. 14, Enactment No. 12-014; and

WHEREAS: the Governing Body received a report from the Planning and Zoning Board, and such report indicates the Planning and Zoning Board has studied and considered the proposed changes pursuant to R.O. 2003 Section 150.07, and said report includes specific findings related to the affected property; and

WHEREAS: a public hearing occurred, in accordance with procedures set forth in R.O. 2003 Section 150.07, and NMSA 1978 Section 3-21-6, on the proposed zoning district and Official Zone Map changes hereinafter described were duly advertised and held by the Governing Body of Rio Rancho on June 11, 2026 and the Governing Body heard interested parties and citizens for an against the proposed amendments; and

WHEREAS: the proposed amendments to be adopted by this Ordinance comply with the

statutory and regulatory requirements of the aforesaid Code of Ordinances and Statutes, and upon specific findings related to the subject property and determining the proposed amendment is consistent with the policies and criteria set forth in R.O. 2003 Section 150.07 (D) through (G), the Governing Body finds the amendments promote the health, safety, morals, and general welfare of the City;

NOW THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF RIO RANCHO:

Section 1. Rezoning of Property and Change in Land Use.

A. The Official Zone Ordinance is hereby amended to add Restaurants, Bars, Lounges, Coffee/Tea Rooms, Delicatessens, & Patio/Al Fresco Dining Facilities as a permissive use to the SU: Special Use for Educational, Recreational, and Cultural Uses Zoning Designation on the lands legally described as:

Loma Colorado, Tract P-1C-A, as shown on the plat entitled, "SUMMARY PLAT FOR TRACTS P-1C-A AND P-1C-B, LOMA COLORADO, BEING COMPRISED OF TRACT P-1C, LOMA COLORADO, CITY OF RIO RANCHO, SANDOVAL COUNTY, NEW MEXICO, MARCH 2023," filed in the office of the County Clerk of Sandoval County, New Mexico on May 10, 2023 (RRE Book 33, Page 79-80).

Section 2. Land Use, Conditions, Development Standards/Regulations and use of Property:

A. The property identified in Section 1, above, is subject to the requirements herein and all SU: Special Use District zoning requirements as set forth in R.O. 2003 Section 154.43 (as of the effective date of this ordinance or as subsequently amended).

B. The property identified is subject to development standards established per the approved site plan.

C. The approved site plan is included as Exhibit A.

C. Minor Changes to the site plan may be approved by the Director of Development Services as regulated by R.O. 2003 Section 154.43 (as of the effective date of this Ordinance or as subsequently amended).

D. Major Changes to the site plan will be required to have Governing Body review and approval.

Section 3. Severability Clause. If any section, paragraph, clause, or provision of this Ordinance, or any section, paragraph, clause, or provision of any regulation promulgated hereunder shall for any reason be held to be invalid, unlawful, or enforceable, the invalidity, illegality, or unenforceability of such section, paragraph, clause, or provision shall not affect the validity of the remaining portions of this Ordinance or the regulation so challenged.

Section 4. Effective Date. This Ordinance shall become effective ten days after adoption.

ADOPTED THIS _____DAY OF _____, 2026.

_____
Paul Wymer, Mayor

ATTEST:

_____
Noel C. Davis, City Clerk
(SEAL)

Development Services Department, Ste. 130
3200 Civic Center Circle NE, Rio Rancho, NM 87144
(505) 891-5005

PLANNING & ZONING LAND USE APPLICATION

Please check appropriate box

Administrative Permit	Plan	Subdivision	Zoning
☐ Community Residential Care Facility	☐ Comprehensive Plan Amendment	☐ Final Plat	☐ Annexation
☐ Development Review Committee (DRC)	☐ Corridor Plan Amendment	☐ Preliminary Plat	☐ Appeal
☐ Home Occupation	☐ Master Plan	☐ Summary Plat	☐ Conditional Use Permit
☐ Model Home / Sales Office	☐ Master Plan Amendment	☐ Vacation of Plat/Street	☐ Master Sign Plan
☐ Residential Child Care Facility 6 or <	☐ Specific Area Plan Amendment	☐ Street Name Change	☐ Site Plan
☐ Sign Permit	☐ Text Amendment	☐ Subdivision Interpretation	☐ Special Exception
☐ Other		☐ Subdivision Variance	☐ Variance
			☐ Zone Map Amendment
			☐ Zoning Certification
			☐ Zoning Interpretation

Please Print In Ink Only or Type
Application must be complete. Please attach the appropriate checklist for the action you are requesting, if applicable.

APPLICANT/AGENT INFORMATION

Applicant Name: Michael McDermott		Phone: 505-514-9143
Address: 801 Loma Colorado Blvd.		E-Mail: baseball@themacsports.com
City: Rio Rancho	State: NM	Zip: 87124
Proprietary Interest: 100%	List Owners: McDermott Sports, LLC	
Deed or Ownership Verification Provided: (Initials)	Letter of Authorization Provided: (Initials)	

Agent Name:		Phone:
Address:		E-Mail:
City:	State:	ZIP Code:

DESCRIPTION OF REQUEST: (PLEASE ADD ADDITIONAL SHEET(S) IF NECESSARY)

Request to amend zoning to permit Restaurants, Bars, Lounges, Coffee/Tea Rooms, Delicatessens, and Patio/Al Fresco Dining Facilities

SITE INFORMATION: (PLEASE PROVIDE ACCURATE LEGAL DESCRIPTION)

Subdivision/Unit : Rio Rancho Estates	Block(s): 78	Lot(s): 4
Existing Zoning: SU	Proposed Zoning: SU with amendment	
No. of existing lots: 2	No. of proposed lots: 2	Total area of site (acres) 8.26

ACKNOWLEDGEMENT

I hereby acknowledge that I have read this entire application and affirm that all information provided is correct. I agree to comply with the requirements of the City of Rio Rancho as outlined in all applicable laws, ordinances and regulations.

Print Name: Michael McDermott	Applicant:	Agent:
Signature:		Date: 01/13/2026

FOR OFFICIAL USE ONLY

H.T.E. PROJECT #	FEE	RECEIPT #

APPLICATION ACCEPTED BY: _____ **DATE:**

Matthew B. Geisel
City Manager

May 15, 2026

Lizbeth Carlos Ruiz
Municipal Planner II
Planning & Zoning Division
DSD, City of Rio Rancho
Via Email

Ref: Authorization to submit Zone Map Amendment Application

The City of Rio Rancho is the real property owner of Tract P-1C-A. Through a LEDA ground lease originally adopted in 1995 and subsequently amended, McDermott Sports, LLC owns the improvements and operates the facility commonly known as “The Mac.”

The City of Rio Rancho hereby authorizes McDermott Sports, LLC to submit for an application for the property legally described as Loma Colorado, Tract P-1C-A, for a Zone Map Amendment, including Site Plan, to amend the existing Special Use Zoning Ordinance to allow for Restaurants, Bars, Lounges, coffee/Tea Rooms, Delicatessens, and Patio/Al Fresco Dining Facilities.

This authorization does not grant any approvals to dispense and sell alcohol and does not grant any further uses or authorizations not listed in the LEDA ground lease agreement between the City and McDermott Sports, LLC. The City, as landlord, intends to restrict alcohol service operations to confined area, as proposed by McDermott Sports, LLC, on the real property by way of an amended to the LEDA ground lease.

The applicant/McDermott Sports, LLC will additionally need to seek approval from the NM Regulation Licensing Department’s Alcohol Beverage Control division (NMRLD ABC) and amendment to the LEDA ground lease prior to beer and wine service in the proposed Tap Room on the real property of Tract P-1C-A.

Sincerely,

Matthew B. Geisel
City Manager

CC: Josh Rubin, City Attorney

To Whom It May Concern,

I am writing in support of an application to amend the current zoning designation applicable to the McDermott Athletic Center ("The MAC"), located at 801 Loma Colorado Blvd., Rio Rancho, New Mexico 87124. The property is currently zoned Special Use (SU) and is situated on land leased from the City of Rio Rancho under a long-standing LEDA ground lease agreement. While the land itself is City-owned, all improvements—including buildings, athletic fields, and related facilities—are owned, operated, and maintained by McDermott Sports, LLC.

I, Michael McDermott, owner of McDermott Sports, LLC, respectfully request a zoning amendment to permit Restaurants, Bars, Lounges, Coffee/Tea Rooms, Delicatessens, and Patio/Al Fresco Dining Facilities on the subject parcel.

Consistency with Public Health, Safety, Morals, and General Welfare

The proposed zoning amendment is consistent with, and supportive of, the health, safety, morals, and general welfare of the City of Rio Rancho. For nearly ten years, the MAC has been a trusted community asset, providing youth, recreational, and athletic services throughout its existing approximately 70,000-square-foot indoor facility, in full compliance with the requirements of the City lease.

In addition, the MAC has invested in and developed approximately 30,000 square feet of new exterior recreational space, expanding opportunities for organized sports, informal recreation, and community gathering. These improvements enhance public access to recreation and directly advance the City's quality-of-life goals.

The proposed food and beverage uses are designed to be complementary and subordinate to these existing recreational functions. Alcohol sales and service will be strictly limited to the taproom itself and the immediately adjacent turf patio area, as clearly delineated in red on the submitted site plan. No alcohol sales or consumption will be permitted within the main MAC building or elsewhere on the site. This limited and clearly defined service area ensures safe operations and compatibility with the family-oriented nature of the facility.

Stability of Land Use and Sound Justification for Change

While stability in land use and zoning is desirable, the applicant bears the burden of providing sound justification for a zoning amendment. That burden is met in this case.

The current SU zoning, while appropriate at the time it was established, no longer fully reflects current conditions or community needs. The original LEDA agreement between the City and the facility located at 801 Loma Colorado, Blvd. was formed more than 30 years ago. Since that time, Rio Rancho has experienced substantial changes in demographics, population growth, economic conditions, and resident expectations. The intent of the LEDA agreement has evolved alongside the City itself.

Importantly, while the MAC continues to uphold the core goals of the original LEDA project—providing recreational services, community access, and public benefit—the facility must be allowed to evolve to remain economically viable and sustainable as a long-term community resource.

The requested uses are not prohibited under the existing ground lease but are also not expressly permitted under the current zoning, creating a regulatory mismatch that limits the property's ability to adapt responsibly.

Changed Conditions, Operational Controls, and Community Advantage

Changed neighborhood and community conditions further justify the proposed amendment. Rio Rancho is a growing community that has recently experienced the closure of several local restaurants, bars, and breweries. These closures reduce opportunities for social gathering, local economic activity, and adult-oriented recreation.

The MAC proposes to partner with Brew Lab, a local Rio Rancho business, to operate a small taproom adjacent to the MAC's outdoor athletic amenities. The purpose of this partnership is twofold: to support local business and to appeal to an underserved demographic—adults—by enhancing participation in adult sports leagues and providing a welcoming place for community members to gather, socialize, and enjoy food and beverages in a controlled environment.

The ground lease between the City of Rio Rancho and McDermott Sports, LLC supersedes any sublease between the MAC and Brew Lab, ensuring that the City's interests, lease requirements, and enforcement authority remain fully intact.

Additionally, the MAC and Brew Lab will apply for all required celebratory licenses and permits for large events or special events not expressly outlined in this amendment. This commitment ensures continued coordination with the City and adherence to all applicable regulations.

Public Need and Best Use of the Property

There is a demonstrated public need for limited, integrated food and beverage services that enhance recreational facilities without displacing core community uses. The MAC is uniquely suited to meet this need due to its established infrastructure, responsible management, and long-standing role as a community destination.

This need will be best served by amending the zoning classification of this specific property, rather than directing such uses elsewhere, because the MAC already serves as a hub for sports, recreation, and entertainment. The proposed amendment allows for thoughtful evolution without expanding the site's footprint or introducing incompatible uses.

Notably, similar food and beverage services were previously approved by the City on the parcel directly to the north of the subject property, which was replatted for a project that is no longer viable. That area is now used for parking at the City's request and therefore cannot accommodate

these services, further supporting the appropriateness of the requested amendment on the MAC parcel.

Conclusion

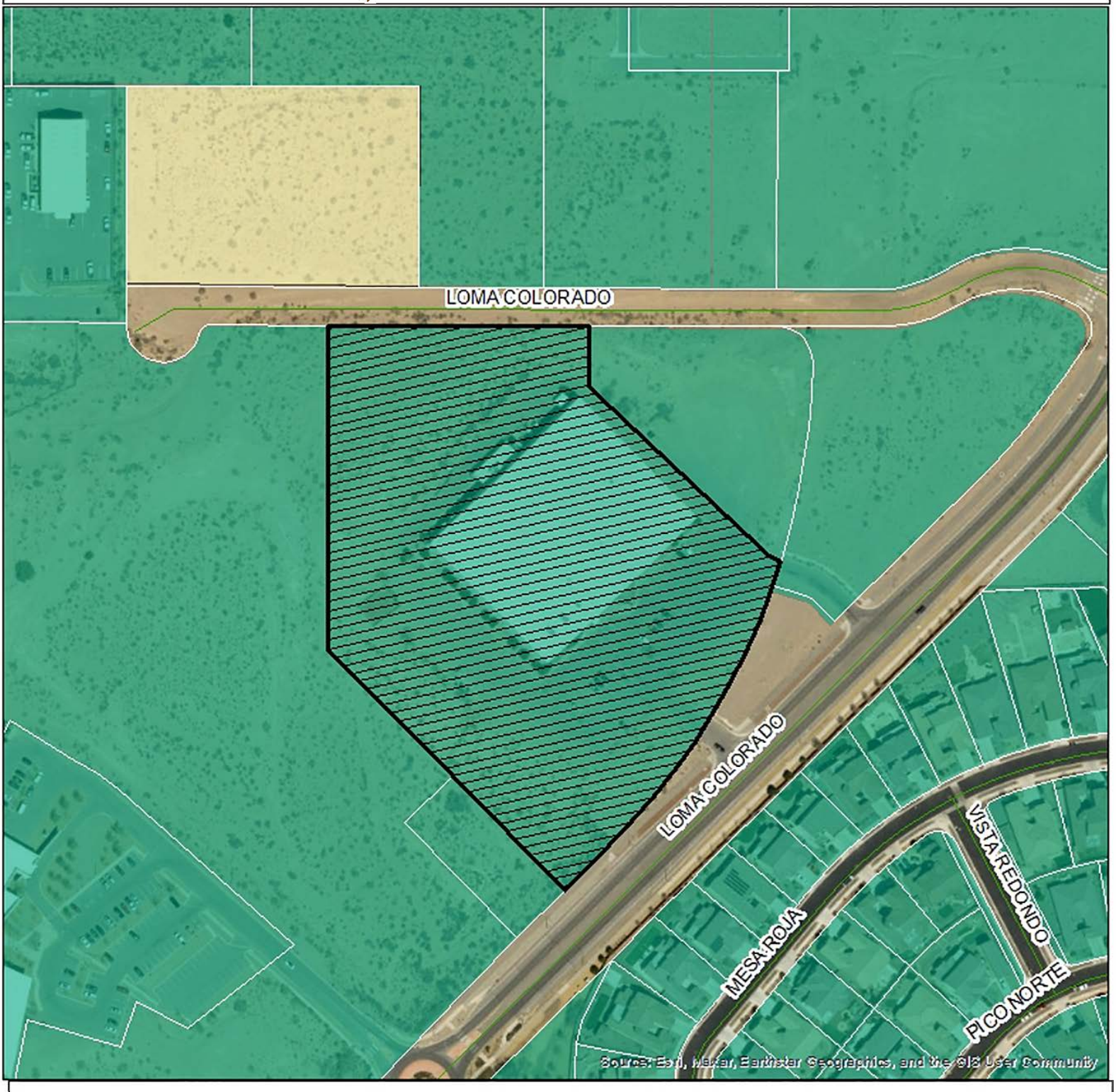
For nearly a decade, McDermott Sports, LLC has demonstrated a strong commitment to serving the Rio Rancho community with integrity, professionalism, and responsiveness. The MAC has continuously invested in facilities, expanded services, and adapted to community needs while maintaining its core mission.

This zoning amendment represents a reasonable, well-regulated evolution that allows the MAC to continue fulfilling the goals of the original LEDA agreement while responding to the realities of a growing and changing city. For these reasons, the requested amendment satisfies the criteria of §150.07 of the City Zoning Code and should be approved.

Respectfully submitted,

Michael McDermott
Owner
McDermott Sports, LLC
Operator, McDermott Athletic Center
801 Loma Colorado Blvd.
Rio Rancho, NM 87124

801 LOMA COLORADO BLVD NE
ZONE MAP AMENDMENT
LOMA TRACT P-1C-A



ReRancho
City of Vision

0 55 110 220 330 440
Feet

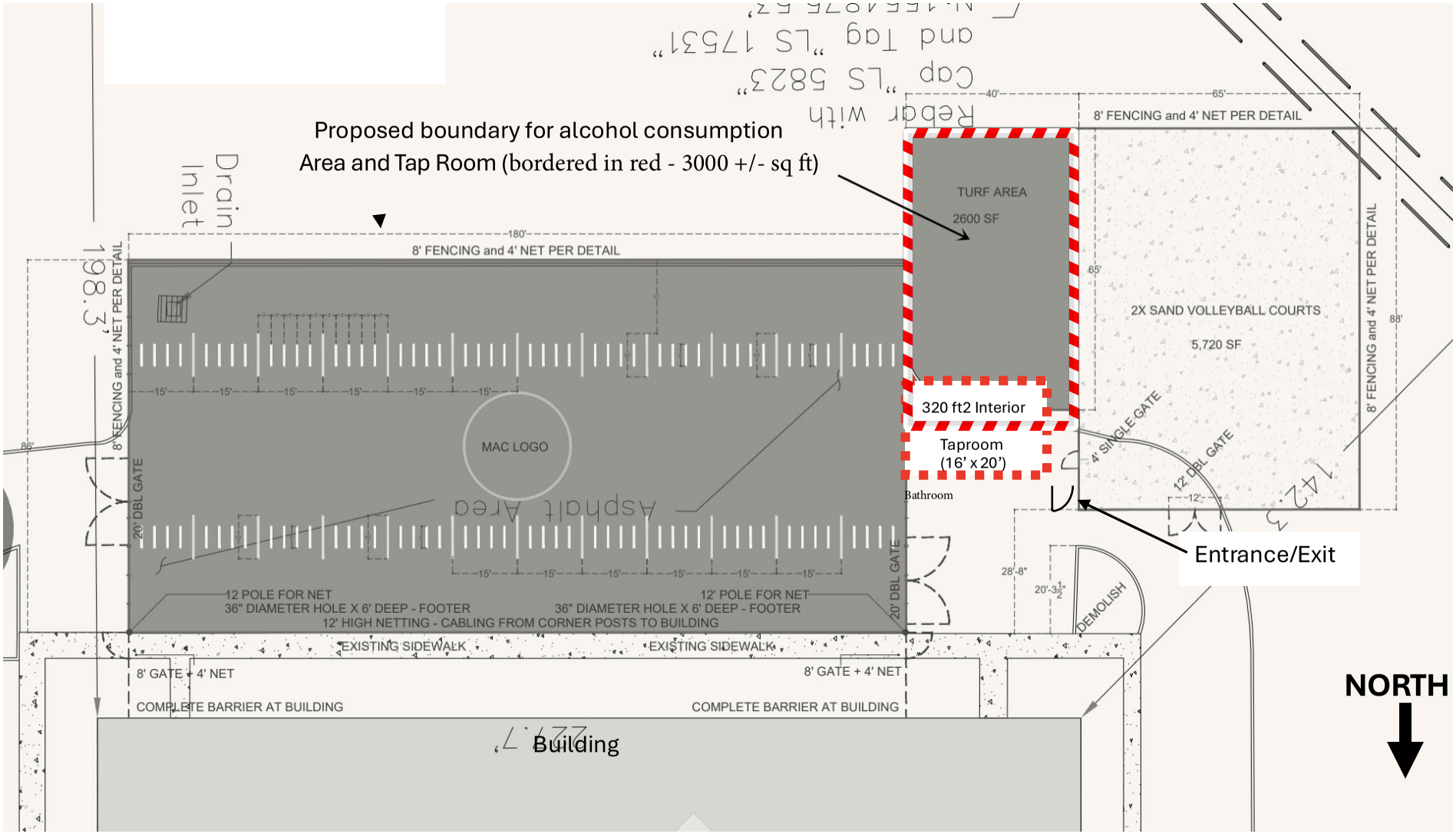
Subject Property
Roads
Zoning
R-1
SU

DISCLAIMER: All information in this map is provided "as is" without warranty or any representation of accuracy, timeliness or completeness. This map is not a survey and should be used for graphical purposes only.

Map Created by Liz Ruiz Carlos on 5/23/2025

Taproom at The MAC - 801 Loma Colorado Blvd, Rio Rancho, NM 87124

3,000 +/- ft of Alcohol Consumption Premise



Topographic Map
for
Portions of Tracts P-1C-A and P-1-C-B Loma Colorado
City of Rio Rancho
Sandoval County, New Mexico
December 2023

Easement Notes

1. EXISTING PRIVATE ACCESS EASEMENT BENEFITING SUBJECT PROPERTY (7/21/08, RRE BK. 22, PG. 39)
2. EXISTING 50' PUBLIC WATER AND SANITARY SEWER EASEMENT (7/21/08, RRE BK. 22, PG. 39)
3. EXISTING 10' P.U.E. (7/21/08, RRE BK. 22, PG. 39)
4. EXISTING PRIVATE DRAINAGE EASEMENT (7/21/08, RRE BK. 22, PG. 39)
5. EXISTING 10' P.U.E. (2/27/97, RRE BK. 9, PG. 119)
6. EXISTING 10' PNM EASEMENT (7/30/96, BK. MISC. 354, PG. 390)
7. EXISTING 10' P.U.E. (12/7/2006, RRE BK. 20, PG. 22-27)

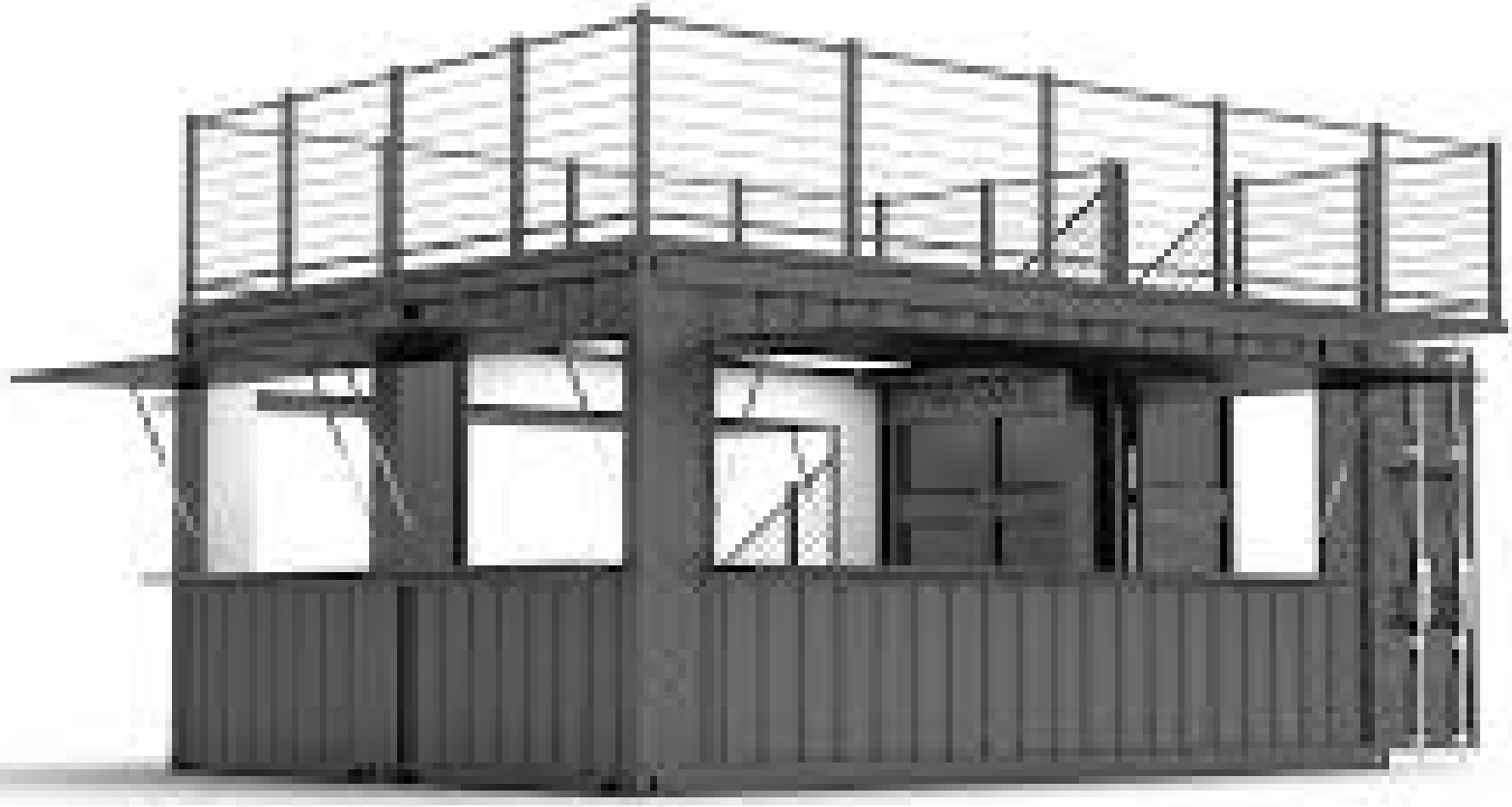
Legend

N 90°00'00" E	MEASURED BEARINGS AND DISTANCES
◉	FOUND MONUMENT AS INDICATED
⊠	COVERED AREA
⋰⋱	CONCRETE
—○—	CHAINLINK FENCE
⊡	UTILITY PEDESTAL
☼	LIGHT POLE
T	TRANSFORMER
P	PULL BOX
G	GAS METER
WV	WATER VALVE
W	WATER METER
	FIRE HYDRANT
S	MANHOLE
	SIGN
	CURB CUT/INDICATION OF ACCESS TO ROADWAY
OR	STORM DRAIN INLET
	ROOF DRAIN
R	RAMP
—G—	UNDERGROUND GAS UTILITY LINE
—SAS—	UNDERGROUND SANITARY SEWER LINE
—E—	UNDERGROUND ELECTRIC UTILITY LINE
—W—	UNDERGROUND WATER UTILITY LINE
—FO—	UNDERGROUND FIBER OPTIC UTILITY LINE
5075.50	SPOT ELEVATION
BC 5075.50	BACK OF CURB ELEVATION
FL 5075.50	FLOW LINE ELEVATION
TA 5075.50	TOP OF ASPHALT ELEVATION
TOP 5075.50	TOP OF SLOPE ELEVATION
TOE 5075.50	TOE OF SLOPE ELEVATION
EP 5075.50	EDGE OF PAVEMENT ELEVATION

Line Table		
Line #	Direction	Length (ft)
L1	S 45°15'26" W	94.29'
L2	S 00°15'37" W	82.43'
L3	S 46°32'30" E	79.46'
L4	S 66°00'31" E	30.18'

Curve Table					
Curve #	Length	Radius	Delta	Chord Length	Chord Direction
C1	79.09'	50.00'	90°37'48"	71.10'	S 44°25'29" E
C2	728.74'	941.00'	44°22'18"	710.67'	S 23°04'34" W
C3	276.88'	941.00'	16°51'31"	275.88'	S 09°19'10" W
C4	451.86'	941.00'	27°30'47"	447.53'	S 31°30'19" W

CSI-CARTESIAN SURVEYS INC.
P.O. BOX 44414 RIO RANCHO, N.M. 87174
Phone (505) 896 - 3050 Fax (505) 891 - 0244
cartesianbrian@gmail.com



SITEPLAN

Address:
801 LOMA COLORADO BLVD NE RIO RANCHO, NM 87124

Assessor's Parcel Number:
1013070371399373374

Parcel Area:
7.33 Acres

Land Use:
VACANT LAND MISCELLANEOUS VACANT LAND

Zoning: /

Legal Description:
SUBD:LOMA COLORADO TRACT: P1C S: 18 T: 12N R: 3E

Subdivision:
~~LOMA COLORADO~~

Owner: Units Multiple
~~Owners~~ (2 Units)

Paper size & scale:
11"x 17"; 1"=90'

Date: March, 2026

SITEPLAN4YOU.com

MAC Fact Sheet and Overview

Applicant: McDermott Sports, LLC (DBA The MAC) **Location:** Rio Rancho, NM

REQUEST

McDermott Sports, LLC respectfully requests approval of a **Zone Map Amendment** along with a **restructured ground lease agreement** to allow for the addition of limited adult-oriented recreational amenities, including a small tap room and associated outdoor recreation space.

EXISTING CONDITIONS AND AGREEMENT

The MAC currently operates under a preexisting LEDA ground lease agreement with the City of Rio Rancho. Under this agreement:

- The **City owns the land**, while **all improvements are privately owned** by McDermott Sports, LLC.
- The MAC is required to operate as a **sports and recreation facility**, contributing to the quality of life for Rio Rancho residents.
- The MAC provides **150 hours of free programming annually**, equating to approximately **$15,000 in community benefit**.
- The MAC receives a **property tax abatement on land**, saving approximately **$8,000–$10,000 annually**, while continuing to pay taxes on all improvements.
- The MAC **pays a nominal fee for the ground lease**. This is a significant savings over the cost to acquire (or make debt service) on fee simple landownership or long-term ground lease from a real estate developer.
- Land Lease Agreement originated when the building was constructed.

FACILITY OVERVIEW

The MAC is a **70,000 square foot indoor sports and recreation facility** that includes:

- Seven indoor batting cages
- Two full-size basketball courts
- One NHL regulation ice rink
- Snack bar and leased tenant spaces

Additionally, the site includes:

- A 17,000 square foot outdoor turf fields
- Two sand volleyball courts

The facility also supports local businesses and organizations leasing space on-site.

SERVICES AND COMMUNITY IMPACT

The MAC serves a broad cross-section of the community, including:

- Youth athletes (baseball, softball, basketball, hockey, volleyball, figure skating)

- Adult recreational users
- School and nonprofit groups

Key partnerships and users include:

- ABA Hooligans Baseball Academy (~400 athletes)
- New Mexico Amateur Hockey Association
- Warrior Hockey Club / NM Hockey
- Figure Skating Club of Rio Rancho
- UNM Men's and Women's Hockey
- Goatheads Hockey Team
- ARVC Volleyball (largest in NM)
- Rio Rancho High School programs
- Special Olympics of New Mexico (facility use provided free of charge)

The MAC also provides:

- Camps and clinics
- Learn-to-Skate programs
- Youth sports programming
- Over **200 birthday parties annually**
- Field trips and community events

Recent Investments/Improvements:

Over the last several years, MAC ownership has made considerable investments in regards to upgrades and expanded services. These included, but are not limited to:

- Summer 2022: New Compressor for Ice Rink ($220,000)
- Fall 2024: Installation of new commercial pitching machines (more walk-in friendly) and expansion of batting cage area ($75,000)
- Spring 2025: Installation of new Cooling Tower for Ice Rink ($180,000)
- Summer 2025: Construction of 17,000 square foot outdoor turf field and 10,000 square foot sand volleyball area ($450,000)
- Upcoming Summer 2026: Hockey locker room renovation and full ice-rink melt ($100,000)

Total capital investment since 2022: $1,025,000

The City of Rio Rancho

Development Services
Planning Division
3200 Civic Center Circle NE
Rio Rancho, NM 87144
Phone (505) 891-5005 ● Fax (505) 896-8994

May 27, 2026

RE: **Zone Map Amendment/Master Plan**
Case No. #25-100-00017/#25-400-00006
Rancho Alegria

Dear Property Owner:

You are receiving this notice because your property abuts a site where a land development decision is required by the Governing Body.

The applicant, Pulte Homes, through their agent, Consensus Planning, requests approval of a Master Plan for the lots legally described as U8, Blk 53, Lots 1-24; Blk 49, Lots 2-11, and 14-23; and Blk 50, Lots 2-24. The applicant concurrently requests approval of a Zone Map Amendment, to rezone the properties from M-1: Industrial and Business Park and R-1: Single-Family Residential, to R-3: Mixed Residential. The properties total 66.25 acres.

The **Governing Body** will consider the request on **Thursday, June 11, 2026** at 6:00 pm in the **Council Chambers** and **Virtually** as a hybrid meeting, through the **Zoom link and number below.**

On the back of this letter is a location map of the project, with the subject property identified.

If you would like to comment on this application, you are encouraged to send in comments in writing, which will be presented to the Governing Body. This Governing Body meeting will be hybrid with options to participate virtually or in person. The City highly encourages citizens to watch the meeting live on the City's website www.rrnm.gov or on Sparklight cable channel 56.

For the **Governing Body meeting**, to participate virtually: Join via computer:
https://us06web.zoom.us/j/85180741871?pwd=T3BlSHVpWkp6d3dDRmlHd3k2VzYvUT09
Meeting ID: 851 8074 1871 Passcode: **026819** Join via phone: 1-253-215-8782 US

Please do not hesitate to contact me via e-mail me at lruizcarlos@rrnm.gov or call me at 505-896-8785, if you have any questions concerning this matter. The agenda for this hearing and related staff reports will be posted on the City's website, www.rrnm.gov, the Friday before the hearing.

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact the City Clerk, 505-891-5004, as soon as possible prior to the meeting. Please contact the City Clerk if a summary or other type of accessible format is needed.

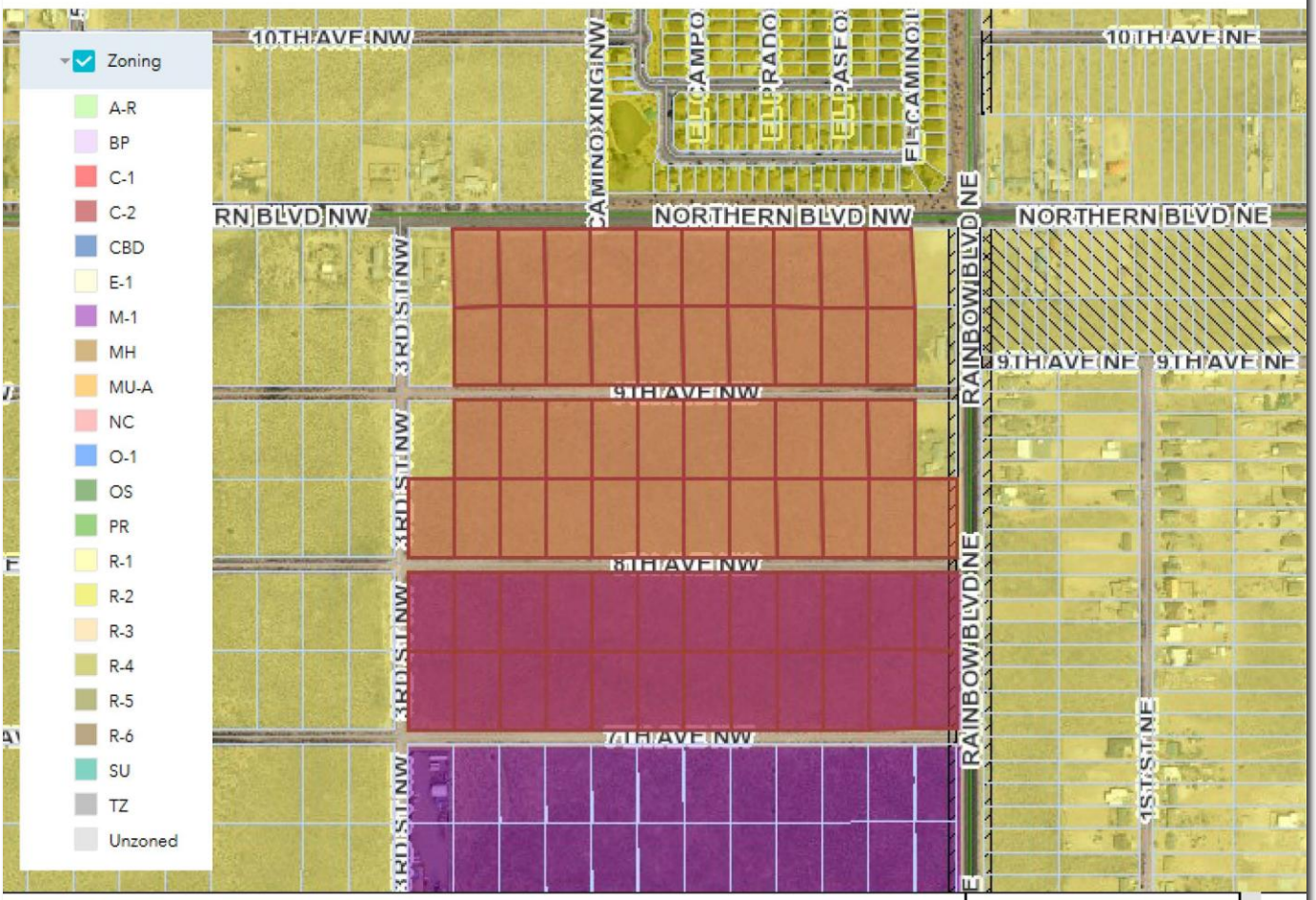
Respectfully,

Liz Ruiz Carlos
Municipal Planner II
Development Services Department
City of Rio Rancho

The City of Rio Rancho

Development Services
Planning Division
3200 Civic Center Circle NE
Rio Rancho, NM 87144
Phone (505) 891-5005 ● Fax (505) 896-8994

RANCHO ALEGRIA (MASTER PLAN) & ZONE MAP AMENDMENT: M-1 AND R-1 TO R-3: MIXED RESIDENTIAL



GIS Moving Spatial Data Forward

N
W
E
S

Subject Property

DISCLAIMER: All information on this map is provided "as is" without warranty or any representation of accuracy, timeliness or completeness. This map is not a survey and should be used for graphical purposes only.

