

# Commission Meeting Agenda



## Mayor

Samuel D. Cobb

## City Commission

R. Finn Smith – District 1  
Christopher R. Mills – District 2  
Larron B. Fields – District 3  
Joseph D. Calderón – District 4  
Dwayne Penick – District 5  
Don R. Gerth – District 6

## City Manager

Manny Gomez

*January 3, 2022*



**Hobbs City Commission**  
Regular Meeting  
City Hall, City Commission Chamber  
200 E. Broadway, 1<sup>st</sup> Floor Annex, Hobbs, New Mexico

**Monday, January 3, 2022 - 6:00 p.m.**

Sam D. Cobb, Mayor

R. Finn Smith  
Commissioner – District 1

Joseph D. Calderón  
Commissioner – District 4

Christopher R. Mills  
Commissioner – District 2

Dwayne Penick  
Commissioner – District 5

Larron B. Fields  
Commissioner – District 3

Don R. Gerth  
Commissioner – District 6

This meeting is open to the public to attend. Members of the public are asked to wear a face mask and follow social distancing guidelines. The public is invited to address public comments to the Commission in person at the meeting or submit written comments prior to the meeting. Written comments should be submitted no later than 4:30 p.m. on January 3, 2022, addressed to the City Clerk by email at [jfletcher@hobbsnm.org](mailto:jfletcher@hobbsnm.org) or faxed to (575) 397-9334.

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**A G E N D A**

City Commission Meetings are  
Broadcast Live on KHBX FM 99.3 Radio and  
Available via Livestream at [www.hobbsnm.org](http://www.hobbsnm.org)

**CALL TO ORDER AND ROLL CALL**

**INVOCATION AND PLEDGE OF ALLEGIANCE**

**APPROVAL OF MINUTES**

1. Minutes of the December 20, 2021, Regular Commission Meeting (*Jan Fletcher, City Clerk*)

## **PROCLAMATIONS AND AWARDS OF MERIT**

**PUBLIC COMMENTS** *(Citizens who wish to speak must sign the Public Comment Registration Form located in the Commission Chamber prior to the beginning of the meeting.)*

Due to COVID-19, public comment may be submitted in person or in writing. Written comments should be submitted to the City Clerk at [jfletcher@hobbsnm.org](mailto:jfletcher@hobbsnm.org) or faxed to (575) 397-9334 no later than 4:30 p.m. on the day of the meeting, January 3, 2022.

**CONSENT AGENDA** *(The consent agenda is approved by a single motion. Any member of the Commission may request an item to be transferred to the regular agenda from the consent agenda without discussion or vote.)*

2. Resolution No. 7145 – Stating the Reasonable Notice Procedures for the City of Hobbs Pursuant to the New Mexico Open Meetings Act *(Efren Cortez, City Attorney)*
3. Resolution No. 7146 – Authorizing the Mayor to Make an Appointment to the Lodgers' Tax Advisory Board *(Mayor Sam Cobb)*

## **DISCUSSION**

None

## **ACTION ITEMS** *(Ordinances, Resolutions, Public Hearings)*

4. **FINAL ADOPTION:** Ordinance No. 1139 – Consenting to the Del Norte Heights Annexation of a Portion of Section 16, Township 18 South, Range 38 East, Which is Presently Not Included in the City Limits, as Requested by the Owner of the Property and Recommended by the Planning Board *(Kevin Robinson, Development Director)*
5. Resolution No. 7147 – Approving the Execution of a Ground Lessor Estoppel Certificate in Favor of Cedars Affordable Senior Housing, LP, Located at 501 West Alto *(Kevin Robinson, Development Director, and Valerie Chacon, Deputy City Attorney)*
6. Consideration of Approval of the Paid Time Off (PTO) Payout for Calendar Year 2021 *(Toby Spears, Finance Director)*

## **COMMENTS BY CITY COMMISSIONERS, CITY MANAGER**

7. Next Meeting Date:

- City Commission:  
Regular Meeting – *Tuesday, January 18, 2022, at 6:00 p.m.*

## **ADJOURNMENT**

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the above meeting, please contact the City Clerk's Office at (575) 397-9200 at least 72 hours prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the City Clerk's Office if a summary or other type of accessible format is needed.



# CITY OF HOBBS

## COMMISSION STAFF SUMMARY FORM

MEETING DATE: January 3, 2022

**SUBJECT: City Commission Meeting Minutes**

DEPT. OF ORIGIN: City Clerk's Office  
DATE SUBMITTED: December 29, 2021  
SUBMITTED BY: Jan Fletcher, City Clerk

**Summary:**

The following minutes are submitted for approval:

- Regular Commission Meeting of December 20, 2021

**Fiscal Impact:**

Reviewed By: \_\_\_\_\_  
*Finance Department*

N/A

**Attachments:**

Minutes as referenced under "Summary".

**Legal Review:**

Approved As To Form: \_\_\_\_\_  
*City Attorney*

**Recommendation:**

Motion to approve the minutes as presented.

Approved For Submittal By:

  
\_\_\_\_\_  
*Department Director*

\_\_\_\_\_  
*City Manager*

**CITY CLERK'S USE ONLY  
COMMISSION ACTION TAKEN**

Resolution No. _____	Continued To: _____
Ordinance No. _____	Referred To: _____
Approved _____	Denied _____
Other _____	File No. _____

Minutes of the regular meeting of the Hobbs City Commission held on Monday, December 20, 2021, in the City Commission Chamber, 200 East Broadway, 1<sup>st</sup> Floor Annex, Hobbs, New Mexico. This meeting was also viewable to the public via Livestream on the City's website at [www.hobbsnm.org](http://www.hobbsnm.org).

### **Call to Order and Roll Call**

Mayor Pro Tem Calderón called the meeting to order at 6:00 p.m. and welcomed everyone in attendance to the meeting and everyone viewing through Livestream. The City Clerk called the roll and the following answered present:

Mayor Pro Tem Joseph D. Calderón  
Commissioner R. Finn Smith (*telephonically*)  
Commissioner Christopher Mills  
Commissioner Larron B. Fields  
Commissioner Dwayne Penick  
Commissioner Don Gerth

Absent: Mayor Sam D. Cobb

Also present: Manny Gomez, City Manager  
Efren Cortez, City Attorney  
Valerie Chacon, Deputy City Attorney  
Barry Young, Fire Chief  
Kevin Shearer, Battalion Chief  
Mark Doporto, Deputy Fire Chief  
Shawn Williams, Fire Marshal  
Jessica Silva, Code Enforcement Officer  
Bobby Arther, Municipal Judge  
Doug McDaniel, Recreation Director  
Matt Hughes, Rockwind Community Links Superintendent  
Nicholas Goulet, Human Resources Director  
Selena Estrada, Risk Management  
Kevin Robinson, Development Director  
Todd Randall, City Engineer  
Tim Woomer, Utilities Director  
Ron Roberts, Information Technology Director  
Meghan Mooney, Communications Director  
Sandy Farrell, Library Director  
Julie Nymeyer, Executive Assistant  
Mollie Maldonado, Deputy City Clerk  
Jan Fletcher, City Clerk  
20 citizens

### **Invocation and Pledge of Allegiance**

Commissioner Fields delivered the invocation and Commissioner Penick led the Pledge of Allegiance.

### **Approval of Minutes**

Commissioner Fields moved the minutes of the regular Commission meeting held on December 6, 2021, be approved as written. Commissioner Gerth seconded the motion and the roll call vote was recorded as follows: Smith yes, Mills yes, Fields yes, Calderón yes, Gerth yes, Penick yes. The motion carried.

### **Proclamations and Awards of Merit**

#### **Presentation of Life Saving Recognition and Awards to Hobbs Fire Department Fire Fighters.**

Fire Chief Barry Young recognized six members of the Hobbs Fire Department (HFD) who rescued a small child that was choking and is here today thanks to the life saving measures taken by HFD staff on that day. He stated it is not every day there is a positive outcome in these cases. Ms. Sydney Bishop, mother of the child, stated the fire fighters took quick action and they are all heroes to her and her family. The following members of the HFD were recognized with Life Saving Recognition and Awards as follows:

- Ty Gleaves
- Luca Salmon
- Rafael Marquez
- Joseph Meyers
- Antonio Alarcon
- Shaina Roye

#### **Recognition of City Employees - Milestone Service Awards for the Month of December, 2021**

City Manager Manny Gomez recognized the employees who have reached milestone service awards with the City of Hobbs for the month of December, 2021, which total 45 years of service worked. He read their names, job titles and gave a brief summary of the job duties performed by each of the following employees:

- 5 years - Matthew Clark, Hobbs Fire Department
- 5 years - Cutter Edwards, Hobbs Fire Department
- 10 years - Cynthia Gonzalez, Motor Vehicle Department
- 10 years - Richard Rendon, Hobbs Fire Department
- 15 years - Linda Deming, Hobbs Police Department

City Manager Gomez thanked the Commission for recognizing the employees and their service to the City. He stated the City's employees are the most important resource and asset within the organization. He expressed thanks and appreciation to the employees and their families.

### **Public Comments**

Due to COVID-19, public comments may be submitted in person or in writing. Written comments should be submitted to the City Clerk at [jfletcher@hobbsnm.org](mailto:jfletcher@hobbsnm.org) or faxed to (575) 397-9334 no later than 4:30 p.m. on the day of the meeting, December 20, 2021. There were no public comments in person or submitted in writing.

### **Consent Agenda**

There were no items for the Consent Agenda.

### **Discussion**

There were no items for discussion.

### **Action Items**

#### **FINAL ADOPTION: Ordinance No. 1138 - Amending Section 3.10.040 of the Hobbs Municipal Code Amending the City's Economic Development Strategic Plan Ordinance**

Mr. Efren Cortez, City Attorney, explained the final adoption of the proposed ordinance amending Section 3.10.040 of the Hobbs Municipal Code regarding the City's Economic Development Strategic Plan Ordinance. He stated the New Mexico Legislature passed Senate Bill 49 (SB49) on March 19, 2021, which amended the Local Economic Development Act (LEDA), NMSA 1978, §§ 5-10-1 through 5-10-17, to allow for the utilization of public support for cultural facilities and retail businesses throughout New Mexico. He explained the City of Hobbs adopted Ordinance No. 915 in 2003 which created the City of Hobbs Economic Development Strategic Plan Ordinance. Mr. Cortez stated in light of the changes to SB49, the City of Hobbs must amend its Economic Development Strategic Plan Ordinance to affirmatively state that cultural facilities and retail businesses constitute qualifying entities before any public support can be provided to these entities. He outlined the following amendments in the proposed ordinance:

- Amends Section 3.10.040 to state that cultural facilities and retail businesses constitute qualifying businesses;
- Amends the term "assets" to "public support" in compliance with NMSA 1978, § 5-10-3(K)

Mr. Cortez stated the purpose of the proposed amendments to the Hobbs Economic Development Strategic Plan Ordinance is to boost the economy in Hobbs. He further stated SB49 changed the definition of retail businesses for communities larger than 15,000 citizens. He added the amendments to the Hobbs Economic Development Strategic Plan Ordinance will be similar to what is practiced in Texas which is where a large number of citizens go for shopping. Mr. Cortez emphasized this proposed



ordinance, if approved, will not increase City's taxes. He further stated the voters would have to vote on any tax increase for Hobbs if it is the desire of the Commission to increase any taxes in the City.

In reply to Commissioner Penick's question, Mr. Cortez stated the Commission will determine how the public support for cultural facilities and retail businesses will be dispersed to businesses.

Commissioner Fields stated he is in favor of the proposed ordinance as it is good for growth in the City.

In response to Commissioner Gerth's inquiry, Mr. Cortez stated the Economic Development Corporation of Lea County (EDC) is on board with the proposed ordinance. He stated Ms. Jennifer Grassham, CEO of the EDC, is unable to attend tonight's meeting.

Proper publication having been made, and there being no public comments, Commissioner Penick moved to adopt Ordinance No. 1138 as presented. Commissioner Gerth seconded the motion and roll call vote was recorded as follows: Smith yes, Mills yes, Fields yes, Calderón yes, Penick yes, Gerth yes. The motion carried. A copy of the ordinance is attached and made a part of these minutes.

*Resolution No. 7142 – Proposing an Economic Development Strategic Plan Ordinance  
Ballot Question at the Municipal Officer Election to be held on Tuesday, March 1, 2022*

Mr. Cortez stated following consideration of the previous item, Hobbs Municipal Code Chapter 3.10 now allows for the provision of "public support" for retail establishments and cultural facilities. Pursuant to NMSA 1978, §5-10-4, an election to approve retail establishments and cultural facilities as qualifying entities to receive "public support" is necessary prior to the expenditure of public funds for either retail businesses or cultural facilities. Mr. Cortez stated the proposed resolution sets forth the ballot question regarding public support for retail businesses and cultural facilities which shall appear on the March 1, 2022, Municipal Officer Election ballot for the City of Hobbs. He further stated the City of Clovis had the same language on its ballot, at its previous election, and the measure passed with a high margin.

