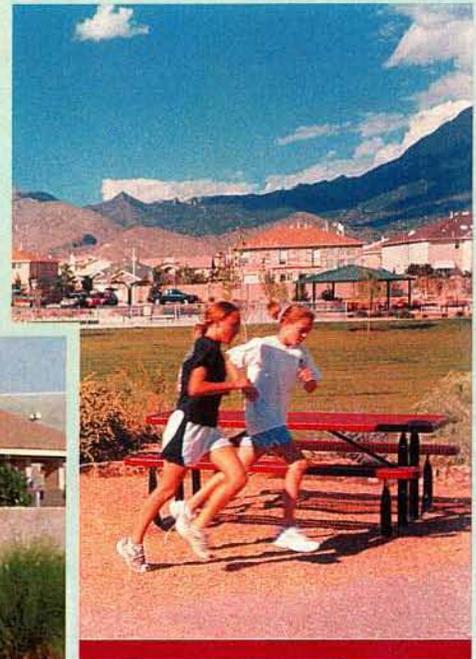




QUAIL RANCH
SPECIFIC AREA PLAN
Phase One



April 22, 2005



Prepared For:
Sandia Properties

Prepared By:
Bohannon-Huston, Inc.
Consensus Planning, Inc.

April 20, 2005

The Honorable Jim Owen, Mayor
City of Rio Rancho
3900 Southern Boulevard
Rio Rancho, New Mexico 87174

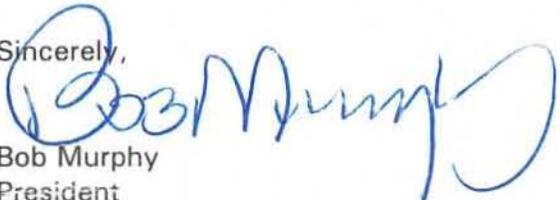
RE: Specific Area Plan Submittal for Quail Ranch Phase One

Dear Mr. Owen:

Sandia Properties is pleased to submit the Specific Area Plan (SAP) for Phase One at the Lands of Quail Ranch. Encompassing approximately 1000 acres, Phase One will develop as a "neighborhood friendly" mixed use masterplanned community emphasizing trails, parks and open space similar to our award winning Ventana Ranch.

Our draft Development Agreement for Phase One will address Impact Fees and entitlements and will also be submitted in the next few weeks for review and approval. Coordination is ongoing with other City of Rio Rancho departments, AMAFCA, Bernalillo County, New Mexico Utilities Incorporated (NMUI) and the New Mexico Environment Department (NMED) regarding the backbone infrastructure. Sandia Properties has successfully implemented the first Public Improvement District (PID) in the State of New Mexico at Ventana Ranch West and we will place a PID on Phase One of Quail Ranch.

After a long history of developing lands in Albuquerque and throughout the Southwest, Sandia Properties is pleased to be working with the City of Rio Rancho and anticipate a very successful first Phase of the Quail Ranch Lands.

Sincerely,

Bob Murphy
President
Sandia Properties Ltd., Co.,
Managing Member of Quail Properties, LLC

Encl

Cc Mr. Jim Palenick, City of Rio Rancho, City Administrator
Mr. Jim Neblett, City of Rio Rancho, Development Director



S A N D I A P R O P E R T I E S L T D . C O .

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LAND DEVELOPMENT, MANAGEMENT AND BROKERAGE

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A. EXECUTIVE SUMMARY

In June of 2003, the City of Rio Rancho annexed over 11,000 acres of land, doubling the size of the city in terms of area, and bringing one of the most anticipated mixed use developments into its jurisdiction, Quail Ranch. Quail Ranch is a 6,492 acre property located in the southwestern corner of Rio Rancho and within the boundaries of Bernalillo County. In June of 2003, the City of Rio Rancho adopted the Quail Ranch Master Plan and Land Use Plan, and amended the Preferred Land Use Scenario consistent with the Land Use Plan.

Always contemplated to develop in Phases, this Specific Area Plan (SAP) addresses the initial phase of development within the ranch. The planning scope included in this Plan includes: land use, zoning, parks and open space, infrastructure, and phasing. The intent of this Specific Area Plan for Phase One is to provide for a variety of land uses and neighborhood types, including open space corridors, neighborhood parks, a community center, village commercial area and site for a potential future elementary school. The mix of uses and densities allows for a variety of builders, including custom builders, within neighborhoods that are walkable, integrated into an overall multi-use trail and open space system, and accessible to neighborhood services.

Quail Ranch Phase One will be developed as a master-planned community, with design guidelines (included in Section E of this plan), restrictive covenants (included as an appendix to this plan), and a requirement for mandatory membership in the Community Association. This Association raises funds through dues to oversee maintenance and continuity within Phase One through the establishment of a Design Review Committee. The Community Association is responsible for the maintenance of common areas, parks, landscaped rights-of-way, trail and the private community center.

1. CONTEXT

Quail Ranch Phase One is located at the eastern boundary of the 6,492 acre Quail Ranch and encompasses +/- 1,025 acres of land. The project area is flanked by proposed Irving/McMahon to the north, proposed Paseo del Norte to the south, and proposed Paseo del Volcan to the west. The property is held in private ownership, and has been through master planning and approval processes with Bernalillo County, the Extraterritorial Land Use Authority, and the City of Rio Rancho. At the time of annexation, the property was zoned in accordance with the Land Use Plan. **Quail Ranch is the City's next premiere master planned community, with superb views and vistas of the Sandia Mountains, the City lights, and the Rio Grande Valley.**

a) Ownership

Ranch Joint Venture—Owner

Ranch Joint Venture is a New Mexico Limited Liability Partnership registered in the State of New Mexico.

Sandia Properties Ltd. Co.—Master Developer

Sandia Properties is known for its award winning Ventana Ranch. A master-planned, family oriented community located on Albuquerque's west mesa, Ventana Ranch boasts having all the necessary lifestyle amenities, including parks, trails, a commercial center, pool, and elementary school. Touted as one of Albuquerque's finest communities, Ventana Ranch is 1,250 acres in size and includes 5,000 dwelling units with a mix of land uses ranging from single family residential to townhomes, and commercial development. It is the success reached at Ventana Ranch, with its design guidelines, covenants, and mandatory Community Association, that will be brought to the Quail Ranch Phase One.



Ventana Ranch

Sandia Properties brings over thirty years of development expertise to Quail Ranch and a development history that includes over 6,000 acres of land. **Sandia Properties pays attention to details. Parks, trails and project entries are designed to reduce the demand for irrigation.** Holistic drainage management provides the maximum benefit of surface water. Sandia Properties hopes to raise the bar for master developers in the metropolitan area and for master-planning in Rio Rancho. Additionally, Sandia Properties is experienced with forming and managing successful Community Associations that oversee parks, streetscape, and public facilities and will bring this knowledge to Quail Ranch.

b) Public Improvement District

The developer is using both conventional private financing as well as a public improvement district pursuant to the Public Improvement District Act, Sections 5-11-1 through 5-11-27 NMSA 1978 to fund certain improvements where impact fee credits available under the City's Impact Fee Ordinance (Article 11, Chapter 9, Rio Rancho Comprehensive Ordinances) would cover only a portion of the costs of such. The developer will use funds raised by a PID to cover those improve-

ments (or portions thereof) for which it receives impact fee credits. A development agreement is being prepared in conjunction with this Specific Area Plan as well as a fiscal impact analysis.

c) Location

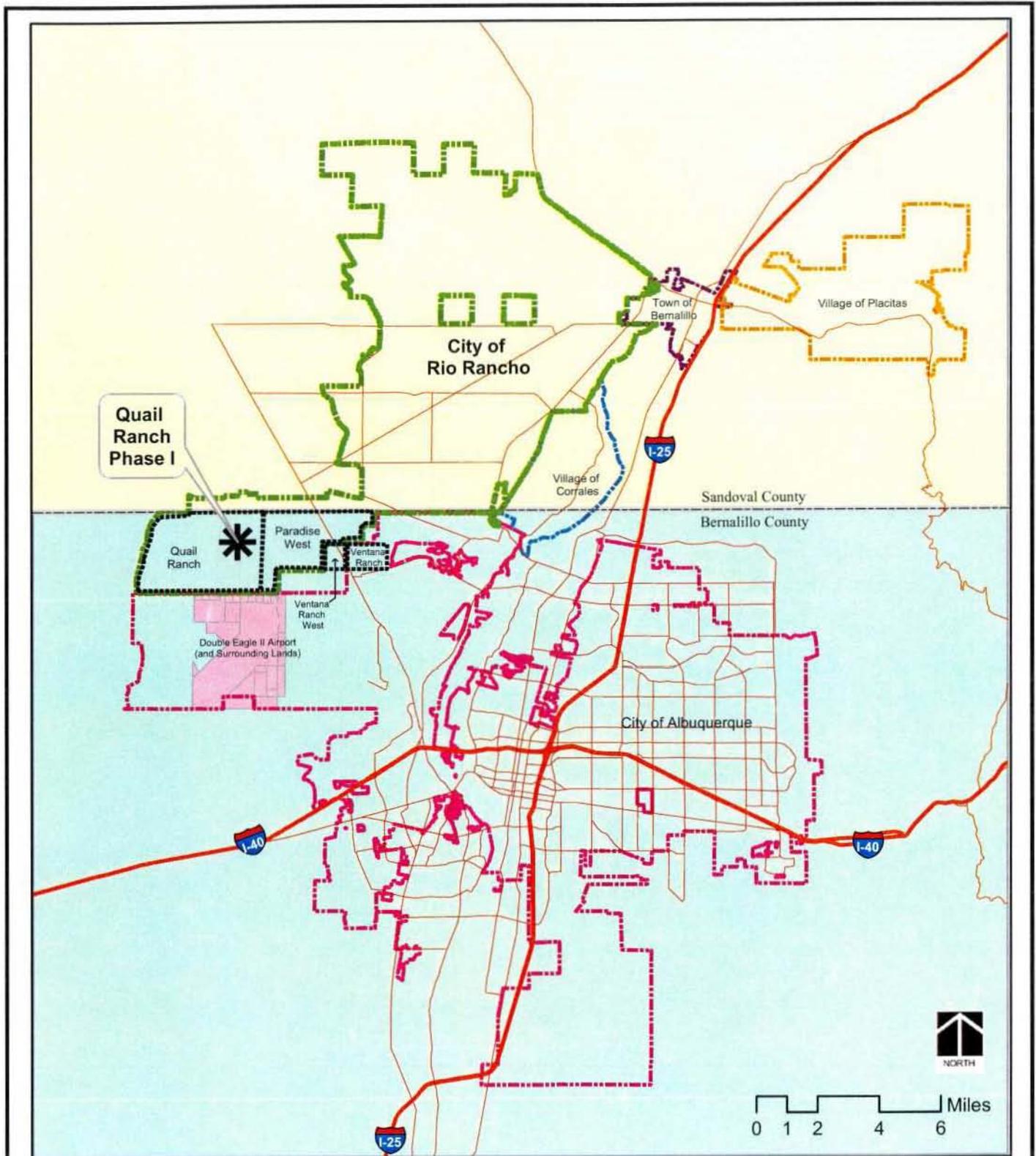
Phase One is approximately 1,025 acres in size. The eastern boundary of Phase One is the Paradise West Master Plan area. The western boundary of Phase One is the planned future extension of Paseo del Volcan. The southern boundary is the Paseo del Norte extension and the northern boundary is the proposed future alignment of the extension of Irving/McMahon Boulevard. Quail Ranch Phase One is in Bernalillo County and within the New Mexico Utilities service area, Albuquerque Public Schools boundary, and within Albuquerque Metropolitan Arroyo and Flood Control Authority (AMAFCA) jurisdiction.

Quail Ranch and Phase One are located approximately 3 miles west of the new campus for the Technical Vocational Institute (TVI), 2 miles south of Southern Boulevard, and 1.25 miles north of Double Eagle II Airport. A two hundred acre City of Albuquerque Major Public Open Space corridor is west of Quail Ranch, adjacent to the Ceja Escarpment.

d) Natural Features

The site is primarily rolling grassland with intermittent shrubs sparsely covering the surface. Indian ricegrass, blue grama, and ring and bush muhly are the dominant grasses. Cholla, prickly pear, and narrowleaf yucca are common. Eolian soils cover most of the project area. The majority of the terrain is flat, with rolling hills and minor arroyos along the eastern edge of the Phase One project area. Fauna within the project area includes quail, cottontail rabbit, and jackrabbit. No threatened or endangered species are known to inhabit these lands within Phase One.





Quail Ranch Site Vicinity



CONSENSUS PLANNING, INC.
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 924 Park Avenue SW
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B. LAND USE AND ZONING

Land Use is the physical description of the use of land within the parameters of the underlying zoning district. Rio Rancho has approved the zoning for Quail Ranch in accordance with the overall Master Plan for the 6,400 acre property dated June 2003. Quail Ranch Phase One includes 1,025 acres within the Quail Ranch. As part of this Specific Area Plan, zoning is proposed to be amended from the June 2003 adopted Land Use and Zoning Plan for Quail Ranch. This amendment to the Land Use and Zoning Plan reflects current market conditions, more defined uses, revisions to the City's Zoning Code, more in-depth infrastructure-related analyses, and new access policies and configuration of the Paseo del Volcan and Paseo del Norte corridors and interchange. Submittal for zone map amendment for the entire Quail Ranch property is accompanied with this Specific Area Plan.

1. LAND USE OVERVIEW

a) Land Use Planning Goals

The Land Use designations and associated zoning are consistent with the City's Vision 2020 Integrated Comprehensive Plan in terms of ratios of uses preferred and amount of land allocated to residential, commercial and parks/open space networks. Goals in planning the land use mosaic in Quail Ranch Phase One include:

- Providing for mobility and accessibility for all residents.
- Creating a walkable environment, where neighborhood parks are located a maximum of one half mile from any residence, and connected to the community via an extensive multi-use trail network.
- Prioritizing and setting standards for landscape and streetscape as urban design elements that create a sense of community.
- Enhancing the natural environment through the use of drought tolerant plant species, reuse of treated wastewater (when feasible), and stormwater management (water harvesting).
- Respecting the cultural resources within the project area through updated surveying, data recovery, and mitigation where appropriate.