Map courtesy of Liz Ruiz Carlos, 4/24/2026

CITY OF RIO RANCHO
PUBLIC HEARING NOTICE

The GOVERNING BODY of the CITY of RIO RANCHO will consider the following matter at its regularly scheduled meeting at 6:00 p.m. on Thursday, June 11, 2026:

Zone Map Amendment
Case #25-100-00017

The applicant, Pulte Homes, through their agent, Consensus Planning, requests approval of a Zone Map Amendment to rezone the properties legally described as: Unit 8, Block 53, Lots 1-24; Block 49, Lots 2-11, and 14-23; and Block 50, Lots 2-24, from M-1: Industrial and Business Park and R-1: Single-Family Residential, to R-3: Mixed Residential.

Master Plan
Case #25-400-00006

The applicant, Pulte Homes, through their agent, Consensus Planning, requests approval of the Rancho Alegria Master Plan for the lots legally described as: Unit 8, Block 53, Lots 1-24; Block 49, Lots 2-11, and 14-23; and Block 50, Lots 2-24.

Zone Map Amendment
Case #26-100-00006

The applicant, Gospel Light Baptist Church of Rio Rancho, through their agent, Community Design Solutions, requests approval of a Zone Map Amendment for the property legally described as Unit 10, Block 33, Lot 98-A. The property, which consists of approximately 0.94 acres, is physically located at 1600 Southern Blvd SE and is currently zoned R-1: Single-Family Residential. The applicant is requesting to change the zoning designation of the lot to C-1: Retail Commercial to accommodate a proposed fitness center on the subject property.

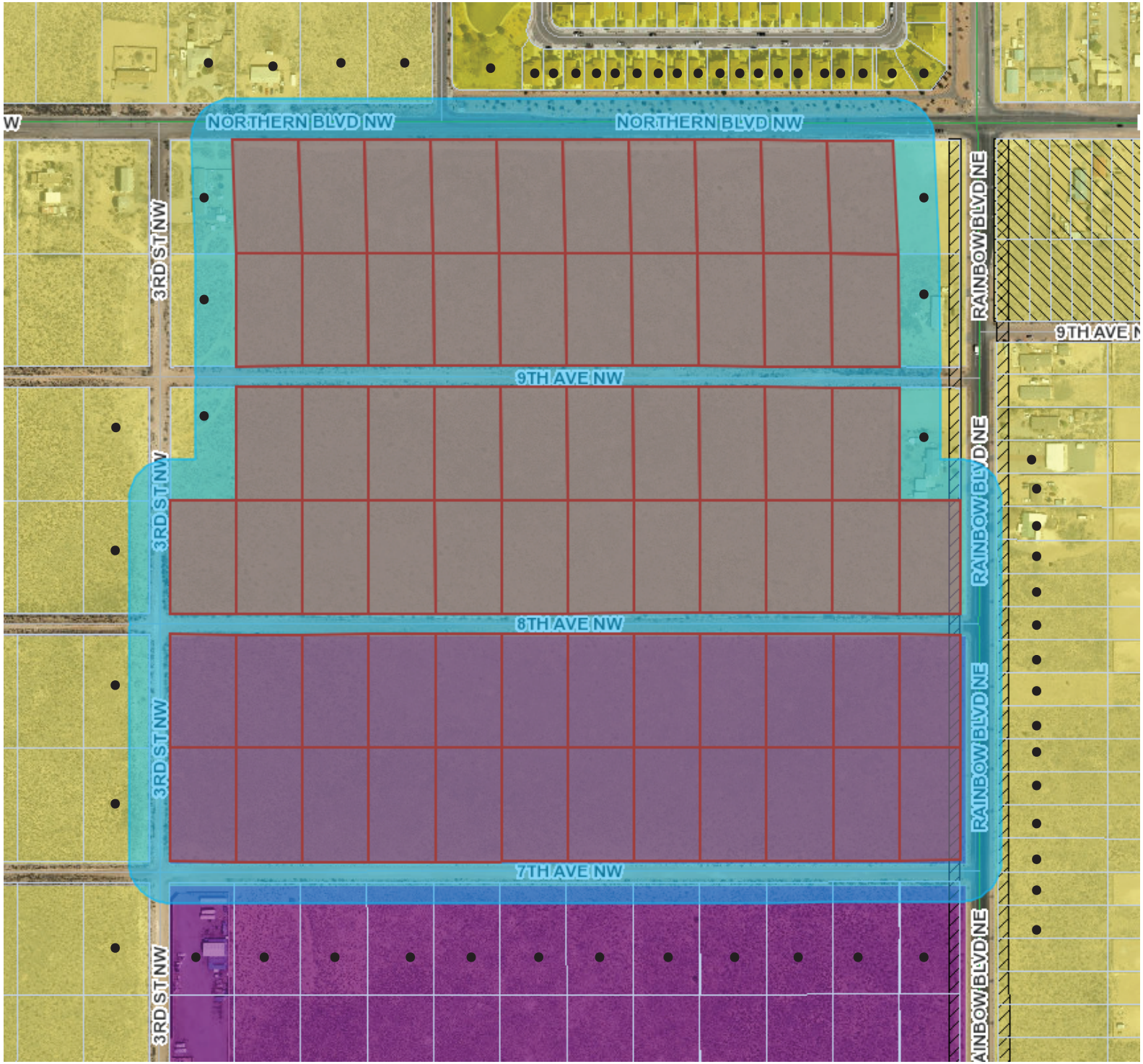
Zone Map Amendment
Case #26-100-00003

The applicant, Michael McDermott, requests approval of a Zone Map Amendment with accompanying site plan, for the subject property legally described as Loma Colorado, Tract P-1C-A, to amend the SU: Special Use zoning designation, to allow for Restaurants, Bars, Lounges, coffee/Tea Rooms, Delicatessens, and Patio/Al Fresco Dining Facilities. The property consists of 7.3264 acres and is physically located at 801 Loma Colorado Blvd NE.

The meeting is scheduled for 6 pm in the Council Chambers at City Hall, 3200 Civic Center Cir. NE, Rio Rancho, NM. The public is invited to attend in person or virtually at www.rrnm.gov. Materials related to this item are available for viewing in the Development Services Department at City Hall.

If you would like to comment on this application, you are encouraged to submit a written comment to planning@rrnm.gov. Written comments will be inserted into the public record.

Journal: May 27, 2026



Notice Map: • - 100ft f/subject property, first class letter

Outlook

Case # 26-100-00003 Mac Center 801 Loma Colorado

From Bob Faulhaber <bfaulhaber@sazerac.com>
Date Wed 6/3/2026 2:11 PM
To Planning <Planning@rrnm.gov>
Cc asquishbug@yahoo.com <asquishbug@yahoo.com>

Some people who received this message don't often get email from bfaulhaber@sazerac.com. Learn why this is important

Dear Governing Body,

I am the property owner of 907 Mesa Roja Trl NE and my house is located directly across the street from the Mac Center. I received a certified letter today regarding the proposed expansion (801 Loma Colorado), and I'm writing to express my desire that this proposal be **approved by this committee**. The Mac Center is a pillar of our community, and the addition of restaurant/dining/bar facilities would be a welcome and needed expansion. There are no other such facilities within a several mile radius of this location that hosts sports, skating, and numerous other activities daily.

Sincerely,

Robert Faulhaber
907 Mesa Roja Trl NE.
Rio Rancho, NM 87124
Phone: (505) 263-3215

CITY OF RIO RANCHO
COVER PAGE

Legislation Item: O6

AGENDA DATE:
June 11, 2026

DEPARTMENT:
Financial Services

SUBJECT:
O6, Ordinance Authorizing the Issuance and Sale of City Of Rio Rancho, New Mexico, Tax-Exempt General Obligation Improvement Bonds, Series 2026, in the Principal Amount of $18,000,000, Payable from Ad Valorem Taxes Levied on all Taxable Property within the City, Levied Without Limit as to Rate or Amount; Providing for the Form, Certain Terms and Conditions of the Bonds, the Manner of Their Execution, and the Method of and Security for Payment Thereof; Delegating Authority to Each of the Mayor, City Manager and City Financial Services Director to Determine the Method of Sale Of the Bonds and to Determine the Maturity Dates and Amounts, Interest Rates, Prices, Redemption Features and Other Final Terms of the Bonds in an Award Certificate; and Providing for Other Details Concerning the Bonds

BACKGROUND AND ANALYSIS:
Two readings with approval required for adoption. First reading and approval occurred on May 8, 2026.

On October 9, 2025, the Governing Body approved a Resolution authorizing placement of three bond questions (roads, public safety, and quality of life facilities) on the March 3, 2026, ballot to seek voter approval of all three bond questions. Attached as Exhibits A, B and C are the proposed projects and estimated costs that would be funded by bond proceeds (after accounting for the required 1% for the Arts, bond issuance costs, and contingency), which was reviewed on October 9.

Rio Rancho voters approved all three bond questions which, together, authorize the City to issue up to $18.0 million in General Obligation bonds. The voters approved (73.3 percent in favor) up to $12,435,000 of General Obligation bonds to be issued for improvements to the road system; voters approved (67.2 percent in favor) up to $4,365,000 for public safety facilities, equipment and apparatuses; and voters approved (64.9 percent in favor) up to $1,200,000 for improving quality of life facilities. It has been estimated that approval of all bond questions will leave the property tax rate for municipal debt service unchanged.

The Ordinance authorizes the issuance and sale of General Obligation bonds in an aggregate principal amount not to exceed $18.0 million and outlines the parameters of the bonds to be issued.

The bonds may be sold in either a competitive sale, negotiated sale, or private placement to an underwriter or purchase or purchasers, whichever is in the best interest of the City and as determined pursuant to an award certificate. The Ordinance delegates authority to the Mayor, City Manager, and City Financial Services Director to execute and deliver the award certificate. Final terms of the award certificate must be within the parameters set forth in the Ordinance including specific principal amounts, interest rates, maturity dates, prices and other features. The following are the authorized parameters: the bonds will be issued in an aggregate principal amount not to

exceed $18,000,000; the net effective interest rate will not exceed 10%, and the final maturity of the bonds will be no later than August 1, 2046.

Repayment of the bonds is secured by a pledge of the City to levy property tax on all taxable property within the City sufficient to pay interest and principal on the bonds. If approved, the City will issue the bonds at such time as the market is as favorable as possible.

IMPACT:

Approval of the Bond Parameters Ordinance will allow the City to issue the voter-approved General Obligation Bonds and establish the parameters for issuance of the bonds. Once issued, the bonds will provide resources for road improvements, public safety improvements, and quality of life facilities improvements. There is no impact to the proceed with the projects to be funded by the bonds.

ALTERNATIVES:

Approve the Ordinance.

Do not approve the Ordinance.

DEPARTMENT RECOMMENDATION:

Staff recommends approval of the Ordinance.

ATTACHMENT: Ordinance
ATTACHMENT: Disclosure Responsibilities Memo
ATTACHMENT: 2026 Preliminary Official Statement
ATTACHMENT: Exhibit A - Roads
ATTACHMENT: Exhibit B - Public Safety
ATTACHMENT: Exhibit C - Quality of Life Facilities

CITY OF RIO RANCHO
ORDINANCE

ORDINANCE NO. ___ **ENACTMENT NO. _____**

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF CITY OF RIO RANCHO, NEW MEXICO, TAX-EXEMPT GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2026, IN THE PRINCIPAL AMOUNT OF $18,000,000, PAYABLE FROM AD VALOREM TAXES LEVIED ON ALL TAXABLE PROPERTY WITHIN THE CITY, LEVIED WITHOUT LIMIT AS TO RATE OR AMOUNT; PROVIDING FOR THE FORM, CERTAIN TERMS AND CONDITIONS OF THE BONDS, THE MANNER OF THEIR EXECUTION, AND THE METHOD OF AND SECURITY FOR PAYMENT THEREOF; DELEGATING AUTHORITY TO EACH OF THE MAYOR, CITY MANAGER AND CITY FINANCIAL SERVICES DIRECTOR TO DETERMINE THE METHOD OF SALE OF THE BONDS AND TO DETERMINE THE MATURITY DATES AND AMOUNTS, INTEREST RATES, PRICES, REDEMPTION FEATURES AND OTHER FINAL TERMS OF THE BONDS IN AN AWARD CERTIFICATE; AND PROVIDING FOR OTHER DETAILS CONCERNING THE BONDS

WHEREAS, At the general obligation bond election held for the City of Rio Rancho (the "City"), State of New Mexico, on the 3rd day of March, 2026, the electors of the City authorized the Governing Body of the City (the "Governing Body") to contract bonded indebtedness on behalf of the City and upon the credit thereof by issuing general obligation bonds of the City (the "Bonds") to secure funds for the following purpose (the "Project"), in the following amounts:

Purpose	Amount Authorized by election	Amount previously issued	Amount to be issued
Designing, constructing, repairing, preserving, rehabilitating, enhancing and otherwise improving roads and underlying utility infrastructure	$12,435,000	-0-	$12,435,000
Designing, constructing,	$4,365,000	-0-	$4,365,000

repairing, preserving, rehabilitating, enhancing and otherwise improving public safety facilities and repairing, replacing, or otherwise improving public safety vehicles, apparatuses, and equipment			
Designing, constructing, renovating, acquiring, rehabilitating, improving and equipping public quality of life facilities within the City and	$1,200,000	-0-	$1,200,000

WHEREAS, the Governing Body has determined, and does hereby determine, that it is necessary and in the best interest of the City and the inhabitants thereof that the entire amount of the general obligation bonds authorized at the election (the "Bonds"), be authorized for issuance at this time; provided, however, that a satisfactory price for the Bonds be obtained upon a public sale; and

WHEREAS, the Governing Body expects to sell the Bonds in either a competitive sale, negotiated sale, or private placement to an underwriter or purchaser or purchasers (for purposes of this Ordinance, the "Purchaser"), as determined pursuant to an award certificate (the "Award Certificate") supplementing this Bond Ordinance, and to delegate authority to each of the Mayor, the City Manager and the City Financial Services Director (each a "Delegate") to execute and deliver the Award Certificate to the Purchaser, as authorized by Section 6-14-10.2 NMSA 1978, provided that the final terms of the Bonds set forth in the Award Certificate be within the parameters set forth in this Ordinance; and

WHEREAS, the Governing Body intends that, if the Mayor, City Manager or City Financial Services Director, in consultation with the City's Municipal Advisor, determines that it is most advantageous to the City to offer the Bonds in a competitive sale, the specific details of and requirements for

bidding for the Bonds shall be provided in an official notice of sale (the "Notice of Sale") to be approved on behalf of the City by the Mayor, City Manager or City Financial Services Director, or designees thereof; and

WHEREAS, the Governing Body desires to delegate to the Delegates authority to determine the specific principal amounts, interest rates, maturity dates, prices and other final terms and other features of the Bonds, including, without limitation, provisions concerning a Bond Insurance Policy (if any), to be set forth in the Award Certificate to be executed by any of the Delegates, and to award the Bonds to the best bidder therefor.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF RIO RANCHO:

Section 1. Ratification. All actions heretofore taken by the Governing Body and the officers and employees of the City directed toward the issuance and sale of the Bonds to secure funds for the Road Improvement Project and the Public Safety Project (each defined in Section 2 below) be, and the same hereby are, ratified, approved and confirmed.

Section 2. Project Authorization.

A. Proceeds of the Bonds derived from $12,435,000 in aggregate principal amount of the Bonds are hereby authorized to be applied to the designing, constructing, repairing, preserving, rehabilitating, enhancing and otherwise improving roads and underlying utility infrastructure within the City (the "Road Improvement Project").

B. Proceeds of the Bonds derived from $4,365,000 in aggregate principal amount of the Bonds are hereby authorized to be applied to the designing, constructing, repairing, preserving, rehabilitating, enhancing and otherwise improving public safety facilities and repairing, replacing, or otherwise improving public safety vehicles, apparatus, and equipment (the "Public Safety Project").

C. Proceeds of the Bonds derived from $1,200,000 in aggregate principal amount of the Bonds are hereby authorized to be applied to the designing, constructing, renovating, acquiring, rehabilitating, improving and equipping public quality of life facilities in the City (the "Quality of Life Facilities Project" and, together with the Road Improvement Project and the Public Safety Project, the "Project").

Section 3. Findings.

A. The issuance of the Bonds under the home rule powers of the City granted by the City Charter, this Bond Ordinance, and Sections 6-15-1 through 6-15-22 NMSA 1978, for the purpose of providing funds to finance the costs of the Project, is necessary and in the interest of the public health, safety, morals and welfare of the residents of the City.

B. The Bonds may be authorized by an affirmative vote of a majority of all the members of the Council.

C. The City will finance the costs of the Project, in whole or in part, with the proceeds of the Bonds.

D. The Net Effective Interest Rate on the Bonds shall not exceed the statutory maximum of 10%.

Section 4. Bonds are General Obligations. The Bonds shall constitute the general obligation debt of the City, payable from general *ad valorem* taxes which shall be levied without limitation as to the rate or amount. The full faith and credit of the City shall be, and hereby is, irrevocably pledged to the payment of the principal of and interest on the Bonds.

Section 5. Authorization, Parameters and Detail.

A. Authorization. This Bond Ordinance has been adopted by the affirmative vote of a majority of all of the members of the Governing Body. For the purpose of protecting the public health, conserving the property, and protecting the general welfare and prosperity of the citizens of the City, it is hereby declared necessary that the City, pursuant to the Act, issue its negotiable, fully registered, general obligation bonds in one or more series in the total aggregate principal amount not to exceed $18,000,000 to be designated in the Award Resolution as the "City of Rio Rancho, New Mexico General Obligation Improvement Bonds, Series 2026" and the issuance, sale and delivery of the Bonds is hereby authorized.

B. Parameters Authorized. The Bonds shall be issued subject to the following parameters:

(1) The Bonds shall be issued in an aggregate principal amount not to exceed $18,000,000 for the Project, exclusive of original issue premium, if any.

(2) The net effective interest rate on the Bonds shall not exceed 10% per annum.

(3) The final maturity of the Bonds shall not be later than August 1, 2046.

C. Details of Bonds.

(1) The forms, terms, and provisions of the Bonds in the form set forth in Section 11 are hereby approved with only such changes therein as are not inconsistent with this Bond Ordinance and as shall be approved in the Award Certificate.

(2) The Bonds shall be negotiable instruments but shall be issued only as fully registered bonds, in such numbers and denominations as may be requested by the Purchaser, but exchangeable for other fully registered Bonds of any denominations which are multiples of $5,000. The Bonds shall be numbered separately and consecutively, shall be dated the date of their delivery to the Purchaser, shall mature on August 1 of each year and shall 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 their date, payable semi-annually on February 1 and August 1 in each year commencing on August 1, 2026, or as otherwise specified in the Award Certificate, until their respective maturities. The Bonds shall bear the rates of interest, maturities and provisions for redemption prior to maturity as shall be established in the Award Certificate.

D. Notice of Sale. If the City Manager or City Financial Services Director, in consultation with the City's Municipal Advisor, determines that it is most advantageous to the City to offer the Bonds in a competitive sale, the Bonds shall be sold pursuant to the terms of the Official Notice of Sale appended to the form of preliminary official statement presented to the Governing Body in connection with this Ordinance (the "Preliminary Official Statement"). The City Financial Services Director is hereby authorized and directed to have published once, at least one week prior to the date of sale, a notice of sale of the Bonds in a newspaper of general circulation in the City, and the Financial Services Director of the City is hereby authorized and directed to give such other notice of the bond sale as he shall determine, including the publication of the notice in financial papers and periodicals and the distribution among investment bankers and others of the Preliminary Official Statement.

E. Final Terms; Award of Bonds. The exact principal amounts, maturity dates, interest rates, prices, redemption features and other final terms of the Bonds shall be as set forth in the Award Certificate. The Bonds shall be awarded to the Purchaser as provided in the Award Certificate.

F. Series Date; Numbering; Interest Payment Dates. The Bonds shall be dated the date of delivery (herein the "Series Date"), will be issued in one series and shall consist of bonds numbered consecutively from R-1 upward, issuable in the denomination of $5,000 each or integral multiples thereof (provided that no individual bond will be issued for more than one maturity); shall bear interest from the Series Date to maturity at the rates set forth in the Award Certificate, payable to the registered owner thereof, or registered assigns, on August 1, 2026 or as otherwise specified in the Award Certificate, and semiannually thereafter on February 1 and August 1 in each year in which the Bonds are outstanding and shall mature on August 1 of each year as set forth in the Award Certificate.

Section 6. Redemption of Bonds Prior to Maturity.

A. Optional Redemption. Redemption of the Bonds prior to maturity at the option of the City shall be as provided in the Award Certificate.

B. Notice of Redemption. Notice of redemption shall be given by the Registrar/Paying Agent by sending a copy of such notice by first-class, postage prepaid mail at least thirty (30) days prior to the redemption date to the registered owner of each Bond, or portion thereof, to be redeemed at the address shown as of the close of business of the Registrar/Paying Agent on the fifth day prior to the mailing of notice on the registration books kept by the Registrar/Paying Agent. The City shall give notice of redemption of the Bonds to the Registrar/Paying Agent at least forty-five (45) days prior to the redemption date. The Registrar/Paying Agent's failure to give such notice to the registered owner of any Bond, or any defect therein, shall not affect the validity of the proceedings for the redemption of any Bonds for which proper notice was given.

Notices of redemption shall specify the maturity dates and the number or numbers of the Bonds to be redeemed (if less than all are to be redeemed) and if less than the full amount of any Bond is to be redeemed, the amount of such Bond to be redeemed, the date fixed for redemption, and that on such redemption date there will become and be due and payable upon each Bond to be redeemed at the office of the Registrar/Paying Agent the principal amount to be redeemed plus accrued interest to the redemption date and that from and after such date interest will cease to accrue on such amount. Such notice may be a conditional notice of redemption – the money required to pay the principal of and interest on the Bonds to be called for redemption need not be on deposit with the Registrar/Paying Agent at the time of mailing the conditional notice of redemption. Notice having been given in the manner hereinbefore provided, the Bond or Bonds so called for redemption shall become due and payable on the redemption date so designated and if an amount of money sufficient to redeem all Bonds called for redemption shall on the redemption date be on deposit with the Registrar/Paying Agent, the Bonds to be redeemed shall be deemed not outstanding and shall cease to bear interest from and after such redemption date. Upon presentation of the Bonds to be redeemed at the office of the Registrar/Paying Agent, the Registrar/Paying Agent will pay the Bond or Bonds so called for redemption with funds deposited with the Registrar/Paying Agent by the City.

Section 7. Execution of Bonds.

A. The Bonds shall bear the facsimile or manual signature of the Mayor of the City and shall be attested by the facsimile or manual signature of the City Clerk and shall bear the facsimile or original seal of the City. The Bonds shall be authenticated by the manual signature of an authorized officer of the Registrar/Paying Agent. The Bonds bearing the signatures or facsimile signatures of the officers in office at the time of the signing thereof shall be the valid and binding obligations of the City, notwithstanding that before the delivery of the Bonds and payment therefor, or before the issuance thereof upon transfer or exchange, any or all of the persons whose signatures appear on the Bonds shall have ceased to fill their respective offices. The Mayor and City Clerk shall, by the execution of a signature certificate pertaining to the Bonds, adopt as and for their respective signatures the facsimiles thereof appearing on the Bonds; and, at the time of the execution of the signature certificate, the Mayor and City Clerk may each adopt as and for his or her facsimile signature the facsimile signature of his or her predecessor in office in the event that such facsimile signature appears upon any of the Bonds. If facsimile signatures are to appear on the Bonds, the Mayor and City Clerk, pursuant to Sections 6-9-1 through 6-9-6, inclusive, NMSA 1978, shall each forthwith file his or her manual signature, certified by him or her under oath, with the Secretary of State of New Mexico, provided that such filing shall not be necessary for any officer where any previous filing shall have application to the Bonds.

B. No Bond shall be valid or obligatory for any purpose unless the certificate of authentication, substantially in the form hereinafter provided, has been duly executed by the Registrar/Paying Agent. The Registrar/Paying Agent's certificate of authentication shall be deemed to have been duly executed by it if manually signed by an authorized officer of the Registrar/Paying Agent, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

Section 8. Registration of Bonds.

A. Books for the registration and transfer of the Bonds shall be kept by the BOKF, NA, as Registrar/Paying Agent, which is hereby appointed by the City as registrar and as paying agent for the Bonds. Upon the surrender for transfer of any Bond at the principal office of the Registrar/Paying Agent, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing, the Registrar/Paying Agent shall authenticate and deliver not more than three business days after receipt of the Bond to be transferred in the name of the transferee or transferees a new Bond or Bonds in fully registered form of the same aggregate principal amount of authorized denominations, and of the same maturity, interest rate and series, bearing a number or numbers not contemporaneously outstanding. Bonds may be exchanged at the principal office of the Registrar/Paying Agent for an equal aggregate principal amount of Bonds of other authorized denominations, and of the same maturity, series and interest rate. The Registrar/Paying Agent shall authenticate and deliver not more than three business days after receipt of the Bond to be exchanged a Bond or Bonds which the registered owner making the exchange is entitled to receive, bearing a number or numbers not contemporaneously outstanding. Exchanges and transfers of Bonds as herein provided shall be without charge to the owner or any transferee, but the Registrar/Paying Agent may require the payment or reimbursement by the owner of any Bond requesting exchange or transfer of any transfer fee, tax or other governmental charge required to be paid with respect to such exchange or transfer. The Registrar/Paying Agent shall close the registration books fifteen days prior to each interest payment date for change of name or address of the registered owners. Transfers shall be permitted within fifteen days prior to each interest payment date but such transfer will not include transfer of interest payable on such interest payment date.

B. The person in whose name any Bond shall be registered on the registration books kept by the Registrar/Paying Agent, 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 in this ordinance with respect to payment of interest; 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, but such registration may be changed upon transfer of such Bond in the manner and subject to the conditions and limitations provided herein. 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.

C. If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar/Paying Agent shall, upon receipt of the mutilated Bond and such evidence, information or indemnity relating thereto as it may reasonably require and as may be required by law, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount of authorized denominations, and of the same maturity, interest rate and series, bearing a number or numbers not contemporaneously outstanding. If such lost, stolen, destroyed or mutilated Bond shall have matured, the Registrar/Paying Agent may pay such Bond in lieu of replacement.

D. Bonds which are reissued upon transfer, exchange or other replacement shall bear interest from the most recent interest payment date to which interest has

been fully paid or provided for in full or, if no interest has been paid, from the Series Date.

E. The officers of the City are authorized to deliver to the Registrar/Paying Agent fully executed but unauthenticated Bonds in such quantities as may be convenient to be held in custody by the Registrar/Paying Agent pending use as herein provided.

F. Whenever any Bond shall be surrendered to the Registrar/Paying Agent upon payment thereof, or to the Registrar/Paying Agent for transfer, exchange or replacement as provided herein, such Bond shall be promptly canceled by the Registrar/Paying Agent, and counterparts of a certificate of such cancellation shall be furnished by the Registrar/Paying Agent to the City.

G. The Bonds may be issued or registered, in whole or in part, in book-entry form from time to time with no physical distribution of bond certificates made to the public, with a depository acting as securities depository for the Bonds. A single certificate for each maturity date of the Bonds issued in book-entry form will be delivered to the depository and immobilized in its custody. The book-entry system will evidence ownership of the Bonds in authorized denominations, with transfer of ownership effected on the books of the depository and its participants ("Participants"). As a condition to delivery of the Bonds in book-entry form, the Purchaser will, immediately after acceptance of delivery thereof, deposit, or cause to be deposited, the Bond certificates with the depository, registered in the name of the depository or its nominee. Principal, premium, if any, and interest will be paid to the depository or its nominee as the registered owner of the Bonds. The transfer of principal, premium, if any, and interest payments to Participants will be the responsibility of the depository; the transfer of principal, premium, if any, and interest payments to the beneficial owners of the Bonds (the "Beneficial Owners") will be the responsibility of Participants and other nominees of Beneficial Owners maintaining a relationship with Participants (the "Indirect Participants"). The City will not be responsible or liable for maintaining, supervising or reviewing the records maintained by the depository, Participants or Indirect Participants.

(1) If (i) the Bonds are not eligible for the services of the depository, (ii) the depository determines to discontinue providing its services with respect to the Bonds or (iii) the City determines that a continuation of the system of book-entry transfers through the depository ceases to be beneficial to the City or the Beneficial Owners, the City will either identify another depository or certificates for the Bonds will be delivered to the Beneficial Owners or their nominees, and the Beneficial Owners or their nominees, upon authentication of Bonds and registration of those Bonds in the Beneficial Owners' or nominees' names, will become the owners of the Bonds for all purposes. In that event, the City shall mail an appropriate notice to the depository for notification to Participants, Indirect Participants and Beneficial Owners of the substitute depository or the issuance of bond certificates to Beneficial Owners or their nominees, as applicable.

(2) Authorized Officers of the City are authorized to sign agreements with the depository relating to the matters set forth in this Section.

(3) Notwithstanding any other provision of this ordinance, so long as all of the Bonds are registered in the name of the depository or its nominee, all payments

of principal, premium, if any, and interest on the Bonds, and all notices with respect to the Bonds, shall be made and given by the Registrar/Paying Agent or the City to the depository as provided in this ordinance and by the depository to its Participants or Indirect Participants and to the Beneficial Owners of the Bonds.

Section 9. Successor Registrar/Paying Agent. If the Registrar/Paying Agent initially appointed hereunder shall resign, or if the City shall reasonably determine that such Registrar/Paying Agent has become incapable of fulfilling its duties hereunder, the City may, upon notice mailed to each registered owner of Bonds at the address last shown on the registration books, appoint a successor registrar/paying agent. Every such successor registrar/paying agent shall be a bank or trust company located in and in good standing in the United States and having shareholders' equity (e.g., capital stock, surplus and undivided profits), however denominated, of not less than $10,000,000.

Section 10. Bonds Negotiable. Subject to the registration provisions hereof, the Bonds hereby authorized shall be fully negotiable and shall have all the qualities of negotiable paper, and the registered owner or owners thereof shall possess all rights enjoyed by the holders of negotiable instruments under the provisions of the Uniform Commercial Code.

Section 11. Form of Bonds. The Bonds shall be in substantially the following form:

[Form of Bond]

REGISTERED REGISTERED

NO. R-____ $_____

UNITED STATES OF AMERICA
STATE OF NEW MEXICO
CITY OF RIO RANCHO
SANDOVAL AND BERNALILLO COUNTIES, NEW MEXICO
GENERAL OBLIGATION IMPROVEMENT BONDS
SERIES 2026

Registered Owner: _____

Principal Amount: _____ DOLLARS

Interest Rate	Maturity Date	Series Date	CUSIP
____% per annum	_____	_____, 2026	_____

The Governing Body of the City of Rio Rancho (the "Governing Body "), on the faith, credit and behalf of the City of Rio Rancho, Sandoval and Bernalillo Counties, New Mexico (the "City"), for value received, hereby promises to pay to the registered owner named above, or registered assigns, the principal amount hereof on the Maturity

Date and to pay interest on the principal amount at the Interest Rate on August 1, 2026 and thereafter on February 1 and August 1 of each year (the "Interest Payment Date") from the Series Date to its maturity. The principal of the bonds of the series of which this is one (the "Bonds") and interest due at maturity shall be payable to the registered owner thereof as shown on the registration books kept by BOKF, NA, as "registrar/paying agent" (such registrar/paying agent and any successor thereto, the "Registrar/Paying Agent") for the Bonds, upon maturity and upon presentation and surrender thereof at the principal office of the Registrar/Paying Agent. If any Bond shall not be paid upon such presentation and surrender at or after maturity, it shall continue to draw interest at the rate borne by said Bond until the principal thereof is paid in full. Payment of interest on the Bonds (other than at maturity) shall be made by check or draft mailed by the Registrar/Paying Agent (or by such other arrangement as may be mutually agreed to by the Registrar/Paying Agent and such registered owner), on or before each Interest Payment Date (or, if such Interest Payment Date is not a business day, on or before the next succeeding business day), to the registered owner thereof as of the close of business on the Record Date (defined below) at his address as it appears on the registration books kept by the Registrar/Paying Agent. All such payments shall be made in lawful money of the United States of America. The term "Record Date" as used herein with respect to any Interest Payment Date shall mean the 15th day of the month preceding the Interest Payment Date. The person in whose name any Bond is registered at the close of business on any Record Date with respect to any Interest Payment Date shall be entitled to receive the interest payable thereon on such Interest Payment Date notwithstanding any transfer or exchange thereof subsequent to such Record Date and prior to such Interest Payment Date; but interest on any Bond which is not timely paid or duly provided for shall cease to be payable as provided above and shall be payable to the person in whose name such Bond is registered at the close of business on a special record date (the "Special Record Date") fixed by the Registrar/Paying Agent for the payment of any such overdue interest. The Special Record Date shall be fixed by the Registrar/Paying Agent whenever moneys become available for payment of overdue interest, and notice of any such Special Record Date shall be given not less than ten days prior thereto, by first-class mail, to the registered owners of the Bonds as of the fifth day preceding the mailing of such notice by the Registrar/Paying Agent, stating the Special Record Date and the date fixed for the payment of overdue interest.

The Bonds are fully registered and are issuable in denominations of $5,000 and any integral multiple thereof (provided that no individual bond may be issued for more than one maturity).

The series of Bonds of which this bond is one is limited to the total principal amount of $18,000,000 of like tenor except as to number, denomination, maturity date, and interest rate, issued by the City of Rio Rancho, Sandoval and Bernalillo Counties, New Mexico, for the purposes of providing funds in the amount of $12,435,000 to design, construct, repair, preserve, rehabilitate, enhance and otherwise improve roads and underlying utility infrastructure in the City of Rio Rancho, funds in the amount of $4,365,000 to design, construct, repair, preserve, rehabilitate, enhance and otherwise improve public safety facilities and repairing, replacing, or otherwise improving public safety vehicles, apparatuses, and equipment, and funds in the amount of $1,200,000 to design, construct, renovate, acquire, rehabilitate, improve and equip public quality of life facilities within the City.

The Bonds are issued under the authority of and in full conformity with the Constitution and laws of the State of New Mexico (particularly Sections 3-30-1 through 3-30-9 NMSA 1978, the provisions of Sections 6-15-1 through 6-15-22 NMSA 1978, and acts amendatory and supplemental thereto), and pursuant to an ordinance of the Governing Body duly adopted and made a law of the City prior to the issuance of this bond (the "Bond Ordinance").

The Bonds maturing on or after August 1, 20__, are subject to prior redemption at the City's option on and after August 1, 20___, in whole or in part at any time, in one or more units of principal of $5,000 in such order of maturities as the City may determine (and by lot if less than all of the Bonds of any maturity are called, such selection by lot to be made by the Registrar/Paying Agent in such manner as it shall consider appropriate and fair). The purchase price for Bonds selected for redemption will be equal to the principal amount of each bond (or portion thereof) so redeemed, plus accrued interest thereon to the redemption date.

The Registrar/Paying Agent will maintain the books of the City for the registration of ownership of the Bonds. Upon the surrender for transfer of any Bond at the principal office of the Registrar/Paying Agent, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing, the Registrar/Paying Agent shall authenticate and deliver not more than three business days after receipt of the Bond to be transferred in the name of the transferee or transferees a new Bond or Bonds in fully registered form of the same aggregate principal amount of authorized denominations, and of the same maturity, interest rate and series, bearing a number or numbers not contemporaneously outstanding. Bonds may be exchanged at the principal office of the Registrar/Paying Agent for an equal aggregate principal amount of Bonds of other authorized denominations, and of the same maturity, series and interest rate. The Registrar/Paying Agent shall authenticate and deliver not more than three business days after receipt of the Bond to be exchanged a Bond or Bonds which the registered owner making the exchange is entitled to receive, bearing a number or numbers not contemporaneously outstanding. Exchanges and transfers of Bonds as herein provided shall be without charge to the owner or any transferee, but the Registrar/Paying Agent may require the payment or reimbursement by the owner of any Bond requesting exchange or transfer of any transfer fee, tax or other governmental charge required to be paid with respect to such exchange or transfer. The Registrar/Paying Agent shall close the registration books fifteen days prior to each Interest Payment Date for change of name or address of the registered owners. Transfers shall be permitted within fifteen days prior to each Interest Payment Date but such transfer will not include transfer of interest payable on such Interest Payment Date.