In response to Commissioner Fields' question, Mr. Gomez stated the City will utilize the EDC to market the approach. He stated input and advice on the topic is welcome.

There being no further discussion, Commissioner Fields moved to approve Resolution No. 7142 as presented. Commissioner Penick seconded the motion and the roll call vote was recorded as follows: Smith yes, Mills yes, Fields yes, Penick yes, Calderón yes, Gerth yes. The motion carried. A copy of the resolution is attached and made a part of these minutes.

Resolution No. 7143 – Determining that Certain Structures are Ruined, Damaged and Dilapidated, are a Menace to Public Comfort, Health and Safety and Requires Removal from the Municipality (310 East Castle)

Ms. Valerie Chacon, Deputy City Attorney, explained the resolution and stated in the City's continuing promotion of safety and clean-up efforts within city limits, the Hobbs Police Department, Community Services Division, has identified properties which present health, life and safety hazards, which warrant remediation. She further stated the property located at 310 East Castle is a property that is ruined, damaged and dilapidated and a menace to the public comfort, health and safety. Ms. Chacon presented photographs of the property being proposed for condemnation and stated the owners are deceased. She further stated there are squatters living in the mobile home with no running water or permanent electricity.

In reply to Commissioner Gerth's question, Ms. Chacon stated this is the first time this property has been presented to the Commission as a dilapidated property.

There being no further discussion, Commissioner Gerth moved to approve Resolution No. 7143 as presented. Commissioner Fields seconded the motion and the roll call vote was recorded as follows: Smith yes, Mills yes, Fields yes, Penick yes, Calderón yes, Gerth yes. The motion carried. A copy of the resolution and supporting documentation are attached and made a part of these minutes.

Resolution No. 7144 – Rescinding Condemnation of Certain Properties that have Previously Been Determined to be Ruined, Damaged, Dilapidated and a Menace to Public Comfort, Health and Safety

Ms. Chacon explained the resolution and stated the City has identified properties which were previously condemned but are no longer ruined, damaged or dilapidated. Ms. Chacon stated the following properties have been demolished or renovated and it is recommended that the previous condemnations be rescinded:

- 1414 E. Midwest
- 203 E. White
- 2502 W. Midwest
- 412 W. Scharbauer
- 1701 ½ E. Main
- 1323 E. Main
- 1210 E. Main
- West of 1009 E. Main
- 519 W. Main
- Behind 102 N. Willow
- N. of 1122 N. Jefferson
- 214 S. Jefferson

- 308 N. Marland
- S. of 416 S. Selman
- Garage S. of 616 N. Linam
- 611 N. Linam
- West of 801 S. Jefferson
- 312 W. Park
- 205 E. Park
- Behind 313 E. Park
- 921 N. Thorp Behind
- 1814 S. Thorp
- 607 S. Grimes

Commissioner Penick stated big improvements have been made to the properties.

There being no further discussion, Commissioner Penick moved to approve Resolution No. 7144 as presented. Commissioner Gerth seconded the motion and the roll call vote was recorded as follows: Smith yes, Mills yes, Fields yes, Penick yes, Calderón yes, Gerth yes. The motion carried. A copy of the resolution and supporting documentation are attached and made a part of these minutes.

#### **COMMENTS BY CITY COMMISSIONERS, CITY MANAGER**

Mayor Pro Tem Calderón stated the next regular Commission meeting will be held on January 3, 2022, at 6:00 p.m.

City Manager Gomez stated the City is very fortunate to have competent City staff who carry us throughout the year. He stated staff promises and delivers service. City Manager Gomez expressed his appreciation to the Commission for their support.

City Manager Gomez wished everyone a Merry Christmas and a Happy New Year.

City Manager Gomez stated the Lea County DWI Program is hosting the Topsy Taxi Designated Driver Service which runs on Friday and Saturday nights from 6:00 p.m. to 2:00 a.m. from Thanksgiving through New Year's Eve with the exception that no service is offered on Christmas Day.

Commissioner Penick stated it is a pleasure to serve Hobbs. He added the City is blessed with City staff that is always prepared to help.

Commissioners Penick, Smith, Fields, Mills and Gerth also wished everyone a Merry Christmas and a Happy New Year.

Commissioner Fields stated he supports Interim Police Chief August Fons. He also stated he appreciates City Manager Gomez for all he does for the City.

Mayor Pro Tem Calderón stated he teaches young kids at the Lea County Detention Center and while they have made some mistakes in their lives, they are good kids. Mayor Pro Tem Calderón stated several individuals have donated books and puzzles as gifts for the kids. He stated the kids have given him a gift of "respect" which is the biggest gift of all.

### **Adjournment**

There being no further business or comments, Commissioner Penick moved that the meeting adjourn. Commissioner Smith seconded the motion and the roll call vote was recorded as follows: Smith yes, Mills yes, Fields yes, Calderón yes, Penick yes, Gerth yes. The motion carried. The meeting adjourned at 7:00 p.m.

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SAM COBB, Mayor

ATTEST:

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JAN FLETCHER, City Clerk



# **CONSENT AGENDA**



**CITY OF HOBBS**  
COMMISSION STAFF SUMMARY FORM

MEETING DATE: January 3, 2022

**SUBJECT:** A RESOLUTION STATING THE REASONABLE NOTICE PROCEDURES FOR THE CITY OF HOBBS PURSUANT TO THE NEW MEXICO OPEN MEETINGS ACT

**DEPT. OF ORIGIN:** Legal Department  
**DATE SUBMITTED:** December 27, 2021  
**SUBMITTED BY:** Efren A. Cortez, City Attorney

**Summary:**  
NMSA 1978, §10-15-1(D), provides that the public body shall determine at least annually in a public meeting what notices for public meetings are reasonable. This Resolution is adopted annually by the governing body setting forth the City of Hobbs' notice procedures for all public meetings pursuant to New Mexico's Open Meetings Act (NMSA 1978, §10-15-1, et seq.).

**Fiscal Impact:**

There is no fiscal impact associated with this Resolution.

Reviewed By: 

Finance Department

**Attachments:**

Proposed Resolution

**Legal Review:**

Approved As To Form: 

City Attorney

**Recommendation:**

The Commission should consider this Resolution.

Approved For Submittal By:

  
\_\_\_\_\_  
Department Director

  
\_\_\_\_\_  
City Manager

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Resolution No. \_\_\_\_\_  
Ordinance No. \_\_\_\_\_  
Approved \_\_\_\_\_  
Other \_\_\_\_\_

Continued To: \_\_\_\_\_  
Referred To: \_\_\_\_\_  
Denied \_\_\_\_\_  
File No. \_\_\_\_\_

CITY OF HOBBS

RESOLUTION NO. 7145

A RESOLUTION STATING THE REASONABLE NOTICE PROCEDURES FOR THE CITY OF HOBBS PURSUANT TO THE NEW MEXICO OPEN MEETINGS ACT

WHEREAS, The City of Hobbs City Commission met in regular session at the City Hall, City Commission Chambers located at 200 E. Broadway, 1<sup>st</sup> Floor Annex, Hobbs, New Mexico, on January 3, 2022, at 6 p.m. as required by law; and

WHEREAS, Section 10-15-1(B) of the Open Meetings Act (NMSA 1978, §§ 10-15-1 through 10-15-4) states that, except as may be otherwise provided in the Constitution or the provisions of the Open Meetings Act, all meetings of a quorum of members of any board, council, commission, administrative adjudicatory body or other policymaking body of any state or local public agency held for the purpose of formulating public policy, discussing public business or for the purpose of taking any action within the authority of or the delegated authority of such body, are declared to be public meetings open to the public at all times; and

WHEREAS, all persons desiring shall be permitted to attend and listen to the deliberations and proceedings of all public meetings; and

WHEREAS, any meetings subject to the Open Meetings Act at which the discussion or adoption of any proposed resolution, rule, regulation or formal action occurs shall be held only after reasonable notice to the public; and

WHEREAS, Section 10-15-1(D) of the Open Meeting Act requires the City of Hobbs City Commission to determine annually what constitutes reasonable notice of its

public meetings;

NOW, THEREFORE BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO that:

1. All meetings shall be held at City Hall, City Commission Chambers, 200 E. Broadway, 1<sup>st</sup> Floor Annex, Hobbs, New Mexico at 6 p.m., or as otherwise indicated in the meeting notice.
2. Unless otherwise specified, regular meetings shall be held each month on the first and third Monday of the month. The agenda will be available from the City Clerk's Office, whose office is located at City Hall in Hobbs, New Mexico, at least seventy-two hours prior to the meeting. The agenda will also be posted on the Public Notice Board located on the first floor of City Hall, and on the City of Hobbs' website at [www.hobbsnm.org](http://www.hobbsnm.org).
3. Special meetings may be called by the Mayor and any two (2) members of the commission, or by any three (3) members of the commission at any time, by written notice to all members of the commission. In the event a special meeting is called, three days' written notice must be given to the members of the commission of the calling of such special meeting. The notice for a special meeting shall include an agenda for the meeting or information on how a copy of the agenda may be obtained. The agenda will be available at least seventy-two hours before the meeting and posted on the City of Hobbs' website at [www.hobbsnm.org](http://www.hobbsnm.org).
4. Emergency meetings will be called only under unforeseen circumstances that



demand immediate action to protect the health, safety and property of citizens or to protect the public body from substantial financial loss. The City of Hobbs City Commission will avoid emergency meetings whenever possible. Emergency meetings may be called by the Mayor or a majority of the members with twenty-four hours prior notice, unless threat of personal injury or property damage requires less notice. The notice for all emergency meetings shall include an agenda for the meeting or information on how the public may obtain a copy of the agenda. Within ten days of taking action on an emergency matter, the City of Hobbs City Commission will notify the Attorney General's Office.

5. For the purpose of regular meetings described in Paragraph 2 of this resolution, notice requirements are met if notice of the date, time, place and agenda is placed in newspapers of general circulation in the state and posted in the following locations: on the Public Notice Board located on the first floor of City Hall, and the City of Hobbs' website at [www.hobbsnm.org](http://www.hobbsnm.org). Copies of the written notice shall also be mailed to those broadcast stations licensed by the Federal Communications Commission and newspapers of general circulation that have made a written request for notice of public meetings.
6. For the purposes of special meetings and emergency meetings described in Paragraphs 3 and 4, notice requirements are met if notice of the date, time, place and agenda is provided by telephone to newspapers of general circulation in the state and posted on the Public Notice Board located on the first floor of City Hall. Telephone notice also shall be given to those broadcast

stations licensed by the Federal Communications Commission and newspapers of general circulation that have made a written request for notice of public meetings.

7. In addition to the information specified above, all notices shall include the following language:

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact The City Clerk's Office at City Hall located at 200 E. Broadway, Hobbs, New Mexico, or by calling (575) 397-9200 at least 72 hours prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact The City Clerk's Office if a summary or other type of accessible format is needed.

8. The City of Hobbs City Commission may close a meeting to the public only if the subject matter of such discussion or action is excepted from the open meeting requirement under Section 10-15-1(H) of the Open Meetings Act.

(a) If any meeting is closed during an open meeting, such closure shall be approved by a majority vote of a quorum of the City of Hobbs City Commission taken during the open meeting. The authority for the closed meeting and the subjects to be discussed shall be stated with reasonable specificity in the motion to close and the vote of each individual member on the motion to close shall be recorded in the minutes. Only those subjects

specified in the motion may be discussed in the closed meeting.

(b) If a closed meeting is conducted when the City of Hobbs City Commission is not in an open meeting, the closed meeting shall not be held until public notice, appropriate under the circumstances, stating the specific provision of law authorizing the closed meeting and the subjects to be discussed with reasonable specificity, is given to the members and to the general public.

(c) Following completion of any closed meeting, the minutes of the open meeting that was closed or the minutes of the next open meeting if the closed meeting was separately scheduled, shall state whether the matters discussed in the closed meeting were limited only to those specified in the motion or notice for closure.

(d) Except as provided in Section 10-15-1(H) of the Open Meetings Act, any action taken as a result of discussions in a closed meeting shall be made by vote of the City of Hobbs City Commission in an open public meeting.