Land Use	Acreage	Percent
Low Density Residential	42.1	4.11%
Medium Density Residential	547	53.36%
Medium High Density Residential	252.6	24.64%
High Density Residential	15	1.46%
Commercial	25	2.44%
Neighborhood Parks	33	3.21%
Open Space	52.7	5.14%
Potential Future Elementary School	12	1.17%
Community Center	5	0.49%
Right-of-Way	40.8	3.9%
TOTAL	1025.2	100.00%

- Cooperating with City staff as they continue to foster new working relationships with Albuquerque Public Schools, New Mexico Utilities, Inc., AMAFCA, Bernalillo County, and all entities governing Quail Ranch within the City of Rio Rancho.

b) Land Use Designations

The Land Use Plan for Quail Ranch Phase One designates land uses and appropriate zoning. The plan proposes a mix of land uses including a varying density of single family residential, higher density single family, patio homes, multi-family, and neighborhood commercial. It is important to note that Phase One represents only 16% of the entire Quail Ranch where a Town Center, additional multi-family residential, employment, and a sports complex are planned. Phase One has an estimated developed park lands and open space ratio of approximately 7 acres per 1000 residents. Another characteristic of Phase One is its reliance on the commercial and employment base that will be provided in Quail Ranch as a whole, specifically to the south of Phase One and adjacent to Double Eagle II Airport.

Residential land uses within Quail Ranch Phase One include Low Density, Medium Density, Medium High Density, and High Density Residential. These Land Use categories correspond with the zoning districts in the City of Rio Rancho Zoning Ordinance. A brief description of each Land Use category follows. In addition to the following descriptions, the Phase One



A medium density residential neighborhood at Ventana Ranch.

Land Use Plan graphic is Figure B-1. Figure B-2 includes the Land Use Plan for the entire Quail Ranch property. **Common to Master-planned communities, like Phase One, the covenants and design guidelines governing development, as well as mandatory membership in the Community Association, will ensure a higher quality residential development and provide requirements for maintaining personal property, the streetscape, and common areas.** In addition, residential design standards are included in this Specific Area Plan Section E, to provide guidance to builders and developers towards creating a more pedestrian-friendly, creative and diverse housing product. An appendix is included as part of this Specific Area Plan that provides the framework for covenants governing Phase One development.

Low Density Residential

Low Density Residential land uses correspond to the R-1 zoning district and will accommodate estate living. This area is most conducive to large lot residential development due to project phasing and market demand. There are approximately 42.1 acres of Low Density Residential within Phase One.

Medium Density Residential

The land use category that encompasses the bulk of Phase One is Medium Density Residential. This land use category provides for a diversity of housing products and builders looking for developable tracts that are governed by covenants and design standards creating an attractive and high quality residential neighborhood, in addition to those development standards included in the City's Zoning Ordinance for the appropriate zoning district. Medium Density Residential is similar to the City's R-2 zoning district, allowing for minimum lots sizes to 5,000 square feet. There are 547 acres of Medium Density Residential within Phase One.

Medium High Density Residential

Medium High Density Residential is designated for 252.6 acres of land within Phase One. Medium High Density Residential corresponds to the R-4 zoning district in Rio Rancho. Although minimum lot sizes are 4,000 square feet, the housing product will likely include larger lots. **Livability standards in the form of restrictive covenants and other urban design standards will ensure high quality, well-maintained medium high density residential areas.**

High Density Residential

There are 15 acres planned for High Density Residential development within Phase One. Townhomes, courtyard housing, and multi-family housing products are appropriate for this land use category. Given the proximity of Phase One to large scale employers at Double Eagle II Airport and other potential employers that may locate south of the Phase One boundary, but within Quail Ranch, this land use designation is appropriate for this location. A higher density housing product provides variety and affordability within Phase One, while transitioning from commercial uses to less intense residential uses. The High Density Residential land use category corresponds to the R-6 zoning district in the City of Rio Rancho. The high density residential and commercial uses provide the land use mix common to the community centers designation in the City's Vision 2020 Comprehensive Plan.

RESIDENTIAL

The neighborhoods are designed to create a quality environment for people to live in. The emphasis is placed upon people and not automobiles. Through traffic in the neighborhoods will be kept at a minimum, and open space systems will provide bicycle and pedestrian linkages throughout and between the neighborhoods along with connections to the Village Center." Quail Ranch Master Plan, page 25.

NEIGHBORHOODS

COMMERCIAL

The Village Center (Phase One Commercial Center) is the main activity area for each village. It will contain retail, service, access to the open space system, and higher density residential. Quail Ranch Master Plan, page 25.

DEVELOPMENT

Commercial

Commercial land uses within Phase One will provide for an easily accessible commercial center with retail and services provided to meet the daily needs of residents. With 25 acres planned for Commercial uses, neighborhood scale retail and professional office development is anticipated. Since commercial entities, like drug stores and grocery stores locate to an area based on the number of rooftops built, 25 acres is adequate for this first phase of development. A large, 170 acre Town Center is planned to be located at the intersection of Paseo del Norte and Paseo del Volcan, which will serve regional commercial needs. The proposed Town Center located adjacent to Phase One, is not part of Phase One, and will be developed later.

Parks and Open Space

Parks and Open Space set the framework for urban design and the community identity within Phase One. With a goal to provide parks at a distance of not less than one half mile from any residence, Phase One includes approximately 90 acres of parks and open space. Through the incorporation of drainage facilities with developed park lands, Phase One accomplishes two key land use goals. **Run-off is harvested in small park/ponds addressing Environmental Protection Agency water quality issues and parks are located throughout the community fostering community interaction.** Drainage solutions are co-located with parks for sustainability and efficiency. Please see Section F. Parks and Open Space for additional information and design standards. Parks and open space calculations are estimated at 7 acres per 1000 residents including the linear park along the interior loop and cross loop roads and collector roadways.

Community Center

Similar to Ventana Ranch, a *private* community center is located within Phase One and depicted on the land use plan. The community center will be available for residents living in the project area. The community center may include such amenities as outdoor seating areas, a community pool and outdoor recreational activities. The community center is centrally located along the linear park, neighborhood park and adjacent to the proposed future elementary school allowing for possible joint-use capabilities.

Potential Future Elementary School

A potential future elementary school site is approximately 12 acres in size and will accommodate the site planning needs required by Albuquerque Public Schools. The school site is marked with a blue asterisk on the Phase One Land Use Plan. The potential future elementary school is located adjacent to a neighborhood park, the community center, and the linear park/trails to encourage walking and biking to school.

c) Density

The densities within Phase One vary by land use type. However, it is anticipated that there will be approximately 4,500 residences within Phase One, including single family and multi-family. The following table details density and the approximate number of residents living in Phase One of Quail Ranch. For single family, a multiplier of 2.57 residents per dwelling unit was calculated, and for multi-family, a multiplier of 1.68 was used to calculate residents per dwelling unit. Over 11,300 residents are expected to live in Phase One which will be developed over 10-15 years.

Land Use Category	Acreeage	Average DUs/Ac.	Dwelling Units	Residents
Low Density Residential (7,000 sq. ft. min. lot size)	42.1	3.0	126	~324
Medium Density Residential (5,000 sq. ft. min. lot size)	547	4.8	2598	~6677
Medium High Density Residential (4,000 sq. ft. min. lot size)	252.6	5.9	1506	~3870
High Density Residential	15	18	270	~453
TOTAL UNITS			4500	

2. ZONING

Zoning has been established for Quail Ranch and corresponds to the Land Use Plan and Zoning Table that were adopted by the Governing Body in June of 2003. As part of this request for approval of Specific Area Plan, a zone map amendment is requested to conform to the zoning table (Table B-3) and the Zoning Plan (Figure B-3) located on the following page. The zoning plan will form the basis of a future bulk plat. Collectors and arterials will be defined during the bulk plat process, while the neighborhood parks, open space, multi-use trails, potential future school site and community center will be platted during the subdivision process.

Zoning	Acreeage	Percent
R-1	48.5	4.73%
R-2	615.8	60.07%
R-4	320.9	31.30%
R-6	15	1.46%
C-1	25	2.44%
TOTAL	1025.2	100.00%

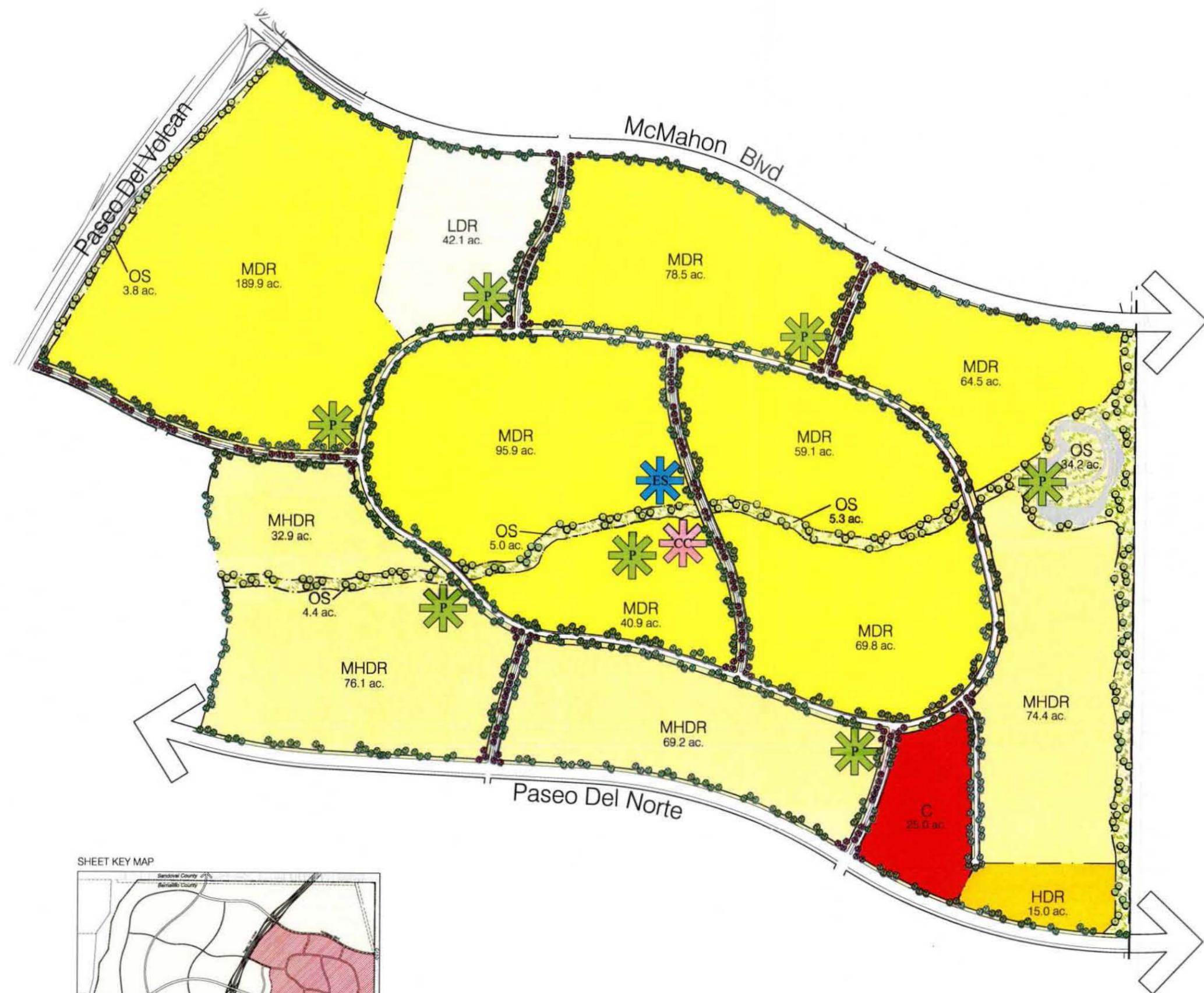
Note: Schools, water quality facility, open space, rights-of-way, and other community facilities are included in the zoning designations, see Table B-1, Land Use.