The person in whose name any Bond shall be registered on the registration books kept by the Registrar/Paying Agent, 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; 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, but such registration may be changed upon transfer of such Bond in the manner and subject to the conditions and limitations provided herein. 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/Paying Agent shall, upon receipt of the mutilated Bond and such evidence, information or indemnity relating thereto as it may reasonably require and as may be required by law, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount of authorized denominations, and of the same maturity, interest rate and series, bearing a number or numbers not contemporaneously outstanding. If such lost, stolen, destroyed or mutilated Bond shall have matured, the Registrar/Paying Agent may pay such Bond in lieu of replacement.

For the punctual payment of the principal of and interest on this bond as aforesaid and for the levy and collection of taxes in accordance with the statutes authorizing the issuance of this bond, the full faith and credit of the City is hereby irrevocably pledged. The Governing Body has, by the Bond Ordinance, ordered the creation of an interest and sinking fund for the payment of the Bonds. Such fund is to be held in trust for the benefit of the owner or owners of the Bonds.

It is hereby certified, recited and warranted that all the requirements of law have been complied with by the proper officials of the City in the issuance of this bond; that the total indebtedness of the City, including that of this bond, does not exceed any limit of indebtedness prescribed by the Constitution or laws of the State of New Mexico; that provision has been made for the levy and collection of annual taxes sufficient to pay the principal of and the interest on this bond when the same become due. This bond shall not be valid or obligatory for any purpose until the Registrar/Paying Agent shall have manually signed the certificate of authentication hereon.

IN TESTIMONY WHEREOF, the Governing Body of the City of Rio Rancho, in Sandoval and Bernalillo Counties, New Mexico, constituting the governing board of the City, has caused the seal of the City to be hereto affixed and this bond to be signed and executed with the facsimile or manual signature of the Mayor of the City and subscribed and attested with the facsimile or manual signature of the City Clerk, all as of the Series Date.

GOVERNING BODY OF THE
CITY OF RIO RANCHO, NEW MEXICO

[SEAL]

By _____
Paul Wymer, Mayor

ATTEST:

By _____
Noel C. Davis, City Clerk
(SEAL)

[Form of Certificate of Authentication]

CERTIFICATE OF AUTHENTICATION

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

Date of Authentication and
Registration: _____

BOKF, NA,
as Registrar/Paying Agent

By _____
Authorized Officer

[End of Form of Certificate of Authentication]

[Form of Assignment]

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers unto _____ whose social security or tax identification number is _____ the within bond and irrevocably constitutes and appoints _____ attorney to transfer such bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____ _____

Signature Guaranteed: _____

_____

NOTE: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatsoever.

[End of Form of Assignment]

[End of Form of Bond]

Section 12. Delivery of Bonds. When the Bonds have been duly executed and authenticated, they shall be delivered to the Purchaser named in the Award Resolution. The funds realized from the sale of the Bonds shall be applied solely to the specified purposes for the Bonds, but the purchaser of the Bonds shall in no manner be responsible for the application of or disposal by the City, or any of its officers, of any of the funds derived from the sale thereof.

Section 13. Levy of Taxes. In order to pay the principal of and interest on the Bonds as they become due and, at the option of the City, to reimburse the general fund or other funds for the payment of principal of or interest on the Bonds for which property taxes were not available, there shall be an annual assessment and levy upon all of the taxable property of the City subject to taxation which provides an amount sufficient to pay the principal of and the interest on the Bonds as they become due and payable. However, the City may, at its option, apply any other funds lawfully available for the purpose to the payment of principal or interest on the Bonds as they become due, and the levies required by this Section may be reduced to the extent other revenues are or will be available and used for payment of the Bonds. To the extent property taxes are not available for that purpose, the principal of and interest accruing on the Bonds shall be paid from the City's general fund or from any other fund lawfully available for that purpose. The taxes shall be assessed, levied and collected annually at the time and in the manner as other City taxes are assessed, levied and collected. Annually, the Governing Body shall take all reasonable action to insure the levy and collection of taxes by the governmental authority charged with legal responsibility to levy and collect taxes in amounts sufficient at the time to pay the principal of and interest on the Bonds. The money produced by the levy of taxes provided in this Section to pay the principal of and interest on the Bonds is appropriated for that purpose and that amount shall be included in the annual budget adopted and passed by the Governing Body each year. The taxes collected shall be maintained in an interest and sinking fund, which is hereby created, and kept for and applied only to the payment of the principal of and interest on the Bonds when due and as otherwise required or permitted by law.

Section 14. Additional Action of Authorized Officers; Delegation of Authority to Determine Final Terms of the Bonds and Award to Purchaser or Best Bidder.

A. The Mayor, City Manager, City Financial Services Director, City Clerk and other officers of the City be and they hereby are authorized and directed to take all action necessary or appropriate to effectuate the provisions of this ordinance, including without limiting the generality of the foregoing, the deposit of $18,000,000 of the proceeds of the Bonds, plus an allocable share of net premium, if any, into an acquisition fund for payment of the costs of the Project and the costs of issuance allocable to the Project, the execution and delivery of a continuing disclosure undertaking to enable the Purchaser to comply with Securities and Exchange Commission Rule 15c2-12(b)(5), the printing of the Bonds, the execution of an official statement of the City relating to the Bonds, and the execution of such certificates as may be required by the Purchaser relating to the signing of the Bonds, the tenure and identity of City officials, the receipt of the purchase price of the Bonds from the Purchaser and the absence of litigation, pending or threatened, if in accordance with the

facts, affecting the validity thereof and the absence and existence of factors affecting the exclusion of interest on the Bonds from gross income for federal income tax purposes.

B. Pursuant to Section 6-14-10.2, NMSA 1978, each of the Mayor, City Manager and City Financial Services Director is hereby delegated authority to determine whether the Bonds shall be sold by competitive or negotiated sale, or privately placed, to select the Purchaser of the Bonds, to execute an Award Certificate and to determine any or all of the final terms of the Bonds, including, without limitation, the exact principal amounts, maturity dates, interest rates, prices, redemption features and other final terms of the Bonds subject to the parameters and conditions contained in this Bond Ordinance. The City Manager or City Financial Services Director shall present the Award Certificate to the Governing Body in a timely manner, before or after delivery of the Bonds, at a regularly scheduled public meeting of the Governing Body.

Section 15. Covenants to Maintain Tax-Exempt Status of Bonds.

A. The City covenants that it will restrict the use of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary so that the Bonds will not constitute arbitrage bonds under Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"). The Mayor, City Clerk and any other officer of the City having responsibility for the issuance of the Bonds shall give an appropriate certificate of the City, for inclusion in the transcript of proceedings for the Bonds, setting forth the reasonable expectations of the City regarding the amount and use of all the proceeds of the Bonds, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of interest on the Bonds.

B. The City covenants that it (i) will take or cause to be taken such actions which may be required of it for the interest on the Bonds to be and remain excluded from gross income for federal income tax purposes, and (ii) will not take or permit to be taken any actions which would adversely affect that exclusion, and that it, or persons acting for it, will, among other acts of compliance, (aa) apply the proceeds of the Bonds to the governmental purpose of the borrowing, (bb) restrict the yield, as required, on investment property acquired with those proceeds, (cc) make timely rebate payments, if required, to the federal government, (dd) maintain books and records and make calculations and reports, and (ee) refrain from certain uses of proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code. The Mayor and City Clerk and other appropriate officers are hereby authorized and directed to take any and all actions, make calculations and rebate payments, and make or give reports and certifications, as may be appropriate to assure such exclusion of that interest.

Section 16. Defeasance.

A. Any Bond and the interest thereon shall be deemed to be paid, retired, and no longer outstanding (a "Defeased Bond") hereunder when payment of the principal of such Bond, plus interest thereon to the due date (whether such due date be by reason of maturity, upon redemption, or other) either (i) shall have been made or caused to be made in accordance with the terms thereof (including the giving of any required notice of redemption), or (ii) shall have been provided for on or before such

due date by irrevocably depositing with or making available to a qualified depository for such payment (1) lawful money of the United States of America sufficient to make such payment or (2) Government Obligations which mature as to principal and interest in such amounts and at such times as will ensure the availability, without reinvestment, of sufficient money to provide for such payment (as verified by a certified or registered public accountant), and when proper arrangements have been made by the City with a qualified depository for the payment of its services until all Defeased Bonds shall have become due and payable. At such time as a Bond shall be deemed to be a Defeased Bond hereunder, such Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of the ad valorem taxes herein levied and pledged as provided in this ordinance, and such principal and interest shall be payable solely from such money or Government Obligations.

B. Any moneys so deposited with the qualified depository may, at the written direction of the City, also be invested in Government Obligations, maturing in the amounts and times required to make payments when due on the Defeased Bonds, and all income from such Government Obligations received by the qualified depository which is not required for the payment of the Defeased Bonds and interest thereon, with respect to which such money has been so deposited, shall be turned over to the City for deposit in the interest and sinking fund for payment of principal and interest on the Bonds. The term "Government Obligations" means direct obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America which may be United States Treasury Obligations such as its State and Local Government Series, which may be in book-entry form.

Section 17. Investment of Bond Proceeds. Moneys in any fund not immediately needed may be invested as provided by state law and applicable federal statutes and regulations, provided that the Governing Body and the City hereby covenant to the Purchaser and the holders of the Bonds from time to time that the City will make no use of the proceeds of the Bonds or any funds reasonably expected to be used to pay the principal of or interest on the Bonds which will cause the Bonds to be arbitrage bonds within the meaning of Section 148 of the Code, as amended, or which would adversely affect the tax status of interest on the Bonds under the Code. This covenant is for the benefit of the Purchaser and the holders of the Bonds from time to time.

Section 18. Ordinance Irrepealable. After any of the Bonds have been issued, this ordinance shall constitute a contract between the City and the holder or holders of the Bonds and shall be and remain irrepealable and unalterable until the Bonds and the interest thereon shall have been fully paid, satisfied and discharged, defeased or until such payment has been duly provided for.

Section 19. Severability. If any section, paragraph, clause or provision of this ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this ordinance.

Section 20. Form of Notice of Adoption. The following notice shall be published one time in a newspaper having general circulation in the City as soon as is

practicable following the adoption hereof and this ordinance shall be effective five days after such publication as provided by law.

[Form of Notice]

LEGAL NOTICE

NOTICE IS HEREBY GIVEN that the Governing Body of the City of Rio Rancho, Sandoval County, New Mexico did, on the 11th day of June, 2026, adopt an ordinance entitled:

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF CITY OF RIO RANCHO, NEW MEXICO, TAX-EXEMPT GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2026, IN THE PRINCIPAL AMOUNT OF $18,000,000, PAYABLE FROM AD VALOREM TAXES LEVIED ON ALL TAXABLE PROPERTY WITHIN THE CITY, LEVIED WITHOUT LIMIT AS TO RATE OR AMOUNT; PROVIDING FOR THE FORM, CERTAIN TERMS AND CONDITIONS OF THE BONDS, THE MANNER OF THEIR EXECUTION, AND THE METHOD OF AND SECURITY FOR PAYMENT THEREOF; DELEGATING AUTHORITY TO EACH OF THE MAYOR, CITY MANAGER AND CITY FINANCIAL SERVICES DIRECTOR TO DETERMINE THE METHOD OF SALE OF THE BONDS AND TO DETERMINE THE MATURITY DATES AND AMOUNTS, INTEREST RATES, PRICES, REDEMPTION FEATURES AND OTHER FINAL TERMS OF THE BONDS IN AN AWARD CERTIFICATE; AND PROVIDING FOR OTHER DETAILS CONCERNING THE BONDS.

The Ordinance directs and authorizes the issuance of City of Rio Rancho, General Obligation Bonds in the aggregate principal amount of $18,000,000; provides that $12,435,000 in proceeds of the Bonds shall be used to design, construct, repair, preserve, rehabilitate, enhance and otherwise improve roads and underlying utility infrastructure in the City of Rio Rancho, proceeds in the amount of $4,365,000 to design, construct, repair, preserve, rehabilitate, enhance and otherwise improve public safety facilities or otherwise improving public safety vehicles, apparatus, and equipment, and proceeds in the amount of $1,200,000 to design, construct, renovate, acquire, rehabilitate, improve and equip public quality of life facilities within the City; provides parameters for the Bonds; provides the form of the Bonds; delegates authority to each of the City Manager and City Financial Services Director to determine the method of sale of the Bonds, the exact principal amounts, maturity dates, interest rates, prices, redemption features and other final terms of the Bonds and to award the Bonds as provided in an Award Certificate to be executed by the City Manager or City Financial Services Director; provides for the delivery of the Bonds; provides for levy of taxes to pay the principal of and interest on the bonds; makes certain covenants for the benefit of the owners of the Bonds; and provides other details concerning the bonds.

Complete copies of the Ordinance are available for public inspection during normal and regular business hours at the offices of the City of Rio Rancho, New Mexico. This notice constitutes compliance with Section 6-14-6 NMSA 1978.

DATED this 11th day of June, 2026.

CITY OF RIO RANCHO, NEW MEXICO

By /s/
Noel C. Davis, City Clerk

[End Form of Notice]

Section 21. Repealer Clause. All acts and resolutions in conflict with this ordinance are hereby rescinded, annulled and repealed.

PASSED, ADOPTED AND APPROVED this 11th day of June, 2026.

CITY OF RIO RANCHO, NEW MEXICO

[SEAL]

By _____
Paul Wymer, Mayor

ATTEST:

By _____
Noel C. Davis, City Clerk

To:	Members of the Governing Body of the City of Rio Rancho
From:	Stephanie Yara, Financial Services Director
Date:	May 14, 2026
Re:	$18,000,000* City of Rio Rancho, New Mexico General Obligation Improvement Bonds, Series 2026

The attached Preliminary Official Statement (the "POS") has been prepared in connection with the offering and sale of the $18,000,000* City of Rio Rancho, New Mexico General Obligation Improvement Bonds, Series 2026 (the "Bonds"). The POS makes various disclosures about the City, its financial condition, property tax collections, operations and management, and the Bonds. The POS will be reviewed by bidders for the Bonds and a final Official Statement will be provided to the underwriter selected by the City as determined by the City Manager in a negotiated sale of the Bonds.

The attached POS is similar to the one used when the City issued general obligation bonds in 2024. The information has been updated by City staff and me. Peter Franklin of the Modrall Sperling Law Firm, the City's Bond and Disclosure Counsel and Erik Harrigan of RBC Capital Markets, LLC, the City's Financial Advisor, assisted in the disclosure process by assembling the information and reviewing the financial and economic data in the POS. We have discussed, confirmed and updated information contained in the POS, examined information for materiality, and identified additional information for inclusion. If you have any questions relating to the disclosure process and preparation of the POS, please contact me.

The POS is provided to you for review to as a result of enforcement actions by the U.S. Securities and Exchange Commission (the "SEC") against the board of Supervisors of Orange County, California, and more recently against other municipalities throughout the United States. The SEC has stated that:

> "Public entities that issue securities are primarily liable for the content of their disclosure documents…. In addition to the government entity issuing municipal securities, public officials of the issuer who have ultimate authority to approve the issuance of securities and related disclosure documents have responsibilities under the federal securities laws as well. In authorizing the issuance of the securities and related disclosure documents, a public official may not authorize disclosure that the official knows to be false; nor may the public official authorize disclosure while recklessly disregarding facts that indicate that there is a risk that the disclosure may be misleading."

Although City staff and the finance team collaborated in preparing the POS, each Councilor should review it carefully. The POS is a Governing Body document, and the City and Governing Body are responsible for its accuracy. Please use extra care in reviewing the sections labeled "INTRODUCTION "SECURITY AND SOURCES OF PAYMENT" and "THE CITY." In conducting your review, focus on whether the POS contains misleading statements of material facts or omits to state material facts. A material fact is one that could influence an investor in making a decision to purchase the Bonds.

*Preliminary and subject to change.

After reviewing the POS, please contact me if you have any reason to believe that the POS contains any inaccurate information or if you know of anything that might make any of the statements made in the POS incomplete or misleading. Thank you for your attention to this important matter.

NOTICE

$18,000,000*
CITY OF RIO RANCHO, NEW MEXICO
General Obligation Improvement Bonds
Series 2026

Preliminary Official Statement, subject to completion,
Dated June ___, 2026

The Preliminary Official Statement, dated June __, 2026 (the "Preliminary Official Statement"), relating to the above-described bonds (the "Bonds") of the City of Rio Rancho, New Mexico (the "City"), has been posted as a matter of convenience. The posted version of the Preliminary Official Statement has been formatted in Adobe Portable Document Format. Although this format should replicate the Preliminary Official Statement available from the City, appearance may vary for a number of reasons, including electronic communication difficulties or particular user software or hardware. Using software other than Adobe Acrobat or later may cause the Preliminary Official Statement that you view or print to differ in appearance from the Preliminary Official Statement.

The Preliminary Official Statement and the information contained therein are subject to completion or amendment or other change without notice. Under no circumstances shall the Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

For purposes of Rule 15c2-12 promulgated by the United States Securities and Exchange Commission, the Preliminary Official Statement alone, and no other document or information on the internet, constitutes the "Official Statement" that the City has "deemed final" as of its date in respect of the Bonds, except for certain information permitted to be omitted therefrom.

No person has been authorized to give any information or to make any representations other than those contained in the Preliminary Official Statement in connection with the offer and sale of the Bonds and, if given or made, such information or representations must not be relied upon as having been authorized. The information and expressions of opinion in the Preliminary Official Statement are subject to change without notice and neither the delivery of the Official Statement nor any sale made thereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date of the Preliminary Official Statement.

By choosing to proceed and view the electronic version of the Preliminary Official Statement, you acknowledge that you have read and understood this Notice.

Preliminary Official Statement dated June __, 2026.

* Preliminary, subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. Under no circumstances shall the Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED JUNE __, 2026

NEW ISSUE RATING: Moody's "___"

In the opinion of Modrall, Sperling, Roehl, Harris & Sisk, P.A., Bond Counsel, under existing laws, regulations, rulings and judicial decisions, and assuming compliance with certain covenants described in "TAX EXEMPTION" herein, interest on the Bonds (including original issue discount treated as interest) (a) is excludable from the gross income of the recipients thereof for federal income tax purposes, under Section 103 of the Internal Revenue Code of 1986, as amended, and (b) is not a specific item of tax preference for purposes of the federal alternative minimum tax under the Code; however, interest on the Bonds is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Bond Counsel is also of the opinion based on existing laws of the State of New Mexico as enacted and construed that interest on the Bonds is exempt from all taxation by the State of New Mexico or any political subdivision thereof. For a more complete description of such opinion of Bond Counsel and a description of certain provisions of the Internal Revenue Code of 1986, as amended, which may affect the federal tax treatment of interest on the Bonds for certain owners of such Bonds, see "TAX EXEMPTION" herein.

**$18,000,000*
CITY OF RIO RANCHO, NEW MEXICO
GENERAL OBLIGATION IMPROVEMENT BONDS
SERIES 2026**

Dated: Date of Delivery **Due: August 1, as shown below**
Book-Entry Only

The City of Rio Rancho, New Mexico General Obligation Improvement Bonds, Series 2024 (the "Bonds") are issuable as fully registered bonds and when initially purchased will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Purchases of the Bonds will be made in book-entry form only, in the principal amount of $5,000 or any integral multiple thereof, through brokers and dealers who are, or who act through, DTC Participants. Beneficial owners of the Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Bonds. Interest on the Bonds is payable on each February 1 and August 1, commencing August 1, 2026. As long as DTC or its nominee is the registered owner of the Bonds, reference in this Official Statement to the registered owner will mean Cede & Co., and payments of principal or interest on the Bonds will be made directly to DTC by the Paying Agent. Disbursement of such payments to DTC Participants is the responsibility of DTC. See "The Bonds – Book-Entry Only System" herein. BOKF, NA, Albuquerque, New Mexico, is the Registrar and Paying Agent for the Bonds.

The Bonds are issuable only as fully registered bonds in denominations of $5,000 each or any integral multiple thereof. The Bonds will bear interest from the delivery date.

The Bonds are subject to optional redemption as provided herein. The Bonds are general obligations of the City of Rio Rancho, New Mexico (the "City"), payable from general (*ad valorem*) taxes which shall be levied against all taxable property in the City without limitation as to rate or amount.
The City has undertaken, for the benefit of the owners of the Bonds, to provide certain annual and periodic disclosures described under the caption "CONTINUING DISCLOSURE INFORMATION" herein.

The Bonds are being issued pursuant to the powers of the City Council under Sections 3-30-1 through 3-30-9 and Sections 6-15-1 through 6-15-22 NMSA 1978, as amended and supplemented, the Constitution and other laws of the State for the purpose of providing funds for (1) designing, constructing, repairing, preserving, rehabilitating, enhancing and otherwise improving roads and underlying utility infrastructure within the City, (2) designing, constructing, repairing, preserving, rehabilitating, enhancing and otherwise improving public safety facilities and repairing, replacing, or otherwise improving public safety vehicles, apparatus, and equipment, (3) designing, constructing, renovating, acquiring, rehabilitating, improving and equipping public quality of life facilities within the City, and (4) paying costs of issuance related to the Bonds. The Bonds are offered when, as and if issued by the City, subject to the approval of Modrall, Sperling, Roehl, Harris & Sisk, P.A., as Bond Counsel and certain other conditions. It is expected that the Bonds will be available for delivery on or about July 21, 2026 through the facilities of DTC.

**Electronic bids will be opened between 8:30 a.m. and 9:00 a.m., prevailing Mountain Time, June ___, 2026
at the City Administration Complex, 3300 Civic Center Circle N.E., Rio Rancho, New Mexico.**

Dated: _____, 2026

* Preliminary, subject to change.

[INSIDE COVER]

MATURITIES, INTEREST RATES AND YIELDS OR PRICES

Year Maturing (Aug. 1)	Principal*	Interest Rate	CUSIP
2026	$ 1,250,000		
2027	4,285,000		
2028	4,930,000		
2029	800,000		
2030	800,000		
2031	800,000		
2032	800,000		
2033	800,000		
2034	800,000		
2035	800,000		
2036	800,000		
2037	800,000		
2038	335,000		

*Preliminary; subject to change.

USE OF INFORMATION IN THIS OFFICIAL STATEMENT

No dealer, salesman or other person has been authorized by the City of Rio Rancho, New Mexico (the "City") to give any information or to make any statements or representations, other than those contained in this Official Statement, and, if given or made, such other information, statements or representations must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy any of the Bonds in any jurisdiction in which such offer or solicitation is not authorized, or in which any person making such offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The information set forth or included in this Official Statement has been provided by the City and from other sources believed by the City to be reliable. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale hereunder shall create any implication that there has been no change in the financial condition or operations of the City described herein since the date hereof. This Official Statement contains, in part, estimates and matters of opinion that are not intended as statements of fact, and no representation or warranty is made as to the correctness of such estimates and opinions or that they will be realized.

The Bonds have not been registered under the Securities Act of 1933, in reliance upon exemptions contained in such Act. The registration and qualification of the Bonds in accordance with applicable provisions of the securities law of the states in which the Bonds have registered or qualified and the exemption from registration or qualification in other states cannot be regarded as a recommendation thereof. Neither the United States Securities and Exchange Commission (the "SEC") nor any other federal, state, municipal or other governmental entity, nor any agency or department thereof, has passed upon the merits of the Bonds or the accuracy or completeness of this Official Statement. Any representation to the contrary may be a criminal offense.

This Official Statement is "deemed final" by the City for purposes of Rule 15c2-12 of the SEC (the "Rule"), except for the omission of certain information as permitted by the Rule. The City has covenanted to provide such annual financial statements and other information in the manner as may be required by regulations of the SEC or other regulatory body.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE CITY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

This Official Statement contains statements that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words "estimate," "project," "intend," "expect," and similar expressions are intended to identify forward-looking statements. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof.

CITY OF RIO RANCHO, NEW MEXICO

3200 Civic Center Circle NE
Rio Rancho, NM 87144
(505) 891-5000

CITY COUNCIL

Mayor	Paul M. Wymer
District 1 Councilor	Deb Dapson
District 2 Councilor	Jeremy Lenentine
District 3 Councilor	Bob Tyler
District 4 Councilor	Vacant*
District 5 Councilor	Karissa Culbreath
District 6 Councilor	Nicole List

ADMINISTRATION

City Manager	Matt Geisel
City Clerk	Noel Davis
City Financial Services Director	Stephanie Yara
City Attorney	Joshua Rubin

MUNICIPAL ADVISOR

RBC Capital Markets, LLC
6301 Uptown Boulevard, NE, Suite 110
Albuquerque, NM 87110
(505) 872-5999

BOND AND DISCLOSURE COUNSEL

Modrall, Sperling, Roehl, Harris & Sisk, P.A.
500 Fourth Street, NW
Albuquerque, NM 87102
(505) 848-1800

PAYING AGENT/REGISTRAR

BOKF, NA
100 Sun Avenue NE, Suite 500
Albuquerque, NM 87109
(505) 222-8447

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OFFICIAL STATEMENT

**$18,000,000*
CITY OF RIO RANCHO, NEW MEXICO
GENERAL OBLIGATION IMPROVEMENT BONDS
SERIES 2026**

INTRODUCTION AND SUMMARY

This Official Statement is furnished to prospective purchasers of the City of Rio Rancho, New Mexico, General Obligation Improvement Bonds, Series 2026 (the "Bonds"), issued in the aggregate principal amount of $18,000,000* by the City of Rio Rancho, New Mexico (the "City"). The offering of the Bonds is made only by way of this Official Statement authorized by Ordinance No. __ adopted by the City Council on June 11, 2026 (the "Bond Ordinance"), as supplemented by an Award Certificate as provided in the Bond Ordinance. Additional information concerning the City, the Bonds and other aspects of this offering may be obtained either from the City or from RBC Capital Markets, LLC (the "Municipal Advisor") at the addresses set forth in the section entitled "ADDITIONAL INFORMATION."

The following material is qualified in its entirety by the more complete information contained throughout this Official Statement, and detachment or other use of this "INTRODUCTION AND SUMMARY" without the entire Official Statement, including the cover page and the appendices, is unauthorized.

All terms used in this Official Statement that are not defined herein shall have the meanings given such terms in the Bond Ordinance.

The Issuer

The City is a political subdivision of the State of New Mexico (the "State"), organized and existing under the Constitution, and general laws of the State. The City was incorporated in 1981, operates under a Council-Manager form of government with the Mayor elected at large, and is located in central New Mexico, adjacent to Albuquerque, New Mexico's largest city. The City has a land area of approximately 105 square miles. Rio Rancho is the third largest city in New Mexico and over the last 3 decades has been one of the fastest growing cities in the nation, with a current population of 113,230. The City's Fiscal Year ends June 30 and is referred to in this Official Statement as the "Fiscal Year."

Authority for Issuance and Purpose

The Bonds are issued in accordance with the Constitution and laws of the State of New Mexico, in particular, Sections 3-30-1 through 3-30-9 and Sections 6-15-1 through 6-15-22 NMSA 1978, as amended and supplemented. The $18,000,000* principal amount of the Bonds represents the entire series of general obligation bonds approved by the qualified electors of the City at an election held on March 3, 2026 to provide funds for (1) designing, constructing, repairing, preserving, rehabilitating, enhancing and otherwise improving roads and underlying utility infrastructure within the City, (2) designing, constructing, repairing, preserving, rehabilitating, enhancing and otherwise improving public safety facilities and repairing, replacing, or otherwise improving public safety vehicles, apparatus, and equipment, (3) designing, constructing, renovating, acquiring, improving and equipping public quality of life facilities within the City, and (4) paying costs of issuance related to the Bonds.

* Preliminary, subject to change.

The Bonds

The Bonds will be registered as to principal and interest, issued in denominations of $5,000 each, or integral multiples thereof, in conformance with the Constitution and laws of the State and pursuant to the Bond Ordinance. The Bonds shall mature in the principal amounts and on the dates shown on the cover page hereof. Interest shall be payable February 1 and August 1 of each year commencing August 1, 2026 to registered owners shown on the books of the Registrar on the 15th day of the month preceding each regularly scheduled interest payment date thereafter ("Record Date"). The Bonds will be issued only in fully registered form and will be initially registered and delivered to Cede & Co., the nominee of The Depository Trust Company pursuant to the book-entry only system described herein.

Security

The Bonds are secured by the City's full faith and credit and are general obligations of the City payable from *ad valorem* taxes to be levied, without limitation as to rate or amount, against all taxable property within the City. See "SECURITY AND REMEDIES"

Financial Statements

The City's audited financial statements as of and for the year ended June 30, 2025 including the opinions rendered thereon of certified public accountants, are attached as Appendix B.

Selected Debt Ratios

The following table sets forth details relating to the ratio of general debt and overlapping debt to population and assessed valuation:

2025 Assessed Valuation	$ 3,836,266,522
2025 Estimated Actual Valuation[(1)]	$13,556,592,786
City Net Debt as a % of:	
-Assessed Valuation	0.31%
-Estimated Actual Valuation	0.09%
Direct and Overlapping Debt as a % of	
Assessed Valuation	4.38%
Estimated Actual Valuation	1.24%
City Net General Obligation Debt Outstanding[(2)]	*$26,185,000*
Estimated Direct & Overlapping G/O Debt[(3)]	$172,195,142
2026 Estimated Population	113,230
City Net Debt Per Capita	*$ 231.25*
Direct and Overlapping Debt Per Capita	$1,520.05

[(1)] Actual valuation is computed by adding 2025 exemptions to the 2025 assessed valuation and multiplying by three.

[(2)] Net of debt service fund balance of $_____ as of _____ 2026; figure includes proposed Bonds and is rounded up to the nearest dollar.

[(3)] Figure includes proposed Bonds.

See "DEBT AND OTHER FINANCIAL OBLIGATIONS – General Obligation Debt" herein.

Tax Matters

In the opinion of Modrall, Sperling, Roehl, Harris & Sisk, P.A. ("Bond Counsel"), (a) the interest on the Bonds will be excludable from gross income for federal income tax purposes under existing law, and (b) is not a specific preference item for purposes of the federal alternative minimum tax on individuals, subject to the matters described under the caption "TAX EXEMPTION" herein. Bond Counsel is also of the opinion, based on existing laws of the State of New Mexico as enacted and construed, that the Bonds and income from the Bonds are exempt from all taxation by the State of New Mexico or any political subdivision thereof.

Agents and Advisors

BOKF, NA, Albuquerque, New Mexico will serve as Paying Agent and Registrar. Hinkle + Landers, P.C. audited the City's general purpose financial statements as of and for the year ended June 30, 2025.

At the time of the issuance and sale of the Bonds, Modrall, Sperling, Roehl, Harris & Sisk, P.A., as Bond Counsel, will deliver the bond opinion included in Appendix A hereto. See "LEGAL MATTERS" herein. Certain legal matters relating to the Bonds will be passed on for the City by Modrall, Sperling, Roehl, Harris & Sisk, P.A., as Disclosure Counsel.

RBC Capital Markets, LLC ("RBC") is employed as Municipal Advisor to the City in connection with the issuance of the Bonds. The Municipal Advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds. RBC, in its capacity as Municipal Advisor, has not verified and does not assume any responsibility for the possible impact of any present, pending or future actions taken by any legislative or judicial bodies. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification of, or assume responsibility for, the accuracy, completeness, or fairness of the information in this Official Statement.

Additional Information

This Official Statement is accurate only as of its date, and no representation is made that the information contained herein has not changed since that date. This Official Statement is intended to be made available to investors through the Municipal Advisor.

The quotations from, and summaries and explanations of, the statutes, regulations and documents contained herein do not purport to be complete, and reference is made to those statutes, regulations and documents for full and complete statements of their provisions. Copies, in a reasonable quantity, of those statutes, regulations and documents may be obtained upon request directed to the City, and upon payment to the City of a charge for copying, mailing and handling, at the City of Rio Rancho, 3200 Civic Center Circle NE, Rio Rancho, NM 87144, telephone number (505) 891-5000, Attention: Director of Financial Services.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract between the City and the purchasers or holders of any of the Bonds.

THE BONDS

Description

The Bonds are general obligation bonds to be issued by the City in the total principal amount of $18,000,000* and will be dated the Date of Delivery, which is expected to be on or about July 21, 2026. The Bonds will be issued as fully registered bonds in denominations of $5,000 or integral multiples thereof, bearing interest from their date to maturity at the rates specified on the cover page of this Official Statement payable semiannually on February 1 and August 1 each year, commencing on August 1, 2026, and maturing serially, as set forth on the cover page of this Official Statement.

The Bonds will be issued only in fully registered form and will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company, New York, New York ("DTC"), pursuant to the book-entry only system described herein. No physical delivery of the Bonds will be made to the owners hereof. Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the beneficial owners of the Bonds. See "THE BONDS – Book-Entry Only System" herein.

Authorization

The Bonds are being issued pursuant to the City Council's powers under Article IX, Section 10 of the Constitution of the State of New Mexico, and Sections 3-30-1 through 3-30-9 and 6-15-1 through 6-15-22 NMSA 1978, as amended and supplemented, and the Bond Ordinance, as supplemented by the Pricing Certificate as provided in the Bond Ordinance.

Bond Registrar and Paying Agent

BOKF, NA, Albuquerque, New Mexico will serve as the Bond Registrar (the "Registrar") and Paying Agent (the "Paying Agent") for the Bonds.

Payment of Principal and Interest; Record Date

The principal of the Bonds is payable to the registered owners of the Bonds at the principal office of the Paying Agent. Interest on the Bonds is payable by check or draft of the Paying Agent mailed on or before each interest payment date to the registered owners of the Bonds as of the close of business on the 15th day of the calendar month preceding the interest payment date (the "Regular Record Date") at the addresses appearing in the registration books maintained by the Registrar; but any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the registered owner thereof at the close of business on the Regular Record Date and shall be payable to the person who is the registered owner thereof at the close of business on the date to be fixed by the Registrar whenever moneys become available for the payment of defaulted interest (the "Special Record Date").

Optional Redemption of Bonds

The Bonds maturing on and after August 1, 20__ may be redeemed prior to their scheduled maturity on August 1, 20__, or on any date thereafter, in whole or in part, at the option of the City Council at par plus accrued interest to the date of redemption, if any.

Exchange or Transfer of Bonds

The Registrar/Paying Agent will maintain the books of the City for the registration of ownership of the Bonds. Upon the surrender for transfer of any Bond at the principal office of the Registrar/Paying

Agent, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing, the Registrar/Paying Agent shall authenticate and deliver not more than three business days after receipt of the Bond to be transferred in the name of the transferee or transferees a new Bond or Bonds in fully registered form of the same aggregate principal amount of authorized denominations, and of the same maturity, interest rate and series, bearing a number or numbers not contemporaneously outstanding. Bonds may be exchanged at the principal office of the Registrar/Paying Agent for an equal aggregate principal amount of Bonds of other authorized denominations, and of the same maturity, series and interest rate. The Registrar/Paying Agent shall authenticate and deliver not more than three business days after receipt of the Bond to be exchanged a Bond or Bonds which the registered owner making the exchange is entitled to receive, bearing a number or numbers not contemporaneously outstanding. Exchanges and transfers of Bonds as herein provided shall be without charge to the owner or any transferee, but the Registrar/Paying Agent may require the payment by the owner of any Bond requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer. See "THE BONDS – Book-Entry Only System" herein for a description of the system to be utilized initially in regard to ownership and transferability of the Bonds.

Book-Entry Only System

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but neither the City, Municipal Advisor nor Bond Counsel take responsibility for the accuracy thereof.

Introduction

Unless otherwise noted, the information contained under the caption "General" below has been provided by DTC. The City, the Municipal Advisor, the Underwriters or their agents and counsel, make no representations as to the accuracy or the completeness of such information. The Beneficial Owners of the Bonds should confirm the following information with DTC, the Direct Participants or the Indirect Participants.

NEITHER THE CITY NOR THE PAYING AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DIRECT PARTICIPANTS, TO INDIRECT PARTICIPANTS, OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (A) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DIRECT PARTICIPANT, OR ANY INDIRECT PARTICIPANT; (B) ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO THE OWNERS OF THE BONDS UNDER THE BOND ORDINANCE; (C) THE SELECTION BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE BONDS; (D) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OR INTEREST DUE TO THE OWNER OF THE BONDS; (E) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE OWNERS OF THE BONDS; OR (F) ANY OTHER MATTER REGARDING DTC.

General

The Bonds will be issued in book-entry form. DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond will be issued for each maturity of the Bonds, each in the aggregate principal amount of that maturity and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of the Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each bond (the "Beneficial Owner") in turn is to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interest in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Bonds unless authorized by Direct Participants in accordance with DTC's procedures. Under its usual

procedures, DTC will mail an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal of and sinking fund and interest payments on the Bonds will be made to Cede & Co., or such other name as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts on each payable date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the date payable. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City, disbursement of such payments to Direct Participants shall be the responsibility of DTC or the Paying Agent, and disbursement of such payments to the Beneficial Owners shall be responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the City or the City may decide to discontinue use of the system of book entry transfers through DTC (or a successor securities depository). In such an event, bonds will be printed and delivered as described in the Bond Ordinance.