9. As provided by NMSA 1978, §10-15-1(C), a member of the public body may participate in a meeting of the public body by means of a conference telephone or other similar communications equipment when it is otherwise difficult or impossible for the member to attend the meeting in person, provided that each member participating by conference telephone can be identified when speaking, all participants are able to hear each other at the same time and members of the public attending the meeting are able to hear any member of the public body who speaks during the meeting. Additionally, the City of Hobbs

City Commission may hold “virtual” meetings in response to a public health threat or corresponding public health orders from the State of New Mexico, provided that all measures advisable and necessary are implemented to ensure public access and participation.

PASSED, ADOPTED AND APPROVED this 3rd day of January, 2022.

\_\_\_\_\_  
SAM D. COBB, Mayor

ATTEST:

\_\_\_\_\_  
JAN FLETCHER, City Clerk



**CITY OF HOBBS**  
COMMISSION STAFF SUMMARY FORM

MEETING DATE: January 3, 2022

SUBJECT: Resolution Authorizing the Mayor to Make an Appointment to the Lodgers' Tax Advisory Board

DEPT. OF ORIGIN: Mayor's Office  
DATE SUBMITTED: December 27, 2021  
SUBMITTED BY: Sam D. Cobb, Mayor

Summary:

The three-year term of the following Lodgers' Tax Advisory Board member expires on January 1, 2022:

**Lodgers' Tax Board:**

Haily Hunter – Lodging Industry Related

Fiscal Impact:

Reviewed By: \_\_\_\_\_  
*Finance Department*

There is no effect on the current year budget.

Attachments:

Resolution

Legal Review:

Approved As To Form: \_\_\_\_\_  
*City Attorney*

Recommendation:

Motion to approve the Resolution.

Approved For Submittal By:

\_\_\_\_\_  
*Department Director*

\_\_\_\_\_  
*City Manager*

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Resolution No. \_\_\_\_\_ Continued To: \_\_\_\_\_

Ordinance No. \_\_\_\_\_ Referred To: \_\_\_\_\_

Approved \_\_\_\_\_ Denied \_\_\_\_\_

Other \_\_\_\_\_ File No. \_\_\_\_\_

CITY OF HOBBS

RESOLUTION NO. 7146

A RESOLUTION AUTHORIZING THE MAYOR  
TO MAKE AN APPOINTMENT TO THE  
CITY OF HOBBS LODGERS' TAX ADVISORY BOARD

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that the Mayor be and hereby is authorized to make the following appointment to the Lodgers' Tax Advisory Board:

**LODGERS' TAX BOARD** (Three-year terms expiring January 1, 2025)  
Haily Hunter – re-appoint (representing Lodging Industry)

PASSED, ADOPTED AND APPROVED this 3<sup>rd</sup> day of January, 2022.

\_\_\_\_\_  
SAM D. COBB, Mayor

ATTEST:

\_\_\_\_\_  
JAN FLETCHER, City Clerk



# **ACTION ITEMS**



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: January 3, 2022

SUBJECT: DEL NORTE HEIGHTS ANNEXATION OF A PORTION OF SECTION 16, TOWNSHIP 18 SOUTH, RANGE 38 EAST--ADOPTION OF ORDINANCE TO APPROVE THE DEL NORTE HEIGHTS ANNEXATION OF A PORTION OF SECTION 16, TOWNSHIP 18 SOUTH, RANGE 38 EAST.

DEPT. OF ORIGIN: Planning Division
DATE SUBMITTED: December 27, 2021
SUBMITTED BY: Kevin Robinson - Planning Department

Summary: The Del Norte Heights Annexation Of A Portion Of Section 16, Township 18 South, Range 38 East area contains +/- 82 acres and is located north and northwest of the termination of Hermosa Street. The annexation proposal was presented to the Planning Board at the November 16, 2021 meeting. After review the Planning Board recommended approval to the Commission with a 4-0 vote. The Commission approved publication of the Ordinance on December 6, 2021.

Fiscal Impact: Reviewed By: Finance Department

The positive financial impact of the new development should offset any expenses that the City will incur from the new development being included within the City.

Attachments: Annexation Ordinance; Annexation Plat and Petition; and Draft Planning Board Minutes.

Legal Review: Approved As To Form: Efren A. Cortez City Attorney

Recommendation: Staff recommends that the Commission consider approval of the Adoption of the Ordinance Consenting to the Del Norte Heights Annexation Of A Portion Of Section 16, Township 18 South, Range 38 East.

Approved For Submittal By: Department Director, City Manager
CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN
Resolution No., Ordinance No., Approved, Other, Continued To, Referred To, Denied, File No.



CITY OF HOBBS

ORDINANCE NO. 1139

**AN ORDINANCE CONSENTING TO THE DEL NORTE HEIGHTS ANNEXATION OF A PORTION OF SECTION 16, TOWNSHIP 18 SOUTH, RANGE 38 EAST, WHICH IS PRESENTLY NOT INCLUDED IN THE CITY LIMITS, AS REQUESTED BY THE OWNER OF THE PROPERTY, AND AS RECOMMENDED BY THE PLANNING BOARD.**

WHEREAS, the owner of the property have petitioned the City of Hobbs to annex to the City an area in Section 16, Township 18 South, Range 38 East, N.M.P.M Lea County, New Mexico , and containing +/- 82 acres; and

WHEREAS, the property is contiguous to the present corporate limits of the City, and the Petitioner is the majority of land owned within the annexation boundary; and

WHEREAS, the Planning Board conducted a Public Meeting on November 16, 2021 regarding the annexation, and after discussion of the proposal, the Planning Board unanimously recommended approval of the Annexation by a 4-0 vote; and

WHEREAS, the City Commission has determined that it is in the best interests of the City of Hobbs to annex such territory.

NOW, THEREFORE BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, as follows:

1. That the petition requesting annexation of property into, which lands are presently outside of, the City limits hereby is approved and such territories are shown and described upon the Annexation Plat attached as Exhibit A, which is incorporated herein, hereby is annexed into the City of Hobbs.

2. That the Hobbs City Clerk will file the Annexation Ordinance and Plat with the Lea County Clerk after approval by the City Commission.

PASSED, ADOPTED AND APPROVED this 3<sup>rd</sup> day of January, 2022.

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SAM D. COBB, Mayor

ATTEST:

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JAN FLETCHER, City Clerk



**Legend**

- Family Dollar General
- Existing Municipal Boundaries



### PETITION FOR ANNEXATION

COMES NOW, Del Norte Heights, Inc. (PETITIONER), and petitions the governing body of the City of Hobbs for its consent by ordinance for the annexation of that portion of the South half of the North half of Section 16, T18S, R38E, N.M.P.M., Lea County to the City of Hobbs, more particularly described as follows:

A TRACT OF LAND SITUATED IN THE NORTH HALF OF SECTION 16, TOWNSHIP 18 SOUTH, RANGE 38 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO, BEING DESCRIBED AS FOLLOWS:

COMMENCING AT A SPINDLE FOUND FOR THE EAST QUARTER CORNER OF SAID SECTION 16, THENCE N00°41'40"W ALONG THE EAST LINE OF SAID SECTION A DISTANCE OF 175.29 FEET TO A NAIL WITH WASHER MARKED "NM 12641 TX 4735" FOUND FOR THE POINT OF BEGINNING; THENCE S89°21'02"W A DISTANCE OF 748.35 FEET TO A 1/2" STEEL ROD WITH CAP MARKED "JWSC PS 12641" SET FOR A CORNER OF THIS TRACT; THENCE S00°36'16"E A DISTANCE OF 175.31 FEET TO A 1/2" STEEL ROD WITH CAP MARKED "JWSC PS 12641" SET FOR A CORNER OF THIS TRACT; THENCE S89°20'58"W ALONG THE CORPORATE BOUNDARY TO THE CITY OF HOBBS A DISTANCE OF 4537.76 FEET TO A 1/2" STEEL ROD WITH CAP MARKED "JWSC PS 12641" FOUND IN THE WEST LINE OF SAID SECTION FOR A CORNER OF THIS TRACT; THENCE N00°41'51"W ALONG SAID WEST LINE A DISTANCE OF 700.51 FEET TO A 1/2" STEEL ROD WITH CAP MARKED "JWSC PS 12641" SET FOR A CORNER OF THIS TRACT; THENCE N89°20'58"E A DISTANCE OF 5286.43 FEET TO A 1/2" STEEL ROD AND CAP MARKED "JWSC PS 12641" SET FOR A CORNER OF THIS TRACT AND A POINT ON THE EAST LINE OF SAID SECTION; THENCE S00°38'18"E ALONG SAID EAST SECTION LINE A DISTANCE OF 525.21 FEET TO THE POINT OF BEGINNING. SAID TRACT CONTAINING 82.00 ACRES MORE OR LESS.

### REFER TO ATTACHED MAP & DEED

and Petitioner states in support of such Petition, pursuant to Section 3-7-17.1 of the New Mexico Statutes Annotated (1978) that:

1. The property petitioner wishes to be annexed and the real property is contiguous to the present municipal boundary of the City of Hobbs.
2. The petitioner is owner of a majority of the number of acres in the proposed annexation territory.
3. An Annexation Plat is attached hereto showing the boundaries of the real property proposed for annexation and the relationship of such property to the present municipal boundaries of the City of Hobbs.

Petitioner: Del Norte Heights, Inc.

Authentisign

By: Dean Atlee Snyder

11/9/2021 11:16:02 AM MST

Its: Vice- President/Co-Owner

11/09/2021

\_\_\_\_\_  
Date

# Affidavit of Publication

STATE OF NEW MEXICO  
COUNTY OF LEA

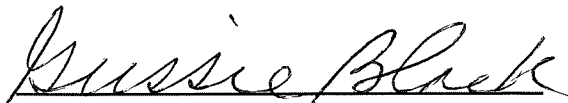
I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated  
December 15, 2021  
and ending with the issue dated  
December 15, 2021.



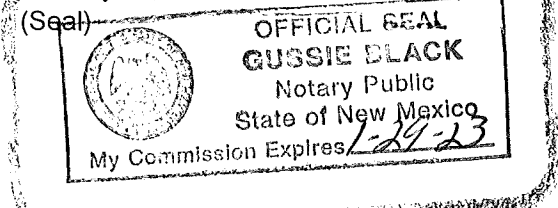
Publisher

Sworn and subscribed to before me this  
15th day of December 2021.



Business Manager

My commission expires  
January 29, 2023



This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

## LEGAL NOTICE December 15, 2021

### NOTICE OF ORDINANCE

NOTICE IS HEREBY GIVEN that on the 3rd day of January, 2022, at its meeting at 6:00 p.m., in the City Commission Chamber at City Hall, 1st Floor Annex, 200 East Broadway, Hobbs, New Mexico, the governing body of the City of Hobbs proposes to adopt an ordinance annexing property. A summary of the ordinance is contained in its title as follows:

**AN ORDINANCE CONSENTING TO THE DEL NORTE HEIGHTS ANNEXATION OF A PORTION OF SECTION 16, TOWNSHIP 18 SOUTH, RANGE 38 EAST, WHICH IS PRESENTLY NOT INCLUDED IN THE CITY LIMITS, AS REQUESTED BY THE OWNER OF THE PROPERTY, AND AS RECOMMENDED BY THE PLANNING BOARD.**

WHEREAS, the owner of the property has petitioned the City of Hobbs to annex to the City an area in Section 16, Township 18 South, Range 38 East, N.M.P.M Lea County, New Mexico, and containing +/- 82 acres; and

WHEREAS, the property is contiguous to the present corporate limits of the City, and the Petitioner is the majority of land owned within the annexation boundary; and

WHEREAS, the Planning Board conducted a Public Meeting on November 16, 2021 regarding the annexation, and after discussion of the proposal, the Planning Board unanimously recommended approval of the Annexation by a 4-0 vote; and

WHEREAS, the City Commission has determined that it is in the best interests of the City of Hobbs to annex such territory.

NOW, THEREFORE BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, as follows:

1. That the petition requesting annexation of property into, which lands are presently outside of, the City limits hereby is approved and such territories are shown and described upon the Annexation Plat (on file in the City Clerk's Office) hereby is annexed into the City of Hobbs.

2. That the Hobbs City Clerk will file the Annexation Ordinance and Plat with the Lea County Clerk after approval by the City Commission.

A copy of the ordinance is available to interested persons during regular business hours in the Office of the City Clerk, City Hall, 200 East Broadway, Hobbs, New Mexico. The ordinance is also available for viewing online at [www.hobbsnm.org](http://www.hobbsnm.org).

Due to COVID-19, the meeting is subject to change to a virtual remote meeting if an in-person meeting cannot be held. If any persons desire to submit public comment related to this proposed ordinance, please submit written comments by email to [jfletcher@hobbsnm.org](mailto:jfletcher@hobbsnm.org) by 4:30 p.m. on January 3, 2022.