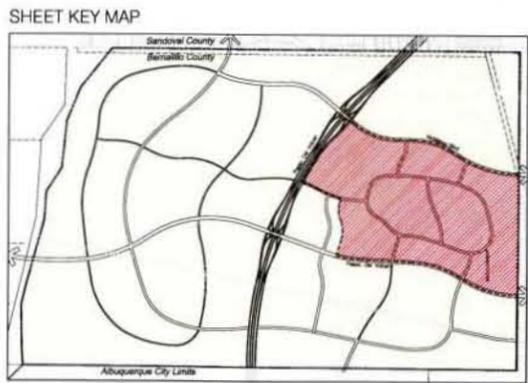
LAND USE PLAN Figure B-1

LAND USE PLAN Figure B-1

PHASE ONE
CONCEPTUAL LAND USE PLAN

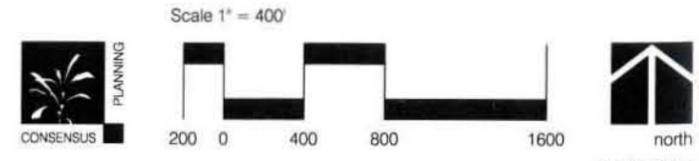


-  Low Density Residential
-  Medium Density Residential
-  Medium High Density Residential
-  High Density Residential
-  Commercial
-  School
(Site is approximate in location)
-  Park
(Site is approximate in location)
-  Community Center
(Site is approximate in location)
-  Open Space

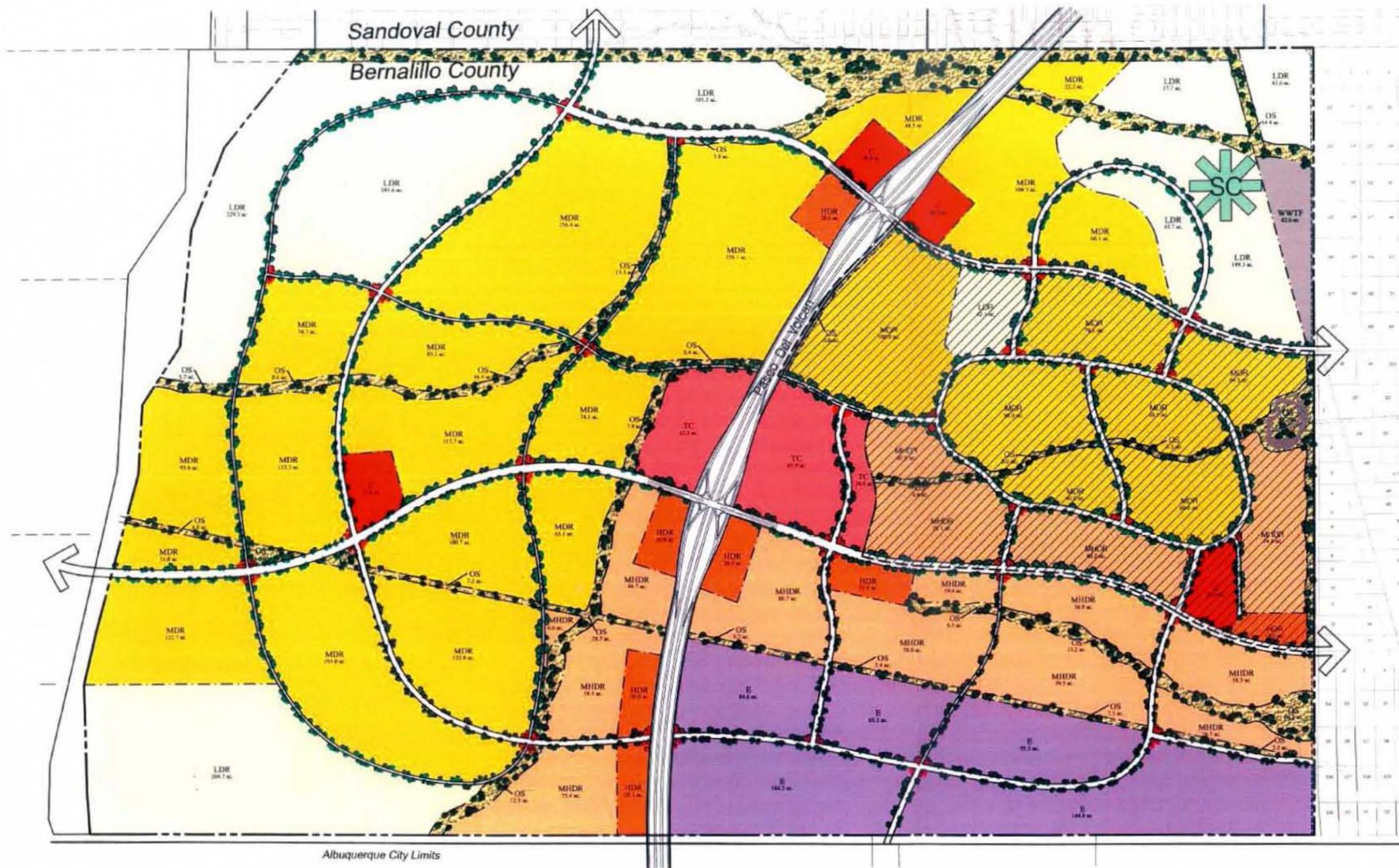


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CONCEPTUAL QUAIL RANCH LAND USE PLAN



- LDR Low Density Residential
- MDR Medium Density Residential
- MHDR Medium High Density Residential
- HDR High Density Residential
- TC Town Center
- C Commercial
- E Employment
- WWTF Wastewater Treatment Facility
- Sport Complex
- Open Space
- Phase 1

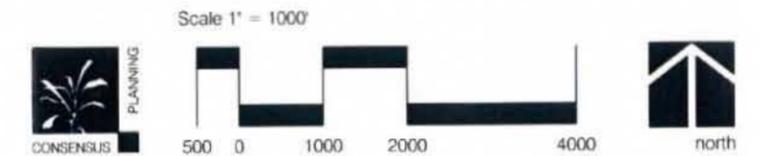


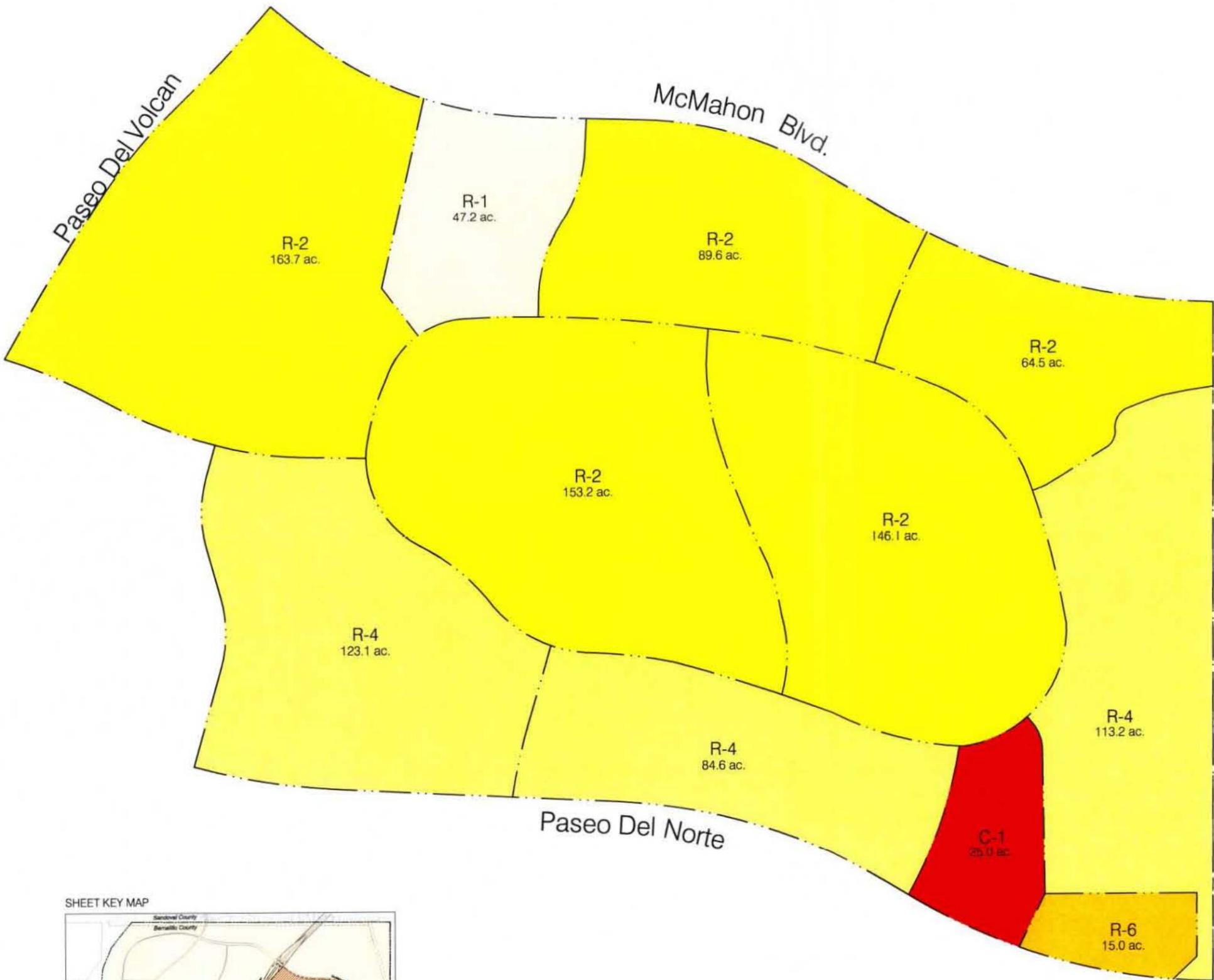
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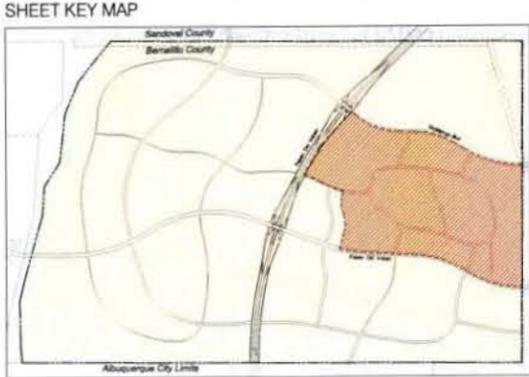
Ranch Joint Venture
3613 Rio Rancho Road, Suite H
Albuquerque, NM 87114





PHASE ONE
ZONING PLAN

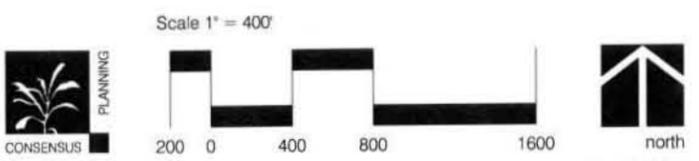
-  R-1 = 47.2 Acres
-  R-2 = 617.1 Acres
-  R-4 = 320.9 Acres
-  R-6 = 15.0 Acres
-  C-1 = 25.0 Acres



QUAIL RANCH

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C. FISCAL IMPACT ANALYSIS

One of the critical analyses associated with any planned community is the fiscal impact of the project on the local community. In the case of Quail Ranch Phase One, three separate fiscal impact analyses have been prepared; one concerning the impacts to the City of Rio Rancho, second the impact to Bernalillo County, and third is an analysis of the impacts to the school district. These analyses were prepared by Brian McDonald, Ph.D., an economic consultant in Albuquerque.

The analyses show that the development of the Quail Ranch project will have a positive fiscal impact on the community. Over the nine year development period, the development is expected to generate over \$12.4 Million to the City's General Fund. The property taxes will also generate \$1.6 Million in additional property taxes that the City can utilize for its general obligation bond debt service. Finally, the project will generate \$.58 Million in environmental gross receipts taxes.

Since local governments do not provide for all services to its residents it is important for the project to look at the impacts upon other local governments. The project is located within Bernalillo County and will have a positive impact on them as well. Bernalillo County's impact will be over \$5.6 Million to the General Fund and over \$.9 Million in additional property taxes for general obligation bond debt service. Quail Ranch is within Albuquerque Public Schools district boundaries and Quail Ranch will generate \$6.57 Million in property taxes over the 9-year development period for Phase One, which will support over \$17 Million in bond debt.

The buildout phasing used for this Fiscal Impact Analysis is based upon infrastructure construction for the residential super-pads. There is a delay between infrastructure and subdivision construction and the construction and occupancy of the homes. This delay is estimated to be approximately 36 months. This delay also occurs with the commercial center since individual commercial buildings are constructed and occupied over a period of approximately 36 months after the initial construction of the first commercial enterprise. This delay is reflected in the phasing schedule utilized for the traffic and infrastructure demand analyses ranging from 9 to 12 years for buildout of Phase One.

1. SUMMARY OF MAJOR FINDINGS

The following includes a summary of the major findings of the fiscal impact analysis:

a) Background

- The Quail Ranch Phase One Development (Phase One) is a 1,025 acre master planned community, located within the existing city limits

of Rio Rancho, New Mexico, north of Paseo Del Norte and south of McMahon Boulevard, west of the Ventana Ranch development and east of Paseo Del Volcan. Phase One is located within Bernalillo County and the existing boundaries of the Albuquerque Public Schools.

- Phase One will include approximately 4,230 single family dwelling units, 270 multifamily dwelling units, and 272,250 square feet of non-residential, commercial space to be built over a nine-year time period, beginning in 2006. The average single family house price is expected to be \$135,000 in 2007 dollars. The developer anticipates spending \$67.5 million on system level improvements and \$13,500 per single family lot (2007\$) for onsite infrastructure costs.
- At expected build-out in approximately 2014, Phase One will support an estimated total population of 11,933. (*This Fiscal Impact Analysis uses the average housing size data from adjacent census tracts, instead of the housing size data for City of Rio Rancho as a whole. Using the City's approved housing size multiplier, approximately 11,300 residents are anticipated in Phase One.*) It was assumed that Phase One would have the same average household size and housing vacancy rates as owner-occupied and renter housing units in the four contiguous census tracts (Census Tracts 47.18 through 47.21 in Bernalillo County).
- See Table C-1 for the detailed project development assumptions which drive the fiscal impact analysis. The fiscal analysis has been calculated in future year dollars, assuming a 3.0% per year inflation escalation in tax bases, property values, and public expenditures.

City of Rio Rancho

- Between 2006 and 2014 Phase One is expected to have a significant, positive fiscal impact on Rio Rancho's general fund. General fund revenues, which include gross receipts taxes, property taxes, and other general fund revenue, are estimated to exceed general fund expenditures attributed to the development by a total of \$12.444 million over this nine-year period. Phase One will also generate \$1.636 million in property taxes for general obligation bond debt service for the city in the 2006-2014 time period. On an annual basis by 2014 property taxes for debt service are estimated at \$0.424 million per year. Phase One will generate an additional \$0.582 million in environmental gross receipts taxes for the City of Rio Rancho over this nine-year period. Table C-2 summarizes the fiscal impact on the City of Rio Rancho.