The City cannot and does not give any assurances that DTC will distribute to Participants, or that Participants or others will distribute to the Beneficial Owners, payments of principal of and interest and premium, if any, on the Bonds paid or any redemption or other notices or that they will do so on a timely basis or will serve and act in the manner described in this Official Statement. The City is not responsible or liable for the failure of DTC or any Direct Participant or Indirect Participant to make any payments or give any notice to a Beneficial Owner with respect to the Bonds or any error or delay relating thereto.

The foregoing description of the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal of and interest and other payments with respect to the Bonds to Direct Participants, Indirect Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in such bonds and other related transactions by and between DTC, the Direct Participants, the Indirect Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and none of the Direct Participants, the Indirect Participants or the Beneficial Owners should rely on the foregoing information with respect to such matters but should instead confirm the same with DTC or the Participants, as the case may be.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE BONDS, AS NOMINEE OF DTC, REFERENCES HEREIN TO THE HOLDERS SHALL MEAN CEDE & CO., AS AFORESAID, AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE BONDS.

SECURITY AND REMEDIES

General

The Bonds are general obligations of the City payable from *ad valorem* taxes, which may be levied against all taxable property within the City without limitation as to rate or amount. The Bonds are secured by the obligation of the City to levy and collect upon all taxable property within the City a tax rate levy sufficient, together with other legally available revenues, to pay the debt service on the Bonds. Such annual levy for debt service creates a statutory tax lien that can be enforced personally against the owner of the

property or enforced by sale of the property. Neither the State nor any other political subdivision has any responsibility to pay the debt service on the Bonds.

Legal Matters

Various State laws and constitutional provisions apply to the assessment and collection of *ad valorem* property taxes. There is no assurance that there will not be any amendment, change in the interpretation of, or addition to the applicable laws, provisions and regulations that would have a material effect, directly or indirectly, on the affairs of the City.

Limitations on Remedies Available to Owners of Bonds

There is no provision for acceleration of maturity of the principal of the Bonds in the event of a default in the payment of principal of or interest on the Bonds. Consequently, remedies available to the owners of the Bonds may have to be enforced from year to year.

The enforceability of the rights and remedies of the owners of the Bonds, and the obligations incurred by the City in issuing the Bonds, are subject to the following: the Federal Bankruptcy Code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditor's rights generally, now or hereafter in effect; usual equity principles, which may limit the specific enforcement under State law of certain remedies; the exercise by the United States of America of the powers delegated to it by the federal Constitution; and the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose. Bankruptcy proceedings, or the exercise of powers by the federal or State government, if initiated, could subject the owners of the Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation, or modification of their rights.

Other Investor Considerations

Cybersecurity Risks

The City operates a large and complex information technology infrastructure to support internal and external operations. As is the case with any such environment, the threat of cybersecurity incidents is a constant one. These incidents may arise from multiple sources, including unintentional events or actions, intentional insider threat, and deliberate malicious attacks or actions from outside entities. The effect of these threats may include unauthorized access to City systems, data or resources, inappropriate exposure or use of City information, disruption of City services, and damage to City systems.

The City has adopted a City-wide policies and procedures for appropriate use, access and maintenance of its information and information technology ("IT") resources (the "Policy"), which are applicable to employees, contractors, consultants, interns, volunteers and other workers, including all personnel affiliated with third parties. The Policy addresses City internet and e-mail resources, and applies to all equipment that is owned or leased by the City regardless of project or program funding sources. The Policy requires that the IT Department of the City evaluate and approve all software, hardware, removable devices, and related maintenance and support contracts (on- or off-network) for all program or project funding sources, and all user accounts. The City carries insurance against losses relating to cybersecurity incidents with coverage at a level it believes to be comparable to coverage carried by other local governments of similar size.

Climate Change and Natural Disasters

The State could experience, and is susceptible to additional, weather events and natural disasters that could be deemed extreme including, without limitation, periods of heat, droughts, floods, mud slides, tornadoes and other wind conditions and wildfires, which could result in negative economic impacts on the State and the City. Such effects may be exacerbated by a longer term shift in the climate over several decades, commonly referred to as climate change. Numerous scientific studies on climate change show that, among other effects on the global ecosystem, extreme temperatures may become more common, and extreme weather events may become more frequent as a result of increasing global temperatures attributable to atmospheric pollution. As a result, the City could lose tax revenues and many residents, businesses, and governmental operations could be displaced. Additionally, climate change concerns have led, and may continue to lead, to new laws and regulations at the federal and state levels (including but not limited to air, water, hazardous substances and waste regulations) that could have a material adverse effect on the operations and/or financial condition of the City. The City cannot predict the occurrence or extent of any future extreme weather events or natural disasters or the economic impacts that the occurrence of any such events may have on the State or the City.

Public Health Emergencies

Regional, national or global public health emergencies could have materially adverse regional, national or global economic and social impacts causing, among other things, the promulgation of local or state orders limiting certain activities, extreme fluctuations in financial markets and contraction in available liquidity, prohibitions of gatherings and public meetings in such places as entertainment venues, extensive job losses and declines in business activity across important sectors of the economy, impacts on supply chain and availability of resources, declines in business and consumer confidence that negatively impact economic conditions or cause an economic recession. The City cannot predict the extent to which its operations or financial condition may decline nor the amount of increased costs, if any, that may be incurred by the City associated with operating during any public health emergencies, including, but not limited to, the amount of (1) costs to clean, sanitize and maintain its facilities, (2) costs to hire substitute employees, (3) costs to acquire supporting goods and services, or (4) costs to operate remotely and support the employees of the City. Accordingly, the City cannot predict the effect any public health emergencies will have on the finances or operations of the City or whether any such effects will have a material adverse effect on its ability to pay debt service on the Bonds.

Disabled Veteran Exemption

The New Mexico Property Tax Code provides an exemption from *ad valorem* property taxation for the principal place of residence for honorably discharged disabled veterans, in an amount equal to the percentage of disability of the veteran as determined by federal law, provided that the disabled veteran occupies the property continuously as the veteran's principal place of residence. The property of a surviving spouse is exempt if the spouse and the disabled veteran were married at the time of the disabled veteran's death, and (2) the surviving spouse continues to occupy the property continuously after the disabled veteran's death as the spouse's principal place of residence. Upon transfer of the principal place of residence of a disabled veteran or their surviving spouse, the exemption may be maintained for that residence for the remainder of the year even if the residence is transferred during the year, or the exemption may be removed for that residence and applied to the new principal place of residence, regardless of whether the exemption was claimed within 30 days of the mailing date of the county assessor's notice of valuation.

PURPOSE AND PLAN OF FINANCING

The Bonds will be issued in a principal amount of $18,000,000*, which represents the entire series of general obligation bonds approved by the qualified electors of the City at an election held on March 3, 2026. Proceeds of the Bonds will be used to provide funds for (1) designing, constructing, repairing, preserving, rehabilitating, enhancing and otherwise improving roads and underlying utility infrastructure within the City, (2) designing, constructing, repairing, preserving, rehabilitating, enhancing and otherwise improving public safety facilities and repairing, replacing, or otherwise improving public safety vehicles, apparatus, and equipment, (3) designing, constructing, renovating, acquiring, rehabilitating, improving and equipping public quality of life facilities within the City, and (4) paying costs of issuance related to the Bonds.

SOURCES AND USES OF FUNDS

The sources and uses of funds relating to the Bonds, other than accrued interest, are set forth in the following table.

SOURCES OF FUNDS	
Bond principal	$
[Net] Premium	
TOTAL SOURCES OF FUNDS	$
USES OF FUNDS	
Deposit to Acquisition Fund	$
Underwriter's Discount	
Costs of Issuance(1)	
TOTAL USES OF FUNDS	$

(1) Includes Municipal Advisor fees, rating agency fees, legal fees, fees of the paying agent/registrar, and other miscellaneous costs and expenses related to the issuance of the Bonds.

DEBT AND OTHER FINANCIAL OBLIGATIONS

Table 1

General Obligation Debt

Article IX, Section 13, of the New Mexico Constitution prohibits municipalities, including the City, from incurring general obligation debt in an aggregate amount, including existing indebtedness, exceeding four percent of the value of the taxable property within such municipality, as shown by the last preceding general assessment. A test for maximum general obligation bonds outstanding of the City follows:

2025 Assessed Valuation	$3,836,266,522
2025 Estimated Actual Valuation	$13,556,592,786
Bonded Debt Outstanding	*$26,185,000*
NET DEBT	$_____

* Preliminary, subject to change.

City Net Debt as a % of:	
-Assessed Valuation	*0.93%*
-Estimated Actual Valuation	*0.26%*
2026 Estimated Population	113,230

Source: City of Rio Rancho Audited Financial Statements.

The general obligation bonded indebtedness of the City as of the date of this Official Statement follows:

Series	Original Amount Issued	Final Maturity (August 1)	Amount Outstanding as of June 1, 2026
2018	14,100,000	2028	$ 2,505,000
2020	14,600,000	2032	6,880,000
2022	15,250,000	2034	6,800,000
2024	16,000,000	2036	10,000,000
2026	18,000,000*	2038	18,000,000*
Total	**$77,990,000***		**$ 44,185,000***

*Figures include the Bonds.

Table 2

Debt Service Requirements to Maturity

The following represents annual debt service expenses on the City's existing general obligation debt, including issuance of the Bonds.

DEBT SERVICE SCHEDULE

alendar Year	Current Requirements	2018 Bonds Total	2020 Bonds Total	2022 Bonds Total	2024 Bonds Total	Series 2026 Bonds* 2026 Bonds Total	Total Requirement
2026	$ 8,322,250	$ 955,150	$ 1,294,900	$1,072,300	$ 5,000,000		
2027	4,033,700	928,750	1,245,400	1,034,550	825,000		
2028	3,757,550	767,350	1,195,900	996,800	797,500		
2029	2,875,450		1,146,400	959,050	770,000		
2030	2,770,600		1,106,800	921,300	742,500		
2031	2,665,750		1,067,200	883,550	715,000		
2032	2,510,900		977,600	845,800	687,500		
2033	1,475,600			815,600	660,000		
2034	1,422,900			790,400	632,500		
2035	605,000				605,000		
2036	577,500				577,500		
2037							
2038							
Total	$31,017,300	$2,651,250	$8,034,200	$8,319,350	$12,012,500		

*Preliminary, subject to change; Interest on the Series 2026 Bonds is calculated using *5.00%* as the annual rate.

Table 3

Statement of Estimated Direct and Overlapping Debt

The following calculation analyzes the debt load and per capita debt of the City payable from property taxes. In addition to outstanding debt of the City, the calculation takes into account debt attributable to taxing entities that is the responsibility of taxpayers within the boundaries of the City.

Taxing Entity	2025Assessed Valuation	General Obligation Debt Outstanding	Percentage Applicable	Amount
State of New Mexico	$112,757,519,845	$416,585,000	3.40%	$ 14,173,166
Sandoval County	6,280,024,629	6,940,000	61.09%	4,239,424
Central New Mexico Community College	27,911,600,035	138,805,000	13.74%	19,077,838
Southern Sandoval County Arroyo Flood Control Authority[1]	4,989,608,226	18,755,000	74.92%	14,051,801
Rio Rancho Public Schools	4,358,906,408	102,795,000	88.01%	90,469,714
City of Rio Rancho	3,836,266,522	[2]	100.00%	44,185,000[2]
Total Overlapping Debt				$172,115,142 [2]

Ratio of Estimated Direct & Overlapping Debt to 2025 Assessed Valuation:	4.49%
Ratio of Estimated Direct & Overlapping Debt to 2025 Estimated Actual Valuation:	1.27%
Per Capita Direct & Overlapping Debt:	$1,520.05

Source: Sandoval County Assessor's Office and individual entities; compiled by Accu-Disclose, LLC.

[1] 74.02%, or $3,738,362,024 of the assessed value of Southern Sandoval County Arroyo Flood Control Authority is within the boundaries of the City of Rio Rancho.

[2] Figure includes the proposed 2026 Bonds.

Table 4

Analysis of Assessed Valuation

Assessed Valuation of property within the City is calculated as follows: Of the total assessed valuation of all taxable property in the City, 33 ⅓% is legally subject to *ad valorem* taxes. After deduction of certain personal exemptions, the 2025 Assessed Valuation is $3,143,475,268. The actual value of personal property within the City (see "Assessments" below) is determined by the Sandoval County Assessor. The actual value of certain corporate property within the City (see "Centrally Assessed" below) is determined by the State of New Mexico, Taxation and Revenue Department, Property Tax Division.

The analysis of Assessed Valuation in Sandoval County follows:

	2021	2022	2023	2024	2025
Assessments					
Value of Land	$648,175,099	$695,527,175	$771,844,351	$923,627,360	$994,746,741
Improvements	2,307,376,239	2,563,760,453	2,903,703,196	3,162,154,313	3,406,091,211
Personal Property	35,481,568	33,203,842	34,094,751	31,470,307	34,939,965
Mobile Homes	5,731,789	6,272,811	7,038,249	7,887,086	8,805,912
Livestock	18,939	19,678	25,829	25,787	25,862
Assessor's Taxable Value	$2,996,783,634	$3,298,783,959	$3,716,706,376	$4,125,164,853	$4,444,609,691
Less Exemptions				$30,311,377	$30,042,220
Head of Family	$30,112,299	$30,256,680	$30,175,264	141,125,765	195,470,328
Veterans	90,280,848	101,461,190	117,710,081	453,315,512	457,085,192
Other	332,835,701	335,381,152	425,345,763	$ 624,752,654	$ 682,597,740
Total Exemptions	$453,228,848	$467,099,022	$573,231,108	$3,500,412,199	$3,762,011,951
				57,585,252	53,886,194
Assessor's Net Taxable Value	$2,543,554,786	$2,831,684,937	$3,143,475,268	$3,557,997,451	$3,815,898,145
Centrally Assessed	49,061,929	52,833,351	50,852,454	$2,930,568,137	$3,169,680,074
Total in Sandoval County	$2,592,616,715	$2,884,518,288	$3,194,327,722	627,429,314	646,218,071
				$3,557,997,451	$3,815,898,145
Residential	$2,157,873,387	$2,414,193,840	$2,686,773,411	$2,930,568,137	$3,169,680,074
Non-Residential	434,743,328	470,324,448	507,554,311	627,429,314	646,218,071
Total	$2,592,616,715	$2,884,518,288	$3,194,327,722	$3,557,997,451	$3,815,898,145

	2021	2022	2023	2024	2025
Residential	$0	$0	$0	$0	$0
Non-Residential	9,624,178	9,096,381	9,817,579	15,852,957	20,368,377
Total in Bernalillo County	$9,624,178	$9,096,381	$9,817,579	15,852,957	20,368,377
Total City Assessed Valuation	**$2,602,240,893**	**$2,893,614,669**	**$3,204,145,301**	**$3,573,850,408**	**$3,836,266,522**

Source: Sandoval County Assessor's Office and Bernalillo County Assessor's Office; compiled by Accu-Disclose, LLC.

Table 5
History of Assessed Valuation

The following is a history of assessed valuation for the City and Sandoval County.

Year	City of Rio Rancho	Sandoval County	Bernalillo County
2025	$3,836,266,522	$6,280,024,629	$23,078,747,024
2024	3,573,850,408	5,909,718,948	21,448,181,032
2023	3,204,145,301	5,082,477,123	20,382,533,837
2022	2,893,614,669	4,599,282,433	19,256,970,464
2021	2,602,240,893	4,122,515,350	18,390,395,538
2020	2,433,746,441	3,897,811,663	17,666,252,107
2019	2,320,076,647	3,732,770,115	17,172,340,660
2018	2,236,454,043	3,599,893,245	16,601,184,746
2017	2,136,680,060	3,477,523,540	16,116,114,678
2016	2,063,324,229	3,362,599,235	15,592,904,243

Source: Sandoval County Assessor's Office and Bernalillo County Assessor's Office.

Article VIII, Section 2, of the New Mexico Constitution limits the total *ad valorem* taxes for operational purposes levied by all overlapping governmental units within the City to $20.00 per $1,000 of assessed value. This limitation does not apply to levies for public debt and levies for additional taxes if authorized at an election by a majority of the qualified voters of the City voting on the question. The following table summarizes the tax rates on residential property located within the City for 2024-2025 Fiscal Year and the previous four fiscal years. The City expects no change in the level of its taxes in the foreseeable future but is unable to predict what overlapping entities might do. A high level of taxation may adversely impact the City's ability to repay bonds.

Table 6

RESIDENTIAL TAX RATES - Per $1,000 Assessed Valuation

	2021	2022	2023	2024	2025
WITHIN 20 MILL LIMIT FOR GENERAL PURPOSES					
State of New Mexico	$0.000	$0.000	$0.000	$0.000	$0.000
Sandoval County	6.284	6.170	6.089	5.901	5.765
City of Rio Rancho	7.278	7.116	7.004	6.791	6.636
Rio Rancho Schools	0.257	0.259	0.254	0.246	0.241
SSCAFCA	13.819	13.545	13.347	12.938	12.642
Central NM Community College	2.763	2.775	2.790	2.733	2.706
Contracting Hospitals	1.839	1.840	1.816	1.760	1.720
Total	**$5.400**	**$5.406**	**$5.385**	**$5.248**	**$5.163**
OVER 20 MILL LIMIT - INTEREST, PRINCIPAL, JUDGMENT, ETC.					
State of New Mexico	$1.360	$1.360	$1.360	$1.360	$1.360
Sandoval County	0.852	0.740	0.606	1.084	0.368
City of Rio Rancho	2.770	2.770	2.772	2.771	2.771
Rio Rancho Schools	10.474	10.484	10.451	10.393	10.350
SSCAFCA	1.246	1.246	1.246	1.246	1.242
Central NM Community College	1.000	1.000	1.000	1.000	1.000
Total	**$17.702**	**$17.600**	**$17.435**	**$17.854**	**$17.091**
TOTAL LEVY					
State of New Mexico	$1.360	$1.360	$1.360	$1.360	$1.360
Sandoval County	7.136	6.910	6.695	6.985	6.133
City of Rio Rancho	10.048	9.886	9.776	9.562	9.407
Rio Rancho Schools	10.731	10.743	10.705	10.639	10.591
SSCAFCA	2.044	2.037	2.025	2.001	1.979
Contracting Hospitals	1.839	1.840	1.816	1.760	1.720
Central NM Community College	3.763	3.775	3.790	3.733	3.706
Total Residential Rio Rancho	**$36.921**	**$36.551**	**$36.167**	**$36.040**	**$34.896**
Total Non-Residential Rio Rancho [(1)]	**$41.282**	**$41.705**	**$41.640**	**$36.495**	**$36.558**

Source: New Mexico Department of Finance and Administration.

Table 7

Major Taxpayers

Taxpayer	Business	2025 Assessed Valuation	% of City Assessed Value
Intel Corporation	Manufacturing	$431,974,937	11.26%
Presbyterian Healthcare	Healthcare	35,730,974	0.93%
Cable One Inc.	Cable Provider	8,619,756	0.22%
LPG 7700 Inc.	Unknown	6,643,398	0.17%
New Mexico Gas Company	Public Utility	6,530,303	0.17%
Wal-Mart Stores	Retail	6,397,341	0.17%
Northland Links LLC	Apartment Complex	5,520,271	0.14%
EP Country Club Drive LLC	Apartment Complex	5,505,049	0.14%
HD Development of Maryland Inc.	Real Estate	5,370,492	0.14%
Rio Rancho Retirement Residence LLC	Retirement Residence	4,583,929	0.12%
Total		$516,876,450	13.47%

Source: Sandoval County Assessor's Office.

Yield Control Limitation

State law limits property tax increases from the prior property tax year. Specifically, no taxing entity may set a rate or impose a tax (excluding oil and gas production *ad valorem* and oil and gas production equipment *ad valorem* taxes) or assessment that will produce revenues that taxes exceed the prior year's tax revenues from residential and non-residential property multiplied by a "growth control factor." The growth control factor is the percentage equal to the sum of (a) "percent change I" plus (b) the prior property tax year's total taxable property value plus "net new value," as defined by statute, divided by such prior property tax year's total taxable property value; but if that percentage is less than 100 percent, then the growth control factor is (a) "percent change I" plus (b) 100%. "Percent change I" is based upon the annual implicit price deflator index for state and local government purchases of goods and services (as published in the United States Department of Commerce monthly publication entitled "Survey of Current Business," or any successor publication) and is a percent (not to exceed 5%) that is derived by dividing the increase in the prior calendar year's index over the index for the calendar year next preceding the prior calendar year (unless there was a decrease, in which case zero if used) by the index for such calendar year next preceding the prior calendar year. *The growth control factor applies to authorized operating levies and to any capital improvements levies, but does not apply to levies for paying principal and interest on public general obligation debt.*

Limitations on Residential Property Tax Increases

In an effort to limit large annual increases in residential property taxes in some areas of the State (particularly the Santa Fe and Taos areas which have experienced large increases in residential property values in recent years), an amendment to the uniformity clause (Article VIII, Section 1) of the New Mexico Constitution was approved by a wide margin by New Mexico voters on November 3, 1998.

The amendment directs the Legislature to provide for valuation of residential property in a manner that limits annual increases in valuation. The limitation may be applied to classes of residential property

taxpayers based on occupancy, age or income. The limitations may be authorized statewide or at the option of a local jurisdiction and may include conditions for applying the limitations.

Section 7-36-21.2 NMSA 1978 establishes a statewide limitation on residential property valuation increases beginning in tax year 2001. Annual valuation increases will be limited to 3% over the prior year's valuation or 6.1% over the valuation from two years prior. These limitations do not apply under the following exceptions:

1. When property is being valued for the first time;
2. When physical improvements are made to the property;
3. When a change of ownership outside the family occurs;
4. When a change in zoning or use of property occurs; and
5. To property that is subject to the valuation limitations under Section 7-36-21.3 NMSA 1978.

Section 7-36-21.3 NMSA 1978 places a limitation on the increase in value for property taxation purpose for single-family dwellings occupied by low-income owners who are sixty-five years of age or older or who are disabled. The statute fixes the valuation of the property to the valuation in the year that the owner turned 65 or became disabled. The Section 7-36-21.3 limitation does not apply:

1. To property that is being valued for the first time;
2. To a change in valuation resulting from physical improvements made to the property in the preceding year; and
3. To a change in valuation resulting from a change in the zoning or permitted use of the property in the preceding year.

Amendments to State laws affecting residential property taxes are proposed from time to time and may be proposed in the future by the Legislature. Such amendments, if enacted, could result in an increase to the tax rate imposed on residential property tax within the City in order to pay the principal of and interest on general obligation bonds issued by the City, including the Bonds.

The constitutionality of the property tax limitation has been challenged in a number of venues. On March 28, 2012, the New Mexico Court of Appeals upheld the statutory valuation cap and its application under Section 7-36-21.2 NMSA 1978, which ruling was affirmed by the New Mexico Supreme Court in June, 2014.

Table 8

Tax Collections on Locally Assessed and Centrally Assessed Property

General (*ad valorem*) taxes for all units of government are collected by the Sandoval County Treasurer and distributed monthly to the various political subdivisions to which they are due. Property taxes are due in two installments. The first half installment is due on November 10 and becomes delinquent on December 10. The second half installment is due on April 10 and becomes delinquent on May 10. Collection statistics for Sandoval County are presented here:

Property Tax Collections for Sandoval County

Tax Year	Fiscal Year	Net Taxes Charged to Treasurer	Current Tax Collections[(1)]	Current Collections as a % of Net Levied[(1)]	Current/Delinquent Tax Collections[(2)]	Current/Delinquent Collections as a % of Net Levied
2024	24/25	$194,103,954	$188,804,037	97.27%	$188,804,037	97.27%
2023	23/24	171,378,306	169,420,854	98.86%	169,420,854	98.86%
2022	22/23	157,656,735	156,822,531	99.47%	156,822,531	99.47%
2021	21/22	144,260,147	143,744,519	99.64%	143,744,519	99.64%
2020	20/21	134,814,372	134,400,908	99.69%	134,400,908	99.69%
2019	19/20	131,707,434	131,331,218	99.71%	131,331,218	99.71%
2018	18/19	119,782,731	119,482,961	99.75%	119,482,961	99.75%
2017	17/18	114,526,248	114,177,836	99.70%	114,177,836	99.70%
2016	16/17	124,492,795	124,217,413	99.78%	124,217,413	99.78%
2015	15/16	119,062,743	118,821,870	99.80%	118,821,870	99.80%

(1) Current collections through June 30 of each year.
(2) As of June 30, 2023.

Source: Sandoval County Treasurer's Office; compiled by Accu-Disclose, LLC.

Interest on Delinquent Taxes

Pursuant to Section 7-38-49 NMSA 1978, if property taxes are not paid for any reason within thirty days after the date they are due, interest on the unpaid taxes shall accrue from the thirtieth day after they are due until the date they are paid. Interest accrues at the rate of one percent (1%) per month or any fraction of a month.

Penalty for Delinquent Taxes

Pursuant to Section 7-38-50 NMSA 1978, if property taxes become delinquent, a penalty of one percent of the delinquent tax for each month, or any portion of a month, they remain unpaid shall be imposed, but the total penalty shall not exceed five percent (5%) of the delinquent taxes. The minimum

penalty imposed is $5.00. A City can suspend application of the minimum penalty requirement for any tax year.

If property taxes become delinquent because of intent to defraud by the property owner, 50% of the property taxes due or $50.00, whichever is greater, shall be added as a penalty.

Remedies Available for Non-Payment of Taxes

Pursuant to Section 7-38-47 NMSA 1978, property taxes are the personal obligation of the person owning the property on the date on which the property was subject to valuation for property taxation purposes. A personal judgment may be rendered against the taxpayer for payment of taxes that are delinquent, together with any penalty and interest on the delinquent taxes.

Taxes on real property are a lien against the real property. A lien runs in favor of the State and secures the payment of property taxes and any penalty and interest until such payments are made. Such lien is a first lien and paramount to any other interest in the property, perfected or unperfected. Pursuant to Section 7-38-65 NMSA 1978, delinquent taxes on real property may be collected by selling the real property on which taxes are delinquent.

Pursuant to Section 7-38-53 NMSA 1978, delinquent property taxes on personal property may be collected by asserting a claim against the owner(s) of the personal property for which taxes are delinquent.

Protest

Pursuant to Section 7-38-39 NMSA 1978, after receiving his or her property tax bill and after making payment prior to the delinquency date of all property taxes due in accordance with the bill, a property owner may protest the value or classification determined for his or her property for property taxation purposes, the allocation of value of his or her property to a particular governmental unit, the application to his or her property of an administrative fee adopted pursuant to Section 7-38-36.1 NMSA 1978 or a denial of a claim for an exemption by filing a claim for refund in the district court. Pursuant to Section 7-38-41 NMSA 1978, the portion of any property taxes paid to the County Treasurer that is not admitted to be due and is the subject of a claim for refund will be deposited in a "property tax suspense fund." Moneys in the property tax suspense fund may not be used for the payment of debt service on the Bonds.

FINANCES OF THE CITY

Budget Process

The City adheres to the following procedure in establishing its annual budget: the City Manager prepares a recommended budget, which is forwarded to the Mayor by April 15th for the fiscal year commencing the following July 1; public input is sought by the Governing Body during the month of May in public hearings; the budget is approved by the Governing Body and forwarded for approval to the State of New Mexico, Local Government Division of the Department of Finance and Administration by June 1; the final budget is returned to the City with recommended changes and modifications, if any; and the final budget is approved by the Governing Body by July 31.

The operating budget includes proposed expenditures and the means of financing them. The City has established thresholds under which budget adjustments may be authorized administratively. Administrative budget adjustments less than $1,000 can be approved by the Budget and Grants Manager; adjustments up to $5,000 can be approved by the Director of Financial Services; and adjustments up to $50,000 can be approved by the City Manager. When a departmental budget contains more than one fund,

the total administrative budget adjustments shall not exceed $50,000 in any one fund and shall not exceed $100,000 in aggregate. Approval of the Governing Body for funding adjustments between departments, that impact the overall budget of any fund, or pull from the ending fund balance is required. As a management control device, the City employs formal budgetary integration at the line-item level. Deficit financing is not permitted under New Mexico law. The level of classification detail at which expenditure may not legally exceed appropriation for each budget item is the fund level (i.e., General, Water Utility, etc.).

The City was awarded the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award for fiscal year 2025, which is the 19th consecutive year the City has achieved this designation.

Financial Statement

The following General Fund Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances have been included herein for informational purposes only. Figures were taken from the audit reports prepared by the City. Audited figures are excerpts of the audit reports and do not purport to be complete. Reference is made to the complete audit reports which are available upon request.

Table 9

CITY OF RIO RANCHO, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-GENERAL FUND[(1)]

Year Ending June 30	2021	2022	2023	2024	2025
Revenues					
Property Taxes	$17,401,465	$18,653,039	$20,603,894	$22,388,656	$23,966,724
Municipal Taxes	26,227,197	34,659,421	38,057,447	43,081,101	45,413,526
Franchise Taxes	4,935,662	5,187,677	5,358,634	5,326,085	5,818,593
License and Permits	330,157	393,214	329,274	523,445	603,926
Intergovernmental - Federal	13,164,926	239,780	267,147	251,637	221,928
Intergovernmental - State	17,216,025	22,303,294	27,409,750	31,109,651	32,378,104
Intergovernmental - Local	168,207	49,772	162,145	300,000	315,000
Charges for Services	6,439,369	7,168,792	7,263,071	8,512,583	9,597,907
Fines and Forfeitures	746,391	667,756	578,102	665,017	579,369
Investment Income (Expense)	186,111	(919,976)	186,867	2,429,180	3,374,886
Miscellaneous	2,601,970	3,437,640	3,165,623	3,967,147	2,462,357
Total Revenues	$89,417,480	$91,840,409	$103,381,954	$118,554,502	$124,732,320
Expenditures					
General Government	$10,935,830	$11,436,849	$13,479,586	$14,436,562	$15,512,525
Public Safety	29,646,668	32,178,790	34,311,229	39,599,393	46,537,576
Public Works	7,119,139	8,599,253	9,430,888	10,891,349	10,950,018
Parks, Recreation and Culture	7,890,035	8,502,380	10,133,510	11,644,539	13,687,523
Community and Economic Development	2,749,911	3,178,043	3,433,727	3,967,099	4,562,507
Capital Outlay	1,036,219	3,044,477	4,373,474	4,051,886	6,880,335
Total Expenditures	$59,377,802	$66,939,792	$75,162,414	$84,590,828	$98,130,484
Revenues Over (Under) Expenditures	$30,039,678	$24,900,617	$28,219,540	33,963,674	26,601,836
Other Financing Sources (Uses)					
Sale of Capital Assets	69,335	8,850	128,929	142,434	212,596
Lease Proceeds	--	--	--	397,895	-
Transfers In	163,875	628,955	50,077	51,511	3,294,918
Transfers Out	(3,419,056)	(23,683,967)	(21,125,431)	(24,709,301)	(25,925,932)
Total Other Financing Sources (Uses)	(3,185,846)	(23,046,162)	(20,946,425)	(24,117,461)	(22,418,418)
Net Change in Fund Balances	$26,853,832	$1,854,455	$7,273,115	$9,846,213	$4,183,418
Fund Balance, Beginning of Year	$29,062,875	$55,916,707	$57,771,162	$65,044,277	$74,890,490
Fund Balance, End of Year	$55,916,707	$57,771,162	$65,044,277	$74,890,490	$79,073,908

(1) Information appearing in the table is derived from the City's audited financial statements, but this table is not audited.

Source: Audited Financial Statements of the City of Rio Rancho.

Table 10

CITY OF RIO RANCHO, NEW MEXICO
BALANCE SHEET – GENERAL FUND[1]

Year Ending June 30	2021	2022	2023	2024	2025
Assets					
Cash & Cash Equivalents	$36,502,216	$26,357,733	$23,612,651	$26,011,487	$20,355,262
Receivables:					
Accounts, Net	1,639,264	1,860,150	1,620,479	2,160,879	1,880,674
Interest	7,576	9,817	112,084	173,159	166,436
Property Taxes	1,017,924	954,857	955,540	1,011,549	990,166
Gross Receipt Taxes	4,558,317	6,001,285	6,540,125	7,533,099	13,736,397
Due from Federal Government		32,253	48,073	53,129	47,012
Due from State Government	2,992,691	4,462,256	4,830,771	5,480,532	-
Due from Local Governments	89,083	38,855	--	--	--
Lease Receivable	-	2,531,884	2,427,226	2,313,746	2,118,143
Investments	16,084,121	19,407,938	30,826,558	34,949,904	41,731,266
Due from Other Funds	2,878,254	2,002,334	2,644,790	2,342,816	6,795,435
Total Assets	$65,769,446	$63,659,362	$73,618,297	$82,029,300	$87,820,791
Liabilities					
Accounts Payable	$1,095,600	$962,819	$1,614,328	$1,495,842	$1,879,341
Accrued Liabilities	2,105,636	2,079,417	4,301,430	3,082,895	3,702,799
Unearned Revenues	5,765,727	--	--	--	--
Total Liabilities	$8,966,963	$3,042,236	$5,915,758	$4,578,737	$5,582,140
Deferred Inflows of Resources					
Unavailable Revenue - Property Taxes	$885,776	$874,139	$852,940	$921,254	$851,329
Deferred Lease Items	-	1,971,825	1,805,322	1,638,819	2,313,414
Total Deferred Inflows of Resources	$885,776	$2,845,964	$2,658,262	$2,560,073	$3,164,743
Fund Balances (Deficits)					
Restricted	$0	$0	$0	$0	$8,713,618
Committed	-	-	-	7,049,236	-
Unassigned	55,916,707	57,771,162	65,044,277	67,841,254	70,360,290
Total Fund Balances	$55,916,707	$57,771,162	$65,044,277	$74,890,490	$79,073,908
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$65,769,446	$63,659,362	$73,618,297	$82,029,300	$87,820,791

[1] Information appearing in the table is derived from the City's audited financial statements, but this table is not audited.

Source: Audited Financial Statements of the City of Rio Rancho.

THE CITY

General

The City of Rio Rancho is currently the third largest city in New Mexico and has experienced rapid growth historically. Rio Rancho is located in central New Mexico at 5,679 feet above sea level, and is adjacent to Albuquerque, New Mexico's largest city. In the early 1960s, the AMREP Corporation purchased 55,000 acres of land on the outskirts of Albuquerque, originally called Rio Rancho Estates. AMREP marketed the area to residents in the Midwest and eastern states. When home building began in 1962, many of the first residents were middle-income retirees. In 1966, the 100th family moved to Rio Rancho and by 1977 the population had grown to 5,000. In 1971, AMREP purchased and platted an additional 35,000 acres. Rio Rancho Estates at that time included 92,000 acres and was larger, geographically, than the city of Albuquerque.

By the late 1970's the area had grown to a community of about 11,000. In September of 1981 the City of Rio Rancho was formally incorporated as a New Mexico municipality. Rapid employment, population and housing growth characterized Rio Rancho in the 1980's and continued through the 1990's. Population and housing stock tripled between 1980 and 1990.

Government

The City was incorporated in 1981 and operates under a home rule charter, adopted by voter approval in March, 1992, with a Council-Manager form of government. Nonpartisan elections are held for members of the Governing Body of the City (the "Governing Body") for the election of councilors from six single member districts and for a Mayor to be nominated and elected at large by the residents and qualified voters of the City. Under the City Charter, as amended, the Mayor is a voting member of the Governing Body in the event of a tie vote or if a councilor is absent.

Members of the Governing Body are elected for staggered four-year terms. The members and the date of expiration of their current terms are as follows:

Name	Office	Current Term Expires
Paul Wymer	Mayor	March, 2030
Deb Dapson	Councilor, District 1	March, 2028
Jeremy Lenentine	Councilor, District 2 and Deputy Mayor	March, 2030
Bob Tyler	Councilor, District 3	March, 2030
Vacant *	Councilor, District 4	March, 2028
Karissa D. Culbreath	Councilor, District 5	March, 2030
Nicole List	Councilor, District 6	March, 2028

*****Pursuant to the City Charter, the mayor shall, within sixty (60) days of a vacancy in the office of city councilor, appoint a qualified successor to fill the vacancy, subject to confirmation of the Governing Body, who shall serve until the next regular municipal election.

Administrative Officers

Paul Wymer, Mayor. The Mayor is a member of the Governing Body of the City and the Chief Executive Officer of the City. The Mayor presides at meetings of the Governing Body and is a member of

the Governing Body entitled to vote in the absence of a councilor or to break a tie. As Chief Executive Officer of the City, the Mayor exercises all administrative and executive powers, except to the extent that those powers are vested with the City Manager; represents the City in intergovernmental relationships; presents an annual State of the City report to the Governing Body; and performs other duties and exercise such other powers as specified in the City Charter, City ordinances and resolutions, or by the Governing Body. Mr. Wymer was first elected as Mayor of Rio Rancho in April 2026, via a runoff election for a four-year term.