/s/Jan Fletcher  
Jan Fletcher, City Clerk

#37126

67108146

00261659

CITY OF HOBBS FINANCE DEPT  
200 E. BROADWAY ST  
HOBBS, NM 88240



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: January 3, 2022

SUBJECT: RESOLUTION TO APPROVE THE EXECUTION OF A GROUND LESSOR ESTOPPEL CERTIFICATE IN FAVOR OF CEDARS AFFORDABLE SENIOR HOUSING, LP, LOCATED AT 501 W. ALTO.

DEPT. OF ORIGIN: Planning Division
DATE SUBMITTED: December 27, 2021
SUBMITTED BY: Kevin Robinson - Planning Department
Valerie Chacon - Legal Department

Summary: On September 17, 1979 per Resolution #2178, the Municipality entered into a 99 year Lease with Good Samaritan Society, Inc., requiring 501 W. Alto to be operated as HUD Section 202 facilities; affordable housing with supportive services for the elderly. On November 13, 2012 per Resolution #5920 the Lease was assigned to Lea County Good Samaritan Housing, Inc. who subsequently are proposing to assign the same to Cedars Affordable Senior Housing, LP, a California limited partnership. The Estoppel Certificate attached hereto, and execution of the same, are required as part of the leasehold purchase agreement between Lea County Good Samaritan Housing, Inc. and Cedars Affordable Senior Housing, LP, additional documents to effectuate the conveyance of the leasehold interest of Lea County Good Samaritan Housing, Inc. to Cedars Affordable Senior Housing, LP may be required. The Resolution if adopted will authorize the Mayor to Execute the Estoppel Certificate and any other documents that may be required to be executed by the Lessor to facilitate the conveyance of the leasehold interest, providing all fee-simple rights currently held by the public are not diminished.

Fiscal Impact:

Reviewed By: Finance Department

Digitally signed by Eren A. Cortez
DN: cn=Eren A. Cortez, o=City of Hobbs, ou=City Attorney's Office, email=ecortez@hobbsnm.org, c=US
Date: 2021.12.23.09:05:07-0700

There will not be a fiscal impact.

Attachments: Resolution, Estoppel Certificate, Original Lease, Addendum 1.

Legal Review:

Efren A. Cortez
Approved As To Form: Cortez
City Attorney

Digitally signed by Eren A. Cortez
DN: cn=Eren A. Cortez, o=City of Hobbs, ou=City Attorney's Office, email=ecortez@hobbsnm.org, c=US
Date: 2021.12.23.09:05:07-0700

Recommendation:

Approval of the Resolution authorizing the Mayor to execute a Ground Lessor Estoppel Certificate in favor of Cedars Affordable Senior Housing, LP., and other documents that may be required to effectuate the conveyance of the leasehold interest of Lea County Good Samaritan Housing, Inc. to Cedars Affordable Senior Housing, LP.

Approved For Submittal By:

Kevin Robinson
Department Director
City Manager

CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN

Resolution No.
Ordinance No.
Approved
Other
Continued To:
Referred To:
Denied
File No.

CITY OF HOBBS

RESOLUTION NO. 7147

**A RESOLUTION TO APPROVE THE EXECUTION OF A GROUND LESSOR ESTOPPEL CERTIFICATE IN FAVOR OF CEDARS AFFORDABLE SENIOR HOUSING, LP, LOCATED AT 501 W. ALTO.**

WHEREAS, On September 17, 1979 per Resolution #2178, the Municipality entered into a 99 year Lease with Good Samaritan Society, Inc., requiring 501 W. Alto to be operated as HUD Section 202 facilities; affordable housing with supportive services for the elderly; and

WHEREAS, On November 13, 2012 per Resolution #5920 the Lease was assigned to Lea County Good Samaritan Housing, Inc. who subsequently are proposing to assign the same to Cedars Affordable Senior Housing, LP, a California limited partnership; and

WHEREAS, the Estoppel Certificate attached hereto, and execution of the same, are required as part of the leasehold purchase agreement between Lea County Good Samaritan Housing, Inc. and Cedars Affordable Senior Housing, LP, and

WHEREAS, additional documents may be required to be executed by the Lessor to facilitate the conveyance of the leasehold interest

NOW, THEREFORE BE IT RESOLVED BY THE GOVERNING BOARD OF THE CITY OF HOBBS, NEW MEXICO, that

1. The City of Hobbs hereby approves the Ground Lessor Estoppel Certificate in Favor of Cedars Affordable Senior Housing, LP, and the Mayor is hereby authorized to sign the Certificate, a copy of which is attached hereto as Exhibit "A" and made a part of this Resolution.; and

2. The City of Hobbs hereby approves the Mayor to execute any and all documents that may be required by the Lessor to facilitate the conveyance of the leasehold interest, providing all fee-simple rights currently held by the public are not diminished.

PASSED, ADOPTED AND APPROVED this 3<sup>rd</sup> day of January, 2022.

\_\_\_\_\_  
SAM D. COBB, Mayor

ATTEST:

\_\_\_\_\_  
JAN FLETCHER, CITY CLERK

## GROUND LESSOR ESTOPPEL CERTIFICATE

This Ground Lessor Estoppel Certificate (this "Certificate") is made as of \_\_\_\_\_ [ ], 2021, (the "Effective Date") by The City of Hobbs, New Mexico (together with its successors and assigns, "Lessor"), in favor of Cedars Affordable Senior Housing, LP, a California limited partnership ("Assignee") and consented to by Lea County Good Samaritan Housing, Inc., a South Dakota nonprofit corporation ("Lessee").

### **BACKGROUND**

Lessee and Assignee are parties to that certain Agreement of Purchase and Sale dated \_\_\_\_\_, 2021 (the "Purchase Agreement") pursuant to which Lessee agreed to sell and convey to Assignee and Assignee agreed to purchase from Lessee, among other things, all of Lessee's right, title and interest as lessee under that certain Ground Lease (defined below) of that certain parcel of land lying and being situated in Lea County, New Mexico, and commonly known as The Cedars and located at 501 W. Alto Drive, Hobbs, NM 88240, owned by the Lessor and legally described on Exhibit A attached hereto and incorporated herein (the "Land").

Lessee is the current lessee under that certain Lease Agreement dated 6-18-79, filed 3-19-81 in Book 385 Page 592, Miscellaneous Records, Lea County, New Mexico, executed by Lessor and Good Samaritan Society, Inc. ("GSSI"), as lessee (the "Original Lease"). The interest of GSSI under the Original Lease was assigned to Lessee by Assignment dated 2-27-13 and recorded on 2-28-13, as Instrument Number 02309, records of Lea County, New Mexico, and was amended by Addendum #1 recorded on 2-28-13, as Instrument Number 02310, records of Lea County, New Mexico ("Addendum"). The Original Lease, as assigned and amended by the Addendum as set forth above, is referred to herein as the "Ground Lease."

Lessor acknowledges that as condition to the closing under the Purchase Agreement, Lessee is required to deliver to Assignee an estoppel certificate from Lessor. In furtherance thereof, Lessor hereby certifies to Assignee and its successors and assigns as follows, as of the Effective Date.

1. Attached hereto as Exhibit B is a true, correct and complete copy of the Ground Lease. The Ground Lease constitutes the full and entire understanding and agreement between Lessor and Lessee pertaining to the Lessee's interest in the Land and all improvements thereon.
2. The Ground Lease is unmodified and is in full force and effect in accordance with its terms and conditions and there have been no amendments, modifications, or changes thereto.
3. Lessor is the fee owner of the Land and is the current lessor under the Ground Lease, and Lessee is the current lessee under the Ground Lease.
4. Lessee is not in default under the Ground Lease and Lessor is not aware of any event that has occurred or any condition that exists which, with the passing of time or giving of applicable notice, would constitute a default under the Ground Lease.
5. All rent payable to Lessor under the Ground Lease for the entire term of the Ground Lease has been paid in full pursuant to paragraph 6 of the Original Lease.
6. The term of the Ground Lease is 99 years and commenced on June 18, 1979.
7. No security deposit is presently held by Lessor under the Ground Lease.
8. Lessee's current use and operation of the leased premises complies with any use covenants or operating requirements contained in the Ground Lease.



9. Pursuant to paragraph c) of the Addendum, provided that the United States Department of Housing and Urban Development has approved the assignment of Lessee's interest in the Ground Lease to Assignee, the City's consent to such assignment of the Ground Lease is not required.
10. Lessor has not currently encumbered its fee interest in the Premises to any lender or financial institution, whether by way of mortgage, deed of trust or other security instruments and Lessor has not received any notice of any assignment, transfer, or encumbrance of the interest of Lessee in the Ground Lease or any rights of Lessee thereunder, except in favor of Lancaster Pollard Mortgage Company.
11. Except for the liens set forth in Schedule "B" of that certain title commitment issued by Chicago Title Insurance Company ("Title Company") bearing an effective date of \_\_\_\_\_ under File Number 20-1514, no lien presently encumbers Lessor's fee interest in the real estate affected by the Ground Lease and that no consent or joinder of any other party is required to Lessor's execution of this Certificate.
12. Lessor agrees to provide the Title Company with such affidavits, certificates, resolutions and other documents pertaining to Lessor in Schedule B Part I of the Commitment.
13. Lessor has all requisite power and authority and has taken all actions required by law and its organizational documents to authorize it to execute and deliver this Certificate. All of the individuals executing this Certificate on behalf of Lessor have the legal power, right, and actual authority to bind Lessor to the terms and conditions hereof. Lessor represents, warrants, and affirms that this Certificate is valid and binding on Lessor, is enforceable against Lessor, and no consent or approval is required of any other party, entity, governmental or quasi-governmental body that has not been obtained.

This Certificate is effective as of the Effective Date. This Certificate may be executed in two or more original, facsimile or portable document format (.pdf) counterparts, which, when taken together, shall constitute one and the same original document. Lessor acknowledges and agrees that this Certificate has been executed with the understanding that (i) it will be relied upon by the Assignee in acquiring Lessee's leasehold interest in the Ground Lease and (ii) Assignee and its successors and assigns may rely on this Certificate and the representations, statements and agreements contained herein.

[SIGNATURES BEGIN ON FOLLOWING PAGE]

Lessor:

City of Hobbs, New Mexico

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Consented to by:

Lea County Good Samaritan Housing, Inc.,  
a South Dakota nonprofit corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT A**  
**Legal Description of the Land**

**FOR SURFACE TITLE ONLY:**

Located in the City of Hobbs, County of Lea, and the State of New Mexico;

Being located in the Southwest Quarter (1/4) of Section 27, Township 18 South, Range 38 East, New Mexico Principal Meridian (NMPM) and being more particularly described as follows:

Beginning at the intersection of the East right of way of North Cochran Street (50' public right of way) with the Southeast right of way of West Alto Drive (50' public right of way), said point being witnessed by an "X"-cut found South 00°02'00" West 0.28 feet;

THENCE along the Southeast right of way of said West Alto Drive the following three (3) courses and distances;

1. South 89°58'00" East a distance of 5.59 feet;
2. 180.19 along an arc of a curve to the left, said curve having a radius of 432.25 feet, an interior angle of 21°14'00", being subtended by a chord bearing North 79°25'00" East, a chord length of 159.27 feet;
3. North 68°48'00" East a distance of 162.92 feet to the Northwest corner of a parcel conveyed to Heartland Care, Inc., in Book 1660, Page 627, said point being witnessed by a 5/8" capped iron rebar found stamped "JWSC PS 12641" South 00°02'00" West 1.25 feet;

THENCE along the northerly line of said Heartland Care parcel the following six (6) courses and distances;

1. South 00°02'00" West a distance of 184.55 feet to a 5/8" capped iron rebar found stamped "JWSC PS 12641";
2. North 89°58'00" West a distance of 147.00 feet to a found mag nail with shiner "NM 12641 TX 4735";
3. South 00°02'00" West a distance of 36.00 feet;
4. North 89°58'00" West a distance of 52.00 feet to a found mag nail with shiner "NM 12641 TX 4735";
5. South 00°02'00" West a distance of 78.00 feet to a found mag nail with shiner "NM 12641 TX 4735";
6. North 89°58'00" West a distance of 115.00 feet to a 5/8" capped iron rebar found stamped "JWSC PS 12641" found on the east right of way of said North Cochran Street;

THENCE along the East right of way of said North Cochran Street, North 00°02'00" East a distance of 210.20 feet to the POINT OF BEGINNING

**EXHIBIT B**  
**Ground Lease**

[Attached]

3852

*Masi*

385 111 582

LEASE AGREEMENT

This Lease Agreement is made and entered into as of the 18th day of June, 1979, by and between the City of Hobbs, New Mexico, a municipal corporation of Lea County, New Mexico, (herein called "Lessor") and Good Samaritan Society, Inc., a non-profit corporation organized under the laws of South Dakota, duly authorized and qualified to do business in New Mexico (herein called "Lessee") whereby the Parties agree as follows:

1. Lessor is a political subdivision of the State of New Mexico with full and lawful power and authority to enter into this Lease.