-
- Phase One will generate an estimated \$14.806 million in city impact fees. However, the developer plans \$67.5 million in system level improvements and will claim a credit against these city impact fees.
 - Table C-3 documents the tax and expenditure assumptions used in the fiscal impact analysis for the City of Rio Rancho. These include the current city gross receipts tax rates (including the municipal distribution), property tax mill levies on residential and non-residential property, and impact fees as well as assumptions about per capita general fund expenditures. It was assumed that property would be valued at 85% of market value in order to capture lags in the assessor's valuation procedures and that each household would take the \$2,000 household exemption.
 - Construction gross receipts taxes from residential, nonresidential, and on- and off-site infrastructure construction are major contributors to the city's general fund during the 2006-2014 building phase, as shown in Table C-4. Construction gross receipts taxes are estimated as the value of construction times the city's gross receipts tax rate. Once construction is completed in 2014, the general fund fiscal impact is still positive with general fund revenues exceeding general fund expenditures by an estimated \$0.300 million per year.
 - In the 2007-2012 time period the only non-construction gross receipts taxes projected for the Rio Rancho general fund are those from gross receipts tax on utility purchases of residents. Not until 2013 will there be any significant commercial/retail development in Phase One, and Rio Rancho is not expected to capture the retail trade/services gross receipts tax base of these new residents until 2013. Beginning in 2013, non-construction gross receipts taxes are estimated on a per capita basis using the city's actual FY 2004 per capita level as a basis.
 - The general fund fiscal impact analysis assumes that the existing per capita level of services (general fund expenditures) will be provided to Phase One residents. One adjustment was made to account for assumed fixed general fund spending for the mayor and city council offices, financial administration, and the judiciary. In the end, general fund expenditures were estimated at 87.5% of the actual FY 2004 level. General fund revenues were separately estimated for property taxes, construction gross receipts, non-construction gross receipts, and other general fund revenues which were estimated on a per capita basis. See Table C-4.
 - Phase One's property tax base will provide additional revenue to Rio Rancho's general obligation bond debt service fund, estimated at a total of \$1.636 million over the 2006-2014 time period. After build-

out in 2014, the debt service mill levy on Phase One property, estimated at \$0.424 million per year then, will support \$4.4 million in new, fifteen-year maturity general obligation bonds at current levels of interest rates.

Bernalillo County

- Between 2006 and 2014 Phase One is expected to have a significant, positive fiscal impact on Bernalillo County's general fund. County general fund revenues, which include gross receipts taxes, property taxes, and other general fund revenue, are estimated to exceed general fund expenditures attributed to the development by a total of \$5.639 million over this nine-year period. Phase One will also generate \$0.932 million in property taxes for general obligation bond debt service for the county in the 2006-2014 time period. On an annual basis by 2014 property taxes for debt service are estimated at \$0.242 million per year. Table C-6 summarizes the fiscal impact on Bernalillo County.
- Table C-7 documents the tax and expenditure assumptions used in the fiscal impact analysis for Bernalillo County. These include the current county gross receipts tax rates, property tax mill levies on residential and non-residential property, and assumptions about per capita county general fund expenditures. It was assumed that property would be valued at 85% of market value in order to capture lags in the assessor's valuation procedures and that each household would take the \$2,000 household exemption.
- As was true for the City of Rio Rancho, construction gross receipts taxes from residential, nonresidential, and on- and off-site infrastructure construction are major contributors to the county's general fund during the 2006-2014 building phase, as shown in Table C-8. Construction gross receipts taxes are estimated as the value of construction times the county's gross receipts tax rate. Once construction is completed in 2014, the general fund fiscal impact for the county is still positive with general fund revenues exceeding general fund expenditures by an estimated \$0.770 million per year.
- Non-construction gross receipts taxes for the county were estimated based upon the actual FY 2002 per capita level, adjusted for inflation. Phase One residents are expected to purchase retail goods and services within Bernalillo County so that the county is able to capture the non-construction gross receipts tax base of residents from the inception of the development.

-
- Since Phase One will be within the city limits of Rio Rancho, Bernalillo County will not be responsible for providing public services such as police and fire protection, parks and recreation, and planning and zoning. Also, certain existing county expenditures are invariant with respect to population such as the spending for county commission, probate judge, treasurer, assessor, clerk, county manager, and finance and budget. Some sheriff expenditures do benefit all county residents so that it was assumed that 20% of the sheriff's budget would be affected by new residents of Phase One. In the end, it was assumed that 57% of the county's general fund expenditures would be variable with respect to Phase One residents. Using FY 2002 detailed county general fund expenditure data, county general fund expenditures were estimated at \$100 per capita (2002\$) for Phase One residents.

Albuquerque Public Schools

- Phase One lies within the current boundaries of the Albuquerque Public Schools (APS). Of the 11,933 residents expected to live within Phase One by 2014, approximately 20%, or 2,383, are expected to be of school age. Using the existing school grade distribution of the nearby Rio Rancho Public Schools, 1,059 of these students are expected to be of elementary school age, 581 of middle school age, and 743 of high school age.
- School operational money for these new students will be provided by the State of New Mexico's general fund via the existing school enrollment funding formula. However, capital spending for classrooms and equipment will be the responsibility of APS.
- APS relies on its property tax base to fund capital spending. At existing mill levies Phase One will generate \$6.57 million in property taxes to APS in the 2007-2014 time period, as shown in Table C-10. By 2014 the annual APS property tax collections from Phase One are estimated to be \$1.707 million per year. Excluding the small operational mill levy, in 2014 APS property taxes from Phase One will support **\$17.173 million in bond debt** assuming 15-year maturity bonds and a 5% interest rate.
- In a relatively recent development the State of New Mexico now provides capital money to school districts on a matching funds basis. The state's criteria of need are based upon evidence of school overcrowding, growth in individual school enrollment, and age of school facilities. APS has received \$54.0 million in state matching funds for capital in the most recent APS school bond cycle. APS will use some of these state matching funds for a new high school on Albuquerque's west side, which would serve high school students of Phase One.

**FISCAL IMPACT ANALYSIS
TABLE C-1
PROJECT ASSUMPTIONS
QUAIL RANCH PHASE I DEVELOPMENT**

		<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2006-2014 Total</u>
Single Family DU's			500	500	500	500	500	500	600	630	4,230
Average Household Size	2.75										
Average Vacancy Rate	2.7%										
Population, SF			1,338	2,676	4,014	5,352	6,689	8,027	9,633	11,318	
Multi-Family DU's										270	270
Average Household Size	2.51										
Average Vacancy Rate	9.3%										
Population, MF										615	
Total Population, Quail Ranch Phase I			1,338	2,676	4,014	5,352	6,689	8,027	9,633	11,933	
Total DU's			500	500	500	500	500	500	600	900	4,500
Ave. Land Value (2007\$/SF Lot)	\$ 32,000										
Land Price Inflation Per Year	4.0%										
Ave. SF Housing Value (2007\$/DU)	\$ 135,000										
Housing Price Inflation Per Year	3.0%										
Housing Construction Costs (2007\$/SF Unit)	\$ 103,000										
MF Residential 2005\$Value/ Per Unit	\$ 46,000										
MF Housing Construction Cost/2005\$DU	\$ 40,000										
Nonresidential Building Sq. Ft.								68,063	136,125	68,063	272,250
Nonresidential Market Value/2005\$ Sq.Ft.	\$ 120										
Nonresidential Construction Cost/2005\$ Sq. Ft.	\$ 100										
Onsite Infrastructure Cost Per SF Lot, 2007\$*	\$ 13,500										
Onsite Infrastructure Cost Inflation Per Year	3.75%										
Offsite Infrastructure Cost, Then Year Dollars*		12,000,000	12,000,000	12,000,000	10,000,000	10,000,000	7,500,000	4,000,000			67,500,000

*Includes gross receipts tax @ 6.875%

**FISCAL IMPACT ANALYSIS
TABLE C-2**

**FISCAL IMPACT ON CITY OF RIO RANCHO
QUAIL RANCH PHASE I DEVELOPMENT**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2006-2014 Total</u>
GENERAL FUND										
Revenues	287,298	2,147,215	2,579,851	2,989,228	3,472,191	3,922,128	4,605,416	7,824,197	9,561,780	37,389,304
Expenditures		583,330	1,201,660	1,856,565	2,549,683	3,282,716	4,057,438	5,014,993	6,399,008	24,945,393
Fiscal Impact	287,298	1,563,884	1,378,191	1,132,663	922,508	639,412	547,978	2,809,204	3,162,772	12,443,911
DEBT SERVICE FUND										
Property Tax Revenues		37,144	76,640	118,594	163,115	210,318	266,160	340,066	423,933	1,635,969
ENVIRONMENTAL GROSS RECEIPTS TAX FUND										
Revenues	7,018	44,776	47,203	48,571	51,224	52,534	58,617	123,818	148,445	582,205
IMPACT FEES										
Development Impact Fees		1,402,860	1,444,946	1,488,294	1,532,943	1,578,931	1,857,757	2,486,908	3,013,243	14,805,882
Pre-Paid By Developer, Offsite Infrastructure*	12,000,000	12,000,000	12,000,000	10,000,000	10,000,000	7,500,000	4,000,000			67,500,000

*Includes gross receipts tax of 6.8750%

FISCAL IMPACT ANALYSIS

Table C-3

**TAX AND EXPENDITURE ASSUMPTIONS
CITY OF RIO RANCHO
FOR
FISCAL IMPACT OF QUAIL RANCH PHASE I DEVELOPMENT**

		<u>Note:</u>
General Fund Gross Receipts Tax Rate, Net of State Admin. Charge of 3%	2.559%	Includes Municipal and Municipal Infrastructure GRT
Construction Gross Receipts As Percentage of Total Taxable Gross Receipts, City of Rio Rancho	25.82%	Actual CY 2004, RP 80 NM TRD
Non-Construction Gross Receipts Taxes Per Capita, FY 2004 Actual	\$ 200.05	Includes Revenue Bond GR Tax
Utility Gross Receipts Taxes, As % of Non-Construction Gross Receipts Taxes	18.51%	Actual CY 2004, RP 80 NM TRD
2004 Estimated Rio Rancho Population	62,749	
Residential Property Tax Mill Rate		Tax Year 2004
Operations	6.300	
Debt Service	2.067	
Total	8.367	
Nonresidential Property Tax Mill Rate		Tax Year 2004
Operations	5.349	
Debt Service	2.067	
Total	7.416	
Property Tax Collection Rate, Net of County Admin. Fee	99.25%	
Property Assessed Taxable Value	33.33%	Of 85% of Market Value
Property Tax Household Exemption	\$ 2,000	Per Household
Other General Fund Revenues Per Capita, FY 2004 Actual	\$ 137.39	Franchise Fees, Licenses and Permits, Charges For Services, etc. Excludes federal, state, and county grants
General Fund Expenditures Per Capita, FY 2004 Actual	\$ 399	Estimated Variable Cost Only, 87.6% of Total
Environmental Gross Receipts Tax Rate	0.0625%	As of January 2005
Impact Fees		Increase 3.0% Per Year Beginning in 2006
Single Family Per Unit	\$ 2,724	
Multi-Family Per Unit	\$ 1,736	
Per 1,000 Sq. Ft.		
Commercial	\$ 2,848	

FISCAL IMPACT ANALYSIS
 Table C-4
CITY OF RIO RANCHO GENERAL FUND REVENUE PROJECTIONS
QUAIL RANCH PHASE I DEVELOPMENT

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2006-2014 Total
GENERAL FUND REVENUES										
Gross Receipts Tax, Non-Construction		54,135	111,519	172,297	236,621	304,649	376,546	2,514,378	3,208,284	6,978,429
Annual Growth Rate		3.00%								
FY 2004 Per Capita		\$ 200.05								
Population - Quail Ranch, End of Year		1,338	2,676	4,014	5,352	6,689	8,027	9,633	11,933	
Gross Receipts Tax, Construction	287,298	1,779,007	1,820,969	1,816,192	1,860,472	1,846,102	2,023,213	2,554,721	2,869,065	16,857,040
After State Admin Rate										
Gross Receipts, Construction Taxbase	11,228,070	69,526,425	71,166,364	70,979,667	72,710,183	72,148,569	79,070,374	99,842,534	112,127,613	
Total Gross Receipts Tax	287,298	1,833,143	1,932,488	1,988,489	2,097,093	2,150,751	2,399,760	5,069,099	6,077,350	23,835,469
Property Tax, Residential		113,212	233,591	361,461	497,156	641,027	793,434	982,036	1,218,776	4,840,692
Residential Mill Rate Operations										
Residential Property Taxbase, End of Year		18,105,875	37,358,103	57,808,268	79,510,022	102,519,153	126,893,673	157,056,580	194,918,432	
Property Tax, Non-Residential							15,108	46,230	62,259	123,597
Non-Residential Mill Rate Operations										
Non-Residential Property Taxbase, End of Year							2,845,797	8,708,140	11,727,246	
Total Property Taxes		113,212	233,591	361,461	497,156	641,027	808,542	1,028,266	1,281,035	4,964,289
Other General Fund Revenues		200,860	413,772	639,278	877,942	1,130,351	1,397,114	1,726,832	2,203,396	8,589,546
FY 2004 Per Capita		\$ 137.39								
Population - Quail Ranch, End of Year		1,338	2,676	4,014	5,352	6,689	8,027	9,633	11,933	
TOTAL GENERAL FUND REVENUES	287,298	2,147,215	2,579,851	2,989,228	3,472,191	3,922,128	4,605,416	7,824,197	9,561,780	37,389,304

FISCAL IMPACT ANALYSIS
Table C-5

CITY OF RIO RANCHO OTHER REVENUES
QUAIL RANCH PHASE I DEVELOPMENT

		<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	2006-2014 <u>Total</u>
ENVIRONMENTAL GROSS RECEIPTS TAX	0.0625%	7,018	44,776	47,203	48,571	51,224	52,534	58,617	123,818	148,445	582,205
Construction GR Taxbase		11,228,070	69,526,425	71,166,364	70,979,667	72,710,183	72,148,569	79,070,374	99,842,534	112,127,613	
Non-Construction GR Taxbase	2.559%		2,115,696	4,358,334	6,733,625	9,247,512	11,906,172	14,716,028	98,265,862	125,384,834	
Total Gross Receipts Taxbase		11,228,070	71,642,121	75,524,697	77,713,293	81,957,695	84,054,741	93,786,403	198,108,396	237,512,447	
DEBT SERVICE, PROPERTY TAX	99.25%		37,144	76,640	118,594	163,115	210,318	266,160	340,066	423,933	1,635,969
Property Tax, Residential			37,144	76,640	118,594	163,115	210,318	260,322	322,201	399,875	1,588,208
Residential Mill Debt Service	2.067										
Residential Property Taxbase			18,105,875	37,358,103	57,808,268	79,510,022	102,519,153	126,893,673	157,056,580	194,918,432	
Property Tax, Non-Residential								5,838	17,865	24,058	47,761
Non-Residential Debt Service	2.067										
Non-Residential Property Taxbase								2,845,797	8,708,140	11,727,246	
IMPACT FEES											
Development Impact Fees	3%		1,402,860	1,444,946	1,488,294	1,532,943	1,578,931	1,857,757	2,486,908	3,013,243	14,805,882
Pre-Paid By Developer		12,000,000	12,000,000	12,000,000	10,000,000	10,000,000	7,500,000	4,000,000			67,500,000
\$ Per SF Unit	\$	2,724									
\$ Per MF Unit	\$	1,736									
Commercial Per 1,000 Sq Ft.	\$	2,848									
Single Family DU's			500	500	500	500	500	500	600	630	4,230
Multi-Family DU's										270	270
Non-residential Sq. Ft.								68,063	136,125	68,063	272,250