Matt Geisel, City Manager. The City Manager is the Chief Administrative Officer of the City, in charge of the day-to-day administrative affairs of the City, and responsible to the Mayor and Governing Body, as appropriate, for the administration of all City affairs placed in the administrator's charge by or under the City Charter. The Governing Body appointed Mr. Geisel the City Manager on April 22, 2021. Mr. Geisel served as the Secretary of the Economic Development Department of the State of New Mexico from October, 2016 to December, 2018. In September 2019, Mr. Geisel returned to the City in the role of Economic Development and Business Relations Manager and Acting Development Services Director. Mr. Geisel previously worked for the City from January 2009 to September 2016 in various roles, including Economic Development and Business Relations Manager. Mr. Geisel has a Bachelor of Arts in Economics and Spanish from the University of California, Davis and a Master of Business Administration, from the University of California, Los Angeles.

Stephanie Yara, Director of Financial Services. The Chief Financial Officer of the City is the Director of Financial Services, who also serves as the City Treasurer. The Director of Financial Services is appointed by the City Manager and is confirmed by the Governing Body. The Director of Financial Services is responsible for the City's cash and investments, accounting, budgeting, contracts, and procurement. Ms. Yara was appointed by the Governing Body in May 2025, with approximately 23 years of applicable experience. Her background includes serving in Finance Director roles for the City of Albuquerque, New Mexico Mortgage Finance Authority, and the Pueblo of Sandia. In addition, Ms. Yara holds an MBA in Accounting from the University of New Mexico, and is a Certified Public Accountant.

Josh Rubin, City Attorney. The City Attorney serves as chief legal advisor to the Council, City Manager, and all department heads, offices and agencies. The City Attorney represents the City in all legal proceedings and performs any other duties prescribed by law. The City Attorney is appointed by the City Manager and confirmed by the Governing Body. Mr. Rubin has served as City Attorney since March 13, 2023; however, Mr. Rubin has been employed by the City since August of 2018. Prior to serving as the City Attorney, Mr. Rubin served as Deputy City Attorney and Assistant City Attorney. Before joining the City, Mr. Rubin served as an Assistant District Attorney in Bernalillo County (March of 2016 through August of 2018) as a felony prosecutor and worked for Fidelity Investments LLC (August of 2015 through March of 2016) in Fidelity's retirement benefits contracting group. Mr. Rubin holds a Bachelor of Business Administration, majoring in finance with a minor in economics, from the University of New Mexico and a Juris Doctorate from the University of New Mexico School of Law.

Other Employees

As of January 1, 2025, the City had 793.86 authorized full-time positions. The City's police force consists of 153 uniformed officers. The City operates three libraries, an aquatic center, two senior citizens centers, six fire stations, a municipal water and sewer utility, and a solid waste collection and disposal system, contracted by the City. The City also operates outdoor swimming pools, sports fields and playgrounds with paid staff members during an active summer recreational program. The City has three employee unions, including Police/Dispatch, Fire, and the American Federation of State, County and Municipal Employees ("AFSCME"). The City considers its relations with its employees to be good.

Economy

The City's economy and surrounding area have been based primarily on the Intel manufacturing plant, government and related activities, retail trade, tourism, arts and entertainment, and recreation. In 2011 and 2012, Presbyterian Rust Medical Center ("Rust") and University of New Mexico Sandoval Regional Medical Center ("UNMSRMC") hospitals opened in the City.

Rust and UNMSRMC have attracted additional medical offices in the surrounding areas along the Unser corridor in the Petroglyphs Medical Plaza and Unser Pavilion sites. As part of this associated medical growth, the City has seen Acute Care and Assisted, Independent and Memory Care facilities invest in Rio Rancho. The Village, an approximately 64-acre mixed use development adjacent to Rust along the Unser Gateway, is positioning its development to attract medical and wellness providers, as well as retail uses including Albertson's Market Street and a variety of restaurants.

The City has attracted industry to provide employment for its residential growth. Intel Corporation, New Mexico's most prominent manufacturer, has upgraded or overhauled its Rio Rancho site seven times since the 1980s. Over the past few years, Intel has repositioned its Rio Rancho facility from traditional wafer chip manufacturing to new technologies. Intel has completed an investment of $3.5 billion in its Rio Rancho operations for the manufacture of advanced semiconductor technologies. Modernization of the plant accommodates Intel's advanced packaging technology and silicone photonics. The project has created 1,000 construction jobs. The expansion is expected to create at least 700 high-tech jobs, increasing its total employee count to over 2,500.

New Mexico start-up Nature's Toolbox relocated its operation to Rio Rancho in 2022. The company's mission is to advance the healthcare industry by commercializing its cell-free technology to expedite the development and manufacturing of vaccines and pharmaceuticals using mRNA and protein technology to accelerate preclinical drug discovery efforts. Nature's Toolbox anticipates creating over 70 high paying jobs in its Rio Rancho facility.

A number of long-standing, small to mid-sized manufacturers have located in Rio Rancho, including as Aero Parts, Aer Sale, DHF Technical, Insight Lighting, LectroSonics, and Stainless Motors in Sandoval County. Those manufacturers serve as a solid base of advanced and skilled manufacturing jobs in Rio Rancho.

The office and customer contact center industry has played a key role in Rio Rancho for more than two decades. HP, Inc. has operated a sales and premium support center since 2009, currently employing approximately 750 workers with a $60 million payroll.

"In fill" development on major corridors is bringing new quick service restaurants users to the community including Raising Canes, Dutch Bros., and others. Empty "big box" space is being redeveloped for use by companies new to the City including Sprouts grocery store and Defined Fitness gym.

Rio Rancho continues to be an attractive place to live for both growing families and retirees. Over the past decade, Rio Rancho's share of single-family residential starts has grown to 39.9 percent of the four-county metropolitan area. The City has issued more than 4,000 single family residential permits in the last five years as well as 859 units of multi-family housing within the last three years. The housing market has seen a significant increase in the median home value over the past three years.

In calendar year 2025, Rio Rancho had 784 new single-family home starts, and there are a total of 1,347 vacant developed and soon to be developed lots that are part of approved preliminary plats throughout the City and 5,699 vacant undeveloped lots that are in approved master-planned communities. The 173-acre Los Diamantes Masterplan Community ("Los Diamantes") is the cornerstone of this anticipated

residential growth, with 457 single family residential lots and approximately 63 acres designated for commercial/industrial use. Los Diamantes is in close proximity to Joe Harris Elementary School, which opened in August 2021, as well as the site for Rio Rancho's third high school (construction date to be determined).

Retirement Plan

The City participates in a pension plan organized on a statewide basis and operated by the State of New Mexico. The Public Employees' Retirement Association of New Mexico (the "Plan"), established by Chapter 167, Laws of 1947, New Mexico Statutes Annotated, 1978 Compilation, as amended, requires contributions, computed as a percentage of salary, from both employee and employer for all full-time employees. The majority of State and municipal employees in New Mexico participate in the Plan. The Plan requires contributions by the City and by employees at rates established by statute.

In addition to retirement benefits, the Plan provides disability benefits, surviving spouse and children's benefits, deferred benefits option and cost of living adjustments for all eligible participants. Employer contributions to the pension plan amounted to $7,177,396 for the fiscal year ended June 30, 2025. The City's liability under the Plan is limited to the periodic employer contributions, that it is required to make for its participating employees. Future deficits of the Plan are expected to be financed by the State. For additional information regarding the Plan, please refer to Note 10 to the City's audited financial statements.

On June 25, 2012, the Governmental Accounting Standards Board approved Statement No. 68 which requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. Statement No. 68 requires cost-sharing employers, such as the City, to record a liability and expense equal to their proportionate share of the collective net pension liability and expense for the cost-sharing plan. Statement No. 68 was effective for fiscal years beginning after June 15, 2014.

The City offers other post-employment benefits through the Retiree Health Care Fund, a cost-sharing multiple employer defined benefit plan administered by the New Mexico Retiree Healthcare Authority. This plan is used to provide post-employment health insurance benefits for eligible employees and their dependents. The contribution requirements are established by and may be amended by the statute. The City's contribution to the fund for Fiscal Year 2025 was $976,592. For additional information regarding the post-employment benefit plan, please refer to Note 11 to the City's audited financial statements.

City Insurance Coverage

The City participates in the New Mexico Self-Insurers' Fund Risk Pool (the "Pool"), together with other New Mexico municipalities. The Pool is a public entity risk pool currently operating as a common risk management and insurance program for its members. The City paid an annual premium of $2,217,018 for general insurance coverage during Fiscal Year 2025. The City maintains commercial insurance for all other risks of loss, including accident insurance and cybersecurity. The City believes that it maintains coverage for its assets and operations at a level which is customary and adequate, in its opinion, for similar entities insuring similar operations and assets. There can be no assurance, however, that the City will continue to maintain the present level of coverage or that the insurance maintained will be sufficient.

ECONOMIC AND DEMOGRAPHIC STATISTICS

This section contains general information concerning the economic and demographic conditions in and surrounding the City. The information presented was obtained from the sources indicated, and the City makes no representation as to the accuracy or completeness of the data presented. All data in this subsection is presented on a calendar year basis. See also "*Special Factors Affecting the Payment of Debt Service on the Bonds and Available Remedies-- Public Health Pandemics or Outbreak Risks*" for a discussion of potential economic implications of the COVID-19 pandemic.

Population

The Albuquerque Metropolitan Statistical Area ("MSA") includes Bernalillo, Sandoval, Torrance and Valencia Counties. The Census added Torrance County to the MSA in the 2000 Census.

Table 10

Population

Census Year	City of Rio Rancho	Albuquerque MSA	State of New Mexico
1980	9,985	523,105	1,303,302
1990	32,551	599,416	1,515,069
2000	51,765	729,649	1,819,046
2010	87,521	887,077	2,059,179
2020	104,046	916,528	2,117,522
2024[(1)]	112,524	929,919	2,130,256

[(1)] Annual Estimates of the Resident Population for Incorporated Places of 20,000 or More, Ranked by July 1, 2024 Population: April 1, 2020 to July 1, 2024 (SUB-IP-EST2024-ANNRNK)

Source: U.S. Census Bureau, Population Division; Table prepared by City of Rio Rancho Financial Services Department.

Age Distribution

The following table sets forth the age distribution profile for the Albuquerque Metropolitan Statistical Area, the State and the United States.

Table 11

Percent of Population

Age Group	Albuquerque MSA	New Mexico	United States
0-19	23.6%	24.8%	24.8%
20-24	6.1%	6.6%	6.5%
25-34	13.9%	13.2%	13.7%
35-44	13.4%	12.7%	13.1%
45-54	11.8%	11.2%	12.3%
55 and Older	31.2%	31.6%	29.7%

Source: U.S. Census Bureau, 2023 American Community Survey, ACS 5-Year Estimates Data Profiles.

Income

The following table sets forth median household income levels in dollars for the Albuquerque MSA, the State and the United States.

Table 12

Median Household Income

Calendar Year	Albuquerque MSA	New Mexico	United States
2019	$54,072	$49,754	$62,843
2020	55,370	51,243	64,994
2021	58,335	54,020	69,021
2022	63,971	58,722	75,149
2023	67,995	62,125	78,538

Source: U.S. Census Bureau, 2019, 2020, 2021, 2022, 2023 American Community Survey, ACS 5-Year Estimates.

Employment

The following table provides a ten-year history of average employment in the Albuquerque MSA, the State and the United States.

Table 13

EMPLOYMENT/UNEMPLOYMENT RATES

Year	Albuquerque MSA Labor Force	Albuquerque MSA % Unemployed	State Labor Force	State % Unemployed	U.S. % Unemployed
2015	423,352	6.2%	940,843	6.6%	5.3%
2016	434,732	6.1%	945,403	6.8%	4.9%
2017	437,014	5.6%	945,825	6.1%	4.4%
2018	437,459	4.6%	945,834	4.9%	3.9%
2019	442,240	4.6%	957,056	5.0%	3.7%
2020	432,484	7.6%	930,398	7.9%	8.1%
2021	441,922	6.5%	941,901	7.1%	5.4%
2022	448,002	3.7%	948,738	4.1%	3.7%
2023	457,168	3.4%	968,516	3.7%	3.6%
2024	463,937	3.9%	983,100	4.2%	4.0%

Source: Federal Reserve Economic Data, Federal Reserve Bank of St. Louis.

Major Employers

Some of the largest employers in the City are set forth below. No independent investigation into their affairs has been made and consequently there can be no representation as to the stability or financial condition of the companies listed hereafter, or the likelihood that such companies will maintain their status as major employers in the area.

Table 14

MAJOR EMPLOYERS
By Number of Employees – 2025

ORGANIZATION	EMPLOYEES	DESCRIPTION
Intel Corporation	2,900	Semiconductor Manufacturer
Rio Rancho Public Schools	2,377	Public School District
Presbyterian Healthcare Svcs.- Rust Medical Ctr.	1,200	Hospital/Medical Services
HP, Inc.	680	Computer & Computer Parts Mfr.
Sandoval Regional Medical Center- UNMH	670	Medical Services
City of Rio Rancho	668	Municipal Government
Sandoval County	580	County Government
Santa Ana Pueblo	509	Tribal Government
Bank of America	330	Banking and Financial Services
Sandia Pueblo	300	Tribal Government

Effective Buying Income

The following table reflects the Percent of Households by Effective Buying Income Groups ("EBI") for the Albuquerque Metropolitan Statistical Area ("MSA"), the State and the United States. EBI is defined as money income less personal tax and non-tax payments described below. Money income is the aggregate of wages and salaries, net farm and nonfarm self-employment income, interest, dividends, net rental and royalty income, Social Security and railroad retirement income, other retirement and disability income, public assistance income, unemployment compensation, Veterans Administration payments, alimony and child support, military family allotments, net winnings from gambling, and other periodic income. Deducted from this total money income are personal income taxes, personal contributions to social insurance (Social Security and federal retirement payroll deductions), and taxes on owner-occupied non-business real estate. Receipts from the following sources are not included as money income: money received from the sale of property; the value of "in kind" income such as food stamps, public housing subsidies, and employer contributions for persons; withdrawal of bank deposits; money borrowed; tax refunds; exchange of money between relatives living in the same household; gifts and lump-sum inheritances, insurance payments, and other types of lump-sum receipts.

Table 15

Percent of Households by
Effective Buying Income Groups

Effective Buying Income Group	Albuquerque MSA	New Mexico	United States
Under $25,000	18.1%	21.0%	16.4%
$25,000 - $34,999	8.1%	8.9%	7.7%
$35,000 - $49,999	11.5%	12.2%	11.4%
$50,000 - $74,999	17.3%	17.1%	16.2%
$75,000 & Over	45.0%	40.9%	48.4%
2020 Est. Median Household Income	54,440	49,385	65,228
2021 Est. Median Household Income	54,431	49,658	67,086
2022 Est. Median Household Income	62,500	55,028	72,191
2023 Est. Median Household Income	64,973	57,526	73,336
2024 Est. Median Household Income	67,131	60,813	75,781

Source: Spotlight, April 2024.

Gross Receipts

The following tables show the total reported gross receipts, total reported retail gross receipts, and taxable gross receipts generated in the City for the past five years. For the purposes of these tables, gross receipts means the total amount of money received from selling goods and services in the State of New Mexico, from leasing property employed in the State and from performing services in the State. Gross receipts include, among other things, food sales and services such as legal and medical services.

Table 16

Historical Total Gross Receipts Reported for City

	City of Rio Rancho	
Fiscal Year	Retail Trade	Total
2025	$1,145,836,892	$4,720,413,592
2024	1,067,353,760	4,729,853,299
2023	1,029,721,224	4,220,964,305
2022	961,054,087	3,670,047,082
2021	704,811,426	2,977,536,683
2020	630,568,255	2,771,110,074

Source: New Mexico Taxation and Revenue Department RP-80 Reports.

Table 17

Historical Taxable Gross Receipts Reported for City

Fiscal Year	Taxable Gross Receipts
2025	$2,469,820,904
2024	2,334,297,962
2023	2,135,139,948
2022	2,004,966,833
2021	1,722,172,351
2020	1,557,863,534

Source: New Mexico Taxation and Revenue Department RP-80 Reports.

TAX EXEMPTION

General

In the opinion of Modrall, Sperling, Roehl, Harris & Sisk, P.A., Bond Counsel, to be delivered at the time of original issuance of the Bonds, under existing laws, regulations rulings and judicial decisions, and assuming compliance with covenants described herein, interest on Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference under Section 57 of the Code (as defined below) for purposes of the federal alternative minimum tax imposed on individuals. Bond Counsel is also of the opinion, based on existing laws of the State of New Mexico as enacted and construed, that interest on the Bonds is exempt from all taxation by the State of New Mexico or any political subdivision thereof.

The Internal Revenue Code of 1986, as amended (the "Code"), imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal tax purposes of interest on obligations such as the Bonds. The City has made various representations and warranties with respect to, and has covenanted in the Bond Ordinance and other documents, instruments and certificates to comply with the applicable provisions of the Code to assure that interest on the Bonds will not become includible in gross income. Failure to comply with these covenants or the inaccuracy of these representations and warranties may result in interest on the Bonds being included in gross income from the date of issue of the

Bonds. The opinion of Bond Counsel assumes compliance with the covenants and the accuracy of such representations and warranties.

Although Bond Counsel has rendered an opinion that interest on the Bonds is excludable from gross income for federal income tax purposes, the accrual or receipt of interest on the Bonds may otherwise affect the federal income tax liability of the recipient. The extent of these other tax consequences will depend upon the recipient's particular tax status or other items of income or deduction. Bond Counsel expresses no opinion regarding any such consequences. Before purchasing any of the Bonds, potential purchasers should consult their tax advisors as to the tax consequences of purchasing or owning the Bonds.

The opinions expressed by Bond Counsel are based upon existing law as of the date of issuance and delivery of the Bonds, and Bond Counsel expresses no opinion as of any date subsequent thereto or with respect to any pending legislation.

From time to time, there are legislative proposals in Congress that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted, it would apply to Bonds issued prior to enactment. Each purchaser of the Bonds should consult his or her own tax advisor regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

Internal Revenue Service Audit Program

The Internal Revenue Service (the "Service") has an ongoing program auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. No assurances can be given as to whether the Service will commence an audit of the Bonds. If an audit is commenced, under current procedures the Service will treat the City as the taxpayer and the Bond owners may have no right to participate in such procedure. None of the Municipal Advisor, the Underwriter, or Bond Counsel is obligated to defend the tax-exempt status of the Bonds. The City has covenanted in the Bond Ordinance not to take any action that would cause the interest on the Bonds to become includable in gross income except to the extent described above for the owners thereof for federal income tax purposes. None of the City, the Municipal Advisor, the Underwriters or Bond Counsel is responsible to pay or reimburse the costs of any Bond owner with respect to any audit or litigation relating to the Bonds.

Original Issue Discount

The Bonds may be offered at a discount ("original issue discount") equal generally to the difference between public offering price and principal amount. For federal income tax purposes, original issue discount on a bond accrues periodically over the term of the bond as interest. The amount of original issue discount deemed received by the holder is excludable from gross income of the holder for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. The accrual of original issue discount increases the holder's tax basis in the bond for determining taxable gain or loss from sale or from redemption prior to maturity. Holders of Bonds offered at an original issue discount should consult their tax advisors for an explanation of the accrual rules.

Original Issue Premium

The Bonds may be offered at a premium ("original issue premium") over their principal amount. For federal income tax purposes, original issue premium is amortizable periodically over the term of a bond through reductions in the holders' tax basis in the bond for determining taxable gain or loss from sale or from redemption prior to maturity. Amortizable premium is accounted for as reducing the tax-exempt

interest on the bond rather than creating a deductible expense or loss. Holders of Bonds offered at an original issue premium should consult their tax advisors for an explanation of the amortization rules.

CONTINUING DISCLOSURE INFORMATION

In connection with the issuance of the Bonds, the City will execute a Continuing Disclosure Undertaking, in the form attached hereto as Appendix C, under which it will agree for the benefit of the owners of the Bonds to provide audited annual financial statements of the City when available after the end of each Fiscal Year, and to provide certain annual financial information and operating data ("Annual Disclosure") relating to the City and timely notice of certain events.

The City has previously entered into continuing disclosure undertakings with respect to certain other obligations of the City in accordance with Rule 15c2-12. On October 24, 2025, S&P Global Ratings upgraded its long-term rating on the City's Water and Wastewater System Refunding Revenue Bonds. The rating report and notice of untimely filing were subsequently posted to MSRB's EMMA system on March 5, 2026, and March 9, 2026, respectively. The City has put administrative procedures in place to ensure that such information is included in its annual disclosure obligations in the future and remedial filings have been completed. The City believes that it has not otherwise been in default under those continuing disclosure agreements in any material respect in connection with the filing of audited annual financial statements, annual financial information and notice of significant events in the past five years.

LITIGATION

At the time of the original delivery of the Bonds, the City will deliver a no-litigation certificate to the effect that no litigation or administrative action or proceeding is pending or, to the knowledge of the appropriate City officials, threatened, restraining or enjoining, or seeking to restrain or enjoin, the issuance and delivery of the Bonds, effectiveness of the Bond Ordinance, or contesting or questioning the proceedings and authority under which the Bonds have been authorized and are to be issued, sold, executed or delivered, or the validity of the Bonds.

UNDERWRITING

_____ (the "Underwriter") has agreed, subject to certain customary conditions, to purchase the Bonds at a price equal to the initial offering prices to the public, as shown on the front cover page hereof, less an Underwriter's discount of $_____. The Underwriter's obligations are subject to certain conditions precedent, and the Underwriter will be obligated to purchase all of the Bonds, if any Bonds are purchased. The Bonds to be offered to the public may be offered and sold to certain dealers (including the Underwriter and other dealers depositing Bonds into investment trusts) at prices lower than the public offering prices of such Bonds and such public offering prices may be changed, from time to time, by the Underwriter.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

LEGAL MATTERS

Modrall, Sperling, Roehl, Harris & Sisk, P.A., Albuquerque, New Mexico, Bond Counsel, will render an opinion with respect to the validity of the Bonds and with respect to tax matters described above under "TAX EXEMPTION". The proposed form of such opinion is attached hereto as Appendix A.

Modrall, Sperling, Roehl, Harris & Sisk, P.A., has also acted as special counsel to the City in connection with the preparation of this Official Statement. Certain legal matters will be passed upon for the City by the City Attorney. [[Certain legal matters will be passed upon for the Underwriter by _____, _____.]]

INDEPENDENT ACCOUNTANTS

Hinkle + Landers, P.C. (the "Auditor") audited the financial statements of the City as of and for the year ended June 30, 2025 and delivered their report to the New Mexico State Auditor and the City. The complete Annual Comprehensive Financial Report of the City of Rio Rancho – Audited General Purpose Financial Statements – as of and for the Fiscal Year ended June 30, 2025, as well as for previous fiscal years, are public documents and are available from the New Mexico State Auditor. The 2025 Annual Comprehensive Financial Report is included in Appendix A to this Official Statement. The Auditor has not been engaged to review this Official Statement or any information contained herein.

RATING

The Bonds have received a rating of "___" from Moody's Investors Service ("Moody's"). An explanation of the significance of the rating given by Moody's may be obtained from Moody's at 7 World Trade Center at 250 Greenwich Street, New York, NY 10007 or https://www.moodys.com.

Such rating reflects only the views of Moody's and there is no assurance that such rating will continue for any given period of time after obtained or that such rating will not be revised downward or withdrawn entirely by the rating agency if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds. Neither the City nor the initial purchasers of the Bonds have undertaken any responsibility to bring to the attention of the owners of the Bonds any proposed change in or withdrawal of such rating once received or to oppose any such proposed revision.

MUNICIPAL ADVISOR

RBC Capital Markets, LLC is employed as Municipal Advisor to the City in connection with the issuance of the Bonds. The Municipal Advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds. RBC Capital Markets, LLC, in its capacity as Municipal Advisor, has relied on the opinion of Bond Counsel and does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Bonds, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

The Municipal Advisor to the City has provided the following sentence for inclusion in this Official Statement. The Municipal Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the City and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Municipal Advisor does not guarantee the accuracy or completeness of such information.

TRANSCRIPT AND CLOSING DOCUMENTS

A complete transcript of proceedings and a no-litigation certificate (described above under "LITIGATION") will be delivered by the City when the Bonds are delivered. The City will at that time also provide a certificate relating to the accuracy and completeness of this Official Statement.

ADDITIONAL INFORMATION

All summaries of the statutes, resolutions, opinions, contracts, agreements, financial and statistical data and other related reports described in this Official Statement are subject to the actual provisions of such documents. The summaries do not purport to be complete statements of such provisions and reference is made to such documents, copies of which are either publicly available or available for inspection during normal business hours at the offices of the City located at 3200 Civic Center Circle NE, Rio Rancho, New Mexico 87144 or at the offices of RBC Capital Markets, LLC, 6301 Uptown Boulevard, N.E., Suite 100, Albuquerque, New Mexico 87110.

OFFICIAL STATEMENT CERTIFICATION

As of the date hereof, this Official Statement is true to the best of my knowledge, complete and correct in all material respects, and does not include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made herein, in light of the circumstances under which they are made, not misleading.

The preparation of this Official Statement and its distribution have been authorized by the City Council. The Official Statement is hereby duly approved by the City Council as of the date on the cover page hereof.

CITY OF RIO RANCHO, NEW MEXICO

By: /s/_____
Paul Wymer, Mayor

APPENDIX A

OPINION OF BOND COUNSEL

_____, 2026

City of Rio Rancho
Rio Rancho, New Mexico

$_____
City of Rio Rancho, New Mexico
General Obligation Improvement Bonds
Series 2026

Ladies and Gentlemen:

We have acted as bond counsel to the City of Rio Rancho (the "City"), Sandoval County, State of New Mexico (the "State"), in connection with the issuance and sale of its $_____ General Obligation Improvement Bonds, Series 2026 (the "Bonds"), dated _____, 2026, with interest payable on August 1, 2026, and semi-annually thereafter on February 1 and August 1 in each year in which the Bonds are outstanding, being issued in registered form and maturing serially on August 1 in the years 2026 through 2038, inclusive. The Bonds are being issued pursuant to Ordinance No.__ adopted by the City Council on June 11, 2026 and the Pricing Certificate executed on _____, 2026 (together, the "Bond Ordinance").

We have examined the transcript of proceedings (the "Transcript") relating to the issuance of the Bonds and the law under authority of which the Bonds are issued. Based on our examination, we are of the opinion that, under the law existing on the date of this opinion, subject to the provisions of federal bankruptcy law and other laws affecting creditors' rights and further subject to the exercise of judicial discretion in accordance with general principles of equity:

1. The Bonds constitute legal, valid and binding general obligation debt of the City and the principal of and interest on the Bonds, unless paid from other sources, are to be paid from the proceeds of the levy of ad valorem taxes on all property within the City subject to ad valorem taxes levied by the City, which taxes are unlimited as to rate or amount.

2. Under existing laws, regulations, rulings and judicial decisions, interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"), as amended, and is not a specific item of tax preference for purposes of the federal alternative minimum tax under the Code; however, interest on the Bonds is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Although we are of the opinion that interest on the Bonds is excludable from gross income for federal income tax purposes, the accrual or receipt of interest on the Bonds may otherwise affect the federal income tax liability of the recipient. We call your attention to the fact that the interest on tax-exempt obligations, such as the Bonds, may be includable in a corporation's adjusted financial statement income for purposes of determining the alternative minimum tax imposed on certain corporations by section 55 of the Code. The extent of these other tax consequences will depend upon the recipient's particular tax status or other items of income or deduction. We express no opinion regarding any such consequences.

3. The Bonds and the income from the Bonds are exempt from all taxation by the State or any political subdivision of the State.

The opinions set forth above in paragraph 2 are subject to continuing compliance by the City with covenants regarding federal tax law contained in the proceedings and other documents relevant to the issuance by the City of the Bonds. Failure to comply with these covenants may result in interest on the Bonds being included in gross income retroactive to their date of issuance.

The opinions expressed herein are based upon existing laws as of the date of issuance and delivery of the Bonds. We express no opinion as of any date subsequent hereto, and our engagement with respect to the Bonds has concluded with their issuance. We disclaim any obligation to update this opinion.

The obligations of the City related to the Bonds are subject to the reasonable exercise in the future by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise by the United States of the powers (including bankruptcy powers) delegated to it by the United States Constitution. The obligations of the City and the security provided therefor, as contained in the Bond Ordinance, may be subject to general principles of equity which permit the exercise of judicial discretion and are subject to the provisions of applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect.

The foregoing opinions represent our legal judgment based upon a review of existing legal authorities that we deem relevant to render such opinions and are not a guarantee of result. We express no opinion with respect to any pending legislation.

We are passing upon only those matters set forth in this opinion and are not passing upon the accuracy or completeness of any statement made in connection with any sale of the Bonds or upon any tax consequences arising from the receipt or accrual or interest on, or the ownership of, the Bonds except those specifically addressed in paragraphs 2 and 3 above.

Respectfully submitted,

APPENDIX B

AUDITED FINANCIAL STATEMENTS – JUNE 30, 2025

The City has not requested the consent of Hinkle + Landers, P.C., which performed the audit of the City's Financial Statements, to the inclusion of the audit report and excerpts thereof in this Official Statement, and the auditor has not conducted a post-audit review of those Financial Statements.

APPENDIX C

FORM OF CONTINUING DISCLOSURE UNDERTAKING

CONTINUING DISCLOSURE UNDERTAKING

Section 1. Recitals. This Continuing Disclosure Undertaking (the "Undertaking") is executed and delivered by the City of Rio Rancho, New Mexico (the "City"), in connection with the issuance of the City of Rio Rancho, New Mexico General Obligation Improvement Bonds, Series 2026 (the "Series 2026 Bonds" or the "Bonds"). The Bonds are being issued pursuant to Ordinance No. __, Enactment No. ____ adopted by the City Council on June 11, 2026, as supplemented by a Pricing Certificate executed on _____, 2026 (together, the "Bond Ordinance"). Pursuant to the Bond Ordinance, to allow the owners of the Bonds to comply with the Rule (defined below), the City is required to make certain continuing disclosure undertakings for the benefit of owners (including beneficial owners) of the Bonds (the "Owners"). This Undertaking is intended to satisfy the requirements of the Rule.

Section 2. Definitions.

"Annual Financial Information" means the financial information (which will be based on financial statements prepared in accordance with generally accepted accounting principles, as in effect from time to time ("GAAP"), for governmental units as prescribed by the Governmental Accounting Standards Board ("GASB")) and operating data with respect to the City, delivered at least annually pursuant to Sections 3(a) and 3(b) of this Undertaking, consisting of information of the type set forth under the captions "DEBT AND OTHER FINANCIAL OBLIGATIONS" and "FINANCES OF THE CITY" (tables 1 – 10) in the Official Statement.

"Audited Financial Statements" means the annual financial statements for the City, prepared in accordance with generally accepted accounting principles consistently applied, as in effect from time to time, audited by a firm of certified public accountants.

"EMMA" means the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System located on its website at emma.msrb.org.

"Events" means any of the events listed in Section 4(a) of this Disclosure Undertaking.

"Financial Obligation" means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided however that a "financial obligation" shall not include municipal securities as to which a final official statement (as defined in Rule 15c2-12) has been provided to the MSRB consistent with Rule 15c2-12.

"Fiscal Year" means the Fiscal Year of the City, ending June 30.

"Official Statement" means the Official Statement dated _____, 2026, delivered in connection with the original issue and sale of the Series 2026 Bonds.

"Owners" means the registered owners of the Series 2026 Bonds, and so long as the Series 2026 Bonds are subject to the book-entry system, any Beneficial Owner, as such term is defined in the Bond Ordinance.

"Report Date" means March 31 of each year, beginning in 2027.

"Rule" means Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934, as amended (17 C.F.R. Part 240, Section 240.15c2-12), as the same may be amended from time to time.

"Rule 15c2-12" or "Rule" shall mean Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

Section 3. Provision of Annual Financial Information.

(a) The City, or its designated agent, will provide the Annual Financial Information for the preceding fiscal year to EMMA on or before each Report Date while the Bonds are outstanding.

(b) Annual Financial Information shall be provided by the City not later than 270 days after the end of each Fiscal Year. If not filed with the Annual Financial Information, the Audited Financial Statements will be provided when available.

(c) The City, or its designated agent, may provide Annual Financial Information by specific reference to other documents, including information reports and official statements relating to other debt issues of the City, which have been submitted to EMMA or filed with the SEC; provided, however, that if the document so referenced is a "final official statement" within the meaning of the Rule, such final official statement must also be available from the MSRB.

Section 4. Reporting of Events.

(a) This Section 4 shall govern the giving of notices of the occurrence of any of the following Events with respect to the Series 2026 Bonds:

1. principal and interest payment delinquencies;

2. non-payment related defaults, if material;

3. unscheduled draws on debt service reserves reflecting financial difficulties;

4. unscheduled draws on credit enhancements reflecting financial difficulties;

5. substitution of credit or liquidity providers, or their failure to perform;

6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the Series 2026 Bonds;

7. modifications to the rights of the security holders, if material;

8. bond calls, if material, or tender offers;

9. defeasances;

10. release, substitution or sale of property securing repayment of the Series 2026 Bonds, if material;

11. rating changes;

12. bankruptcy, insolvency, receivership or a similar event with respect to the City or an obligated person;

13. the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

14. appointment of a successor or additional trustee, or a change of name of a trustee, if material;

15. the incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and

16. a default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

(b) At any time the Series 2026 Bonds are outstanding and the City obtains knowledge of the occurrence of an Event, the City shall file, in a timely manner not in excess of ten (10) business days after the occurrence of the event, a notice of such occurrence with EMMA.

(c) At any time that the Series 2026 Bonds are outstanding, the City or its designated agent, shall provide to EMMA, notice in a timely manner not in excess of ten (10) business days after the occurrence of any failure of the City to timely provide the Annual Financial Information and Audited Financial Statements as specified in Section 3 hereof.

Section 5. Term. This Disclosure Undertaking shall be in effect from and after the issuance and delivery of the Series 2026 Bonds and shall extend to the earliest of (a) the date all principal and interest on the Series 2026 Bonds are deemed paid or legally defeased pursuant to the terms of the Bond Ordinance; (b) the date that the City is no longer an "obligated person" with respect to the Series 2026 Bonds within the meaning of the Rule; and (c) the date on which those portions of the Rule which require this Disclosure Undertaking are determined to be invalid by a court of competent jurisdiction in a non-appealable action, have been repealed retroactively or otherwise do not apply to the Series 2026 Bonds, the determination of (a), (b) or (c) herein to be made in any manner deemed appropriate by the City, including by an opinion of Counsel experienced in federal securities laws selected by the City. The City shall file a notice of any such termination with EMMA.

Section 6. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Undertaking, the City may amend this Disclosure Undertaking, and any provision of this Disclosure Undertaking may be waived, if (a) such amendment or waiver is consented to by the Owners of no less than a majority in aggregate principal amount of the Series 2026 Bonds obtained in the manner prescribed by the Bond Ordinance or (b) if such amendment or waiver is otherwise consistent with the Rule, as determined by an opinion of Counsel experienced in federal securities laws selected by the City. Written notice of any such amendment or waiver shall be provided by the City to EMMA, and the Annual Financial Information shall explain the reasons for the amendment and the impact of any change in the type of information being provided. If any amendment changes the accounting principles to be followed in preparing financial statements, the Annual Financial Information for the year in which the change is made will present a comparison between the financial statement or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The City shall provide notice of any such amendment or waiver to EMMA.

Section 7. Additional Information. Nothing in this Disclosure Undertaking shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other annual information or notice of occurrence of an event which is not an Event, in addition to that which is required by this Disclosure Undertaking; provided that the City shall not be required to do so. If the City chooses to include any annual information or notice of occurrence of an event in addition to that which is specifically required by this Disclosure Undertaking, the City shall have no obligation under this Disclosure Undertaking to update such information or include it in any future annual filing or notice of occurrence of an Event.

Section 8. Default and Enforcement. If the City fails to comply with any provision of this Disclosure Undertaking, any Owner of the Series 2026 Bonds may take action to seek specific performance by court order to compel the City to comply with its obligations under this Disclosure Undertaking; provided that any Owner of the Series 2026 Bonds seeking to require the City to so comply shall first provide at least 30 days' prior written notice to the City of the City's failure (giving reasonable details of such failure), following which notice the City shall have 30 days to comply and, provided further, that only the Owners of no less than a majority in aggregate principal amount of the Series 2026 Bonds may take action to seek specific performance in connection with a challenge to the adequacy of the information provided by the City in accordance with this Disclosure Undertaking, after notice and opportunity to comply as provided herein, and such action shall be taken only in a court of competent jurisdiction in the State of New Mexico. A DEFAULT UNDER THIS DISCLOSURE UNDERTAKING SHALL NOT BE DEEMED AN EVENT OF DEFAULT UNDER THE BOND ORDINANCE OR THE SERIES 2026 BONDS, AND THE SOLE REMEDY UNDER THIS DISCLOSURE UNDERTAKING IN THE EVENT OF ANY FAILURE OF THE CITY TO COMPLY WITH THIS DISCLOSURE UNDERTAKING SHALL BE AN ACTION TO COMPEL PERFORMANCE.