2. Lessor is authorized by 14-31-1 et seq. NMSA 1953 to sell, lease or otherwise dispose of projects involving facilities such as the nursing home presently being operated by Lessee upon such terms and conditions as the governing body may deem advisable.

3. Lessee is presently operating a facility within the City of Hobbs and has pursuant to proper notice under a pre-existing Lease dated April 1, 1976, between the Parties, given proper notice to release certain portions from the original Lease and now seeks to lease the portion of land previously released from the former Lease for purposes of construction of an addition to the existing facility which will be pursuant to certain HUD provisions and loans commonly referred to as a Section 202 grant. It is specifically understood that no portion of this Lease is in conflict with any provision of Section 202 or any related regulations.

4. Lessor does hereby rent, lease and let under Lessee and Lessee hereby rents, leases and hires from Lessor for the rentals and upon and subject to the terms and conditions set forth hereinafter the property described in the exhibit attached hereto and labeled as Exhibit 1 for a term of ninety-nine (99) years mentioned on the date of this Lease and terminating as set forth hereinafter.

5. The rent payable for said tract shall be One Dollar (\$1.00) per year payable in advance each year on or before the 18th day of June.

6. Lessee may prepay any or all of the rent provided hereunder at its sole option.

7. It is understood and agreed that the purpose of this Lease is to provide land upon which Lessee is to construct an elderly/handicapped residential facility under the Section 202 Program of the Department of Housing and Urban Development. Lessee shall assume all responsibility and liability of every kind and nature as a result of its utilization of the land including, but not limited to, all construction and related costs, all liability of every kind and nature for any utilization of the land by itself or by persons holding through them, all liability for any occupants or invitees, and all other liability whether enumerated herein or not from the beginning date of this Lease through construction and operation until the termination of this Lease without limitation in any form.

8. Lessee shall during the life of this Lease and any renewals that may occur bear, pay and discharge as additional rent all taxes

385 10 584

and assessments of every kind and nature imposed upon in any way on any of the buildings or land covered hereunder and shall furnish Lessor with appropriate proof of payment.

9. Lessee shall provide insurance coverage at its sole cost and expense on this property and any facility constructed on said property and shall furnish appropriate certificates of insurance to Lessor. Insurance shall be comprehensive in nature and shall include, but not be limited to, workmen's compensation coverage and general liability coverage.

10. The premises leased hereunder shall be utilized in connection with the provision of elderly and handicapped residential apartments as contemplated by the Section 202 Application now pending (said Application, its representations and provisions being incorporated herein by reference for all intents and purposes) and all applicable local, state and federal regulations and laws shall be conformed to including, but not limited to, any regulations imposed now or in the future.

11. Lessee will not assign, mortgage, pledge or sell its rights hereunder without the written consent of Lessor provided, however, the specific right is granted under this Lease to make any and all assignments or designations of priority required by HUD officials to secure their interest herein. It is specifically understood that Lessee shall have all obligations of every type for maintenance and repairs of any facility erected on the tract which is subject to this Lease.

12. Lessee agrees and covenants to maintain the premises and its associated grounds and buildings in a good and workmanlike

manner and to provide proper landscaping and maintenance.

13. All utilities, utility services or related items shall be assumed and paid entirely by Lessee.

14. It is understood that a very complex procedure involving the Government of the United States of America is involved in the application, construction and operation of the facility contemplated. Lessor covenants and agrees to cooperate in any and all ways in all applications and proceedings involved with this application and the subsequent activity.

15. Lessee will not allow any of its permits or rights of any kind and nature to forfeit so long as the same shall be necessary for the operation of the project as contemplated herein.

16. Lessee shall use its best efforts to remain fully qualified as a provider of services as contemplated under the Section 202 Elderly and Handicapped Program of the Department of Housing and Urban Development or any successor program thereto.

17. This Lease shall not be amended or modified in any way without the written consent of both Parties.

18. If, for any reason, any portion of this provision shall be deemed to be invalid or unenforceable, no other provision of this contract shall be adversely affected thereby.

19. The covenants, agreements and conditions herein contained shall run with the property leased and shall be binding upon and inure to the benefit of the Parties hereto and their successors and assigns.



MAP 385 FOR 596

20. In addition to the tract which is the subject of this Lease as identified in the exhibit attached hereto and marked as Exhibit 1, an additional tract of land shall be utilized as an easement and said easement is more completely described in Exhibit 2 attached hereto and made a part hereof. The purpose of the easement is to provide ingress and egress from portions of the property and Lessee shall have full use of said easement for all of their purposes as designated by them and shall be permitted to construct facilities as they deem necessary for the use of said easement. The consideration for the easement granted hereby is included in the consideration for the basic Lease.

21. It is a condition precedent of the execution of this Lease that the City of Hobbs has obtained all proper approval including, but not limited to, conformation with applicable statutes regarding the lease of real estate and executes this Agreement with the representation that they do so lawfully and the Lessee also warrants that its execution of this Agreement is a lawful act on its part pursuant to applicable statutes and its bylaws.

22. Notwithstanding any other provisions of this Lease, if and so long as this leasehold is subject to a mortgage insured, reinsured, or held by the Federal Housing Commissioner or given to the Commissioner in connection with a resale, or the demised premises are acquired and held by him because of a default under said mortgage:

A. The tenant is authorized to obtain a loan, the repayment of which is to be insured by the Federal Housing Commissioner and secured by a mortgage on this leasehold estate. Tenant is further authorized to execute a mortgage on this leasehold and otherwise

to comply with the requirements of the Federal Housing Commissioner for obtaining such an insured mortgage loan.

- B. The Federal Housing Commissioner, or his successors in office, shall have the option, in the event that he or his successor in office, through the operation of his contract of mortgage insurance, shall acquire title to the leasehold interest, to purchase good and marketable fee title to the demised premises, free of all liens and encumbrances except such as may be waived or accepted by him or his successor in office, within twelve (12) months after so acquiring the leasehold interest, for the sum of \_\_\_\_\_, payable in cash, or by Treasury check, provided all rents are paid to date of transfer of title, upon first giving sixty (60) days' written notice to the Landlord or other person or corporation who may then be the owner of the fee, and the owner of the fee shall thereupon execute and deliver to the Federal Housing Commissioner, or his successor in office, a deed of conveyance to the said demised premises, containing a covenant against the grantor's acts, but excepting therefrom such acts of the Tenant and those claiming by, through or under the Tenant of the leasehold interest. Nothing in this option shall require the Landlord to pay any taxes or assessments which were due and payable by the Tenant.
- C. If approved by the Federal Housing Commissioner, tenant may assign, transfer or sell his interest in the demised premises.
- D. 1. Insurance policies shall be in an amount, and in such company or companies and in such form, and against such risks and hazards, as shall be approved by such mortgagee and/or the Federal Housing Commissioner.
2. The Landlord shall not take out separate insurance concurrent in form or contributing in the event of loss with that specifically required to be furnished by the Tenant to the mortgagee. The Landlord may at its own expense, however, take out separate insurance which is not concurrent in form or not contributing in the event of loss with that specifically required to be furnished by the Tenant.
- E. 1. If all or any part of the demised premises shall be taken by condemnation that portion of any award attributable to the improvements or damage to the

improvements shall be paid to the mortgagee or otherwise disposed of as may be provided in the insured mortgage. Any portion of the award attributable solely to the taking of land shall be paid to the Landlord. After the date of taking the annual ground rent shall be reduced ratably by the proportion which the award paid to the Landlord bears to the total value of the land as established by the amount the Federal Housing Commissioner would be required to pay upon acquisition of the fee as set out in Paragraph B of No. 22 of this Lease Agreement.

2. In the event of a negotiated sale of all or a portion of demised premises in lieu of condemnation, the proceeds shall be distributed and ground rents reduced as provided in cases of condemnation, but the approval of the Commissioner and the mortgagee shall be required as to the amount and division of the payment to be received.
- F. The Landlord agrees that, within ten (10) days after receipt of written request from Tenant, it will join in any and all applications for permits, licenses or other authorizations required by any governmental or other body claiming jurisdiction in connection with any work which the Tenant may do hereunder, and will also join in any grants for easements for electric, telephone, gas, water, sewer and such other public utilities and facilities as may be reasonably necessary in the operation of the demised premises or of any improvements that may be erected thereon; and if, at the expiration of such ten (10) days' period, the Landlord shall not have joined in any such application, or grants for easements, the Tenant shall have the right to execute such application and grants in the name of the Landlord, and, for that purpose, the Landlord hereby irrevocably appoints the Tenant as its Attorney-in-Fact to execute such papers on behalf of the Landlord.
- G. Nothing in this lease contained shall require the Tenant to pay any franchise, estate, inheritance, succession, capital levy or transfer tax of the Landlord, or any income, excess profits or revenue tax, or any other tax, assessment, charge or levy upon the rent payable by the Tenant under this lease.
- H. Upon any default under this lease which authorizes the cancellation thereof by the Landlord, Landlord shall give notice to the mortgagee and the Federal Housing Commissioner, and the mortgagee and the Federal Housing

Commissioner, their successors and assigns, shall have the right within any time within six (6) months from the date of such notice to correct the default and reinstate the lease unless Landlord has first terminated the lease as provided herein.

At any time after two (2) months from the date a notice of default is given to the mortgagee and the Commissioner, the Landlord may elect to terminate the lease and acquire possession of the demised premises. Upon acquiring possession of the demised premises Landlord shall notify Commissioner and mortgagee. Mortgagee and Commissioner shall have six (6) months from the date of such notice of acquisition to elect to take a new lease on the demised premises. Such new lease shall have a term equal to the unexpired portion of the term of this lease and shall be on the same terms and conditions as contained in this lease, except that the mortgagee's and Commissioner's liability for ground rent shall not extend beyond their occupancy under such lease. The Landlord shall tender such new lease to the mortgagee or Commissioner within thirty (30) days after a request for such lease and shall deliver possession of the demised premises immediately upon execution of the new lease. Upon executing a new lease the mortgagee or Commissioner shall pay to Landlord any unpaid ground rentals due or that would have become due under this lease to the date of the execution of the new lease, including any taxes which were liens on demised premises and which were paid by Landlord, less any net rentals or other income which Landlord may have received on account of this property since the date of default under this lease.

- I. All notices, demands and requests which are required to be given by the Landlord, the tenant, the mortgagee or the Commissioner shall be in writing and shall be sent by registered or certified mail, postage prepaid, and addressed to the address of the party as given in this instrument unless a request for a change in this address has been sent to the party giving the notice by registered or certified mail prior to the time when such notice is given.

This lease shall not be modified without the consent of the Federal Housing Commissioner.

CITY OF HO  
HOBBS  
NEW MEXICO  
ATTEST:  
CITY CLERK

CITY OF HOBBIS, NEW MEXICO

By *[Signature]*  
MAYOR

*[Signature]*

385 600

GOOD SAMARITAN SOCIETY, INC.

ATTEST:

By *[Signature]*

*[Signature]*  
Secretary



## EXHIBIT 1

A TRACT OF LAND LOCATED IN THE SOUTHWEST QUARTER OF SECTION 27, TOWNSHIP 18 SOUTH, RANGE 38 EAST, N.M.P.M., JEA COUNTY, NEW MEXICO, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH LIES N 89°58'W A DISTANCE OF 4310.38 FEET AND N00°02'E A DISTANCE OF 1780.0 FEET FROM THE SOUTHEAST CORNER OF SAID SECTION 27, SAID POINT ALSO BEING ON THE EAST BOUNDARY LINE OF COCHRAN STREET; THENCE S89°58'E A DISTANCE OF 115.0 FEET TO A POINT; THENCE N00°02'E A DISTANCE OF 90.0 FEET TO A POINT; THENCE S89°58'E A DISTANCE OF 36.0 FEET TO A POINT; THENCE N00°02'E A DISTANCE OF 24.0 FEET TO A POINT; THENCE S89°58'E A DISTANCE OF 163.0 FEET TO A POINT; THENCE N00°02'E A DISTANCE OF 184.55 FEET TO A POINT IN THE SOUTH BOUNDARY LINE OF ALTO DRIVE; THENCE S68°48'W, WITH THE SOUTH BOUNDARY LINE OF ALTO DRIVE, A DISTANCE OF 162.92 FEET TO A POINT, THENCE WITH A CURVE TO THE RIGHT WHOSE LONG CHORD BEARS S79°25'W A DISTANCE OF 160.35 FEET, WHOSE CENTRAL ANGLE IS 21°14' AND WITH A RADIUS OF 435.25 FEET, AN ARC LENGTH OF 161.30 FEET TO A POINT; THENCE N89°58' W A DISTANCE OF 4.51 FEET TO A POINT, SAID POINT BEING THE POINT OF INTERSECTION OF THE SOUTH BOUNDARY LINE OF ALTO DRIVE AND THE EAST BOUNDARY LINE OF COCHRAN STREET, THENCE S00°02'W, WITH THE EAST BOUNDARY LINE OF COCHRAN STREET, A DISTANCE OF 210.0 FEET TO THE POINT OF BEGINNING, CONTAINING 1.254 ACRES, MORE OR LESS,



JOSEPH K. HARVEY  
CITY MANAGER

NO. 385-111-632

THE CITY OF  
**HOBBS, NEW MEXICO**

500 NORTH TURNER • P. O. BOX 111 • HOBBS, NEW MEXICO 88240

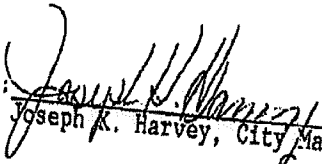
June 26, 1980

TO: WHOM IT MAY CONCERN

SUBJECT: June 18, 1979 Lease between the City of Hobbs  
and Good Samaritan Society, Inc.