FISCAL IMPACT ANALYSIS

Table C-6

FISCAL IMPACT ON BERNALILLO COUNTY

QUAIL RANCH PHASE I DEVELOPMENT

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2006-2014</u> <u>Total</u>
GENERAL FUND										
Revenues	47,649	510,312	745,869	987,611	1,252,051	1,521,975	1,872,554	2,385,169	2,947,220	12,270,412
Expenditures		155,073	319,451	493,552	677,812	872,682	1,078,635	1,333,193	1,701,122	6,631,522
Fiscal Impact	47,649	355,239	426,418	494,059	574,240	649,293	793,919	1,051,976	1,246,098	5,638,890
OTHER PROPERTY TAXES										
Total		21,166	43,672	67,578	92,947	119,845	151,665	193,779	241,569	932,221
Debt Service		15,028	31,007	47,981	65,993	85,091	107,684	137,585	171,516	661,885
Open Space		4,526	9,340	14,452	19,878	25,630	32,435	41,441	51,661	199,363
Judgment		1,611	3,325	5,145	7,076	9,124	11,547	14,753	18,391	70,973

FISCAL IMPACT ANALYSIS
Table C-7
TAX AND EXPENDITURE ASSUMPTIONS
BERNALILLO COUNTY
FOR
FISCAL IMPACT OF QUAIL RANCH PHASE I DEVELOPMENT

		<u>Note:</u>
General Fund Gross Receipts Tax Rate, Net of State Admin. Charge of 3%	0.4244%	Includes County GRT, As of January 1, 2005
Construction Gross Receipts As Percentage of Total Taxable Gross Receipts	12.20%	Actual CY 2004, RP 80 NM TRD, Exclude R&D
Non-Construction Gross Receipts Taxes Per Capita, FY 2002 Actual	\$ 45.80	Includes Indigent Care and Revenue Bond GR Tax, But Excludes Environmental GRT
2002 County Population	572,597	U.S. Census Bureau
Residential Property Tax Mill Rate		Tax Year 2004
Operations	7.031	
Debt Service	0.830	
Open Space	0.250	
Judgement	0.089	
Total	8.200	
Nonresidential Property Tax Mill Rate		Tax Year 2004
Operations	11.600	
Debt Service	0.830	
Open Space	0.250	
Judgement	0.089	
Total	12.769	
Property Assessed Taxable Value	33.33%	Of 85% of Market Value
Property Tax Household Exemption	\$ 2,000	Per Household
Other General Fund Revenues Per Capita, FY 2002 Actual	\$ 10.91	
General Fund Expenditures Per Capita, FY 2002 Actual	\$ 100	Estimated Variable Cost Only, For Incorporated Area

FISCAL IMPACT ANALYSIS
 Table C-8
BERNALILLO COUNTY GENERAL FUND REVENUE PROJECTIONS
QUAIL RANCH PHASE I DEVELOPMENT

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2006-2014 Total
GENERAL FUND REVENUES										
Gross Receipts Tax, Non-Construction		71,040	146,343	226,100	310,511	399,783	494,131	610,746	779,298	3,037,953
Annual Growth Rate		3.00%								
FY 2002 Per Capita	\$	1,338	2,676	4,014	5,352	6,689	8,027	9,633	11,933	
Population - Quail Ranch, End of Year										
Gross Receipts Tax, Construction	47,649	295,053	302,012	301,220	308,564	306,180	335,555	423,707	475,842	2,795,782
After State Admin Rate										
Gross Receipts, Construction Taxbase	11,228,070	69,526,425	71,166,364	70,979,667	72,710,183	72,148,569	79,070,374	99,842,534	112,127,613	
Total Gross Receipts Tax	47,649	366,093	448,355	527,320	619,075	705,963	829,686	1,034,453	1,255,139	5,833,734
Property Tax, Residential		127,302	262,665	406,450	559,035	720,812	892,189	1,104,265	1,370,471	5,443,190
Residential Mill Rate Operations										
Residential Property Taxbase, End of Year		18,105,875	37,358,103	57,808,268	79,510,022	102,519,153	126,893,673	157,056,580	194,918,432	
Property Tax, Non-residential							33,011	101,014	136,036	270,062
Non-Residential Mill Rate Operations										
Non-Residential Property Taxbase, End of Year							2,845,797	8,708,140	11,727,246	
Total Property Taxes		127,302	262,665	406,450	559,035	720,812	925,201	1,205,279	1,506,508	5,713,252
Other General Fund Revenues		16,917	34,849	53,841	73,942	95,200	117,667	145,437	185,574	723,426
FY 2002 Per Capita	\$	1,338	2,676	4,014	5,352	6,689	8,027	9,633	11,933	
Population - Quail Ranch, End of Year										
TOTAL GENERAL FUND REVENUES	47,649	510,312	745,869	987,611	1,252,051	1,521,975	1,872,554	2,385,169	2,947,220	12,270,412

FISCAL IMPACT ANALYSIS

Table C-9

**BERNALILLO COUNTY OTHER REVENUES
QUAIL RANCH PHASE I DEVELOPMENT**

		<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2006-2014</u> <u>Total</u>
OTHER PROPERTY TAXES	100%		21,166	43,672	67,578	92,947	119,845	151,665	193,779	241,569	932,221
Debt Service			15,028	31,007	47,981	65,993	85,091	107,684	137,585	171,516	661,885
Open Space			4,526	9,340	14,452	19,878	25,630	32,435	41,441	51,661	199,363
Judgment			1,611	3,325	5,145	7,076	9,124	11,547	14,753	18,391	70,973
Property Tax, Residential			21,166	43,672	67,578	92,947	119,845	148,339	183,599	227,860	905,005
Residential Mill Debt Service	0.830		15,028	31,007	47,981	65,993	85,091	105,322	130,357	161,782	642,561
Residential Mill Open Space	0.250		4,526	9,340	14,452	19,878	25,630	31,723	39,264	48,730	193,543
Residential Mill Judgment	0.089		1,611	3,325	5,145	7,076	9,124	11,294	13,978	17,348	68,901
Residential Property Taxbase			18,105,875	37,358,103	57,808,268	79,510,022	102,519,153	126,893,673	157,056,580	194,918,432	
Property Tax, Non-Residential								3,327	10,180	13,709	27,216
Non-Residential Debt Service	0.830							2,362	7,228	9,734	19,323
Non-Residential Open Space	0.250							711	2,177	2,932	5,820
Non-Residential Judgment	0.089							253	775	1,044	2,072
Non-Residential Property Taxbase								2,845,797	8,708,140	11,727,246	

FISCAL IMPACT ANALYSIS
Table C-10
ALBUQUERQUE PUBLIC SCHOOLS
QUAIL RANCH PHASE I DEVELOPMENT

ASSUMES QUAIL RANCH PHASE I DEVELOPMENT REMAINS PART OF APS

		<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	2006-2014 <u>Total</u>
PROPERTY TAXES, TOTAL	99.25%		148,792	307,005	475,063	653,405	842,492	1,068,248	1,368,547	1,706,690	6,570,243
Operational			4,313	8,899	13,770	18,939	24,420	31,638	41,732	52,249	195,961
Debt Service			38,923	80,311	124,274	170,927	220,391	278,908	356,354	444,238	1,714,325
Capital Improvements			35,940	74,156	114,749	157,827	203,501	257,533	329,043	410,192	1,582,941
HB 33 School Building			69,616	143,640	222,270	305,712	394,181	500,169	641,418	800,012	3,077,016
Property Tax, Residential			148,792	307,005	475,063	653,405	842,492	1,042,800	1,290,675	1,601,820	6,362,053
Residential Mill, Operational	0.240		4,313	8,899	13,770	18,939	24,420	30,226	37,411	46,430	184,407
Residential Mill, Debt Service	2.166		38,923	80,311	124,274	170,927	220,391	272,790	337,633	419,027	1,664,276
Residential Mill, Capital Improvements	2.000		35,940	74,156	114,749	157,827	203,501	251,884	311,757	386,913	1,536,728
Residential Mill, HB 33 School Building	3.874		69,616	143,640	222,270	305,712	394,181	487,899	603,874	749,451	2,976,641
Residential Mill, School District Total	8.280										
Residential Property Taxbase, End of Year			18,105,875	37,358,103	57,808,268	79,510,022	102,519,153	126,893,673	157,056,580	194,918,432	
Property Tax, Non-Residential								25,448	77,872	104,870	208,190
Non-Residential Mill, Operational	0.500							1,412	4,321	5,820	11,553
Non-Residential Mill, Debt Service	2.166							6,118	18,720	25,211	50,049
Non-Residential Mill, Capital Improvements	2.000							5,649	17,286	23,279	46,213
Non-Residential Mill, HB 33 School Building	4.344							12,269	37,544	50,561	100,375
Non-Residential Mill, School District Total	9.010										
Non-Residential Property Taxbase, End of Year								2,845,797	8,708,140	11,727,246	
POPULATION, PHASE I			1,338	2,676	4,014	5,352	6,689	8,027	9,633	11,933	
School-Aged Population	0.1997		267	534	802	1,069	1,336	1,603	1,924	2,383	
Elementary	44.45%		119	238	356	475	594	713	855	1,059	
Middle School	24.37%		65	130	195	260	326	391	469	581	
High School	31.18%		83	167	250	333	417	500	600	743	



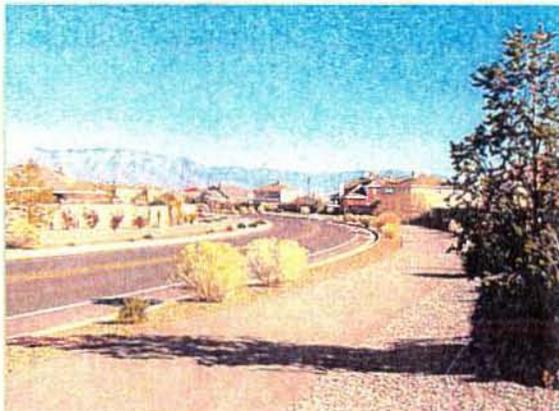
D. VISION 2020 ICP JUSTIFICATION

The Vision 2020 Integrated Comprehensive Plan (ICP) is a policy document that guides growth and development in Rio Rancho. The ICP was developed through an involved community visioning and public participation process that helped to define goals and objectives detailing how the City should grow over time. For master planning, zoning and subdivision processes, the Vision 2020 ICP is used to guide development decisions. There are eight planning principles of the 2020 ICP and below is a description of each principle and how this project accomplishes the City's vision for growth and development.

1. LAND USE PRINCIPLE

The Vision 2020 ICP calls for master planning as a tool to help curb unplanned development (sprawl) and promote compatible land uses in high density mixed-use activity centers within growth nodes. The Quail Ranch Master Plan was adopted by the City of Rio Rancho in June 2003 and establishes a framework for guiding future Specific Area Plans. The land use and zoning within the 6,400 acre Master Plan complies with the preferred land use distribution in the Vision 2020 ICP.

Land Uses within Phase One include a mix of residential densities, commercial uses, parks, trails, and open space. Other community facilities are anticipated within Phase One including a community center and a proposed future elementary school. Maintenance of the parks, landscaping along all rights-of-way, and community center will be the responsibility of the Community Association. The neighborhood commercial center proposed in Phase One is located near single family and multi-family uses, and is located at the primary entry to Phase One, providing for accessibility and convenience to area residents.



The landscaped trails and curvilinear roadways at Ventana Ranch.

A network of multi-use trails will be provided along all collectors, as well as along internal roadways, for accessibility and convenience. These multi-use trails are the pathways of the community, connecting the com-

munity from east to west, and north and south. Phase One includes this backbone open space pedestrian circulation system as a key element for fostering community interaction and walkability.

2. URBAN DESIGN PRINCIPLE

The Urban Design Principle places a focus on aesthetics in the built environment. The intent is to make Rio Rancho a unique environment, and focus on the character of walls, gateways, arroyos, parks and public places, paths, and streetscapes within the City. The Quail Ranch Master Plan and the Phase One Specific Area Plan place a high importance on aesthetics and quality development. In Phase One, one of the primary design features is the parks and open space network. With an emphasis on creating a quality, family-oriented and pedestrian-friendly environment, urban design features include:

- a centralized open space trail corridor;
- a central loop road, and cross loop road, offset and built with additional right-of-way for a linear park and multi-use, meandering trails;
- neighborhood parks providing recreational amenities;
- gateways and entries to the community designed with xeric plant materials;
- monument signage; and
- perimeter walls that evoke a sense of place defining the community.

URBAN

The open space corridors will provide visual breaks between development, trail connections throughout the community, connections to regional trails, and the conservation of sensitive environmental areas. Quail Ranch Master Plan, page 29.

DESIGN

In addition to the open space trail corridor bisecting Phase One east and west, the central loop and cross loop roads include a meandering trail system with an adjacent linear park that will further enhance the non-vehicular mobility throughout the site. (Please see Section F.) These multi-functional pathways link the developed parks forming a network of outdoor recreation opportunities for all residents. Individual neighborhoods will be designed with direct access to the trail network.

Sections E and F of this Specific Area Plan establish design guidelines for residential areas, community facilities, and parks and open space. The design guidelines direct developers and future home builders towards designing an attractive community. Walls, entries, gateways, and lighting are addressed, as well as standards for screening mechanical equipment for non-residential properties. In addition to the design guidelines for residential and community/common areas, the 25 acre commercial area shall also follow the City's Urban Design priorities for pedestrian walkways, pedestrian orientation, building scale and design, parking and signage. Additionally, CC&Rs are created and included as an appendix to this Specific Area Plan. These CC&Rs govern development of residential tracts, commercial areas, and the general development of Phase One.