Section 9. Beneficiaries. The Disclosure Undertaking shall inure solely to the benefit of the City, the Underwriter and Owners from time to time of the Series 2026 Bonds, and shall create no rights in any other person or entity.

Section 10. Requesting Information. Persons seeking to obtain the Annual Financial Information, including the Audited Financial Statements, may obtain such information by contacting the City Director of Financial Services at 3200 Civic Center Circle NE, Rio Rancho, New Mexico 87144 (505) 891-5000.

Section 11. Governing Law. This Undertaking is governed by and is to be construed in accordance with the law of the State.

Dated: _____, 2026

CITY OF RIO RANCHO, NEW MEXICO

By: _____
Mayor

APPENDIX D

OFFICIAL NOTICE OF BOND SALE

$18,000,000
City of Rio Rancho, New Mexico
General Obligation Improvement Bonds
Series 2026

PUBLIC NOTICE IS HEREBY GIVEN that electronic bids will be received by the City Council (the "Council") of the City of Rio Rancho, New Mexico (the "City"), for the purchase of all of the City's General Obligation Bonds, Series 2026 (the "2026 Bonds" or the "Bonds"), more particularly described below. The 2026 Bonds will be awarded to the winning bidder for the 2026 Bonds at 3:00 p.m., prevailing Mountain Time, on _____, 2026.

Bids for the purchase of the 2026 Bonds will be accepted through the Grant Street Group electronic bidding web site ("Grant Street Group") at www.grantstreet.com. No other method of submitting bids will be accepted. The date and time for submitting bids will be as follows:

Bid Date: _____, 2026
Bid Time: Between 10:30 a.m. and 11:00 a.m. Eastern Time
(Between 8:30 a.m. and 9:00 a.m. Mountain Time)
Submit Bid to: www.grantstreet.com

Information related to this auction can be obtained from Grant Street Group Auction Support at (412) 391-5555 (x370), attention John Carver.

To bid, bidders must have both (1) completed the registration form on the Grant Street Group website and (2) requested and received admission to the City's auction, as described under "TERMS OF SALE - Submission of Bids" below. The use of Grant Street Group shall be at the bidder's risk and expense, and the City shall have no liability with respect thereto.

Neither the City, Grant Street Group, the Municipal Advisor, nor Bond Counsel shall be responsible for, and each bidder expressly assumes the risk of, any incomplete, inaccurate, or untimely bid submitted by Internet transmission by such bidder, including, without limitation, by reason of garbled transmissions, mechanical failure, engaged telephone or telecommunications lines, or any other cause arising from delivery by Internet transmission. Additionally, the Grant Street Group time stamp will govern the receipt of all bids. The official bid clock does not automatically refresh. Bidders must refresh the auction page periodically to monitor the progression of the bid clock and to ensure that their bid will be submitted prior to the termination of the auction. All bids will be deemed to incorporate the provisions of this Official Notice of Bond Sale.

This Official Notice of Bond Sale, and the information set forth herein, are not to be treated as a complete disclosure of all relevant information with respect to the 2026 Bonds. The information set forth herein is subject, in all respects, to a more complete description of

the 2026 Bonds and the security therefore set forth in the Preliminary Official Statement dated _____, 2026 (the "Preliminary Official Statement").

BOND DETAILS

The 2026 Bonds will be issued in the aggregate principal amount of $18,000,000, exclusive of premium, if any. The 2026 Bonds and the interest thereon are general obligations of the City. The City has prepared the Preliminary Official Statement, relating to the 2026 Bonds which is deemed by the City to be final as of its date for purposes of allowing bidders to comply with Rule 15c2-12 of the Securities Exchange Commission ("the Rule"), except for the omission of certain information as permitted by the Rule. Details of the 2026 Bonds, including maturities, redemption provisions, payment dates and security for payment are contained in the Preliminary Official Statement. The Preliminary Official Statement is subject to revision, amendment and completion in a Final Official Statement.

Official Statement. The Preliminary Official Statement may be viewed and downloaded from www.grantstreet.com or a physical copy may be obtained by contacting the City or the Municipal Advisor, see "Information" below.

The City will make available to the winning bidder, within seven business days after the award of the sale of the 2026 Bonds, the Final Official Statement which is to be downloaded from www.grantstreet.com. One physical copy of the Final Official Statement also will be provided to the winning bidder at that time; provided, however, the winning bidder must cooperate in providing the information required to complete the Final Official Statement. Additional copies of the Final Official Statement may be provided at the expense of the winning bidder.

The winning bidder shall comply with the requirements of Rule 15c2-12 and the rules of the Municipal Securities Rulemaking Board.

TERMS OF SALE

***Submission of Bids*.** All bids must be submitted only by electronic bidding on Grant Street Group at www.grantstreet.com. No other provider of bidding services and no other means of delivery (i.e. telephone, telefax or physical delivery) will be accepted. Bidding for the 2026 Bonds will begin at 10:30 a.m., Eastern Time (8:30 a.m. Mountain Time), as indicated above. The receipt of bids will end promptly at 11:00 a.m., Eastern Time (9:00 a.m. Mountain Time), unless extended in accordance with the two-minute rule described herein. If any bid becomes a leading bid two (2) minutes prior to the end of the auction, then the auction will be automatically extended by two (2) minutes from the time such new leading bid was received by Grant Street Group. The auction end time will continue to be extended, indefinitely, until a single leading bid remains the leading bid for at least two (2) minutes.

To bid, bidders must first visit the Grant Street Group website where, if they have never registered with Grant Street Group, they can register and then request admission to bid on the 2026 Bonds. Bidders will be notified prior to the scheduled bidding time of their eligibility to bid. Only NASD registered broker-dealers and dealer banks with DTC clearing arrangements will be eligible

to bid. Bidders who have previously registered with Grant Street Group may call **(412) 391-5555, x 370, attention John Carver**, for their ID Number or password.

Rules of Grant Street Group. Bidders must comply with, and all bids must be made in accordance with, the Rules of Grant Street Group in addition to the requirements of this Official Notice of Bond Sale. The Rules of Grant Street Group can be viewed on the Grant Street Group website and are incorporated herein by reference. In the event the Rules of Grant Street Group conflict with this Official Notice of Bond Sale, this Official Notice of Bond Sale shall prevail.

Bidding Parameters. Bidders are required to submit unconditional all-or-none bids specifying the rate of interest at which the bidder will purchase all of the 2026 Bonds. Interest shall be bid in multiples of $1/20^{th}$ or $1/8^{th}$ percentum and only one interest rate may be bid for each maturity of the 2026 Bonds. The maximum interest rate may not exceed 5% and the maximum interest rate specified for any maturity of the 2026 Bonds may not exceed the minimum interest rate specified for any maturity of the 2026 Bonds by more than 3 percent (3%). The maximum net effective interest rate of the 2026 Bonds shall not exceed ten percent (10%) per annum.

Term Bonds. A bidder may elect to have all or a portion of the 2026 Bonds scheduled to mature in consecutive years issued as one or more term bonds (the "Term Bonds") scheduled to mature in the latest of the consecutive years and subject to mandatory redemption requirements consistent with the schedule of serial maturities set forth in the Preliminary Official Statement, however, not less than all Bonds of the same serial maturity shall be converted to Term Bonds with mandatory redemption requirements.

Adjustment of principal amounts, modification or clarification prior to examination of bids. The City Financial Services Director, in consultation with the City's financial and bond advisors, in the City Financial Services Director's sole discretion and prior to the examination of bids, may (i) adjust the aggregate principal amount set forth herein or may adjust the principal amount of each series without increasing the aggregate principal amount of Bonds; (ii) adjust individual maturities, and/or (iii) modify or clarify any other term hereof, including the date on which bids for the 2026 Bonds will be received, by issuing a notification of the adjusted series, amounts, modification or clarification via Thomson Municipal News ("TM3") and/or Grant Street platform and/or Bloomberg Financial Services no later than 8:00 a.m., Mountain Time, on the Bid Date.

Adjustments to principal amounts after determination of best bid. The aggregate principal amount of the 2026 Bonds is subject to increase or reduction, and each scheduled maturity thereof is subject to increase or reduction, by the City Financial Services Director after the determination of the Best Bid (defined below). Such adjustments will be made within no more than two (2) hours after the end of the time of bid examination and will be in the sole discretion of the City. To cooperate with any adjustment in the principal amounts, the Purchaser is required to indicate by e-mail to Stephanie Yara at syara@rrnm.gov or such other address as may be indicated by the City Financial Services Director within one-half (1/2) hour after the end of the time of bid examination, the amount of any original issue discount or premium on any maturity of the 2026 Bonds, the initial offering price of each maturity, the cost of bond insurance, if any, and the

amount received from the sale of the 2026 Bonds to the public that will be retained by the Purchaser as its compensation.

The City Financial Services Director in consultation with the City's financial and bond advisors, may change the dollar amount bid by the Purchaser if the aggregate principal amount of the 2026 Bonds is adjusted as described below, but the interest rates specified by the Purchaser for all maturities will not change. The City Financial Services Director in consultation with the City's financial and bond advisors, will make every effort to ensure that the percentage net compensation to the Purchaser (i.e., the percentage resulting from dividing (i) the aggregate difference between the offering price of the 2026 Bonds to the public and the price to be paid to the City, less any bond insurance premium to be paid by the bidder, by (ii) the principal amount of the 2026 Bonds) does not increase or decrease from what it would have been if no adjustment was made to principal amounts shown in the maturity schedule. The City will notify the Purchaser of the final principal amounts and the resulting adjusted prices no later than 11:00 a.m. Mountain Time on the day of the sale and award of the 2026 Bonds. THE PURCHASER MAY NOT WITHDRAW OR MODIFY ITS BID ONCE SUBMITTED TO THE CITY FOR ANY REASON, INCLUDING, WITHOUT LIMITATION, AS A RESULT OF ANY INCREASE OR DECREASE IN THE FINAL PRINCIPAL AMOUNTS AND THE AGGREGATE PURCHASE PRICE OF THE 2026 BONDS.

Information Regarding Bids. Bidders may change and submit bids as many times as they wish during the bidding, provided, however, that each bid submitted subsequent to a bidder's initial bid must result in a lower true interest cost ("TIC") with respect to a bid when compared to the immediately preceding bid of such bidder. During the bidding, no bidder will see any other bidder's bid, but each bidder will be able to see its own ranking (*i.e.*, "Leader," "Cover," "3rd," etc.).

Bids Constitute an Irrevocable Offer. Each bid submitted through Grant Street Group shall be deemed an irrevocable offer to purchase the 2026 Bonds on the terms provided in this Official Notice of Bond Sale and shall be binding upon the bidder.

Basis of Award. The 2026 Bonds will be sold to the bidder or bidders offering to purchase the same at the lowest true interest cost. The actuarial yield on the 2026 Bonds using the true interest cost method will be computed at that yield which, if used to compute the present value of all payments of principal and interest on the 2026 Bonds as of _____ 2026 produces an amount equal to the aggregate bid price. Such calculation will be made based upon a 360-day year and a semiannual interval for compounding.

The winning bid or bids will be indicated on Grant Street Group and the auction results, as posted on such website, will be subject to verification by the City. The City will verify the auction results immediately following the close of the bidding period and notice of confirmation by the City of the winning bidder or bidders will be made by a posting on Grant Street Group stating "Auction Results Verified and Confirmed".

An award may be made by the City to any bidder in a principal amount less than the principal amount of the 2026 Bonds for which the bid is submitted. Further, in the event of an

award by the City for a principal amount less than the principal amount the bidder submitted, any premium bid shall be ratably reduced. If two or more bids have the same true interest cost, the first bid submitted, as determined by reference to the time stamp displayed on Grant Street Group, shall be deemed to be the leading bid.

Sale Reservations. The City reserves the right (a) to reject any and all bids for any Bonds, (b) to reoffer any Bonds for public sale, and (c) to waive any irregularity or informality in any bid.

Good Faith Deposit Not Required to Bid. A good faith deposit will not be required in connection with the submission of any bid for the Series 2026 Bonds. The winning bidder will be required to submit a Bid Award Deposit (see "Bid Award Deposit" below).

Bid Award Deposit. Not later than 2:00 p.m., Mountain Time on _____, 2026, the winning bidder is required to submit a Bid Award Deposit of $360,000. All Bid Award Deposits must be made in good funds by wire transfer of the required amount to an account specified by the City Financial Services Director and provided to the winning bidder after the sale of the Bonds:

No interest will be paid by the City on the amount of the Bid Award Deposit. The proceeds of the Bid Award Deposit of the winning bidder will be applied to the purchase price of the 2026 Bonds, or in the event of the failure of a winning bidder to take up and pay for the Bonds in compliance with the terms of the bid, at the option of the City, its Bid Award Deposit may be retained as liquidated damages, as partial payment of actual damages or as security for any other remedy available to the City.

Manner and Time of Delivery. The 2026 Bonds will be delivered to DTC for the account of the winning bidder or bidders at the expense of the City on _____ 2026, or such later date as the City and the winning bidder may agree. Payment of the purchase price due at delivery must be made in Federal Reserve funds for immediate and unconditional credit to the City.

Continuing Disclosure Undertaking. The City has covenanted to provide, in a timely manner, on the Electronic Municipal Market Access (EMMA) Website maintained by the Municipal Securities Rulemaking Board notice of the occurrence of specified, material events. The City has not failed to comply with any of its previous undertakings under Rule 15c2-12, except as may be disclosed in the Preliminary Official Statement.

State Securities Laws. The City has taken no action to qualify the offer or sale of the 2026 Bonds under the securities laws of any state. Should any such qualification be necessary, the City agrees to cooperate with the winning bidder in such matters, provided that the City reserves the right not to consent to service of process outside its boundaries and expenses related to any such qualification shall be the responsibility of the winning bidder.

CUSIP Numbers. CUSIP numbers will be issued and printed on the 2026 Bonds at the expense of the City. Any error or omission in printing such numbers on the 2026 Bonds will not constitute cause for any winning bidder to refuse delivery of any Bond.

Legal Opinion, Certificates and Transcript. The validity and enforceability of the 2026 Bonds will be approved by the City's Bond Counsel. A copy of the form of the opinion of Bond Counsel is attached as an exhibit to the Preliminary Official Statement.

The purchaser of the 2026 Bonds will receive a certified transcript of legal proceedings which will include, among other items:

(a) a certificate of the City to the effect that, as of its date, the Preliminary Official Statement was deemed final within the meaning of Rule 15c2-12, except for the omissions permitted under Rule 15c2-12;

(b) a certificate of the City to the effect that there is no litigation pending or, to its knowledge, threatened affecting the validity of the 2026 Bonds as of the date of their delivery; and

(c) a certificate of the City to the effect that, as of the date of the Official Statement and at all times to and including the date of delivery of the 2026 Bonds, the Official Statement did not contain any untrue statement of a material fact or omit any statement of a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Establishment of Issue Price (Hold-the-Offering Price Rule May Apply if Competitive Sale Requirements are Not Satisfied): The winning bidder shall assist the City in establishing the issue price of the 2026 Bonds and shall execute and deliver to the City at closing an "issue price" or similar certificate, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the City, and Bond Counsel. All actions to be taken by the City to establish the issue price of the 2026 Bonds may be taken on behalf of the City by the City's municipal advisor identified herein and any notice or report to be provided to the City may be provided to the City's municipal advisor.

(a) The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the 2026 Bonds) will apply to the initial sale of the Bonds (the "competitive sale requirements") because:

(i) the City shall disseminate a Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;

(ii) all bidders shall have an equal opportunity to bid;

(iii) the City may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and

(iv) the City anticipates awarding the sale of the 2026 Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to the Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

In the event that the competitive sale requirements described above in subparagraph (a) are not satisfied, the City shall so advise the winning bidder. The City may determine to treat (i) the first price at which 10% of each maturity of the 2026 Bonds is sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of any maturity of the 2026 Bonds as the issue price of that maturity (the "hold-the-offering-price rule"), in each case applied on a maturity-by-maturity basis. The winning bidder shall advise the City if any maturity of the 2026 Bonds satisfies the 10% test as of the date and time of the award of the 2026 Bonds. The City shall promptly advise the winning bidder, at or before the time of award of the 2026 Bonds, which maturities of the Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule during the Holding Period, as defined in subparagraph (d)(i) below. Bids will not be subject to cancellation in the event that the City determines to apply the hold-the-offering-price rule to any maturity of the 2026 Bonds. Bidders should prepare their bids on the assumption that all of the maturities of the 2026 Bonds will be subject to the 10% test in order to establish the issue price of the 2026 Bonds.

(b) The City acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the 2026 Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the 2026 Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the 2026 Bonds.

(c) By submitting a bid, each bidder confirms that:

(i) any agreement among underwriters, any selling group agreement, and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the 2026 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold 2026 Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the 2026 Bonds of that maturity or all 2026 Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and

(ii) any agreement among underwriters relating to the initial sale of the 2026 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the 2026 Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the public the unsold 2026 Bonds of each maturity allotted to it until it is notified by the winning bidder or such underwriter that either the 10% test has been satisfied as to the 2026 Bonds of that maturity or all 2026 Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.

(d) The following terms are defined below:

(i) Hold-the-Offering-Price Maturity means a maturity of the 2026 Bonds of which less than 10% has been sold to the Public on the Sale Date.

(ii) Holding Period means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (a) the close of the fifth business day after the Sale Date, or (b) the date on which the winning bidder sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(iii) Maturity means 2026 Bonds with the same credit and payment terms. Bond with different maturity dates, or 2026 Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(iv) Public means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(v) Sale Date means the first day on which there is a binding contract in writing for the sale of a Maturity of the 2026 Bonds. The Sale Date of the 2026 Bonds is expected to be _____, 2026.

(vi) Underwriter means (i) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the 2026 Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the 2026 Bonds to the to the Public).

Postponement of Sale. The City reserves the right to postpone the date and time established for the receipt of bids. Any such postponement will be announced by posting on Grant Street Group prior to commencement of the bidding. If any date and time fixed for the receipt of bids and the sale of the 2026 Bonds is postponed, an alternative sale date and time will be

announced at least one business day prior to such alternative sale date. On any such alternative sale date and time, any bidder may submit bids electronically as described above for the purchase of the 2026 Bonds in conformity in all respects with the provision of this Official Notice of Bond Sale, except for the date and time of sale and except for any changes announced by posting on Grant Street Group at the time the sale date and time are announced.

Rating. A rating of "___" has been received by Moody's Investors Service.

Information. Copies (in reasonable quantities) of this Official Notice of Bond Sale, the Preliminary Official Statement, and other information concerning the City and the 2026 Bonds may be obtained from:

Erik Harrigan, Director
RBC Capital Markets
6301 Uptown Blvd., Ste. 110
Albuquerque, NM 87110
Phone: (505) 872-5999

The date of this Official Notice of Bond Sale is _____, 2026.

CITY OF RIO RANCHO, NEW MEXICO

CITY OF RIO RANCHO, NEW MEXICO
General Obligation Improvement Bonds
Series 2026

OFFICIAL BID FORM (_____, 2026)

City of Rio Rancho, New Mexico
c/o RBC Capital Markets, LLC
6301 Uptown Boulevard NE, Suite 110
Albuquerque, New Mexico 87110

City Manager:

Pursuant to the City of Rio Rancho's "Official Notice of Bond Sale," dated _____m 2026, relating to the City of Rio Rancho, New Mexico General Obligation Improvement Bonds, Series 2026 (the "2026 Bonds") in the principal amount of $18,000,000 which by reference is made a part hereof, we submit the following bid:

For your legally issued Bonds as described in the Official Notice of Bond Sale, we will pay you par, plus accrued interest, if any, from the date of the Bonds to the date of delivery to us, provided the Bonds bear interest per annum as follows:

2026 Bonds

Maturing (August 1)	Principal Amount	Interest Rate	Yield
2026	$ 1,250,000		
2027	4,285,000		
2028	4,930,000		
2029	800,000		
2030	800,000		
2031	800,000		
2032	800,000		
2033	800,000		
2034	800,000		
2035	800,000		
2036	800,000		
2037	800,000		
2038	335,000		

If this bid is the best bid for the Bonds, we will send a wire transfer to the City of Rio Rancho (the "City"), in the amount of $360,000.00 prior to the acceptance of our bid by the City of Rio Rancho, which wire transfer will be our bid award deposit and submitted in accordance with the terms set forth in the Official Notice of Bond Sale. We will pay the CUSIP Service Bureau charge, if any, for the assignment of CUSIP numbers.

The undersigned agrees to complete, execute, and deliver to the City a Certificate Regarding Issue Price or a similar certificate relating to the "issue price" of the 2026 Bonds, in the form attached hereto as Exhibit A.

We understand and agree that no more than fifty (50) copies of the final Official Statement, including any amendments or supplements thereto will be supplied to us at the County's expense and that any additional copies requested will be subject to a charge to us. By accepting this bid, you agree to provide such copies of the final Official Statement and of any amendments or supplements thereto in accordance with the Official Notice of Bond Sale, and you undertake your other obligations described therein, as contemplated by Rule 15c2-12 of the Securities and Exchange Commission.

Respectfully submitted,

_____ _____

_____ _____

By: _____
Authorized Representative

* (Strike inapplicable words)

For informational purposes only, our calculation of the True Interest Cost is as follows:

True Interest Cost: (stated as a nominal annual percentage) _____%

Additionally, for informational purposes only, the following is requested:

Gross Interest Cost: $_____

Less Premium Bid: $_____

Net Interest Cost: $_____

[2026 Bonds Bid Form]

ACCEPTANCE CLAUSE

The above bid is hereby accepted by the City of Rio Rancho, New Mexico, this ___day of _____, 2026.

CITY OF RIO RANCHO, NEW MEXICO

_____
Stephanie Yara,
Director of Financial Services

[2026 Bonds Bid Form]

EXHIBIT A
[to 2026 Bonds Bid Form]

UNDERWRITER'S CERTIFICATE REGARDING ISSUE PRICE

$18,000,000
City of Rio Rancho, New Mexico
General Obligation Improvement Bonds
Series 2026

The undersigned, _____ (the *Underwriter*), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the *Bonds*) of the City of Rio Rancho, New Mexico (the *Issuer*).

1. ***Sale of the General Rule Maturities***. As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities***.

(a) The Underwriter offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the *Initial Offering Prices*) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Purchase Agreement, the Underwriter agreed in writing on or prior to the Sale Date that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule.

(c) The Underwriter, as the party controlling all of the Hold-the-Offering Price Maturities, has not offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms***.

(a) *General Rule Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the "General Rule Maturities."

(b) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the "Hold-the-Offering-Price Maturities."

(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which the Underwriting Group sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(e) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(f) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is _____, 2026.

(g) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Compliance Certificate with respect to the Bonds and with respect to compliance with the federal income tax rules affecting the Bonds, and by Modrall, Sperling, Roehl, Harris, & Sisk, P.A., in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the City from time to time relating to the Bonds.

[NAME OF UNDERWRITER]

By: _____
Managing Director

Dated: _____, 2026

SCHEDULE A TO ISSUE PRICE CERTIFICATE

INITIAL OFFERING PRICES OF THE TAX EXEMPT BONDS

$18,000,000
City of Rio Rancho Sandoval County, New Mexico
General Obligation Improvement Bonds
Series 2026

Maturity Date (August 1)	Principal Amount	Interest Rate	Yield	Price	Issue Price
2026	$ 1,250,000				
2027	4,285,000				
2028	4,930,000				
2029	800,000				
2030	800,000				
2031	800,000				
2032	800,000				
2033	800,000				
2034	800,000				
2035	800,000				
2036	800,000				
2037	800,000				
2038	335,000				

Proposed Road Bond Projects - Exhibit A

Projects	Average Daily Traffic	Road Reconstruction Estimate	Utility Replacement & Improvement Estimate	Total Estimate
District 1 - Baltic Ave. (Lisbon Ave. to Southern Blvd.)	2,700	$4,400,000	$3,750,000	$8,150,000
District 3 - Springer Dr. (Chayote Rd. to Santa Fe Hills Blvd.)	1,650	$5,100,000	$221,000	$5,321,000
District 4 - Ridgecrest Dr. (High Resort Blvd. to NM 528)	5,800	$4,182,000	$1,850,000	$6,032,000
District 6 - Honduras Rd. (NM 528 to Riverside Dr.)	600	$1,600,000	$350,000	$1,950,000
				$21,453,000 Cost of Projects

Notes: Average daily traffic count data from MRCOG.

Reconstruction involves removing all existing asphalt to native raw dirt and building the section correctly based on road classification.

Water line replacement - Baltic Ave., Ridgecrest Dr. and Honduras Rd.

Sewer line relocation/improvement - Springer Dr.

$11,620,000 Available Bond Proceeds
$8,800,000 FY 26 Budget General Fund Contribution
$1,033,000 FY 26 Budget Utility Fund Contribution

$21,453,000 Total Funding Sources

Proposed Public Safety Bond Projects - Exhibit B

Projects	Cost Estimate	Detail
Police Vehicle Replacement	$1,903,250	20 vehicles
Police Headquarters Repair	$301,000	Roof replacement
Police Mobile Communication Repeater	$35,000	Improves radio communications within larger structures
Fire Engine	$1,300,000	Replacement engine with equipment (extrication, data terminal, self-contained breathing apparatus)
Rescue Ambulance	$540,000	Replacement ambulance with equipment (cardiac monitor, gurney, CPR device, data terminal, and radio)
	$4,079,250	

Proposed Quality of Life Facilities Bond Projects - Exhibit C

Projects	Cost Estimate	Detail
Sports Complex (3501 High Resort Blvd.)	$380,000	Skate Park replacement; removal and replacement of worn elements (more than 20 years old) with modern amenities
Sugar Park (500 Sugar Road NE)	$180,000	Play structure replacement due to age and damage
Library Materials & Services	$250,000	Books and digital material subscriptions
Esther Bone Memorial Library (950 Pinetree Road)	$311,400	Renovate and improve outdoor event/program space (new auditorium, sidewalks, picnic tables, shade structures, fencing/access)
	$1,121,400	

CITY OF RIO RANCHO
COVER PAGE

Legislation Item: D20

AGENDA DATE:
June 11, 2026

DEPARTMENT:
Administration

SUBJECT:
D20, Approval of the Second Amendment to the Substitute Ground Lease for 801 and 821 Loma Colorado Blvd. NE ("The Mac") to Allow for Expand Uses Including Restaurants and Beer/Wine Service

BACKGROUND AND ANALYSIS:
The subject property is located at 801 and 821 Loma Colorado Blvd. NE, legally described as Loma Colorado, Tract P-1C-A and Tract P-1C-B, and consists of 8.59 acres in Rio Rancho. The subject property is zoned SU/Special Use by Ordinance No. 94-069 and currently houses operations for the Tenant, the McDermott Athletic Center (known as the "MAC").

The MAC operates on City-owned land via a low-cost LEDA ground lease, originally enacted in April 1995, amended in 2004 and subsequently substituted in August 2016 when Tenant acquired the facility (the "Substitute Ground Lease"). Under the Substitute Ground Lease, the City owns the subject property while the Tenant owns and operates the building and physical improvements.

With batting cages, basketball courts, ice skating, volleyball, soccer and football practices areas, the MAC provides a setting for recreational activities for children and adults in Rio Rancho and across the metro area.

The MAC now seeks to expand its offerings to include plans for an outdoor dining and courtyard area and tap room with beer and wine service. Concurrently, the Tenant is seeking a Zone Map Amendment (ZMA) with site plan for restaurant service, and beer and wine service to be permissible on the subject property. The Tenant's request letter outlines how this expanded food and beverage use would fit into the current framework of the Substitute Ground Lease and be seen as accessory use to the larger recreational use of the site.

The Substitute Ground Lease allows the MAC to operate as a multi-purpose sports facility for sports, fitness, recreation, entertainment and leisure activities. The Substitute Ground Lease establishes that these activities may occur inside or outside of the facility. The Substitute Ground Lease also establishes that the MAC may offer ancillary complementary features including a concession stand, a game room, and a retail pro shop among others.

In early 2025, the Tenant subdivided the subject property into two separate tracts. Tract P-1C-A, located at 801 Loma Colorado Blvd., consists of the original building and focuses on sporting and recreational activities. Tract P-1C-B, located at 821 Loma Colorado Blvd., exists for future expansion. A Zone Map Amendment and the First Amendment to the Substitute Ground Lease respectively allowed for beer and wine service and food service on Tract P-1C-B. The Tenant intended to construct a new building to support these expanded uses, but, due to cost escalation

and other factors, the MAC abandoned the new construction and has since turned its focus into a smaller footprint for additional beer and wine service.

The Substitute Ground Lease allows for authorization of uses beyond sports, fitness, recreation, entertainment, and leisure activities. The MAC now seeks to expand its offerings to include plans for an outdoor dining and courtyard area and tap room with beer and wine service. The proposed Second Amendment allows and expands food, beer, and wine service on Tract P-1C-A to match the uses that currently exist on Tract P-1C-B. The expansion of the entertainment use to permit beer and wine service fits within the current framework of the subject property. This, together with the addition of the outdoor courtyard, can be seen as an accessory use to the larger traditional entertainment and recreational uses of the site.

As part of this expansion, the Tenant is required to obtain all required regulatory approvals including beer and wine service permits from the Alcohol Beverage Control (ABC) Division of the NM Regulation and Licensing Department. Concurrent to this item, the Tenant is applying for a Zone Map Amendment with Site Plan for the uses of "*Restaurants, Bars, Lounges, Coffee/Tea Rooms, Delicatessens, and Patio/Al Fresco Dining Facilities*" on the subject parcel.

In order to preserve the safety and character of the area, the Tenant has agreed to restrict beer and wine service only to the newly proposed outdoor courtyard and tap room (the "Designated Service Area"). Beer and wine service will be strictly limited to this Designated Service Area and beer and wine will only be at specific times as controlled by the Second Amendment to the Substitute Ground Lease. The proposed amendment stipulates service hours of Monday – Thursday 11am to 9pm, Friday and Saturday 11am to 10pm, Sunday 10:30am to 9pm.

With written permission of the City Manager, Tenant will be permitted to seek approval of up to 12 special event celebration permits to allow for alcohol service inside the main/original building during special events such as UNM hockey games, and other local entertainment and sporting events being held at the MAC.

Additionally, the proposed amendment to the Substitute Ground Lease updates and fortifies multiple provisions:

- The Tenant has agreed to increase from 150 to 240 the number of hours of free programming at the MAC for the benefit of the citizens of Rio Rancho.
- The MAC will have an affirmative obligation to contact the City each year in March and September for an in-person meeting to discuss use of the Facility by the City and provide updated activity reports on the free programing hours.
- The Substitute Ground Lease's reporting requirement will shift from every six months to quarterly.
- Updates the permissible uses to include a more comprehensive and extensive set of cultural, educational, fitness, leisure, philanthropic, recreational, and sporting activities to a more comprehensive and extensive set of activities that are reflective of current and potential future uses.

A clause for administrative costs for breach of the "Restricted Alcohol Service" section of the Substitute Ground Lease will be added. The Mac would be subject to administrative costs for each

written notice for breach in the amount of $500 per notice.

Explicit language regarding applicability of and compliance with the City's Noise and Nuisance Ordinances has been added to the Substitute Ground Lease.

The Tenant shall conduct a utility and energy efficiency review to determine the availability of any cost savings by June 30, 2028.

It is important to note that the City has two unique and distinct roles in interacting with the MAC. First, the MAC is subject to the City's authority as the regulator for land use and other aspects of the City's Code of Ordinance. Second, through the Substitute Ground Lease, the City serves as the Landlord to the MAC because the City owns the real property that is subject to the Substitute Ground Lease. In this item, the City is acting as Landlord. In the concurrent Zone Map Amendment with Site Plan, the City is acting through its regulatory authority for land use.

IMPACT:

Approval of the Second Amendment to the Substitute Ground Lease is beneficial for the public and for residential growth and development in the Loma Colorado area. Approval will help to facilitate continued recreational development in the Loma Colorado area, bringing more recreational and entertainment options to the City of Rio Rancho.

Not approving the Second Amendment to the Substitute Ground Lease may negatively impact existing Rio Rancho citizens and enterprises by limiting entertainment and recreational development within the City. This will also prohibit the City from obtaining the benefits associated with incremental free programming for citizens of Rio Rancho.

ALTERNATIVES:

Approve the Second Amendment to the Substitute Ground Lease.

Do not approve the Second Amendment to the Substitute Ground Lease.

DEPARTMENT RECOMMENDATION:

Staff recommends approval of the Second Amendment to the Substitute Ground Lease as presented.

ATTACHMENT: I Blades McDermott Substitute Ground Lease Duly Executed Aug 2016 V2
ATTACHMENT: II Executed First Amendment to Substitute Ground Lease 2025 02 03
ATTACHMENT: III-a Proposed Second AMENDMENT TO SUBSTITUTE GROUND LEASE - Final (6.3.26)
ATTACHMENT: III-b EXHIBIT B of Proposed Second Amendment to Substitute Ground Lease June 4 2026
ATTACHMENT: III-c MAC Site Plan Tap Room May 2026 (Schedule 1) of Proposed Second AMENDMENT TO SUBSTITUTE GROUND LEASE
ATTACHMENT: III-d Schedule 2 Original Building of Proposed Second Amendment to Substitute Ground Lease
ATTACHMENT: IV - MAC Site Plan 801 and 821 Loma Colorado May 2026
ATTACHMENT: V Tenant Ground Lease Amendment Request Letter - Final Executed

ATTACHMENT: VI The MAC Final Fact Sheet

SUBSTITUTE GROUND LEASE

This Substitute Ground Lease (this "Lease" or "Substitute Ground Lease") is made this 17th day of August 2016, between the City of Rio Rancho, New Mexico ("Landlord" or the "City") and McDermott Sports, LLC, a New Mexico limited liability company ("Tenant").

RECITALS

A. Section 14 of Article IX of the New Mexico Constitution (the "Anti-donation Clause") permits municipalities to create new job opportunities by providing land, buildings or infrastructure for facilities to support new or expanding businesses if this assistance is granted pursuant to general implementing legislation.

B. The Local Economic Development Act (Sections 5-10-1 through 5-10-13 NMSA 1978; as amended) (the "Act"), which is the general implementing legislation referred to in Subsection D of the Anti-donation Clause, authorizes municipalities to provide assistance to qualifying businesses under certain conditions, which conditions Include but are not limited to adoption of an ordinance approving an economic development plan and adoption of an ordinance approving specific project application.

C. On April 26, 1995, the City adopted an ordinance (Ordinance No. 12, Enactment No. 95-012) (the "Plan Ordinance") approving an economic development plan (the "Plan") for the Economic Development Area (as defined in the Plan Ordinance).

D. Pursuant to the Plan, New Mexico Entertainment Concepts, Inc. submitted an application to the City for a project involving an ice-rink and roller-rink facility (the "Project") to be located in the northern part of the Economic Development Area.

E. Following review of the Application, the City adopted an ordinance (Ordinance No. 23, Enactment No. 95-019) (the "Project Ordinance") approving the Project subject to certain terms and conditions to be set forth in a project participation agreement between the City and the project operator.

F. The project participation agreement was embodied in a Ground Lease between the City and New Mexico Entertainment Concepts, Ltd. Co., successor to New Mexico Entertainment Concepts, Inc.

G. Pursuant to a revised application, the City adopted an ordinance (Ordinance No. 23, Enactment No. 03-026), allowing expansion of the Project to include an approximately regulation-sized indoor soccer field, in addition to the previously approved skating operations.

H. Subsequent to its initial development, the Facility (as hereinafter defined) and operation of the Project has changed hands several times, and the original Ground Lease has been amended and replaced.

I. The current operator of the Facility and the Project is Sports Management, LLC, pursuant to a Replacement Ground Lease dated May 19, 2004.

J. Tenant intends to acquire all of Sports Management, LLC's right, title and interest in and to the Project, the Facility, and the Replacement Ground Lease.

K. The City and Tenant wish to supersede and replace in its entirety the Replacement Ground Lease by this Substitute Ground Lease.

NOW, THEREFORE, the City and Tenant hereby agree as follows:

Section 1. **Definitions.** Together with other capitalized words, terms and phrases specifically defined in this Lease, the following capitalized words, terms and phrases shall have the following meanings:

A. "Additional Rent" means the amount of rent applicable to the Renewal Terms upon Landlord's exercise of its option to receive such rent, as provided in Section 4 hereof.

B. "CPI" means the Consumer Price Index now known as the "United States Department of Labor, Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers for the Washington, D.C. SMSA, All Items (1967=100)". If the CPI is discontinued or if a substantial change is made to the CPI, any successor index incorporating a significant number of the items contained In the CPI may be elected by Landlord upon notice to Tenant.

C. "Free Programming" means the public programming provided by Tenant at no charge as described In Section 6 hereof.

D. "Facility" means the existing fully self-contained, approximately 65,000 square-foot sports facility including complementary features such as a game room, food concessions, skate rentals, and retail pro shop.