The City of Hobbs consents to the deletion of Paragraph 22  
(B) on page 6 of said Lease and to the deletion of Paragraph  
2 of F.H.A. form 2070.

CITY OF HOBBS

By:   
Joseph K. Harvey, City Manager



DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
DALLAS AREA OFFICE  
2001 BRYAN TOWER - FOURTH FLOOR  
DALLAS, TEXAS 75201

305 117 033

REGION VI

March 18, 1981

IN REPLY REFER TO:

6.16

Mr. Joseph K. Harvey  
City Manager  
City of Hobbs, New Mexico  
P. O. Box 1117  
Hobbs, New Mexico 88240

Dear Mr. Harvey:

This is the Department of Housing and Urban Development's approval of the deletion of Paragraph 22(B) on Page 6 of the lease dated June 18, 1979 between the City of Hobbs, New Mexico, and Good Samaritan Society, Inc.

Sincerely,

Sidney J. Miller  
Deputy Director for  
Housing Production

STATE OF NEW MEXICO  
COUNTY OF LEA  
FILED

MAR 19 1981

10:55 A.M.  
not recorded in Book 385  
Pg. 592  
D. DeLoe, County Clerk  
By: [Signature] Deputy



SECURITY FILE CO.  
P.O. BOX 1007  
HOBBS, N.M. 88240

3942



25  
10

02310

ADDENDUM 1

TO THE LEASE AGREEMENT

BETWEEN THE CITY OF HOBBS, NEW MEXICO, ("LESSOR") AND  
LEA COUNTY GOOD SAMARITAN HOUSING, INC. (THE "LESSEE")

DATED JUNE 18, 1978.

EFFECTIVE DATE OF THIS ADDENDUM: TO BE DETERMINED

NOTWITHSTANDING any other provisions of the Lease, if and so long as this leasehold is subject to a security instrument insured, reinsured, or held by HUD or given to HUD in connection with a resale, or the Property is acquired and held by HUD because of a default under the security instrument, the following provisions of this Lease Addendum shall be in effect:

- a) The Lessee is authorized to obtain a loan, the repayment of which is to be insured by HUD and secured by a security instrument on this leasehold estate and the Improvements.<sup>1</sup> The Lessee is further authorized to execute all documents necessary as determined by HUD and otherwise to comply with Program Obligations for obtaining such an insured loan.
- b) [Intentionally Deleted]
- c) If approved by HUD, the Lessee may convey, assign, transfer, lease, sublease or sell all or any part of its leasehold interest in the Property and its interest in the Improvements without the need for approval or consent by any other person or entity.
- d) (i) Insurance policies shall be in an amount, and with such company or companies and in such form, and against such risks and hazards, as shall be approved by Lender and HUD.  
  
(ii) The Lessor shall not take out separate insurance concurrent in form or contributing in the event of loss with that specifically required to be furnished by the Lessee to Lender. The Lessor may at its own expense, however, take out separate insurance which is not concurrent in form or not contributing in the event of loss with that specifically required to be furnished by the Lessee to Lender.
- e) (i) If all or any part of the Property or the Improvements or the leasehold estate shall be taken or damaged by condemnation, that portion of any award attributable to the Improvements or the Lessee's interest in the leasehold estate or damage to the Improvements or the Lessee's interest in the leasehold estate shall be paid to Lender or otherwise disposed of as may be provided in the security instrument. Any portion of the award attributable solely to the underlying fee estate (exclusive of any

<sup>1</sup> "Improvements" means the buildings, structures, and alterations now constructed or at any time in the future constructed or placed upon the land, including any future replacements and additions.

Improvements) shall be paid to the Lessor. After the date of taking, the annual rent payable under the Lease shall be reduced ratably by the proportion which the award paid to the Lessor bears to the total value of the Property as established by the amount HUD is to pay, as set forth in paragraph (b) of this Lease Addendum.

(II) In the event of a negotiated sale of all or a portion of the Property or the Improvements, in lieu of condemnation, the proceeds shall be distributed and annual rent reduced as provided in cases of condemnation, but the approval of HUD and Lender shall be required as to the amount and division of the payments to be received.

- f) The Lessor may terminate the Lease prior to the expiration day of the full term of this Lease ("Expiration Date") after a Lessee default under this Lease ("Lease Event of Default"), but only under the following circumstances and procedures. If any Lease Event of Default shall occur, then and in any such event, the Lessor shall at any time thereafter during the continuance of such Lease Event of Default and prior to any cure, give written notice of such default(s) ("Notice of Default") to the Lessee, Lender and HUD, specifying the Lease Event of Default and the methods of cure, or declaring that a Lease Event of Default is incurable. If the Lease Event of Default is a failure to pay money, the Lessor shall specify and itemize the amounts of such default. Failure to pay money shall be specified as a separate default and not combined with a non-monetary Lease Event of Default. Within sixty (60) days from the date of giving the Notice of Default to the Lessee, the Lessee must cure a monetary default by paying the Lessor all amounts specified in the Notice of Default and must cure any specified Lease Event of Default that is capable of being cured within such period. During the period of 180 days commencing upon the date Notice of Default was given to Lender and HUD, Lender or HUD may: (a) cure any Lease Event of Default; and (b) commence foreclosure proceedings or institute other state or federal procedures to enforce Lender's or HUD's rights with respect to the leasehold or the Lessee Improvements. If the Lessee, Lender or HUD reasonably undertake to cure any Lease Event of Default during the applicable cure period and diligently pursues such cure, the Lessor shall grant such further reasonable time as is necessary to complete such cure. If HUD or Lender commences foreclosure or other enforcement action within such 180 days, then its cure period shall be extended during the period of the foreclosure or other action and for 90 days after the ownership of the Lessee's rights under the Lease is established in or assigned to HUD or such Lender or a purchaser at any foreclosure sale pursuant to such foreclosure or other action. The transfer of the Lessee's rights under the Lease to Lender, HUD or purchaser, pursuant to such foreclosure or other action shall be deemed a termination of any incurable Lease Event of Default and such terminated Lease Event of Default shall not give the Lessor any right to terminate the Lease. Such purchaser may cure a curable Lease Event of Default within said 90 days. If after the expiration of all of the foregoing cure periods, no cure or termination of an existing Lease Event of Default has been achieved as aforesaid, then and in that event, this Lease shall terminate, and, on such date, the term of this Lease shall expire and terminate and all rights of the Lessee under the lease shall cease and the Improvements, subject to the security instrument and the rights of Lender thereunder, shall be and become the property of the Lessor. All costs and expenses incurred by or on behalf of the Lessor (including, without limitation, reasonable attorneys' fees and expenses) occasioned by any default by the Lessee under this

Lease shall constitute additional rent hereunder. The Lessor shall have no right to terminate this Lease except as provided in this paragraph (f).

- g) Upon termination of this Lease pursuant to paragraph (f) above, the Lessor shall immediately seek to obtain possession of the Property and Improvements. Upon acquiring such possession, the Lessor shall notify HUD and Lender in writing. Lender and HUD shall each have six (6) months from the date of receipt of such notice of acquisition to elect to take, as Lessee, a new Lease on the Property and on the Improvements. Such new Lease shall have a term equal to the unexpired portion of the term of this Lease immediately prior to such termination and shall, except as otherwise provided herein, be on the same terms and conditions as contained in this Lease, including without limitation, the option to purchase set forth under paragraph (b) above, except that Lender's or HUD's liability for rent shall not extend beyond their occupancy under such Lease. The Lessor shall tender such new Lease to Lender or HUD within thirty (30) days after a request for such Lease and shall deliver possession of the Property and Improvements immediately upon execution of the new Lease. Upon executing a new Lease, Lender or HUD shall pay to the Lessor any unpaid rent due or that would have become due under this Lease to the date of the execution of the new Lease, including any taxes which were liens on the Property or the Improvements and which were paid by the Lessor, less any net rentals or other income which the Lessor may have received on account of the Property and Improvements since the date of default under this Lease.
- h) The Lessor agrees that within ten (10) days after receipt of written request from the Lessee, it will join in any and all applications for permits, licenses or other authorizations required by any Governmental Authority<sup>2</sup> in connection with any work which the Lessee may do hereunder and will also join in any grants for easements for electric telephone, telecommunications, cable, gas, water, sewer and such other public utilities and facilities as may be reasonably necessary in the operation of the Property or of any Improvements and if, at the expiration of such ten (10) day period, the Lessor shall not have joined in any such application, or grants for easements, the Lessee shall have the right to execute such application and grants in the name of the Lessor, and for that purpose, the Lessor hereby irrevocably appoints the Lessee as its attorney-in-fact to execute such papers on behalf of the Lessor, only to the extent that a public body as Lessor may do so within the exercise of its municipal powers and responsibilities.
- i) Nothing in this Lease shall require the Lessee to pay any franchise, estate, inheritance, succession, capital levy or transfer tax of the Lessor or any income excess profits or revenue tax, or any other tax, assessment charge or levy upon the rent payable by the Lessee under this Lease.
- j) All notices, demands and requests which are required to be given by the Lessor, the Lessee, Lender or HUD in connection with this Lease shall be in writing and shall be sent by registered or certified mail, postage prepaid, and addressed to the address of the party as given in this instrument unless a request for a change in this address

<sup>2</sup> "Governmental Authority" means any board, commission, department or body of any municipal, county, state, tribal or federal governmental unit, including any U.S. territorial government, and any public or quasi-public authority, or any subdivision of any of them, that has or acquires jurisdiction over the mortgaged property, including the use, operation or improvement of the mortgaged property.

has been sent to the party giving the notice by registered or certified mail prior to the time when such notice is given.

All notices to lender or HUD shall be addressed as follows:

If to Lender: Lancaster Pollard  
65 East St Street  
16th Floor  
Columbus, Ohio 43215

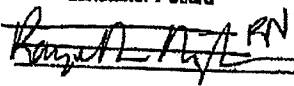
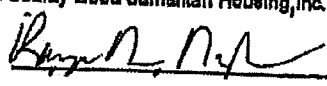
If to HUD: Sec. of Housing and Urban Development  
Ford Worth Multifamily Program Center  
819 Taylor St. Rm 12A4  
Ford Worth, Texas 78102

If to Lessee: Lea County Good Samaritan Housing, Inc.  
4800 W. 57<sup>th</sup> Street  
P.O. Box 6038  
Sioux Falls, SD 57117-6038  
Attn: Rave Nee Nylander

If to Lessor: City of Hobbs  
200 East Broadway  
Hobbs, New Mexico 88240

k) This Lease shall not be modified without the written consent of HUD and Lender.

l) The provisions of this Lease Addendum benefit Lender and HUD and are specifically declared to be enforceable against the parties to this lease and all other persons by Lender and HUD. In the event of any conflict, inconsistency or ambiguity between the provisions of this Lease Addendum and the provisions of any other part of this Lease, the provisions of this Lease Addendum shall prevail and control.

	Lancaster Pollard		Lea County Good Samaritan Housing, Inc.
By:	<u></u>	By:	<u></u>
Title:	_____	Title:	<u>Treasurer</u>
Date:	_____	Date:	_____

has been sent to the party giving the notice by registered or certified mail prior to the time when such notice is given.