3. TRANSPORTATION AND CIRCULATION

The transportation and circulation principles for Quail Ranch Phase One define an arterial road network that conforms to the City's preference for access points at one mile intervals, and a collector system at 1/2 mile intervals to support the arterial network. Access points along Irving/McMahon are located at one mile intervals, as well as access points along Paseo del Norte. Multi-use trails are located along arterial and collector streets. A Roadway Classification System, and cross sections are located in Section H.

4. INFRASTRUCTURE AND CAPITAL FACILITIES

The infrastructure and capital facilities are designed to promote public health, safety and general welfare, and to preserve and enhance the natural systems that contribute to a safe and efficient water supply. Planning and design of infrastructure within Phase One minimizes the alteration of natural flood plains and natural protective barriers. Opportunities for infiltration are created in dual park/pond facilities. Flooding, grading and development activities are managed to prevent flood or erosion damage. A Drainage and Grading analysis is found in Section I and includes drainage design system standards. Water conservation through treated wastewater reuse will be incorporated into the park/pond facilities when feasible. Water quality is enhanced with dual park/pond facilities to achieve the goals and requirements required by the Environmental Protection Agency. Xeriscape design for landscaping is also provided throughout the project area.

CAPITAL

The open space network will also provide areas for the retention/detention and conveyance systems for stormwater management. Quail Ranch Master Plan, page 29.

The core tenets surrounding infrastructure and capital facilities for the Quail Ranch Master Plan prioritizes the protection of life and property, optimizes land areas required for flood control through joint use, preservation of storm water runoff for beneficial use, and maintaining and improving water quality. Quail Ranch Master Plan, page 35.

FACILITIES

5. ENVIRONMENTAL SUSTAINABILITY

The Environmental Sustainability principle prioritizes the need for new development to balance the needs of the built and the natural environment. Key components of Environmental Sustainability include, water conservation and recycling, low impact transportation alternatives, and the use of renewable resources.

Quail Ranch Phase One will encourage residents to participate in City of Rio Rancho recycling initiatives. With a strong, active and mandatory Community Association providing a solid communication network among residents, recycling opportunities will be well publicized. Keep Rio Rancho Beautiful provides drop-off recycling on Saturdays. Curbside recycling is also available to residents and will be encouraged. Other programs

through Keep Rio Rancho Beautiful include Adopt-a-spot and Mesa Monitors. It is anticipated that residents will become involved in these initiatives to help promote environmental sustainability in their neighborhoods. Additionally, the covenants for the Community Association will address front yard maintenance and weed and litter control.

Another component of Environmental Sustainability incorporated into the design of Phase One relates to how transportation alternatives help to promote air quality. Phase One is designed to provide pedestrian connections and transportation corridors that favor bicycling. Should bus service or other transit amenity serve Phase One, accommodations may be made to provide shade structures and seating for riders. All transit stops shall be accessible to the trail network.

Finally, in an effort to incorporate Environmentally Sustainability priorities into the parks and open space objectives of Phase One, parks will be co-located with drainage features to enhance water quality. This beneficial use transfers to wildlife and native vegetation habitat provided by community parks and open space areas. When feasible, treated wastewater reuse will be incorporated into the design for the Community Water Quality Facility and the linear open space corridors, especially along the eastern boundary of the project. Finally, arroyos within and downstream of Phase One are preserved through the holistic drainage management strategies outlined in Section I, Drainage and Grading.

6. HOUSING

Quail Ranch Phase One will offer a variety of housing products. Densities within Quail Ranch will vary from approximately 3 to 5.9 dwelling units to the acre for single family detached residential, with an average density of 5.5 dwelling units to the acre. It is anticipated that a variety of

homebuilders will purchase developed tracts, which will provide for a range of unique housing products, densities, and architectural character.

The Community Association will oversee the maintenance of all common areas, including parks, trails and open space. Using the very successful model of governance adopted in Ventana Ranch,

this Community Association will become an active part of the Rio Rancho Community. The Association will also oversee the management of the private Community Center and includes the formation of a Design Review Committee (DRC) that reviews and approves the architectural design of new homes. The DRC oversees the strict covenants that will be adopted for this master-planned community.

HOUSING

With mixed densities and mixed uses, residents will be able to choose housing that meets specific needs. Quail Ranch Master Plan, page 36.

DEVELOPMENT

Conforming to the Vision 2020 ICP, higher density housing is located adjacent to the commercial center at the southeast corner Phase One. By locating these uses near one another, land uses transition from more intense to less intense uses. Additionally, high density housing can sometimes provide an affordable option to residents, especially seniors, who may have fixed incomes or not be able to maintain outdoor areas.

7. COMMUNITY SERVICES AND PUBLIC FACILITIES

a) Public Safety

Protecting the public health, safety and general welfare is a common goal shared by the City of Rio Rancho, the landowner, and the development team. While growth occurs throughout the City, it is imperative that community services and public facilities maintain or exceed the existing level of service to provide current residents with the quality public services they have always enjoyed. To ensure that public services are adequately planned for, coordination with Department of Public Safety has occurred, and will continue to occur as the project moves forward.

Multi-use facilities are a priority for the City of Rio Rancho, which help to provide for efficient use of space and resources. In Rio Rancho, the preferred distance between Department of Public Safety facilities is 5 miles for vehicles travelling on surface streets. The two closest stations to Quail Ranch Phase One are located 8.9 and 11.3 miles respectively from the stations to the gateway of the community. Due to the distances and associated response times exceeding preferred City standards, several interim solutions are recommended and based on discussions with the Department of Public Safety. Important to consider is both the buildout timeframe of Phase One and the relationship of Phase One to Quail Ranch as a whole.

One option includes establishing a temporary facility approximately 2 acres in size. This facility could be located near Double Eagle II Airport, within Phase One, or abutting Phase One and would serve residents living in Phase One. A second option includes the possibility of coordinating and working with Bernalillo County and/or City of Albuquerque to provide public safety to residents in Phase One until the time that enough residents are in place to demand a facility located within the Project Area. On-going discussions with Department of Public Safety staff and the development team will occur and together, they will chart the most appropriate course of action. As the Development Review process proceeds, police, fire and emergency rescue service impacts will be mitigated.

Other community service considerations include school facility planning, planning for parks and open space (including the sports complex which is located outside of the Phase One boundary, but has been located to the northeast quadrant of the project per staff comments), and updates to the archaeological study. Integral to the pre-planning stage for Phase One has been coordination with affected agencies including Albuquerque Public Schools, AMAFCA, New Mexico Utilities, Department of Public Safety, Department of Cultural Enrichment (formerly Parks and Recreation Department), Bernalillo County, and the City of Albuquerque.

b) Schools

Currently, Quail Ranch is within the boundaries of Albuquerque Public Schools. Any decision to modify the boundaries of schools districts is done by the State. The land use plan for Phase One includes a centrally located potential future elementary school. Co-located with a community park, the elementary school will benefit from access to adjacent park lands, connection to the linear open space corridor, and a central location at the heart of the community. **The school site and location has been planned in accordance with Albuquerque Public Schools standards for preferred acreage of elementary schools.**

c) Parks and Open Space

Parks, multi-use trails, and open space will be managed by the Community Association. The Community Association will also manage all common areas within Phase One. Trails are provided within the Open Space corridors and linear parks. Developed parks within Phase One are multi-purpose, with a small portion serving as a drainage retention area. Open Space is provided to connect all residential areas to the private community center and potential future elementary school. The Land Use Plan, Figure B-1, and the Community Facilities Plan, Figure F-1, illustrate the potential locations for parks, multi-use trails, and open space.



Terrazas Park at Ventana Ranch.

d) Archaeological Update

In January of 2005, SWCA Environmental Consultants completed an intensive cultural resource survey within the Phase One boundaries. The

survey included 528 acres not previously studied in the March 10, 1999 survey that was conducted by Marron and Associates because the Phase One boundaries changed in the 6 years since the Marron study was completed. Please note that a triangular portion of the study area included in the SWCA report is not a part of the Phase One boundary. Within the Phase One boundaries, there were several "isolated occurrences" and artifact scatters that are recommended to be avoided or tested. Coordination with the State Historic Preservation Division is being conducted and any site determined eligible will undergo data recovery.

8. ECONOMIC DEVELOPMENT PRINCIPLE

The Economic Development Principle calls for a City-wide emphasis on providing a diverse job base, with varied employment sectors represented in the City. **Base employers will locate within Quail Ranch, south of Phase One, where there are approximately 534 acres of zoned industrial lands.** Infrastructure planning has accounted for industrial development in this region, when possible. The rationale for placement of industrial and employment land at the southeast portion of Quail Ranch is due to its proximity to Double Eagle II Airport. With the location of Eclipse Aviation and Javelin, it is anticipated that airplane parts suppliers and manufacturers will desire to locate their facilities in proximity to the airport. Particularly attractive to employers, well-priced, and well-located communities for their employees to reside; Phase One will provide much needed housing to support this anticipated rise in industrial and aviation-related manufacturing in Bernalillo County. Business parks and campus style office facilities are preferred light industrial uses, especially given the proximity of this Employment Area to residential land uses.

ECONOMIC

The Quail Ranch Master Plan has designated a major employment center in the southeastern corner of the Ranch. The industrial designation represents the highest intensity employment area, and is intended to permit a wide range of garden industrial and light industrial uses. Quail Ranch Master Plan, page 29.

DEVELOPMENT

E. URBAN DESIGN

The purpose of this section is to provide a framework to assist developers and designers in understanding the development goals and objectives for Phase One of Quail Ranch. These standards address the issues of landscape, set-backs, pedestrian amenities, screening, lighting, signage, and architecture that will create the visual image desired for this property.

Where there is a conflict between City of Rio Rancho Codes or Ordinances and this section, the more restrictive requirements shall apply.

1. SITE DESIGN

The creation of a pedestrian-friendly environment is dependent upon close attention to the relationship between buildings and streets. **Additional right-of-way is planned for Phase One which enhance the pedestrian experience by allowing for trails and landscaping.** The following standards apply to single family and multi-family residential, and commercial development, and were created to encourage the use of pedestrian, bicycle, and transit modes.



Additional right-of-way allows space for trails.

a) General

- Trails, 6-10 feet in width, shall be provided along all arterial streets. Six foot multi-use trails (on one side) and a 8-10 foot trail (on the other side) shall be provided along collectors and arterials. (Please note that some sections will be offset.)
- Buildings and structures shall comply with all applicable City of Rio Rancho Zoning Ordinance and Building Codes, as well as other local codes and ordinances.

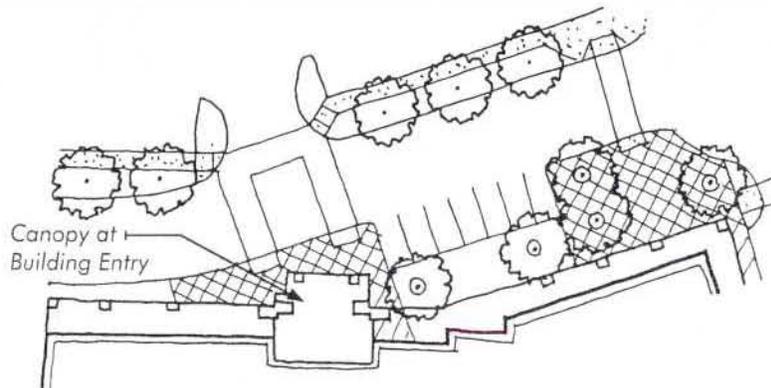
b) Single Family Residential

- Single family lots shall typically be a range of 4,000 to 7,000 square feet, with an average lot size of approximately 5,160 square feet. In some cases, lots may be larger than 7,000.

- Setbacks shall be per the City of Rio Rancho's Zoning Ordinance.
- Each dwelling unit shall either have a minimum of a two-car attached or detached garage.
- Garages shall be de-emphasized by either staggering the building front yard setback, recessing the garage face a minimum of 2 feet, locating the garages to the rear of the lot, or angling the lots fronting the street (see *Architecture, Section 6b for more information on garages*).

c) Commercial and Multi-Family Residential

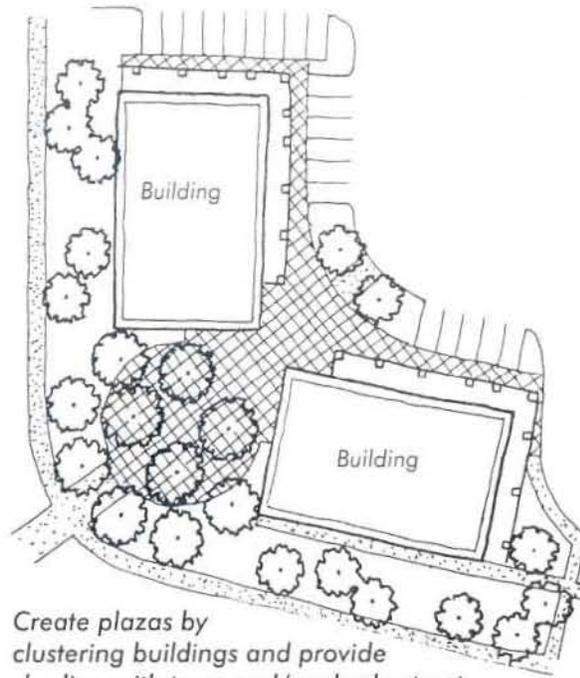
- All structures shall comply with the Americans with Disabilities Act, the American National Standards for Accessible and Usable Buildings and Facilities, and the New Mexico Building Codes for accessibility criteria.
- Entryways shall be clearly defined, by either a canopy or inset (minimum 4 feet in depth), and linked to the pedestrian pathways.
- Any exterior storage and sales areas shall be architecturally integrated with the main building by use of walls, roofs, and fencing.
- Buildings should be clustered in order to create public plaza or courtyard space. The plaza should be attractive, a useful asset to the community, and appropriate for outdoor dining.



Define entries by incorporating a canopy or inset with a minimum depth of 4 feet.

- Plazas, courtyards, and other outdoor activity or seating areas shall be shaded from summer sunlight by tree canopies or architectural devices.