E. "Improvements" means the Facility currently constructed on the Land, and all other improvements (except as provided in Section 5(A) hereof) that may be made to the Land during the Term, including but not limited to related utility, parking and landscaping improvements.

F. "Land" means the approximately eight acres of land more specifically described in Exhibit A to this Lease.

G. "Lease" means this Substitute Ground Lease between the City and Tenant.

H. "Leasehold Estate" means Tenant's interest in and to the Land, pursuant to this Lease.

I. "Leasehold Mortgage" means a first priority mortgage, deed of trust or any other first priority real property security instrument by which Tenant may encumber, hypothecate or mortgage all or part by which Tenant's Leasehold Estate pursuant to the terms of this Lease.

J. "Leasehold Mortgagee" means a person that holds a Leasehold Mortgage.

K. "Lease Year" means the period of time beginning on any anniversary of the date of this Lease and extending through 11:59 p.m. of the date immediately preceding the succeeding anniversary of the date of this Lease.

L. "Person" means any natural person, firm, association, trust, partnership, corporation, limited-liability company, public body or other legal person.

M. "Premises" means the Land and the Improvements.

N. "Principal" means any past, current or future manager, member, officer, director or general partner of, or person having a more than a ten percent ownership interest in, Tenant or any affiliated successor organization.

O. "Primary Term" means the initial term of this Lease, as described in Section 3(A) hereof.

P. "Renewal Option" means each of the two options of Tenant to extend this Lease for an additional term, as applicable, as provided in Section 3(B) hereof.

Q. "Renewal Term" means each additional terms described in Section 3(B)(1) hereof, as applicable.

R. "Rent" means all amounts payable by Tenant to Landlord under this Lease, including but not limited to Additional Rent to the extent applicable.

S. "State" means the State of New Mexico.

T. "Term" means the term of Lease (including the Primary Term and all Renewal Terms. as applicable) as more specifically described in Section 3 hereof.

Section 2. **Demised Land**. Landlord hereby leases the Land to Tenant, and Tenant leases the Land from Landlord, on the terms and conditions contained herein.

Section 3. **Term**.

A. Primary Term. The Lease shall start on the date hereof and shall continue for a primary term of 35 years, ending at 11:59 p.m. on the day before the thirty-fifth anniversary of the date hereof.

B. Renewal Options. If Tenant is not in default at the time of exercise of any applicable Renewal Option and at the start of the applicable Renewal Term, Tenant shall have two successive options to extend the term of this Lease upon the following terms and conditions.

(1) Renewal Terms. There shall be two potential Renewal Terms. The first Renewal Term shall be for 20 years, starting at the end of the Primary Term and ending at 11:59 p.m. on the date preceding the twentieth anniversary of the commencement of the first Renewal Term. The second Renewal Term shall be for 15 years, starting at the end of the first Renewal Terms and ending at 11:59 p.m. on the date preceding the fifteenth anniversary of the commencement of the second Renewal Term.

(2) Exercise. Renewal Options may be exercised by Tenant only by delivery of written notice to Landlord at least four months, but not more than one year, prior to commencement of the applicable Renewal Term. If Landlord does not receive such notice within the specified time, all Renewal Options may be deemed waived and Landlord shall have the option to terminate this Lease in accordance with its terms.

(3) Other Provisions. If and as often as Tenant exercises any Renewal Option, the provisions of this Lease shall remain in full force and effect during the applicable Renewal Term.

C. Maximum Duration of Term. Notwithstanding anything to the contrary in this Lease, the Term of this Lease, including the Primary Term and all applicable Renewal Terms, shall not exceed 70 years.

Section 4. **Rent**. As consideration for this Lease, Tenant agrees to pay rent as follows:

A. Manner of Payment. Rent shall be payable annually in advance on the anniversary date of this Lease, or if such date is not a business day, then on the first business day preceding such anniversary date, at Landlord's address shown below, or at such other place as Landlord shall designate in writing by notice to Tenant.

B. Amount. Except as provided in Section 11 hereof, annual rent shall be:

(1) Primary Term: $1.00; Landlord acknowledges payment of the first year's rent upon the execution of this Lease.

(2) First Renewal Term: $1.00; provided, however, that the Additional Rent, if applicable, shall be $ 9,076 per year, adjusted as described below.

(3) Second Renewal Term: $1.00; provided, however, that the Additional Rent, if applicable, shall be $ 13,614 per year, adjusted as described below.

C. Additional Rent Option. Landlord may exercise its option to receive Additional Rent by delivering written notice to Tenant at least six months, but not more than one year, prior to either the expiration of the Primary Term or any subsequent anniversary date of this Lease. Upon Landlord's exercise of this option, the Additional Rent shall apply to the Lease Year starting on such anniversary date and each subsequent Lease Year of the Term.

D. Additional Rent Adjustment. The amount of Additional Rent due in any Lease Year shall be calculated by multiplying the applicable amount provided in paragraph B above by the quotient obtained by dividing the CPI most recently published before the first day of the applicable Lease Year by the most recently published CPI as of the date of this Lease.

E. No Additional Rent for Market Rent. Additional Rent shall not apply when Tenant or a successor lessee is paying Market Rent under Section 11 hereof.

Section 5. **Landlord's Covenants.**

A. Storm Runoff. Landlord shall maintain the stormwater detention pond adjacent to the southeast corner of the Land; provided, however, that Tenant shall maintain the Premises consistent with good erosion-control practices.

B. No other Waiver of Regulations. Except as specifically described in this Section, all relevant provisions of the City's ordinances and regulations shall apply to the Premises. No waiver of City requirements provided herein shall be construed as waiving or excusing any other City requirement.

C. Updated Title Insurance. Landlord, at its option and expense, may obtain an updated title insurance policy or policies on the Land during the Term.

Section 6. **Tenant's Covenants.**

A. Prior to the commencement of the Initial Term and as a condition to the commencement of the Leasehold Estate hereunder, Tenant shall acquire all of Sports Management, LLC's right, title and interest in and to the Project, the Facility, and the Replacement Ground Lease.

B. Use of Land. Without the permission of the City's Governing Body, which permission may not be unreasonably denied, the Land shall not be used for any purpose other than for sports, fitness, recreation and leisure activities primarily for the residents of the City of Rio Rancho and its surrounding communities (the "Permitted Activities"). These activities may be conducted inside or outside of a multi-purpose sports facility that is situated on the Land. The Permitted Activities shall include one or more of the following: baseball, basketball, football, golf, ice hockey and ice skating, lacrosse, roller hockey and roller skating, soccer, softball and volleyball as well as aerobic, cardiovascular and strength training exercise activities. Tenant may also provide and complementary features such a game room, food concessions, skate rentals, and retail pro shop. The specific activities to be offered at any time during the Term of this Lease shall be determined at the sole discretion of Tenant within the scope of activities specified herein. Use of the Land for any other purposes beyond sports, fitness, recreation and/or leisure activities shall be prohibited without the written permission of the City Manager, which permission shall not be unreasonably denied.

C. Regular Operation. Tenant shall cause its business to be conducted and operated in good faith and in such manner as shall assure the transaction of a maximum volume of business during hours of operation. Tenant shall maintain regular hours of operation, which shall aggregate not less than 160 hours in any month, in the absence of any casualty, which impairs business operations. Regular Operation shall include one or more of the specific sports, fitness, and recreation and leisure activities aforementioned in Section 6.B. Tenant agrees to promptly redress any casualty damage and to return to regular operations as expeditiously as is possible.

D. Repairs and Maintenance. Tenant covenants and agrees, throughout the Term, without cost to Landlord, to take good care of the Premises and (unless the responsibility of Landlord in its role as a municipality) the sidewalks, curbs, roadways, parking areas and fences on the Premises, and to keep the same in good order and condition, and shall promptly, at Tenant's own cost and expense, make all necessary repairs, interior and exterior, structural and nonstructural, ordinary as well as unforeseen, to keep the Premises in a safe, clean, sanitary and attractive condition. When used in this Section, the term "repairs" shall include replacements or renewals when necessary, and all such repairs made by Tenant shall be at least equal in quality and class to the original work. Tenant shall keep all portions of the Premises and the sidewalks adjoining same in a clean and orderly condition, free of accumulations of dirt and rubbish.

E. Free Programming. Tenant shall provide a minimum of 120 hours annually of Permitted Activities at no charge to City residents, in a manner reasonably satisfactory to the City. Free Programming hours may include both individual and/or group Permitted Activities. In the case of group activities, the credited hours shall be the multiple of the number of persons in the group and the hours of the activity with a cap of 20 hours credited for a group activity. If

Landlord exercises its option for Additional Rent, Tenant's obligation to provide the Free Programming shall terminate at the time such Additional Rent begins.

F. Reporting. Tenant shall provide the City with the reports set forth in Exhibit B hereof, at such times as required in said Exhibit.

G. Taxes, Insurance and Utilities. Tenant shall pay all ad valorem taxes, special assessments, utilities, insurance and repairs related to the Premises and all fixtures and personal property located thereon, and all expenses whatsoever in connection with the Premises and every part thereof. Taxes and assessments for the calendar year in which this Lease commences and terminates shall be prorated.

Section 7. **Net Lease**. All Rent shall be absolutely net to Landlord so that this Lease shall yield to Landlord the full amount of the Rent throughout the Term without deduction or offset.

Section 8. **Improvements**.

A. As-Built Plans and Specifications. Landlord shall be provided with a complete and legible full-size set of all as-built plans and specifications (including all operating manuals for mechanical systems) for all Improvements constructed by Tenant at the Premises.

B. Title During Term. Except as provided in Section 5(A) hereof, title to all improvements erected, installed or placed on the Land, and all fixtures, equipment and personal property placed therein, shall remain in Tenant's name during the Term of this Lease.

C. Reversion. Except as otherwise provided herein, upon termination of this Lease, or termination of a new replacement lease as provided in Section 10(B)(5) hereof, title to the Improvements shall revert to Landlord or its assignee.

D. Indemnity Against Liens. Tenant shall not permit any mechanic's, materialmen's or other lien (other than the lien or a Leasehold Mortgage) against the Premises, and if any such lien is filed against Landlord or any portion of the Premises, Tenant shall at its cost and expense, cause the same to be discharged of record or bonded within 60 days after written notice from Landlord of the filing thereof; and Tenant shall indemnify Landlord against all costs, liabilities, suits and demands (including reasonable attorneys' fees) arising from any such lien.

Section 9. **Indemnity; Liability Insurance.**

A. Indemnification. Tenant agrees to indemnify and save harmless Landlord from and against any and all liability, damage, claims or loss arising from personal injury, death or property damage arising from the construction, repair, use, occupancy or condition of the Premises resulting from acts or omissions of Tenant, its officers, agents, employees or sublessees.

B. Liability Insurance. Tenant shall provide and keep in force throughout the life of this Lease at its expense, for the mutual benefit of Landlord and Tenant, comprehensive broad

form general liability insurance against claims and liabilities for personal injury, death or property damage arising from the use occupancy or condition of the Premises, in the amount of at least $500,000 for injury or death to any one person, $1,000,000 for injury or death to more than one person in any one accident or occurrence and $300,000 for property damage, naming the City as an additional insured. At the beginning of any Renewal Term, the City may require increases to the minimum levels of insurance coverage consistent with the New Mexico Tort Claims Act or any successor statute.

Section 10. **Leasehold Mortgages.**

A. Tenant's Right to Hypothecate. Tenant shall have the unrestricted right, from time to time, to encumber, hypothecate or mortgage Tenant's Leasehold Estate to a Leasehold Mortgagee without the prior consent of Landlord; provided, however, that no such Leasehold Mortgage shall be valid or effective (i) unless simultaneously therewith the Tenant's title to and interest in the Improvements shall be encumbered by such Leasehold Mortgage, and (ii) until there shall be delivered to Landlord a copy of the recorded Leasehold Mortgage, containing the name and address of the Leasehold Mortgagee. In no event shall Landlord be obligated to encumber its fee interest in the Land under any such Leasehold Mortgage.

B. Leasehold Mortgagee's Rights. Should Tenant give a valid Leasehold Mortgage on its Leasehold Estate, and on the Improvements, to a Leasehold Mortgagee in accordance with Section 10 (A), it is agreed by and between Landlord and Tenant as follows:

(1) Landlord will mail to the Leasehold Mortgagee at its address set forth in the Leasehold Mortgage a copy of any notice or other communication from Landlord to Tenant under this Lease at the time of giving such notice or communication to Tenant, and no termination of this Lease, or of Tenant's right to possession of the Premises or any reletting of the Premises by Landlord predicated on the giving of such notice, shall be effective unless Landlord gives to the Leasehold Mortgagee written notice, or a copy of its notice to Tenant of such default or termination. Upon the expiration of any applicable cure period, Landlord will notify Leasehold Mortgagee of Tenant's failure to effectuate a cure within said cure period.

(2) In the event of any default by Tenant under any of the provisions of this Lease, the Leasehold Mortgagee will have the same grace period as Is given Tenant for remedying such default or causing it to be remedied, plus, in each case an additional period of 30 days after the expiration thereof or after Landlord has served notice, or a copy of its notice to Tenant of such default upon the Leasehold Mortgagee at the address set forth in the Leasehold Mortgage, whichever is later.

(3) In the event Tenant defaults under any of the provisions of this Lease, regardless of whether such default consists of a failure to pay Rent or a failure to do any other thing which Tenant is required to do hereunder, the Leasehold Mortgagee, without prejudice to any of its rights against Tenant, shall have the right to make good such default hereunder within the applicable grace period provided for in the preceding paragraph 10 (B) (2) and Landlord shall accept such performance on the part of the Leasehold Mortgagee as though the same had been performed by Tenant; and for such purpose Landlord and Tenant hereby authorize the Leasehold

Mortgagee to enter upon the Premises and to exercise any of Tenant's rights and powers under this Lease.

(4) In the event of any default by Tenant under any of the provisions of this Lease and if prior to the expiration of the applicable grace period specified in paragraph 10 (B) (2) above, the Leasehold Mortgagee shall give Landlord written notice that it intends to undertake the curing of such default, or to cause the same to be cured. or to exercise its rights to acquire the interest of Tenant in the Lease and in the Improvements by foreclosure or otherwise, and shall immediately commence and then proceed with all due diligence to do so, whether by performance on behalf of Tenant of its obligations under this Lease or by entry on the Premises by foreclosure or otherwise, then Landlord will not terminate or take any action to effect a termination of this Lease or reenter, take possession of or relet the Premises or otherwise enforce performance of this Lease so long as (i) the Leasehold Mortgagee is with all due diligence and in good faith engaged in effecting such foreclosure or in the curing of such default, (ii) all Rent is being paid currently, and (iii) waste is not occurring to the Premises; provided that the Leasehold Mortgagee shall not be required to continue such possession or continue such foreclosure proceedings after such default is cured. In the event the nature of any default is such that the Leasehold Mortgagee must take possession of the Premises in order to cure such default, or there is an official restraint prohibiting the Leasehold Mortgagee from possessing the Premises such as a judicial order or administrative order, including without limitation an automatic stay, the running of all applicable grace periods shall be tolled so long as all Rent is being paid currently and the Leasehold Mortgagee is diligently attempting to obtain such possession by all reasonable means. Nothing herein shall preclude Landlord from terminating this Lease with respect to any additional default which may occur during the aforesaid period of forbearance and is not remedied within the period of grace, if any, applicable to any such additional default, except that the Leasehold Mortgagee shall have the same rights specified in this Section with respect to any such additional defaults.

(5) In the event of termination of this Lease by reason of a default of Tenant hereunder or in the event Tenant's interest under this Lease shall be sold, assigned or transferred pursuant to the exercise of any remedy of the Leasehold Mortgagee, or pursuant to judicial proceedings or a deed In lieu of foreclosure, and in the event that within 30 days thereafter the Leasehold Mortgagee (or its nominee or the purchaser, assignee or transferee from the Leasehold Mortgagee) shall have paid, or arranged to the reasonable satisfaction of Landlord for the payment of, all Rent and other charges which but for such termination would have become so due and payable from the date of such termination through the sixtieth day thereafter, and shall have arranged to the reasonable satisfaction of Landlord for the curing of any default on the part of Tenant, then Landlord, within 30 days after receiving a written request therefore given any time prior to such sixtieth day and upon payment of all expenses (including reasonable attorneys' fees), will execute and deliver to the Leasehold Mortgagee or its nominee or to the purchaser, assignee or transferee, as the case may be, a new lease of the Land. Such new lease shall be for a term equal to the remainder of the Term before giving effect to such termination, shall contain the same covenants, agreement, conditions and limitations as this Lease, and shall be subject only to encumbrances and other matters existing as of the date hereof, acts done or suffered by Tenant, and any new Leasehold Mortgage of such new lease provided such Leasehold Mortgage is consistent with the requirements of the new lease pertaining thereto. Upon the execution and

delivery of such new lease, the new tenant, in its own name or In the name of Landlord, may take all appropriate steps as may be necessary to remove Tenant from the Premises, but Landlord shall not be subjected to any liability for the payment of any fees (including counsel fees), costs or expenses in connection therewith. The new tenant shall pay all such fees, including reasonable counsel fees, costs and expenses or, on demand, make reimbursement therefore to Landlord. In such event the ownership of all Improvements shall be deemed to have been transferred directly to such transferee of Tenant's interest in this Lease, subject to reversion in accordance with Section 8(C), Landlord shall execute such deed or other instrument of conveyance as may be necessary for title to the Improvements to be insured in such transferee of Tenant's Leasehold Estate. Any new lease made pursuant to this Section shall be prior to any mortgage or other lien, charge or encumbrance on the fee of the Land created by Landlord. All liens, charges or other encumbrances on the fee of the Land created by Landlord shall contain express provisions to the effect that (i) such lien, charge or encumbrance shall be subordinate to any such new lease, and (ii) the mortgagee or other beneficiary thereof shall, upon request, confirm to Tenant and any Leasehold Mortgagee such subordination.

(6) In the event a default under the Leasehold Mortgage shall have occurred, the Leasehold Mortgagee may exercise with respect to the Premises any right, power of remedy under the Leasehold Mortgage which is not in conflict with any of the provisions of this Lease.

(7) There shall be no merger of Tenant's Leasehold Estate with the fee estate in the Land by reason of the fact that Tenant's Leasehold Estate may be held directly or indirectly by or for the account of any person who shall also hold directly or indirectly the fee estate, or any interest in such fee estate, nor shall there any such merger by reason of the fact that all or any part of Tenant's Leasehold Estate may be conveyed or mortgaged to a Leasehold Mortgagee who shall also hold directly or indirectly the fee estate, or any part thereof, in the Land or any interest of Landlord under this Lease.

(8) No surrender (except a surrender upon the expiration of the Term or upon termination by Landlord pursuant and subject to the provisions of this Lease) by Tenant to Landlord of this Lease, or of the Land, or any part thereof, or of the Improvements thereon, or of any interest therein, and no termination or rejection of the Lease by Tenant, shall be valid or effective, and neither this Lease nor any of the terms hereof may be amended, modified, changed, rejected or canceled without the *prior* written consent of the Leasehold Mortgagee, which consent shall not be unreasonably withheld.

(9) Landlord hereby consents to the inclusion of a provision in the Leasehold Mortgage for the assignment of rents from subleases to the Leasehold Mortgagee, effective upon any default under the Leasehold Mortgage.

(10) This Lease may be assigned by Tenant to a Leasehold Mortgagee by an assignment in lieu of foreclosure of a Leasehold Mortgage or pursuant to a foreclosure sale or sale pursuant to power of sale under a Leasehold Mortgage and may be further assigned by the assignee or purchaser without the prior consent of Landlord, provided the ultimate assignee assumes the Tenant's obligations under this Lease (including, without limitation, the payment of all Rent and other charges as they become due) and an executed counterpart of such assumption

is delivered to Landlord. If the Leasehold Mortgagee shall be the assignee of this Lease, its liability under such assumption agreement shall be limited to the period of its ownership of the Leasehold Estate, provided that the party to whom this Lease is assigned by the Leasehold Mortgagee shall deliver to Landlord at the time of such assignment a like assumption agreement, but without limitation as to duration of liability.

(11) The provisions of this Section are for the benefit of, and are to be enforceable by, the Leasehold Mortgagee.

(12) Landlord and Tenant hereby agree to cooperate in including in this Lease by suitable amendment from time to time any provision which may reasonably be requested by any proposed Leasehold Mortgagee for the purpose of implementing the Leasehold Mortgagee protection provisions contained in this Lease and allowing such Leasehold Mortgagee reasonable means to protect or preserve the lien of the Leasehold Mortgage on the occurrence of an event of default hereunder. Landlord and Tenant each agrees to execute and deliver (and to acknowledge, if necessary, for recording purposes) any agreement necessary to effectuate any such amendment; provided, however, that any such amendment shall not in any way affect the Term, Rent or covenants of Tenant set forth in Section 6 hereof, nor otherwise in any material respect adversely affect any rights of Landlord under this Lease.

(13) Notwithstanding anything to the contrary in this Lease, so long as (i) the Leasehold Mortgagee has acquired possession of the Premises as a result of the lawful exercise of its rights under its mortgage and this Lease, including but not limited to possession resulting from a foreclosure or a deed in lieu of foreclosure, (ii) the Leasehold Mortgagee is with all due diligence and in good faith attempting to transfer its interest in the Premises to a party other than Landlord, Tenant or a Principal, and (iii) the Leasehold Mortgagee either uses the Premises for the operation of a Permitted Activity or does not use the Premises for any purpose, the Leasehold Mortgagee shall not be subject to the covenants of Sections 6(B) and 6(D), and shall not be liable for Rent in excess of that provided in Section 4.

Section 11. **Alternative Use of Premises**

A. Rent Adjustment. If the Lease has been terminated and a new lease executed pursuant to Section 10(B)(5) hereof, or the Lease has been assigned pursuant to Section 10(B)(10) hereof, and neither the Tenant nor any Principal of Tenant has any interest, direct or indirect, in the assignee or new lessee, the covenants contained in Sections 6(A), (B) and (D) hereof may be deleted from this Lease at the option of the assignee or new lessee (the "Deletion Option"); provided however, that the Deletion Option shall not become effective until the fair market rental value of the Land is determined as set forth in paragraph B of this Section 11 (the "Market Rent"). Except as provided in paragraph C of this Section 11, the rent for the duration of the assigned Lease or new lease, from the time of assignment or commencement of the new lease, shall be the Market Rent, and the assigned Lease or new lease shall terminate at the end of the then-current Primary Term or Renewal Term, as the case may be.

B. Market Rent Determination. The Market Rent shall be the fair market rental value of the Land, as determined by agreement among three appraisers who are members of the American Institute of Appraisers and active in the greater metropolitan Albuquerque commercial

property market, one chosen by Landlord, one chosen by the lessee, and the third chosen by the other two appraisers. Each party shall pay the fees of the appraiser chosen by such party and one-half of the fees of the third appraiser. The determination of the three appraisers regarding the Market Rent shall be final and binding on both Landlord and the lessee; provided, however, that if the three appraisers are unable to agree on the Market Rent, the Market Rent shall be set through binding arbitration under the Commercial Rules of the American Arbitration Association. The Market Rent may be a fixed amount for each year remaining until termination of this Lease (or new lease), or may be an amount for the first year subject to adjustment for inflation in each succeeding year, or may be structured in any other commercially reasonable manner. Rent for the first year under the assigned Lease or new lease shall be due from the date of the assignment or new lease, and shall be payable 30 days after the Market Rent is determined as provided herein. Rent thereafter shall be due and payable annually in advance on the anniversary date of the assignment or new lease, or if such date is not a business day, then on the first business day preceding such anniversary date.

C. Substitute Economic Development Project. The Deletion Option may be exercised without the rent adjustment described in paragraph A of this Section 11 or any other changes in the terms and conditions of this Lease, if prior to such exercise the assignee or new lessee has qualified a substitute economic development project for the Land pursuant to the requirements of the Act and other applicable Law, if any, as reasonably determined by the City's Governing Body in consultation with the City Attorney.

Section 12. **Eminent Domain.** If title to any part of the Premises is taken at any time during the life of this Lease under the power of eminent domain, or by purchase in lieu thereof, and in Tenant's sole discretion such taking substantially reduces or interferes with Tenant's business on the Premises, Tenant may terminate this Lease as of the date of taking, subject to the rights of the Leasehold Mortgagee described in Section 10(B). In the event of a partial taking which, in Tenant's sole discretion, does not reduce or substantially interfere with its business, this Lease shall not terminate, and all provisions of this Lease shall continue in force unchanged except for the reduction in the Premises corresponding to the partial taking. Compensation awarded for a total or partial taking shall be divided between Landlord and Tenant in proportion to the diminution in value at the time of the condemnation to the Land and to the Improvements, respectively. Tenant shall be entitled to any damages from the condemnor for loss of business, depreciation to and cost of removal of improvements, fixtures and personal property.

Section 13. **Default.** The following shall constitute a default by Tenant hereunder: (A) a failure to pay rentals or any other payment required to be made hereunder within 10 days after written notice from Landlord of delinquency of such payments; (B) a failure to promptly commence and diligently prosecute cure of any other default after written notice from Landlord specifying the default; (C) Tenant voluntarily makes an assignment for the benefit of its creditors, consents to the appointment of a receiver for the premises. or files a petition for liquidation, reorganization or arrangement with creditors in any bankruptcy or insolvency proceeding; (D) Tenant files an answer admitting the material allegations of any petition filed against it in any bankruptcy, reorganizations or insolvency proceeding; or (E) an order of any court is entered adjudicating Tenant bankrupt or insolvent or appointing a receiver, trustee or liquidator of the Premises.

Section 14. **Remedies**. Should Tenant fail to cure any default within the time and in the manner provided for herein, Landlord may, subject to the rights of the Leasehold Mortgagee described in Section 10, take immediate possession of the Premises without notice to Tenant either directly or through a court-appointed receiver and either (A) terminate this Lease, holding Tenant liable for damages for breach of contract or (B) without terminating this Lease, re-let the Premises for such rentals and conditions as Landlord, in its sole discretion, deems expedient, and Tenant shall be liable to Landlord for any deficiency. No forbearance or waiver of any default by Landlord shall be construed as a waiver of Landlord's right in the event of any subsequent default. All rights and remedies of Landlord under this Lease shall be cumulative, and none shall exclude any other remedy allowed by law; such remedies may be exercised and enforced concurrently and as often as the occasion therefor arises.

Section 15. **First Refusal Option to Purchase.** If Tenant is not in default under the terms of this Lease, Tenant shall have the right of first refusal to purchase the Land on the following terms and conditions:

A. Notice of Offer. If Landlord receives a bona fide offer to purchase the Land which it is willing to accept, then Landlord shall give Tenant written notice of the offer which shall include a copy of the offer.

B. Exercise. Tenant shall have the option to purchase the Land on the same price and terms as set forth in the offer, which shall be exercised by written notice to Landlord within 15 days from the date Tenant receives Landlord's notice of offer.

C. Non-Exercise. If Tenant does not exercise this option in the time or manner provided above, Landlord may sell the Land, subject to the terms and provisions of the Lease, to its offeror on the price and terms stated in the offer.

Section 16. **Purchase Option.**

A. Notice. Tenant may provide written notice to Landlord of its desire to purchase the Land at any time during the Primary Term and Renewal Term.

B. Price. The price of the Land (the "Price") shall be the fair market value of the Land as if none of the Improvements existed other than any runoff retention facilities as provided in Section 5(A) hereof. In the event Landlord and Tenant are unable to agree on the fair market value of the Land, the Price shall be determined by agreement between three appraisers who are members of the American Institute of Appraisers and active in the greater metropolitan Albuquerque commercial property market, one chosen by Landlord, one chosen by the Tenant, and the third chosen by the other two. Each party shall pay the fees of the appraiser chosen by such party and one-half of the fees or the third appraiser. The determination of the three appraisers shall be final and binding on both Landlord and the Tenant; provided, however, that if the three appraisers are unable to agree on the Price, the Price shall be set through binding arbitration under the Commercial Rules of the American Arbitration Association.

C. Exercise. No more than 20 days after determination of the Price, Tenant shall deliver written notice to Landlord of Tenant's exercise of its option to purchase the Land for the Price. The failure of Tenant to provide such notice shall be deemed a rejection of the option to purchase. If Tenant exercises its option to purchase:

(1) the three appraisals obtained pursuant to paragraph B of this Section shall be submitted to the City's Governing Body, along with a proposed ordinance approving the sale, as required by NMSA 1978 § 3-54-1 and in the manner prescribed thereby;

(2) if said ordinance is adopted and no referendum is required under NMSA 1978 § 3-54-1(E), the closing of such sale shall occur no earlier than 45 days following adoption of the ordinance and no later than 60 days following such adoption;

(3) if a referendum is required under NMSA 1978 § 3-54-1(E) and the sale is approved in the referendum election, the closing of such sale shall occur later than 30 days following the effective date of the ordinance;

(4) if a referendum is required under NMSA 1978 § 3-54-1(E) and the sale is not approved in the referendum election, the sale shall not occur, and this Lease shall continue in effect according to its terms.

Section 17. **Assignment, Subletting**.

A. By Tenant. Tenant may, with written consent of Landlord (which consent shall not be unreasonably refused), and subject to the terms of this Lease, sublease this Lease; provided (1) that any sublessee expressly assumes and agrees to be bound by the terms and provisions of the Lease, and (2) no sublease of the Lease shall relieve Tenant from full liability for the payment of all rents and other sums due hereunder or for the performance of all terms and conditions of this Lease. Tenant shall furnish Landlord written notice of any subletting within 30 days thereof, together with the name and address of the sublessee.

B. By Landlord. Subject only to Tenant's (1) first refusal purchase option under Section 15 and (2) conditional purchase option under Section 16, Landlord shall have the right to transfer or assign all or any of it rights under this Lease to any other governmental entity without prior notice to Tenant. Landlord shall provide Tenant a copy of such assignment within five (5) business days after execution of the same.

Section 18. **Regulatory Compliance.** Tenant shall comply with, and shall include covenants in the subleases with any of its subtenants to cause them to comply with, federal, state, or local laws, ordinances or regulations relating to: (A) industrial hygiene, (A) the environmental conditions on, under or about the Premises including, but not limited to, soil and groundwater conditions, and (A) the use, generation, manufacture, production. storage or disposal on, under, or about the Premises or transportation to or from the Premises of flammable explosives, radioactive materials, hazardous wastes, toxic substances or related injurious materials, whether Injurious by themselves or In combination with other materials (collectively, "Hazardous Materials"). For the purpose of the Lease, Hazardous Materials shall include. but not be limited

to any substance defined as a "hazardous substance", "hazardous material", toxic substance", "hazardous waste", "hazardous chemical", or "hazardous agricultural waste" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq., the Hazardous Materials Transportation Act, 49 U.S.C. Sections 1801, *et seq.*, the Resource Conservation and Recovery Act, 42 U.S.C. Sections 6901, *et seq.*, the provisions of Chapter 74 of the New Mexico Statutes Annotated (including without limitation the New Mexico Air Quality Control Act, §§ 74-2-1, *et seq.*, NMSA 1978, the New Mexico Radiation Protection Act §§ 74-3-1, *et seq.*, NMSA 1978, The New Mexico Hazardous Waste Act, §§ 74-4-1, *et seq.*, NMSA 1978, the New Mexico Radioactive and Hazardous Materials Act, §§ 74-4A-1, *et seq.*, NMSA 1978, the New Mexico Water Quality Act,§§ 74-6-1, *et seq.*, NMSA 1978, the New Mexico Ground Water Protection Act, §§ 74-68-1, *et seq.*, NMSA 1978, and the New Mexico Solid Waste Act, §§ 74-9-1, *et. seq.*, NMSA 1978), and other similar hazardous, toxic or dangerous substances and materials identified In any federal, state, county or City statute, ordinance or law, and in the rules and regulations promulgated from time to time pursuant to said statutes, ordinances and laws.

Section 19. **Destruction and Restoration.**

A. Casualty Insurance. Tenant shall at all times insure the Premises against loss due to fire, explosion or otherwise in an amount equal to the full replacement cost of the Premises, issued by an insurer of recognized responsibility approved by Landlord and licensed to do business in the State, naming Landlord as an additional insured. Tenant shall deliver evidence of each insurance policy or renewal to Landlord not less than fifteen days prior to expiration of the prior policy or renewal.

B. Tenant's Obligation to Restore. In case of damage to or destruction of the Premises or any part thereof by fire or other cause, Tenant at Tenant's sole cost and expense, whether or not the insurance proceeds, if any, shall be sufficient for the purpose, and irrespective of the amount of any loss, shall restore the same as nearly as possible to their value, condition and character immediately prior to such damage or destruction. Such restoration shall be commenced with due diligence and in good faith, and prosecuted with due diligence and in good faith; provided, however, in the event such destruction occurs in the last five (5) years of the Term (as extended, if applicable), any restoration of the Premises shall be at Tenant's sole discretion.

C. No Release of Tenant's Obligations. No destruction of, or damage to the Premises or any part thereof by fire or any other casualty shall permit Tenant to surrender this Lease or shall relieve Tenant from its obligations to pay the full Rent payable under this Lease or from any of its other obligations under this Lease, and Tenant waives any rights now or hereafter conferred upon it by statute or otherwise to quit or surrender this Lease or the Premises or any suspension, diminution, abatement or reduction of rent on account of any such destruction or damage. Landlord shall not be liable for any consequential damages, inconvenience or interruption of Tenant's activities or operations occasioned by fire, accident or any other casualty unless caused by the negligence of Landlord.

Section 20. **Quiet Enjoyment.** So long as Tenant pays the Rent and all other sums and charges to be paid by it under this Lease, and performs all other obligations it may have under

this Lease, Tenant shall have quiet and uninterrupted possession of the Land, without hindrance or molestation by Landlord or anyone claiming through Landlord.

Section 21. **Limitation of Liability.** Landlord shall not be liable to Tenant for the satisfaction of any judgment or other award against Landlord related to this Lease to the extent such judgment or award, together with any such prior judgments or awards, exceeds the fair market value of Landlord's interest in the Premises at the time of the entering of such judgment or award.

Section 22. **Estoppel Certificates**. Landlord or Tenant shall deliver, without charge, such estoppel certificates as Tenant or Landlord, as the case may be, may reasonably request from time to time, but not more often than three (3) times per Lease Year, stating the rate of Rent, whether this Lease is in full force and effect without present default, whether there are any events which, with passage of time or the giving of notice, or both, would constitute a default, whether this Lease has been assigned, modified, supplemented or amended (and if so, identifying such assignment or change), and whether there exist any offsets or counterclaims, as well as the status of rent payments and the commencement and termination dates of the Lease.

Section 23. **Recordation.** The City shall record this Lease in the real property records of Sandoval County.

Section 24. **Notices**. All notices required under this Lease shall be deemed to be properly sent if in writing and delivered personally or sent by registered or certified mail, or sent by a recognized overnight express mail carrier, addressed to Landlord or to Tenant, as the case may be, at the following addresses, and such notices shall be effective on the date of receipt thereof:

To the Landlord:	City Manager City of Rio Rancho 3200 Civic Center Circle NE Rio Rancho, NM 87144
With a copy to:	City Attorney City of Rio Rancho 3200 Civic Center Circle NE Rio Rancho, NM 87144
To Tenant:	McDermott Sports, LLC c/o Michael McDermott 5051 Justine Drive NW Albuquerque, NM 87114 Email: mcdermottbaseball@gmail.com
With a copy to:	Matthew M. Spangler, Esq. Lastrapes, Spangler & Pacheco, P.A. 333 Rio Rancho Dr., Suite 401 Rio Rancho, NM 87124

Email: ms@lsplegal.com
Telephone: 505-892-3607
Facsimile: 505-892-1864

Subject to additional notice to the Leasehold Mortgagee in accordance with Section 10 (B)(1), either party may change its address for the purposes of this Section 24 by giving notice of such change of address to the party in the manner provided herein for giving notice.

Section 25. **Entire Agreement; Amendment**. This Lease contains the entire agreement between the parties hereto with respect to the transactions contemplated hereby, and there are no prior representations, agreements or understandings not contained herein. Neither this Lease nor any provision hereof may be waived, modified, amended, discharged or terminated except by an instrument in writing executed by the parties hereto, and then only to the extent set forth in such agreement.

Section 26. **Severability Clause.** In the event any court of competent jurisdiction holds any provisions of this Lease invalid or unenforceable, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 27. **Headings.** The headings used in this Lease are for convenience only, and shall not be construed as modifying the text.

Section 28. **Counterparts.** This Lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 29. **Time of the Essence.** Time is of the essence as to each and every provision of this Lease.

Section 30. **Covenants Running with the Land**. The terms and conditions of this Lease are intended to be covenants running with the Land through the Term of this Lease.

Section 31. **Governing Law**. The laws of the State of New Mexico shall govern the interpretation, validity, performance and enforcement of this Lease.

Section 32. **Binding Effect.** The terms, provisions and covenants contained in this Lease shall inure to the benefit of and be binding upon the parties hereto and their respective successor and assigns.