All notices to lender or HUD shall be addressed as follows:

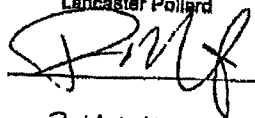
If to Lender: Lancaster Pollard  
85 East St Street  
16th Floor  
Columbus, Ohio 43216

If to HUD: Sec. of Housing and Urban Development  
Fort Worth Multifamily Program Center  
819 Taylor St, Rm 13A4  
Fort Worth, Texas 76102

If to Lessee: Lea County Good Samaritan Housing, Inc.  
4800 W. 87th Street  
P.O. Box 5038  
Sioux Falls, SD 57117-5038  
Attn: Rave Nae Nylander

If to Lessor: City of Hobbs  
200 East Broadway  
Hobbs, New Mexico 88240

- K) This Lease shall not be modified without the written consent of HUD and Lender.
- l) The provisions of this Lease Addendum benefit Lender and HUD and are specifically declared to be enforceable against the parties to this lease and all other persons by Lender and HUD. In the event of any conflict, inconsistency or ambiguity between the provisions of this Lease Addendum and the provisions of any other part of this Lease, the provisions of this Lease Addendum shall prevail and control.

By: <u></u>	Lancaster Pollard	By: _____	Lea County Good Samaritan Housing, Inc.
Title: <u>RYAN MILES, VP</u>		Title: _____	
Date: <u>2-27-13</u>		Date: _____	

Lancaster Pollard Mortgage Company,  
an Ohio Corporation

By: [Signature]  
Name: RYAN MILES  
Title: VP

Notary Acknowledgment for Borrower

County of Franklin )  
State of OH ) ss.

Personally appeared before me this 27 day of February, 2013,  
Ryan Miles who, after being duly sworn, says that she is the -  
VP of Lancaster Pollard Mortgage Company, a corporation organized  
and existing under the laws of the State of Ohio and that she has authority to execute  
under oath and has so executed the above certification for and on behalf of such non-  
profit corporation, and for herself.

[SEAL]

[Signature]  
Notary Public

My commission expires: \_\_\_\_\_



BRIAN W COATE  
Notary Public, State of Ohio  
My Commission Expires 03-06-2013

Lea County Good Samaritan Housing, Inc., a  
South Dakota non-profit corporation

By: Raye Nae Nylander  
Raye Nae Nylander, Treasurer

**Notary Acknowledgment for Borrower**

County of Minnehaha     )  
  )ss.  
State of South Dakota    )

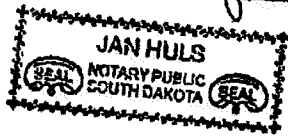
Personally appeared before me this 27 day of February, 2013, Raye Nae Nylander who, after being duly sworn, says that she is the Treasurer of Lea County Good Samaritan Housing, Inc., a non-profit corporation organized and existing under the laws of the State of South Dakota and that she has authority to execute under oath and has so executed the above certification for and on behalf of such non-profit corporation, and for herself.

[SEAL]

Jean Huls

Notary Public

My commission expires: 2-14-2017



City of Hobbs

By: 

Title: SAM D. COBB, Mayor

Date: 11-19-12



**FOR SURFACE TITLE ONLY:**

Located in the City of Hobbs, County of Lea, and the State of New Mexico;

Being located in the Southwest Quarter (1/4) of Section 27, Township 18 South, Range 38 East, New Mexico Principal Meridian (NMPM) and being more particularly described as follows:

Beginning at the intersection of the East right of way of North Cochran Street (50' public right of way) with the Southeast right of way of West Alto Drive (50' public right of way), said point being witnessed by an "X"-cut found South 00°02'00" West 0.28 feet;

THENCE along the Southeast right of way of said West Alto Drive the following three (3) courses and distances;

1. South 89°58'00" East a distance of 5.59 feet;
2. 180.19 along an arc of a curve to the left, said curve having a radius of 432.25 feet, an interior angle of 21°14'00", being subtended by a chord bearing North 79°25'00" East, a chord length of 159.27 feet;
3. North 68°48'00" East a distance of 162.92 feet to the Northwest corner of a parcel conveyed to Heartland Care, Inc., in Book 1860, Page 627, said point being witnessed by a 5/8" capped iron rebar found stamped "JWSC PS 12641" South 00°02'00" West 1.25 feet;

THENCE along the northerly line of said Heartland Care parcel the following six (6) courses and distances;

1. South 00°02'00" West a distance of 184.55 feet to a 5/8" capped iron rebar found stamped "JWSC PS 12641";
2. North 89°58'00" West a distance of 147.00 feet to a found mag nail with shiner "NM 12641 TX 4735";
3. South 00°02'00" West a distance of 36.00 feet;
4. North 89°58'00" West a distance of 52.00 feet to a found mag nail with shiner "NM 12641 TX 4735";
5. South 00°02'00" West a distance of 78.00 feet to a found mag nail with shiner "NM 12641 TX 4735";
6. North 89°58'00" West a distance of 115.00 feet to a 5/8" capped iron rebar found stamped "JWSC PS 12641" found on the east right of way of said North Cochran Street;

THENCE along the East right of way of said North Cochran Street, North 00°02'00" East a distance of 210.20 feet to the POINT OF BEGINNING.

02310

STATE OF NEW MEXICO  
COUNTY OF LEA  
FILED

FEB 28 2013

at 11:09 o'clock A. M.  
and recorded in Book \_\_\_\_\_  
Page \_\_\_\_\_  
Pat Chappell, Lea County Clerk  
By REBA WARD Deputy





EMAPS

Parcel ID Parcel ID

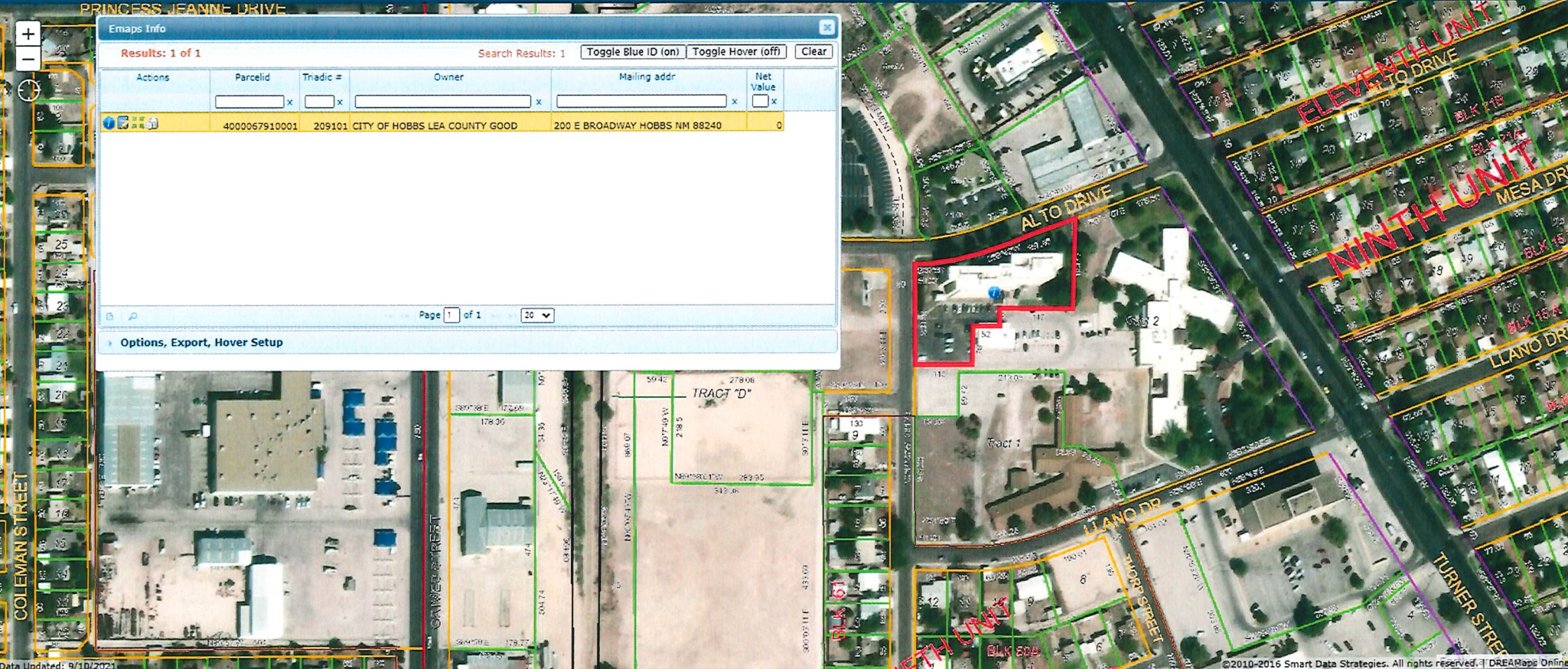
Emaps Info

Results: 1 of 1 Search Results: 1  Toggle Blue ID (on)  Toggle Hover (off)

Actions	Parcelid	Tradic #	Owner	Mailing addr	Net Value
	4000067910001	209101	CITY OF HOBBS LEA COUNTY GOOD	200 E BROADWAY HOBBS NM 88240	0

Page 1 of 1 20

Options, Export, Hover Setup





# CITY OF HOBBS

## COMMISSION STAFF SUMMARY FORM

MEETING DATE: January 3, 2022

**SUBJECT:** PTO Payout  
**DEPT. OF ORIGIN:** City Manager  
**DATE SUBMITTED:** December 27, 2021  
**SUBMITTED BY:** Toby Spears, Finance Director

**Summary:**

Section 2.56 of the Hobbs Municipal Code, Article 8 sets the Paid Time Off Cap at 320 hours for all general employees and 456 hours for all fire department employees and allows police the option to buy down to 320 from their 456 cap. At the end of the calendar year, any employee who is over his/her Paid Time Off Cap shall be paid for every hour over his/her Paid Time Off Cap.

Article 8 additionally states that in the event the city's general fund cash reserve dips below 20% at the end of a fiscal year, the city may elect to increase Paid Time Off Caps until the following year in which general fund cash reserve is above 20%.

Budgeted general fund reserve after BAR #1 is currently 47%.

The City of Hobbs would like to proceed with the PTO Payout for the current calendar year.

**Fiscal Impact:**

Reviewed By:   
Finance Department

The current PTO Payout would be between \$209,344.62 and \$225,682.01 depending on potential police buy down options. The FY22 budget for the annual PTO Payout is currently set to \$301,778.00.

**Attachments:**

**Legal Review:**

Approved As To Form:   
City Attorney

**Recommendation:**

Motion to approve.

Approved For Submittal By:

  
Department Director

  
City Manager

CITY CLERK'S USE ONLY  
COMMISSION ACTION TAKEN

Resolution No. \_\_\_\_\_  
Ordinance No. \_\_\_\_\_  
Approved \_\_\_\_\_  
Other \_\_\_\_\_

Continued To: \_\_\_\_\_  
Referred To: \_\_\_\_\_  
Denied \_\_\_\_\_  
File No. \_\_\_\_\_