- Open courtyards should include pedestrian activity areas, bicycle storage, ATM kiosks, and/or support for other activities to encourage multi-modal transportation and a community friendly environment.
- All loading docks shall be screened and covered with architecturally integrated walls and roofs.



Create plazas by clustering buildings and provide shading with trees and/or shade structures.

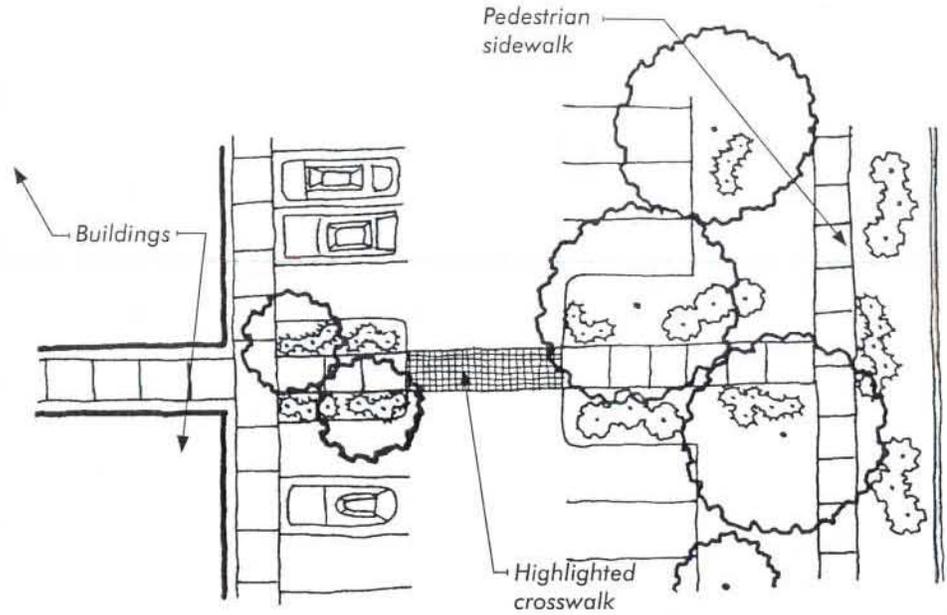
2. PARKING

a) Single Family Residential

- Parking provided for single family development shall be per the City of Rio Rancho's Zoning Ordinance. All lots shall include a minimum two-car attached or detached garage.

b) Commercial and Multi-Family

- Commercial off-street parking shall be provided at a rate of 1 parking space per 200 square feet of leasable space. The minimum off-street parking requirement for multi-family is 1 parking space per bath, but no less than 1.5 spaces per unit.
- Parking areas shall have minimum 10 foot landscaped setback from public rights-of-way.
- Parking lots adjacent to public rights-of-way shall be screened. Screening may include earth berms, perimeter or retaining walls, and landscaping, or a combination of elements, with a maximum height of 3 feet.
- Bicycle parking shall be provided at a rate of one bicycle rack space per 20 parking spaces provided.
- Parking areas shall be designed to include a pedestrian link to the street sidewalk network and pedestrian access shall be provided to link structures to the public sidewalk.



Link structures and parking areas to the public sidewalk.

3. PERIMETER WALLS & SCREENING

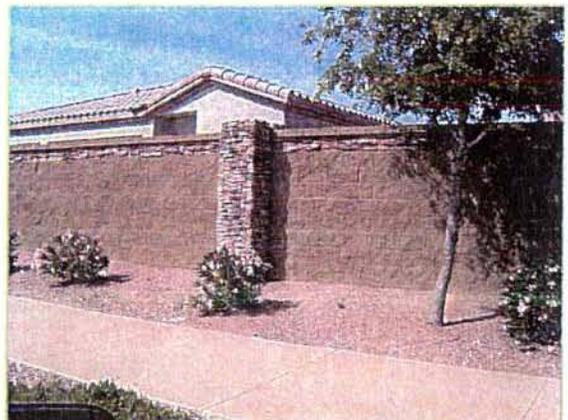
The effective use of screening devices for parking lots, loading areas, refuse collection, and delivery/storage areas is essential to limit their adverse visual impact on surrounding developments. The site orientation of service functions shall be away from any street or pedestrian area. The intent is to keep walls as low as possible while maintaining their screening and security functions.

a) General

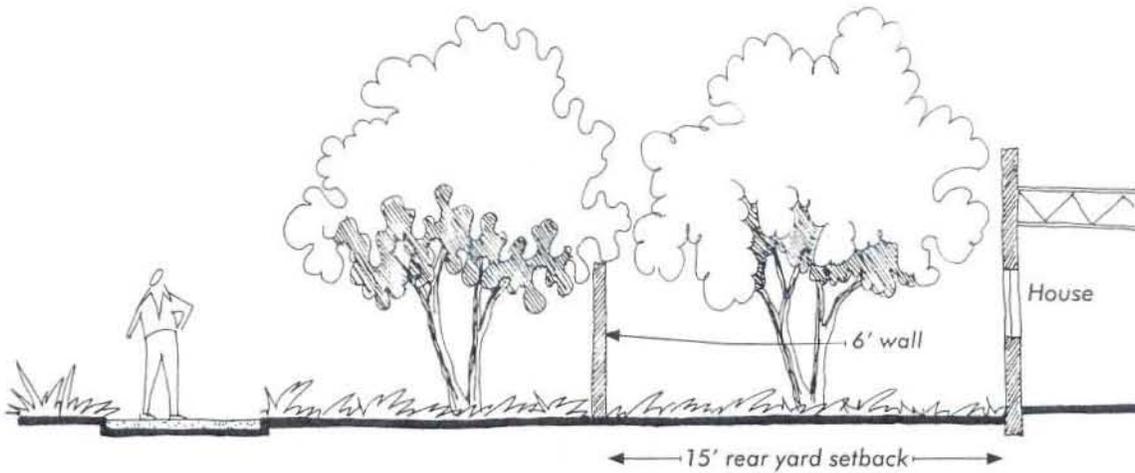
- No chainlink, razor-wire, or vinyl plastic fencing shall be permitted except for recreational uses.

b) Single Family Residential

- Perimeter walls shall be provided for single family residential subdivisions. They shall have a maximum height of 6 feet (unless retainage is required) and are encouraged to meander within the landscape setback.

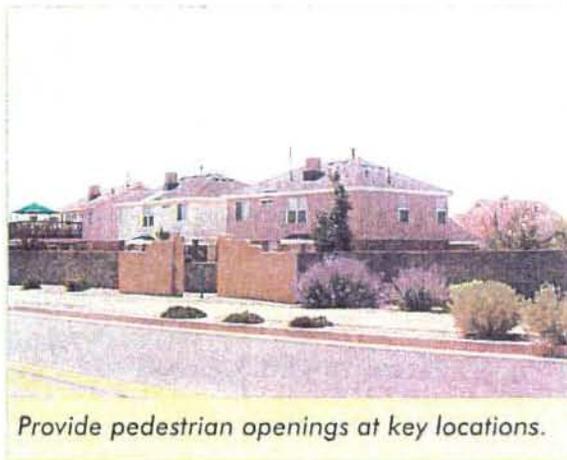


Example of a perimeter wall with landscape setback.

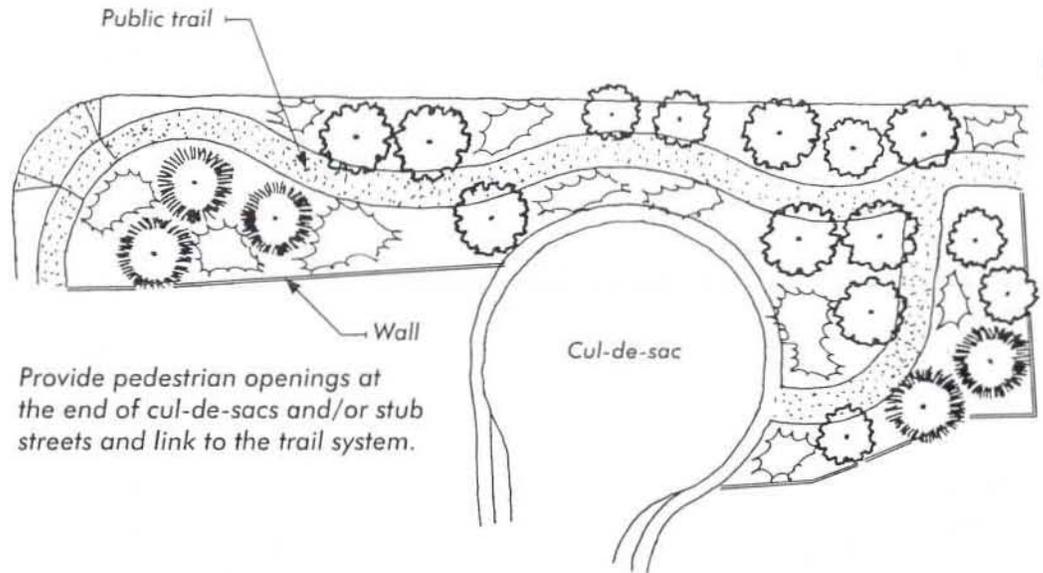


Perimeter walls at single family developments shall have a maximum height of 6 feet.

- Interior lot walls shall be finished or color masonry block, split faced block, or pumice. No wood fences or unfinished gray masonry block walls are permitted.
- Walls should meander or include offsets, either inwards or outwards from the property line, in order to provide visual relief from a continuous wall plane. The offsets shall run a minimum of one lot width, with a minimum depth of 16 inches.



- Project identification elements are encouraged to be included in the wall design.
- Pedestrian openings shall be provided for access at key locations (i.e., end of cul-de-sacs and adjacent to open space corridors) within single family residential developments.



c) Commercial and Multi-Family Residential

- Perimeter walls, if provided, shall have a maximum height of 6 feet (unless retainage is required) and are encouraged to meander within the landscape setback. Walls shall be finished, split-faced, or color masonry block.
- All roof-mounted equipment shall be screened from public view.
- All outdoor refuse containers shall be screened within a minimum 6 foot tall enclosure and large enough to contain all refuse generated between collections. Design and materials of enclosures shall be compatible with the architectural theme of the site.
- Mechanical equipment shall be fully screened from public view.
- Screening shall be compatible with materials and design of the building. Loading areas shall be screened from public view by walls, trellises, or landscaping.

4. SIGNAGE

The following signage standards were developed to regulate the size, location, type, and quality of sign elements within Quail Ranch. A properly implemented signage program will serve four very important functions: to direct and inform employees and visitors; to provide circulation requirements and restrictions; to provide for public safety, and to complement the visual character of the development.

a) General

- Project entry signs should be provided to create a sense of arrival and to contribute to the unique identity of the project. These signs shall be on private property or within public rights-of-way (as defined by a streetscape agreement with the City of Rio Rancho) and shall be maintained by the Community Association.
- All freestanding signs shall be monument signs and shall have a maximum height as permitted in the City's Sign Regulations.
- Freestanding signs shall not require any external bracing, angle-iron supports, guy wires, or similar devices, and shall not use moving parts, make audible sounds, or have blinking or flashing lights.
- Off-premise signs are not allowed.

b) Commercial and Multi-Family Residential

- Signage shall be designed to be consistent with and complement the materials, color, and architectural style of the building or site location.
- Signage shall not overhang into the public right-of-way, property line, or extend above the building roof line.
- Signage shall not intrude upon any architectural features, including windows, columns, moldings or any decorative features.
- Building-mounted signs shall not exceed 6 percent of the facade area, and shall not face abutting single-family residential.
- No backlit plastic/vinyl signage shall be permitted, except for logo designs.

5. LIGHTING

A design objective of the site lighting system shall be to maximize public safety while not affecting adjacent properties, buildings, or roadways with unnecessary glare or reflection.

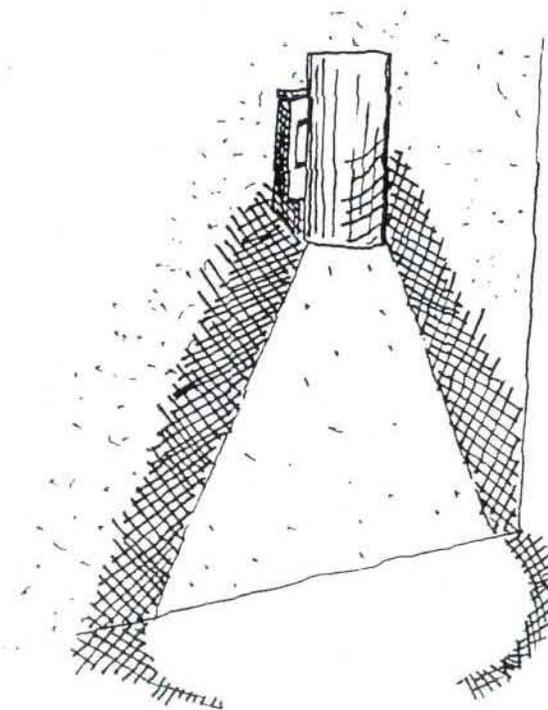
a) General

- All lights shall be shielded source to prevent spillage onto adjoining properties or light pollution of the existing "dark sky".
- Placement of fixtures and standards shall conform to State and local safety and illumination requirements.

- Fixture style and design shall be compatible with the lighting design of other projects within Quail Ranch.
- The maximum height for street light fixtures on local residential streets is 24 feet.
- Lighting at monument signs and wall locations is allowed, but no spillage is permitted off the sign surface.
- Sodium lighting is prohibited.

b) Commercial and Multi-Family Residential

- Individual site lighting fixtures shall blend with the architectural character of the building and other site fixtures.
- The maximum height for walkways and parking area lighting fixtures shall be 20 feet, except where the site is within 70 feet of residential development, the lighting fixtures are restricted to 16 feet.
- Building-mounted light fixtures, if provided, shall be shielded and faced downward.



Building mounted lighting shall be directed downward.