Section 33. **Attorney's Fees.** If any action is brought with respect to Rent due for this Lease, or to recover any other payment under this Lease, or on account of any breach hereof, or to enforce or interpret any of the terms, covenants and conditions of this Lease, the prevailing party shall be entitled to recover from the other party, in addition to any other relief rewarded, a reasonable attorney's fee, the amount of which shall be fixed by the court and shall be made a part of any judgment rendered.

Section 34. **Surrender of Possession.** At the termination or expiration of this Lease, whether by lapse of term or otherwise, Tenant agrees to surrender possession of the Premises to Landlord in the condition contemplated by the respective provisions of this Lease.

Section 35. **Compliance Reports.** Tenant agrees to submit reports to the City on compliance with relevant terms herein and as set forth in the Compliance Report Schedule, attached hereto as Attachment 1.

Section 36. **Sublease**. There are no subleases in effect as of the date hereof.

Section 37. **Ground Lease.** This Substitute Ground Lease is intended to supersede and replace in its entirety that certain Replacement Ground Lease, dated May 19, 2004, by and between the City and Sports Management, LLC.

IN WITNESS WHEREOF, the parties have executed this Lease as of the date first set forth above.

CITY OF RIO RANCHO

By: _____
Keith J. Riesberg, City Manager

Approved as to Form:

_____
Jennifer Vega-Brown, City Attorney

MCDERMOTT SPORTS, LLC,
a New Mexico limited liability company

By: _____
Michael McDermott, Manager

EXHIBIT "A"
LEGAL DESCRIPTION

Tract P-1C of Loma Colorado, as the same is shown and designated on the plat filed in the office of the County Clerk of Sandoval County, New Mexico, on February 27, 1997, in Volume 3, Folio 1584B.

EXHIBIT B
COMPLIANCE REPORTING

Tenant shall deliver the following reports to City no later than January 30th and July 30th of each year:

1. Profits/Loss Statement for two preceding calendar quarters;
2. Total hours of operation by month;
3. Total hours of free programming provided under Section 6(E) of the Lease and the number of people served during the previous six-month period.

Tenant shall deliver the following reports to City no later than January 30th of each year:

1. Certificates of casualty and liability insurance demonstrating compliance with the provisions of Sections 9(B) and 19(A) of the Lease.

All reports or other documents required hereby are to be submitted to the Office of the City Manager attested as to their accuracy and correctness by an authorized representative of Tenant.

ADDENDUM TO SUBSTITUTE GROUND LEASE

This Addendum ("Addendum") is made to that certain ground lease entitled Substitute Ground Lease and any amendments thereto (the "Lease"), made and entered into on or about July 29, 2016 (or such later date as may be chosen between the parties) between the City of Rio Rancho, New Mexico ("Lessor") and McDermott Sports, LLC, a New Mexico limited liability company ("Lessee"), and relating to the real property located at 801 Loma Colorado Blvd. NE, Rio Rancho, NM 87124 (the "Property").

For Ten Dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. This Addendum amends the terms of the Lease. The terms of this Addendum shall prevail over any provisions in the Lease that address the same subject matter that is addressed in this Addendum. In the event of any inconsistency or discrepancy between the terms of this Addendum and the terms of the Lease, this Addendum shall control.

2. By signing this Addendum, Lessor agrees that (a) Lessor waives any contractual or statutory liens it may have against the business personal property or equipment owned by Lessee (or any assignee of the leasehold estate) and located on the Property, and (b) Lessor hereby subordinates to any Lender UCC-1 or fixture filing that Lender may record against any improvements or business personal property owned by Lessee (or any assignee of the leasehold estate) and located on the Property, and Lessor agrees to sign any further documents reasonably deemed necessary by Lender to reflect said subordination.

IN WITNESS WHEREOF, the parties have executed this Addendum as of Aug. 12, 2016.

Lessor:

City of Rio Rancho

By: _____
Keith J. Riesberg, City Manager

Lessee:

McDermott Sports, LLC

By: _____
Michael McDermott, Manager

FIRST AMENDMENT TO SUBSTITUTE GROUND LEASE

THIS FIRST AMENDMENT TO SUBSTITUTE GROUND LEASE dated this _16___ day of ___January_____, 2025, by and between the City of Rio Rancho, a municipal corporation (the "Landlord) and McDermott Sports, LLC, a New Mexico limited liability company (the "Tenant") having an office at 5051 Justin Dr NW, Albuquerque, NM 87114.

RECITALS

WHEREAS, the Landlord and Tenant are parties to that certain Substitute Ground Lease dated August 12, 2016 (the "Ground Lease").

WHEREAS, the Landlord and Tenant have agreed to amend the Ground Lease to modify certain provisions thereof, for the purposes set out below.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants contained therein and promises of the parties, the Parties hereto agree to amend the Lease as follows:

AGREEMENT

1. Recitals. The above recitals are true and correct and incorporated into this Amendment by reference.

2. Amendment.

a. Exhibit A of the Ground Lease is hereby deleted in full and replaced with the "Exhibit A" attached hereto as Schedule 1.

b. Section 6(B) is hereby deleted in full and replaced with the following:

"B. Use of Land. Without the permission of the City's Governing Body, which permission may not be unreasonably denied, the uses for Tract P-1C-A and Tract P-1C-B shall be as follows:

(i) Tract P-1C-A shall not be used for any purpose other than for sports, fitness, recreation and leisure activities primarily for the residents of the City of Rio Rancho and its surrounding communities. These activities may be conducted inside or outside of a multi-purpose sports facility that is situated on Tract P-1C-A. The Tract P-1C-A permitted activities shall include one or more of the following: baseball, basketball, football, golf, ice hockey and ice skating, lacrosse, roller hockey and roller skating, soccer, softball, pickleball, and volleyball as well as aerobic, cardiovascular and strength training exercise activities. Tenant may also provide and complementary features such

a game room, food concessions, skate rentals, and retail pro shop (collectively, the "Tract P-1C-A Permitted Activities").

(ii) Tract P-1C-B shall not be used for any purpose other than for sports, fitness, recreation and leisure activities primarily for the residents of the City of Rio Rancho and its surrounding communities. These activities may be conducted inside or outside of a multi-purpose sports facility that is situated on Tract P-1C-B. The Tract P-1C-B permitted activities shall include one or more of the following: baseball, basketball, football, golf, ice hockey and ice skating, lacrosse, roller hockey and roller skating, soccer, softball, pickleball, and volleyball as well as aerobic, cardiovascular and strength training exercise activities. Tenant may also provide and complementary features such as a restaurant (collectively, the "Tract P-1C-B Permitted Activities").

(iii) The Governing Body approved Tract P-1C-A Permitted Activities and Tract P-1C-B Permitted Activities to be offered at any time during the Term of this Lease shall be determined at the sole discretion of Tenant. Use of the Land for any other purposes beyond the permitted activities described herein shall be prohibited without the written permission of the City Manager, which permission shall not be unreasonably denied.

c. Section 6(E) is hereby deleted in full and replaced with the following:

"E. Free Programming. Tenant shall provide a minimum of 120 hours annually of Tract P-1C-A Permitted Activities and 80 hours annually of Tract P-1C-B Permitted Activities at no charge to City residents, in a manner reasonably satisfactory to the City. Free Programming hours may include both individual and/or group Permitted Activities. In the case of group activities, the credited hours shall be the multiple of the number of persons in the group and the hours of the activity with a cap of 20 hours credited for a group activity. If Landlord exercises its option for Additional Rent, Tenant's obligation to provide the Free Programming shall terminate at the time such Additional Rent begins."

3. Ratification and Effect. The Ground Lease, as amended hereby, is ratified and confirmed for all purposes. To the extent that there is any conflict between this First Amendment and the Ground Lease, the terms of this First Amendment shall govern and control.

4. Counterparts. This First Amendment may be executed in counterparts that, when assembled, constitute one fully enforceable instrument, and electronic or facsimile or email signatures shall the same force and effect as original signatures.

IN WITNESS WHEREOF, Landlord and Tenant have executed this First Amendment to be effective as of the date first written above.

[signatures on the following page]

LANDLORD:

THE CITY OF RIO RANCHO,
a municipal corporation

By: _____
Matthew B. Geisel, City Manager

Approved as to Form:

By: _____
Josh Rubin, City Attorney

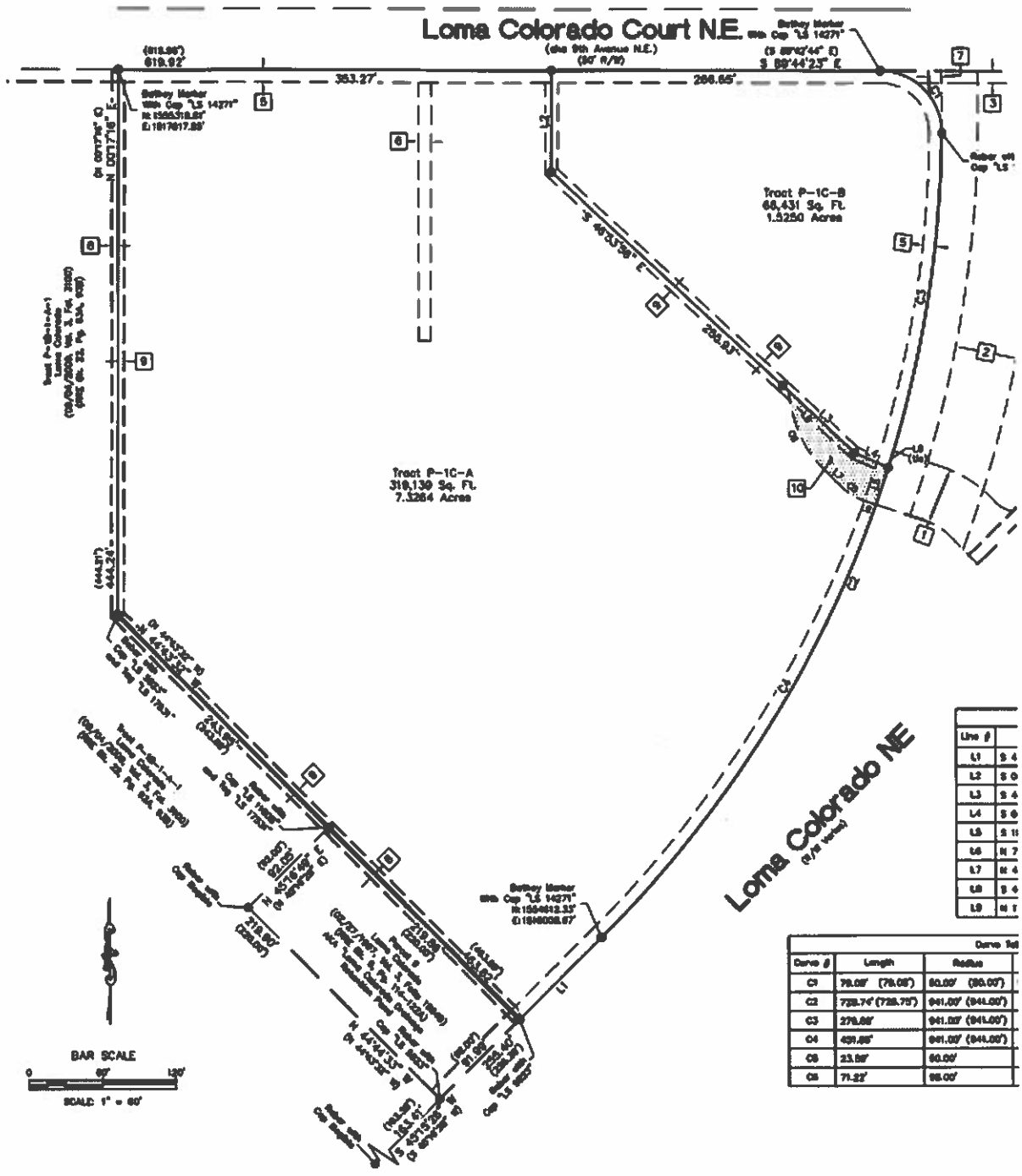
TENANT:

MCDERMOTT SPORTS, LLC,
a New Mexico limited liability company

By: Michael McDermott
Michael McDermott, Manager

EXHIBIT A
LEGAL DESCRIPTION

Tract P-1C-A and Tract P-1C-B as shown and depicted on that certain plat entitled "Summary Plat for Tracts P-1C-A and P-1C-B Loma Colorado, Being Comprised of Tract P1-C, Loma Colorado, City of Rio Rancho, Sandoval County, New Mexico, March 2023" filed in the office of the County Clerk of Sandova County, New Mexico on May 10, 2023, as Instrument No. 2023P02042 in Book 3, Pages 5046-5047."



SECOND AMENDMENT TO SUBSTITUTE GROUND LEASE

THIS SECOND AMENDMENT TO SUBSTITUTE GROUND LEASE dated this ____ day of _____, 2026, by and between the City of Rio Rancho, a municipal corporation (the "Landlord) and McDermott Sports, LLC, a New Mexico limited liability company (the "Tenant") having an office at 5051 Justin Dr NW, Albuquerque, NM 87114.

RECITALS

WHEREAS, the Landlord and Tenant are parties to that certain Substitute Ground Lease dated August 12, 2016 (the "Ground Lease").

WHEREAS, the Landlord and Tenant amended the Substitute Ground Lease in that certain First Amendment to Substitute Ground Lease dated January 16, 2025 (the "First Amendment").

WHEREAS, the Landlord and Tenant have agreed to amend the Substitute Ground Lease and the Frist Amendment (collectively, the "Lease") to modify certain provisions thereof, for the purposes set out below.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants contained therein and promises of the parties, the Parties hereto agree to amend the Lease as follows:

AGREEMENT

1. Recitals. The above recitals are true and correct and incorporated into this Amendment by reference.

2. Amendment.

a. Section 1 is hereby modified to include the following definitions:

"(U) "Violation(s)" means any civil penalty or criminal conduct committed by the Tenant or any subtenants that results in a citation. This includes, but is not limited to, violations of City Ordinances, specifically the Noise Ordinance Section 131.06 and the Nuisance Ordinances Chapter 91and/or violations that cause a loss of license(s) required by the Tenant or any subtenant to maintain operating their business as defined in their lease and/or sublease.

(V) "Original Building" means the building depicted on Schedule 2 that currently houses the McDermott Athletic Center and its operations.

(W) "Designated Service Area" means the area depicted on Schedule 1 and is the only place on the property which may be licensed to serve beer and/or wine"

b. Section 6(B) is hereby deleted in full and replaced with the following:

"B. Use of Land. The uses for Tract P-1C-A and Tract P-1C-B shall be as follows:

(i) Tracts P-1C-A and P-1C-B shall not be used for any purpose other than for sports, fitness, recreation and leisure activities primarily for the residents of the City of Rio Rancho and its surrounding communities. These activities may be conducted inside or outside of a multi-purpose sports facility that is situated on either Tract P-1C-A or Tract P-1C-B. The permitted activities shall include one or more of the following: baseball, basketball, football, golf, ice hockey and ice skating, lacrosse, roller hockey, roller skating, roller derby, soccer, softball, badminton, pickleball, volleyball, as well as aerobic, cardiovascular and strength training exercise activities, educational classes and tutoring, and philanthropic activities. Tenant may also provide complementary features such as a game room, food concessions, skate rentals, and retail pro shop within the Original Building facility.

(ii) Additional permitted activities, Tenant may provide food, beer, and/or wine service in accordance with Section 6(I) at locations identified in Schedule 1, (collectively, the "Permitted Activities").

(iii) Use of the Land for any other purposes beyond the Permitted Activities described herein shall be prohibited without the written permission of the Landlord.

c. Section 6(E) is hereby deleted in full and replaced with the following:

"E. Free Programming. Tenant shall provide a minimum of 240 hours annually of Tract P-1 C-A Permitted Activities and Tract P-1 C-B Permitted Activities at no charge to City residents, in a manner reasonably satisfactory to the City. Free Programming hours may include both individual and/or group Permitted Activities. In the case of group activities, the credited hours shall be the multiple of the number of persons in the group and the hours of the activity with a cap of 20 hours credited for a group activity. Examples of Free Programming include, but are not limited to City free skates, charitable events, etc. If Landlord exercises its option for Additional Rent, Tenant's obligation to provide the Free Programming shall terminate at the time such Additional Rent begins.

Tenant shall contact the Landlord in March and September every calendar year to schedule an in-person meeting to discuss use of the Facility by the City and provide updated activity reports on the Free Programing hours obligated by this Lease."

d. Exhibit B is hereby deleted in full and shall be replaced by the attached Exhibit B hereto.

e. Section 6(H) is hereby added to the Lease:

"H. Capital Improvements. Tenant shall be responsible for making timely and necessary capital improvements and repairs during the Term of the Lease as well as conducting a utility and energy efficiency review to determine the availability of any cost savings which may be created through capital improvements/repairs. Any major improvement to the Property, including without limitation the major repair or replacement of any structure, system, or equipment therein, that has a useful life of five (5) years or more, has a total cost of ten thousand dollars ($10,000.00) or more, and either increases the value of the Project or extends the useful life thereof may be considered Capital Improvements after Tenant seeks and receives written approval for such classifications from the City Manager before construction on said proposed improvement begins. Routine maintenance and minor repairs, regardless of their collective or cumulative value, are not "Capital Improvements".

The required utility and energy efficiency review shall be completed no later than June 30, 2028 and the results of the review shall be reported to the Landlord in a form and format mutually agreed to by the Parties. Prior to conducting the utility and energy efficiency review, the Parties shall meet no later than December 31, 2026 to confer in good faith to define the scoop of the review in writing. Tenant shall not be required to complete any projects/capital improvements pursuant to the required utility and energy efficiency review but may choose to pursue any projects/capital improvements on a voluntary basis at its own expense."

f. Section 6(I) s hereby added to the Lease:

"I. Restricted Alcohol Service. Tenant and/or any subtenant agree to have the appropriate license to serve beer and/or wine only in the Designated Service Areas, as delineated and depicted on Schedule 1 attached hereto. Restrictions surrounding the service of alcohol are as follows:

(i) Service Hours. Beer and/or wine service will only occur at the following times:

Monday through Thursday – 11 AM through 9 PM
Friday and Saturday – 11 AM through 10 PM
Sunday – 10:30 AM – 9 PM

No alcohol consumption or sales shall take place on the Property outside of the above listed hours.

(ii) Special Event Celebration Permits (as defined by New Mexico Alcohol Beverage Control Division). Tenant and any subtenants may request, from the Landlord, a possible total, between Tenant and all subtenants, of twelve (12) special event celebration permits, within one calendar year, held outside of the Designated Service Areas and/or

outside of the Service Hours listed in Section I(i) above that would include beer and/or wine service anywhere on the Property and at specific times relevant to the proposed event. Tenant and any subtenants are required to receive written approval from Landlord prior to any special events and Landlord must be included on any application to the New Mexico Alcohol Beverage Control Division as the "property owner".

(iii) **Beer and wine service shall only occur within the Designated Services Areas and during the permitted Service Hours. No alcohol service shall occur on the Property outside of the Designated Services Areas or permitted Service Hours unless a Special Event Celebration Permit has been obtained and approved in accordance with Section I(ii) above.**

(iv) Notice of Breach and Administrative Fees. Service and/or consumption of alcohol outside of the Designated Service Areas and/or the permitted Service Hours, and Landlord approved special celebration events, is a material breach of the Substitute Ground Lease. Each instance of an individual discovered serving and/or consuming alcohol outside of the parameters set herein will result in a Notice of Material Breach provided by Landlord to Tenant. Landlord and Tenant agree that alcohol service and consumption is to be monitored closely for the safety, health and welfare of the Citizens of Rio Rancho. Upon breach of the Substitute Ground Lease in this specific fashion, the Tenant will pay Administrative Costs as outlined in Section 14. Additionally, Landlord may revoke its consent for Tenant to perform the Additional Permitted Activities as described in Section 6(B)(ii) and/or seek termination of the Lease in accordance with Section 14 below."

g. Section 13 is hereby deleted in full and replaced with the following:

"**Breach and Default.** The following shall constitute a breach of the Substitute Ground Lease and failure to remedy any breach listed herein shall further constitute a default by Tenant hereunder: (A) a failure to pay rentals or any other payment required to be made hereunder within 10 days after written notice from Landlord of delinquency of such payments; (B) a failure to promptly commence and diligently prosecute cure of any other default after written notice from Landlord specifying the default; (C) Tenant voluntarily makes an assignment for the benefit of its creditors, consents to the appointment of a receiver for the premises or files a petition for liquidation, reorganization or arrangement with creditors in any bankruptcy or insolvency proceeding; (D) Tenant files an answer admitting the material allegations of any petition filed against it in any bankruptcy, reorganizations or insolvency proceeding; (E) an order of any court is entered adjudicating Tenant bankrupt or insolvent or appointing a receiver, trustee or

liquidator of the Premises; (F) failure to provide and report Free Programing and/or failure to provide Compliance reporting three calendar days after the due date as required by the Substitute Ground Lease; (G) failure to timely construct and/or repair capital located on the Property; (H) failure to maintain and repair the Property as per the Lease requirements; or (I) any Violations by Tenant or any subtenant."

h. Section 14 is hereby deleted in full and replaced with the following:

"Remedies and Administrative Costs.

A. Remedies. Should Tenant fail to cure any default within the time and in the manner provided for herein, Landlord may, subject to the rights of the Leasehold Mortgagee described in Section 10, take immediate possession of the Premises without notice to Tenant either directly or through a court-appointed receiver and either (A) terminate this Lease, holding Tenant liable for damages for breach of contract; or (B) without terminating this Lease, re-let the Premises for such rentals and conditions as Landlord, in its sole discretion, deems expedient, and Tenant shall be liable to Landlord for any deficiency; or (C) without terminating this Lease, invoke administrative fees and costs in accordance with Subsection E of this Section. No forbearance or waiver of any default by Landlord shall be construed as a waiver of Landlord's right in the event of any subsequent default. All rights and remedies of Landlord under this Lease shall be cumulative, and none shall exclude any other remedy allowed by law; such remedies may be exercised and enforced concurrently and as often as the occasion therefor arises.

B. **Violations by a Subtenant.** The Tenant shall have 30 days to remedy any subtenant Violation(s) or alternatively terminate any and all agreements between Tenant and subtenant related to the use of the Property. Failure of Tenant to cure subtenant lease violations constitutes a default by Tenant.

C. **Notice.** Tenant shall notify Landlord within 24 hours of any Violation(s) by either Tenant or any subtenant(s).

D. **Inspections.** Once a year the Landlord shall schedule one visit to inspect the property. In addition, once during a calendar year the Landlord may conduct one unannounced property inspection.

E. **Administrative Costs**.

(i) Should Tenant fail to cure any default within the time and in the manner provided for herein, Tenant will be responsible and pay for all administrative fees and costs associated and kept by the Landlord, including the recovery of legal fees and costs for the enforcement of Lease terms by the Landlord.

(ii) Should Tenant breach the Substitute Ground Lease as specified in Section (6)(I), Landlord shall provide a written Notice of Breach and Tenant shall reimburse the Landlord for administrative costs for each written notice in the amount of $500 per Notice."

3. Ratification and Effect. The Ground Lease, as amended hereby, is ratified and confirmed for all purposes. To the extent that there is any conflict between this First Amendment and the Ground Lease, the terms of this First Amendment shall govern and control.

4. Counterparts. This First Amendment may be executed in counterparts that, when assembled, constitute one fully enforceable instrument, and electronic or facsimile or email signatures shall the same force and effect as original signatures.

IN WITNESS WHEREOF, Landlord and Tenant have executed this First Amendment to be effective as of the date first written above.

LANDLORD:

THE CITY OF RIO RANCHO,
a municipal corporation

By: _____
Matthew B. Geisel, City Manager

Approved as to Form:

By: _____
Josh Rubin, City Attorney

TENANT:

MCDERMOTT SPORTS, LLC,
a New Mexico limited liability company

By: _____
Michael McDermott, Manager

EXHIBIT B

COMPLIANCE REPORTING

Tenant shall deliver the following quarterly reports to Landlord no later than March 31st, June 30th, September 30th, and December 31st of each year:

1. Profits/Loss Statement for the preceding quarter;

2. Total hours of operation by month from the preceding quarter;

3. Total hours of free programming provided under Section 6(E) of the Lease and the number of people served during the previous quarter.

4. A copy of all new and/or currently existing subleases entered into by Tenant that have not been previously provided to the City.

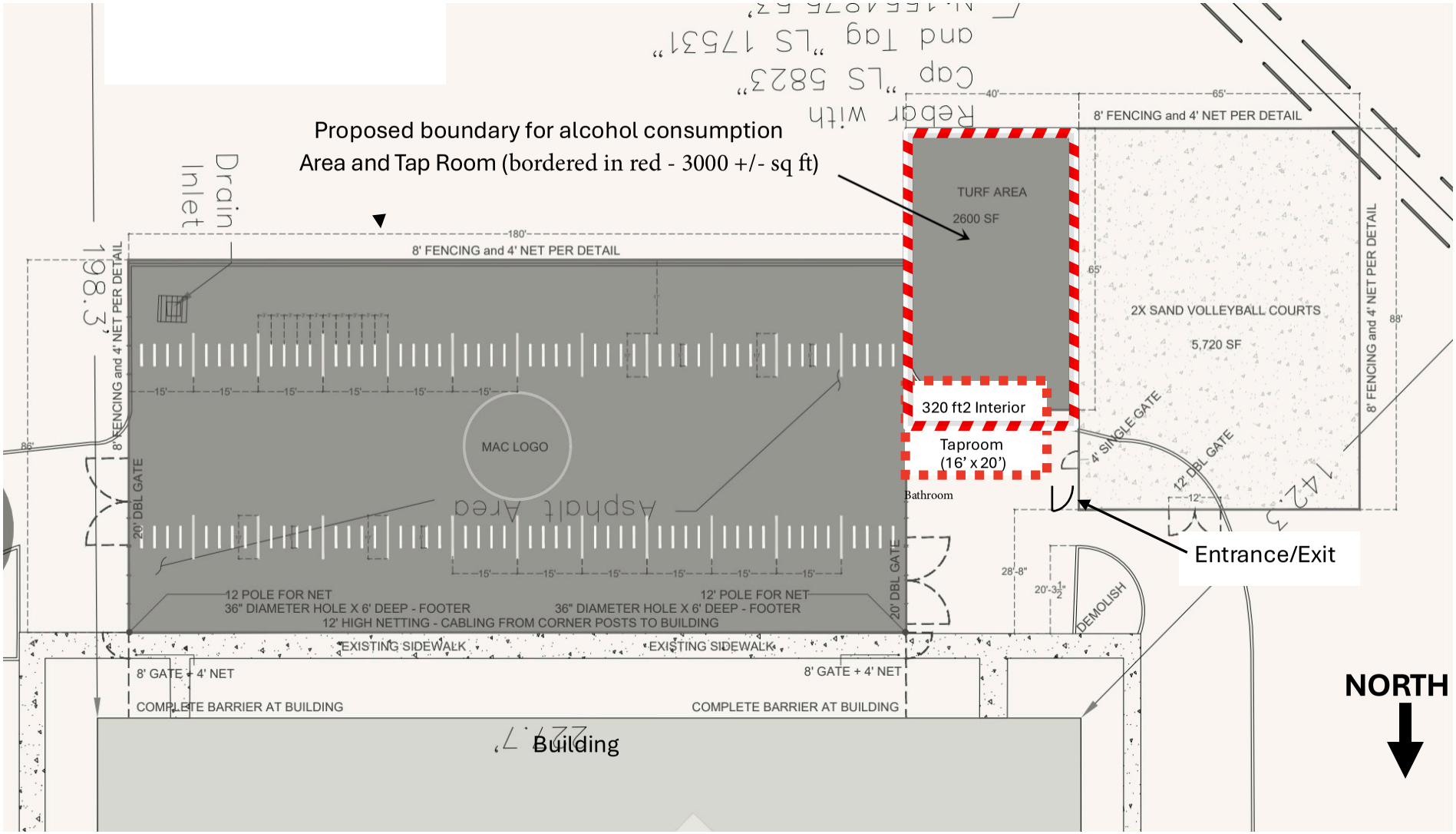
Tenant shall deliver the following annual reports to City no later than December 31st of each year:

1. Certificates of casualty and liability insurance demonstrating compliance with the provisions of Sections 9(A) and 9(B) of the Lease.

All reports or other documents required hereby are to be submitted to the Office of the City Manager attested as to their accuracy and correctness by an authorized representative of Tenant.

Taproom at The MAC - 801 Loma Colorado Blvd, Rio Rancho, NM 87124

3,000 +/- ft of Alcohol Consumption Premise



Schedule 2
"Original Building" as of XX, 20XX
As adopted in the Substitute Ground Lease of August 2016

SITEPLAN

Address:
801 LOMA COLORADO BLVD NE RIO RANCHO, NM 87124

Assessor's Parcel Number:
1013070371399373374

Parcel Area:
7.33 Acres

Land Use:
VACANT LAND MISCELLANEOUS VACANT LAND

Zoning: /

Legal Description:
SUBD:LOMA COLORADO TRACT: P1C S: 18 T: 12N R: 3E

Subdivision:
~~LOMA COLORADO~~

Owner: Units Multiple
~~Owners~~ (2 Units)

Paper size & scale:
11"x 17"; 1"=90'

Date: March, 2026

SITEPLAN4YOU.com

Dear Members of the Rio Rancho Governing Body,
Thank you for taking the time to consider our requests. We are making applications for both Land Use (Zone Map Amendment (ZMA) with Site Plan) and a request to amend our LEDA Ground Lease to add expanded uses to site.

We understand that decisions like this are not just about zoning classifications or lease structures—they're about shaping the kind of community Rio Rancho continues to become. With that in mind, I wanted to speak to you not just as a business owner, but as a long-term partner in this city. We have been the owner/operators of The Mac since 2016. There have been multiple ownership groups and/or operators since its inception in 1995. The Ground Lease was amended in 2016 when we took ownership. Please note, we are the longest tenured owner/operators of the facility.

For nearly ten years, The MAC has been proud to serve Rio Rancho as a place where families gather, kids grow, and the community comes together. Every day, we see firsthand what this facility means to people—whether it's a young athlete stepping onto the ice for the first time, a team celebrating a hard-earned win, or a family simply looking for a place to spend time together. That purpose has always guided us, and it will continue to do so.

Our relationship with the City has been central to that mission. Through our ground lease agreement, we've worked to deliver on the promise of providing meaningful recreational opportunities while giving back—whether through free programming, partnerships with local schools and organizations, or simply maintaining a space that enhances quality of life for residents. We take that responsibility seriously.

But like many long-standing community businesses, we are at a point where sustaining that mission requires thoughtful evolution.

Over the years, we've worked hard to maximize what we can offer within our existing footprint. We've expanded programming, added outdoor amenities, and continuously looked for ways to serve more people without losing what makes The MAC special. At the same time, the realities of operating a large facility have changed significantly. Costs have risen, seasonal fluctuations remain a challenge, and yet we've made a conscious choice to keep our services accessible to families in this community by expanding services in an effort to mitigate passing rising costs onto our customers.

Operating costs have significantly increased over the past several years. These include, but are not limited to, a 50% increase in property taxes, 3% interest rate increase on existing debt-

service, 35% increase in insurance, and 20% increase in overall utility costs. Unfortunately, we anticipate these costs to continue to increase.

However, even with these rising expenses, we have maintained and/or nominally increased our prices. Our goal has always been, and continues to be, to be accessible to all Rio Rancho residents.

We've identified a clear need within Rio Rancho that currently goes unmet: adult recreational space that allows people to gather, compete, and connect in a way that complements the youth-focused services we already provide. By introducing a small, carefully controlled tap room in partnership with a local brewery, we can begin to serve that audience while creating a new, diversified revenue stream that supports the entire operation. This new service offering is anticipated to be a revenue stream that experiences less seasonality.

As such, we have a parallel Zone Map Amendment (ZMA) request before you are to add the following zoning classification to the entire parcel: "*Restaurants, Bars, Lounges, Coffee/Tea Rooms, Delicatessens, and Patio/Al Fresco Dining Facilities on the subject parcel."* Additionally, we have requested that this use be added to the LEDA ground lease.

I want to be very clear on this point: The MAC will always be, at its core, a youth and family facility. That will not change. This is not a shift in identity—it is a step toward financial stability. The proposed addition is intentionally limited in size and scope, both physically and operationally. While the zoning would apply to the parcel, alcohol service would be confined to a designated area, separate from the main the facility, and managed in a way that reflects the responsibility we feel to the community and to you as its leaders. This restriction will be codified in the proposed amended LEDA grounded lease. Additionally, the proposed amended LEDA ground lease will also codify that alcohol service inside the main facility may only occur under a Special Event Permit authorized by the City and duly approved by the NM Alcohol Beverage Control Board.

You may recall that in 2024 the Governing Body approved a ZMA in support of a larger expansion for this site, including a full restaurant concept. That ZMA was restricted to a subdivided portion of the original parcel. That plan ultimately proved too costly to pursue. What we are proposing now is a more measured, phased approach—one that allows us to grow responsibly, adapt to community needs, and remain financially viable without overextending. Additionally, the ZMA and requested amended ground lease would allow for potential future expanded food service options in the main facility and/or in the expansion area.

We believe this request aligns with the broader vision for Rio Rancho: a city that supports local businesses, invests in quality-of-life amenities, and continues to evolve in ways that benefit its residents. Facilities like The MAC exist in neighboring states with similar offerings, and they've proven to be successful community anchors. We want to ensure Rio Rancho has that same opportunity.

At the end of the day, this request comes down to one simple goal: to continue serving this community for the next ten years and beyond.

We're not asking to become something different—we're asking for the ability to grow with the needs of the community.

We appreciate your consideration, your time, and your continued support of The MAC. We are proud to be part of Rio Rancho, and we look forward to continuing that partnership well into the future.

Respectfully,

Michael McDermott

Michael McDermott
McDermott Sports, LLC (The MAC)
801 Loma Colorado Blvd.
Rio Rancho, NM 87124

MAC Fact Sheet and Overview

Applicant: McDermott Sports, LLC (DBA The MAC) **Location:** Rio Rancho, NM

REQUEST

McDermott Sports, LLC respectfully requests approval of a **Zone Map Amendment** along with a **restructured ground lease agreement** to allow for the addition of limited adult-oriented recreational amenities, including a small tap room and associated outdoor recreation space.

EXISTING CONDITIONS AND AGREEMENT

The MAC currently operates under a preexisting LEDA ground lease agreement with the City of Rio Rancho. Under this agreement:

- The **City owns the land**, while **all improvements are privately owned** by McDermott Sports, LLC.
- The MAC is required to operate as a **sports and recreation facility**, contributing to the quality of life for Rio Rancho residents.
- The MAC provides **150 hours of free programming annually**, equating to approximately **$15,000 in community benefit**.
- The MAC receives a **property tax abatement on land**, saving approximately **$8,000–$10,000 annually**, while continuing to pay taxes on all improvements.
- The MAC **pays a nominal fee for the ground lease**. This is a significant savings over the cost to acquire (or make debt service) on fee simple landownership or long-term ground lease from a real estate developer.
- Land Lease Agreement originated when the building was constructed.

FACILITY OVERVIEW

The MAC is a **70,000 square foot indoor sports and recreation facility** that includes:

- Seven indoor batting cages
- Two full-size basketball courts
- One NHL regulation ice rink
- Snack bar and leased tenant spaces

Additionally, the site includes:

- A 17,000 square foot outdoor turf fields
- Two sand volleyball courts

The facility also supports local businesses and organizations leasing space on-site.

SERVICES AND COMMUNITY IMPACT

The MAC serves a broad cross-section of the community, including:

- Youth athletes (baseball, softball, basketball, hockey, volleyball, figure skating)

- Adult recreational users
- School and nonprofit groups

Key partnerships and users include:

- ABA Hooligans Baseball Academy (~400 athletes)
- New Mexico Amateur Hockey Association
- Warrior Hockey Club / NM Hockey
- Figure Skating Club of Rio Rancho
- UNM Men's and Women's Hockey
- Goatheads Hockey Team
- ARVC Volleyball (largest in NM)
- Rio Rancho High School programs
- Special Olympics of New Mexico (facility use provided free of charge)

The MAC also provides:

- Camps and clinics
- Learn-to-Skate programs
- Youth sports programming
- Over **200 birthday parties annually**
- Field trips and community events

Recent Investments/Improvements:

Over the last several years, MAC ownership has made considerable investments in regards to upgrades and expanded services. These included, but are not limited to:

- Summer 2022: New Compressor for Ice Rink ($220,000)
- Fall 2024: Installation of new commercial pitching machines (more walk-in friendly) and expansion of batting cage area ($75,000)
- Spring 2025: Installation of new Cooling Tower for Ice Rink ($180,000)
- Summer 2025: Construction of 17,000 square foot outdoor turf field and 10,000 square foot sand volleyball area ($450,000)
- Upcoming Summer 2026: Hockey locker room renovation and full ice-rink melt ($100,000)

Total capital investment since 2022: $1,025,000