REGULAR EMPLOYEE PAYOUT												
Loc	Emp #	Last Name	First Name	Table Desc	SOY Balance	Earned	Used	Balance	Liability	Limit	OVER LIMIT	PTO BUYOUT AMT
4610	2481	RAY	TODD	PTO REG	546.00	240.00	276.00	510.00	24,719.70	320.00	190.00	9,209.30
0110	1652	GOMEZ	MANUEL	PTO R G	328.00	240.00	148.00	420.00	35,989.80	320.00	100.00	8,569.00
0204	4632	GUERRERO	RICKY	PTO REG	487.00	168.00	167.00	488.00	22,682.24	320.00	168.00	7,808.64
0145	2278	ROBERTS	RONALD	PTO DPT HD	462.00	240.00	250.00	452.00	25,045.32	320.00	132.00	7,314.12
0203	3763	MUNRO	MARK	PTO REG	440.00	192.00	172.00	460.00	20,764.40	320.00	140.00	6,319.60
0220	2149	WILLIAMS	SHAWN	PTO REG	433.00	240.00	217.00	456.00	20,866.56	320.00	136.00	6,223.36
0335	3550	HUFFMAN	BRITTNY	PTO REG	392.00	200.00	92.00	500.00	16,550.00	320.00	180.00	5,958.00
0150	4764	CORTEZ	EFREN	PTO DPT HD	440.00	192.00	225.00	407.00	27,212.02	320.00	87.00	5,816.82
0220	2985	PRUDENCIO	MICHAEL	PTO REG	357.00	192.00	94.00	455.00	18,841.55	320.00	135.00	5,590.35
0220	5269	CONTRERAS-VAL	JUAN	PTO FUNION	663.10	238.68	207.10	694.68	15,213.49	456.00	238.68	5,227.09
0423	2404	MALDONADO	ANTHONY	PTO REG	306.00	240.00	91.00	455.00	17,481.10	320.00	135.00	5,186.70
0423	3465	USSERY	BRYAN	PTO REG	475.00	216.00	227.00	464.00	16,397.76	320.00	144.00	5,088.96
0145	4742	BLANDIN	MATTHEW	PTO REG	411.75	168.00	123.75	456.00	14,614.80	320.00	136.00	4,358.80
0413	2871	ADCOCK	WALTER	PTO REG	511.00	238.00	247.00	502.00	11,691.58	320.00	182.00	4,238.78
0421	1257	TREVINO	TOMMY	PTO REG	475.00	240.00	299.00	416.00	18,100.16	320.00	96.00	4,176.96
0202	3369	CLAY	TENNIE	PTO REG	519.25	216.00	238.50	496.75	11,569.31	320.00	176.75	4,116.51
0415	4781	YOUNGBLOOD	SCOT	PTO REG	454.75	168.00	172.00	450.75	13,603.64	320.00	130.75	3,946.04
4370	2955	GRIFFIN	WILLIAM	PTO REG	454.00	192.00	233.00	413.00	17,519.46	320.00	93.00	3,945.06
0220	3425	BILANO	JONATHAN	PTO FIRE	603.62	272.28	286.62	589.28	16,381.98	456.00	133.28	3,705.18
4016	2549	DOMINGUEZ	ELENA	PTO REG	358.00	144.00	59.00	443.00	12,306.54	320.00	123.00	3,416.94
4315	3653	HUGHES	MATTHEW	PTO REG	385.00	196.00	193.00	388.00	19,345.68	320.00	68.00	3,390.48
0423	3864	FINNEY	ROYCE	PTO REG	424.25	192.00	168.75	447.50	11,751.35	320.00	127.50	3,348.15
0145	3833	SANFORD	JEFFREY	PTO REG	504.50	192.00	284.00	412.50	14,482.88	320.00	92.50	3,247.68
0203	3196	QUIROZ	JESSICA	PTO REG	492.00	192.00	252.00	432.00	12,286.08	320.00	112.00	3,185.28
0204	3483	HARDISON	SHAWN	PTO REG	382.50	216.00	202.00	396.50	15,840.18	320.00	76.50	3,056.18
4610	4710	GUTIERREZ	MARTIN	PTO REG	389.00	168.00	136.75	420.25	12,494.03	320.00	100.25	2,980.43
0310	3108	HAMILTON	ROBERT	PTO REG	368.00	216.00	188.00	396.00	15,511.32	320.00	76.00	2,976.92
0140	4504	CORRAL	DEBORAH	PTO REG	435.00	191.00	251.00	375.00	20,276.25	320.00	55.00	2,973.85
0423	3691	GALVAN	GUILLERMO	PTO REG	420.00	192.00	183.00	429.00	11,565.84	320.00	109.00	2,938.64
4370	4912	KIBAD	ROGER	PTO REG	389.50	168.00	108.00	449.50	9,933.95	320.00	129.50	2,861.95
0220	2969	ENRIQUEZ	ADRIAN	PTO FIRE	562.63	312.88	322.63	552.88	16,149.62	456.00	96.88	2,829.86
0330	3652	DUNFORD	BARBARA	PTO REG	518.00	196.00	222.00	492.00	7,542.36	320.00	172.00	2,636.76
0190	2599	DE LA CRUZ	IRENE	PTO REG	414.00	240.00	260.00	394.00	13,939.72	320.00	74.00	2,618.12
0125	3650	HENRY	JULIA	PTO REG	495.75	196.00	247.75	444.00	8,951.04	320.00	124.00	2,499.84
0220	4932	CREED	LONNIE	PTO FUNION	515.30	238.68	203.30	550.68	14,427.82	456.00	94.68	2,480.62
4630	3069	LEWIS	DEBRA	PTO REG	417.00	216.00	253.00	380.00	14,250.00	320.00	60.00	2,250.00
0208	3853	FUNK	MELISSA	PTO REG	516.00	184.00	298.00	402.00	10,902.24	320.00	82.00	2,223.84
0410	3491	CAMPOS	JACOB	PTO REG	427.25	216.00	242.25	401.00	10,774.87	320.00	81.00	2,176.47
0204	3267	EUBANK	NATHAN	PTO REG	319.75	216.00	159.00	376.75	14,331.57	320.00	56.75	2,158.77
0203	4377	WHITE	AHMAAD	PTO REG	388.00	192.00	204.00	376.00	14,028.56	320.00	56.00	2,089.36
0320	2443	RAMIREZ	PLACIDO	PTO REG	493.50	240.00	350.00	383.50	11,758.11	320.00	63.50	1,946.91
0220	3523	NELSON	MICHAEL	PTO FIRE	576.62	272.28	327.62	521.28	14,783.50	456.00	65.28	1,851.34
4017	1822	GONZALEZ	ROBERTO	PTO REG	469.50	240.00	317.75	391.75	10,024.88	320.00	71.75	1,836.08
0330	5030	MCDANIEL	DOUGLAS	PTO DPT HD	388.00	192.00	227.00	353.00	19,277.33	320.00	33.00	1,802.13

0220	4531	MARINOVICH	ADAM	PTO FUNION	419.23	228.74	124.00	523.97	13,869.35	456.00	67.97	1,799.03		
4630	3014	MARTINEZ	DELMA	PTO REG	411.50	216.00	222.50	405.00	8,282.25	320.00	85.00	1,738.25		
0125	3846	ROBINSON	KEVIN	PTO REG	332.00	192.00	174.00	350.00	19,397.00	320.00	30.00	1,662.60		
0220	4923	LERMA	VICTORIA	PTO REG	408.00	168.00	184.00	392.00	8,839.60	320.00	72.00	1,623.60		
0220	4075	GARCIA	MARK	PTO FIRE	573.48	272.28	333.48	512.28	14,384.82	456.00	56.28	1,580.34		
0421	5682	PALMER	AARON	PTO REG	320.25	144.00	99.75	364.50	12,258.14	320.00	44.50	1,496.54		
0220	4623	MEYERS	JOSEPH	PTO FUNION	632.62	238.68	368.62	502.68	14,452.05	456.00	46.68	1,342.05		
0220	4404	CORLEY	DUSTIN	PTO FUNION	554.34	272.28	306.34	520.28	9,588.76	456.00	64.28	1,184.68		
4640	3629	VALDEZ	RAYNALDO	PTO REG	305.00	200.00	117.50	387.50	6,773.50	320.00	67.50	1,179.90		
0204	4588	SANTA	SUSAN	PTO REG	471.00	176.00	260.00	387.00	6,598.35	320.00	67.00	1,142.35		
0130	2148	FLETCHER	JENNIFER	PTO REG	356.00	240.00	260.00	336.00	19,709.76	320.00	16.00	938.56		
0326	3516	WARNER	NANCY	PTO REG	303.75	216.00	160.75	359.00	8,569.33	320.00	39.00	930.93		
0208	3503	BLEVINS	SHANE	PTO REG	418.00	207.00	287.50	337.50	16,740.00	320.00	17.50	868.00		
0130	3495	BOLTSHAUSER	SANDRA	PTO REG	363.00	216.00	220.00	359.00	7,596.44	320.00	39.00	825.24		
4685	4081	ZACHARIAS	PETER	PTO REG	394.50	192.00	245.50	341.00	13,353.56	320.00	21.00	822.36		
0310	4586	FARRELL	SANDY	PTO DPT HD	480.00	201.00	344.00	337.00	15,542.44	320.00	17.00	784.04		
0410	3140	RANDALL	THOMAS	PTO R G	362.00	240.00	273.00	329.00	26,369.35	320.00	9.00	721.35		
0412	2515	VELASQUEZ	LESLIE	PTO REG	414.00	240.00	316.00	338.00	12,468.82	320.00	18.00	664.02		
0220	3009	DAVIS	CHRISTOPHER	PTO FIRE	326.71	305.88	160.00	472.59	16,880.74	456.00	16.59	592.42		
0220	4728	SMITH	RODNEY	PTO FUNION	460.95	238.68	220.95	478.68	12,057.95	456.00	22.68	571.31		
4630	3138	TARANGO	CECILIA	PTO REG	460.25	216.00	331.00	345.25	6,746.19	320.00	25.25	493.39		
4016	5702	MUNIZ	BARRY	PTO REG	316.00	144.00	126.50	333.50	8,557.61	320.00	13.50	346.41		
0220	3239	SHEARER	KEVIN	PTO REG	501.00	216.00	389.00	328.00	13,848.16	320.00	8.00	337.76		
4016	4006	PADILLA	ANA	PTO REG	456.00	192.00	310.75	337.25	5,591.61	320.00	17.25	286.01		
4017	5433	PUCCIO	MARY	PTO REG	254.00	157.00	75.75	335.25	6,004.33	320.00	15.25	273.13		
0208	5205	LITTLEJOHN	CHAD	PTO REG	291.50	161.00	118.50	334.00	6,472.92	320.00	14.00	271.32		
0220	5290	VALVERDE	CARRI	PTO REG	341.00	168.00	181.00	328.00	7,885.12	320.00	8.00	192.32		
4019	3119	MENDOZA	MONICA	PTO REG	359.25	216.00	249.25	326.00	7,126.36	320.00	6.00	131.16		
					<b>31,092.83</b>	<b>15,186.34</b>	<b>15,885.41</b>	<b>30,393.77</b>	<b>1,028,145.10</b>	<b>24,536.00</b>	<b>5,857.77</b>	<b>197,374.92</b>		
<b>PART TIME</b>														
<b>Loc</b>	<b>Emp #</b>	<b>Last Name</b>	<b>First Name</b>	<b>Table Desc</b>	<b>SOY Balance</b>	<b>Earned</b>	<b>Used</b>	<b>Balance</b>	<b>Liability</b>	<b>Limit</b>	<b>OVER LIMIT</b>	<b>PTO BUYOUT AMT</b>		
4016	5366	LUEVANO	NATHAN	PTO REG	186.00	72.00	26.00	232.00	2,851.28	160.00	72.00	884.88		
0332	3347	FIELDS	ELIZABETH	PTO REG	152.00	108.00	69.50	190.50	3,209.93	160.00	30.50	513.93		
					<b>338.00</b>	<b>180.00</b>	<b>95.50</b>	<b>422.50</b>	<b>6,061.21</b>	<b>320.00</b>	<b>102.50</b>	<b>1,398.81</b>		
<b>POLICE UNION</b>														
<b>Loc</b>	<b>Emp #</b>	<b>Last Name</b>	<b>First Name</b>	<b>Table Desc</b>	<b>SOY Balance</b>	<b>Earned</b>	<b>Used</b>	<b>Balance</b>	<b>Liability</b>	<b>Limit</b>	<b>OVER LIMIT</b>	<b>PTO BUYOUT AMT</b>	<b>OVER 320</b>	<b>POSSIBLE BUYOUT</b>
0202	5110	MANN	NIKOLAS	PTO POLICE	451.00	168.00	12.00	607.00	20,395.20	456.00	151.00	5,073.60	287.00	9,643.20
0206	3236	BUTLER	STEVEN	PTO POLICE	607.75	216.00	221.50	602.25	18,368.63	456.00	146.25	4,460.63	282.25	8,608.63
0202	5081	SEAY	DUSTIN	PTO POLICE	403.50	168.00	84.00	487.50	16,043.63	456.00	31.50	1,036.67	167.50	5,512.43
0202	4378	CLEMMER	JOSEPH	PTO POLICE	332.34	192.00	162.00	362.34	13,105.84	456.00	-	-	42.34	1,531.44
0203	5325	SORIANO	JORGE	PTO POLICE	303.00	166.00	130.00	339.00	11,390.40	456.00	-	-	19.00	638.40

0202	3843	MAXWELL	JENNIFER	PTO POLICE	249.00	165.00	77.00	337.00	10,362.75	456.00	-	-	17.00	522.75
0204	3999	BLANCHARD	ROBERT	PTO POLICE	203.81	168.00	40.50	331.31	11,334.12	456.00	-	-	11.31	386.92
0206	4015	ENGLISH	MILDRED	PTO POLICE	290.75	192.00	160.25	322.50	8,323.73	456.00	-	-	2.50	64.53
					<b>2,841.15</b>	<b>1,435.00</b>	<b>887.25</b>	<b>3,388.90</b>	<b>109,324.30</b>	<b>3,648.00</b>	<b>328.75</b>	<b>10,570.89</b>	<b>828.90</b>	<b>26,908.28</b>
									<b>HOURS</b>	<b>AMOUNT</b>				
									<b>GRAND TOTAL PAYOUT</b>	6,789.17	225,682.01	209,344.62		
									ACTUAL PAYOUT					
									PAYROLL PAYOUT AMOUNT					