6. ARCHITECTURE

Specific architectural style will not be dictated. The design should, however, demonstrate a high quality aesthetic character. Architectural design should respond to climate, views, solar access, and aesthetic considerations. A sample of the draft CC&Rs is included in the Appendix of this Specific Area Plan. The following shall apply to all commercial and multi-family development:

a) General

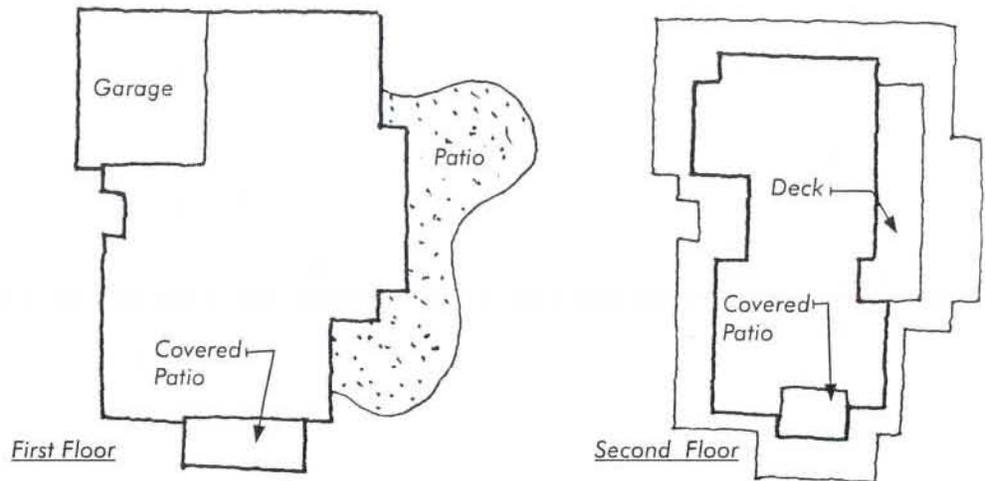
- Mixed-use development (i.e. residential with commercial) is permissive.
- Materials prohibited as the main architectural feature include the following:
 - exposed, untreated precision block or wood walls;
 - highly reflective surfaces;
 - chain link fence or barbed wire; and
 - metal paneling.
- Buildings shall not obstruct solar access to neighboring residential structures.
- All accessory buildings and enclosures, whether attached or detached from the main building, shall be designed to be compatible with the structure.
- The use of contrasting colors between roofs and walls should be used to differentiate the planes of building masses.
- A change in color or material is encouraged to be used to highlight important features or details of structures.

b) Single Family Residential

- All single family dwellings shall be site built.
- Porches, if provided, shall be a minimum of 6 feet in depth and are permitted within the required front yard setback.



Porches shall have a minimum depth of 6 feet.



- Roof structures shall either be pitched (minimum slope of 2.5 inches per 1 foot and a 6 inch minimum overhang) or flat (with parapets a minimum of 6 inches above the finished roof).
- The maximum building height for single family development is 32 feet, measured from the building pad elevation to the highest point.
- The maximum footprint of the second story of a house, including heated spaces and covered porches, shall be no more than 75% of the footprint of the first floor, including heated spaces, covered porches, and garage.
- Garage doors facing roadways shall be recessed a minimum of 8 inches (see *Site Design, Section 1b* for more information on garages).

c) Commercial and Multi-Family Residential

- The maximum building height for commercial and multi-family development shall be 40 feet, measured from the building pad to the highest point.
- No generic franchise elevation design, plastic or vinyl building panels or awnings shall be permitted.
- Buildings shall have windows on the front elevations; windows may be a combination of shop windows or viewing windows.
- Buildings shall have a consistent level of detail on all sides.
- Building wall planes shall not run in one continuous direction for

more than 50 feet without a change in architectural treatment (i.e. 3 foot minimum inset or offset, material change, etc.).

- Building entries shall be clearly defined and connect to pedestrian pathways and sidewalks.
- Extended overhangs, porticoes, or recesses shall be incorporated into the facades of the building in order to provide shade and a sense of arrival.

7. LANDSCAPE

The development of an overall landscape concept will establish a framework that unifies the entire property. To achieve a cohesive development, all areas of design need to be coordinated and responsive to existing environmental conditions and local building codes and regulations.

a) General

- An automatic underground irrigation system is required to support all landscaping. The system shall be designed to avoid overspraying of walks, buildings, fences, etc. Irrigation components should be checked periodically to ensure maximum efficiency.
- Minimum plant sizes at time of installation shall be as follows:
 - ❑ Trees: 1.5 inch caliper, or 6 to 10 feet in height
 - ❑ Shrubs & Groundcovers: three 5 gallon per dwelling; additional may be 1 gallon
 - ❑ Turf Grasses: provide complete ground coverage within one growing season after installation
- All planting areas not covered with turf shall have a ground topping of crushed rock, river rock, shredded bark, or another similar material which extends completely under the plant material, however, these materials shall not be used as a focal landscape element.

b) Streetscapes and Site Amenities

- Street trees shall be provided along arterial and collector streets at a minimum rate of one tree per 30 linear feet. They may either be randomly or consistently placed. (See below for Single Family standard).
- All landscaping within common areas and the public rights-of-way shall be maintained by the Community Association in a living, attractive condition.



Turf grasses and landscape areas are maintained by Community Association.

- The major transit stops shall include shelter facilities, benches, and lighting.
- Site amenities, such as street furniture, lighting, and bollards, shall be part of the landscape plan and shall be compatible with the architectural and landscape treatment of the project.

c) Single Family Residential

- For single family developments, there shall be one street tree per lot. Street trees are defined as a deciduous tree being located within 15 feet from the back of curb.
- The front yards of single family lots shall be landscaped at a rate of two trees (1.5 inch caliper for deciduous and 8 feet in height for evergreen) and three shrubs (5 gallon), per the City of Rio Rancho's Zoning Ordinance. Additional 1 gallon shrubs may be provided.

d) Commercial and Multi-Family Residential

- Multi-family development shall be landscaped at a rate of two trees (1.5 inch caliper for deciduous and 8 feet in height for evergreen) and three shrubs (5 gallon) per dwelling unit, per the City of Rio Rancho's Zoning Ordinance. Additional 1 gallon shrubs may be provided.
- Landscape materials shall be used as a transition between land uses, with specific attention given to the transition between residential and non-residential uses. A minimum landscape buffer of 10 feet shall be provided between a change in uses.
- All efforts shall be made to maintain a minimum of 36 square feet and a minimum width of 6 feet for all landscaped areas.
- A minimum of 15 percent of the site area (minus the building square footage) shall be devoted to landscape materials with an emphasis placed on areas with streetside exposure.



All landscape areas shall be a minimum of 36 square feet in size. (Photo of the Ventana Ranch Community Center)

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- Living, vegetative materials shall cover a minimum of 75 percent of the required landscape area. The area and percentage is calculated based on the mature canopy size of all plant materials.
 - Landscape headers shall be used to separate the turf and ground-cover areas. Headers shall be either 6" x 6" concrete, brick (side by side), or 1/8" x 4" steel construction.

e) Parking Lot Landscape

- Off-street parking areas shall have one tree per 10 parking spaces with no space being more than 100 feet from a tree.
- Landscaped islands shall be distributed throughout parking areas.
- Seventy-five percent of the required parking lot trees shall be deciduous and shall have a mature height and canopy of at least 25 feet.
- A landscape strip of no less than 10 feet shall be maintained between a parking area and the street right-of-way.

8. UTILITIES

- All electric distribution lines on-site within subdivisions shall be placed underground, unless already existing lines are in place.
- For non residential properties, transformers, utility pads, and telephone boxes shall be appropriately screened with walls and/or vegetation when viewed from the public right-of-way.
- Any cell towers shall be concealed and architecturally integrated with buildings.

F. PARKS AND OPEN SPACE

1. INTRODUCTION

Parks in general should be developed to enhance the urban environment and serve the recreation needs of the public; be universally accessible; be environmentally responsible; and considerate of long-term maintenance requirements. Parks and open space are paramount to the urban design and identity of Phase One. With a goal to provide parks at a distance of approximately one half mile from any residence, Phase One includes approximately 90 acres of parks and open space. See Figure F-1, Parks Open Space and Community Facilities Plan for approximate locations of parks, trails, open space, and community facilities.

The City of Rio Rancho recently adopted a Parks and Recreation Master Plan to guide development of its facilities over the next 25 years. A primary goal of the City Parks and Recreation Department is to provide seven (7) acres of developed park land and open space per 1,000 residents. Planning for Quail Ranch Phase One accomplishes this goal and provides recreational opportunities in the form of neighborhood parks, linear parks, a central linear open space, and trail corridors. Development of the parks and open space will be by the Master Developer. These areas will be conveyed to the City of Rio Rancho, however, maintenance will remain the responsibility of the established Community Association.

PARKS

The open space corridors will provide visual breaks between development, trail connections throughout the community, connections to regional trails, and the conservation of sensitive environmental areas. Quail Ranch Master Plan, page 29.

OPEN SPACE

a) Neighborhood Parks

Neighborhood parks are planned and distributed to serve residents within a one-half mile radius. Quail Ranch Phase One provides 7 neighborhood parks of approximately 5 acres in size (except for one smaller park located near the Community Water Quality Facility). Common park features (play areas, picnic facilities, open turf areas, basketball courts, etc.) may be found in each park, while some features (tennis courts, skate areas, off-leash dog areas) will be distributed. Programming for park recreational components will be accomplished in coordination with Parks and Recreation staff. Strong pedestrian linkages between the parks and surrounding neighborhoods shall be provided.

The neighborhood parks will serve a dual recreational and drainage use and provide water quality and drainage functions. The drainage facilities will be sized to retain up to the 5-year storm event, and pipe outlets will be provided to drain volumes above that limit.

PARKS

Within Quail Ranch, a community open space network will be provided allowing for the development of an integrated system of trails, parks, and the conveyance, retention/detention, and management of stormwater runoff. Quail Ranch Master Plan, page 23.

OPEN SPACE

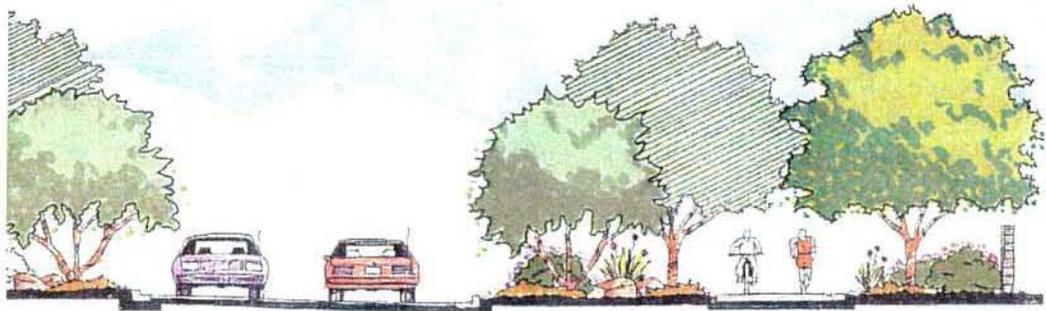
The ponding areas will be designed to be integral to the park and aesthetically consistent with the park design. Recreational improvements such as play areas, courts, etc. will be developed outside of the 100-year flood zone to avoid being impacted by the drainage. Runoff from the 2-year storm event is retained in a "riparian" feature. The 5-year flood event is sized as a large turf area, accommodating recreational fields from YAFL, soccer, volleyball, and other recreational events requiring turf.

b) Linear Open Space Corridor

A linear open space will be developed in conjunction with the drainage improvements that are required from west to east through the center of Phase One. The approximately 100-foot wide corridor will include an underground drainage conveyance, allowing for an expansive area for trail connections, pedestrian seating areas and native landscaping. Distinct nodes may be designed to define and highlight access points to surrounding residential areas, parks, community center, and school site. Opportunities to harvest on-site storm water will be explored to aid in re-establishing areas of native landscaping. Please see Figure F-2 for a conceptual drawing of the neighborhood parks and open space corridor.

c) Linear Park

Development of linear parks along the primary roadways within Phase One will provide a substantial component of the open space network. **The right-of-way for the primary roads has been widened, and the street offset to one side to create a wide trail corridor.** These trails will increase the mobility options for future residents and create links throughout Phase One and future phases of Quail Ranch. These trail corridors will be the backbone of a system to which all adjacent land uses may connect. All park and open space features, the community center, and the future school site are all linked by this trail network. Multi-use trails are also provided for in most of the proposed street sections for bicyclists, pedestrians and others.



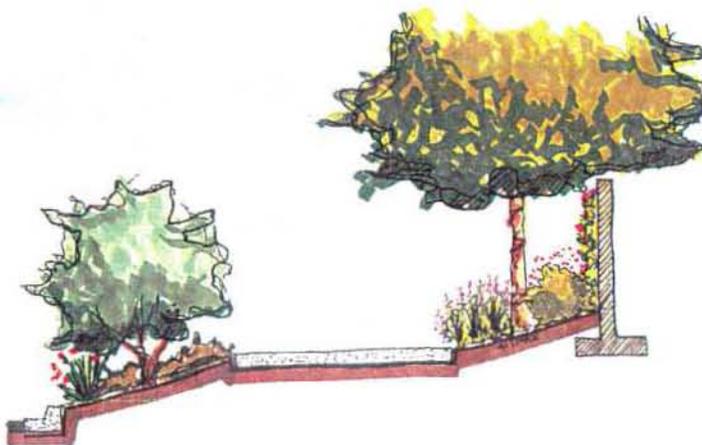
Typical section showing linear park.



Plan view of typical linear park.

d) Trails

The trail system will be appropriately landscaped and become a defining feature of this active, pedestrian oriented community. The proposed trails may meander both horizontally and vertically within the trail corridors to enhance the experience for the user. To provide visual interest and ensure pedestrian safety, trails are encouraged to be at a different grade than the roadway. Rest areas, including benches and litter receptacles, will be provided at intervals along the trail. Trails and landscape areas are maintained by the Community Association.



Typical trail section of trail at different grade than the roadway.

2. DESIGN GUIDELINES FOR PARKS AND OPEN SPACE

a) Grading and Drainage

- Site should be well drained and free from erosion.
- Functional irrigated cool season turf shall not be planted on terrain that exceeds a 5:1 slope.
- Grading of the park shall not obscure visibility into the park.
- Grading for water harvesting is encouraged.
- The Design Engineer and Governing Agency will dictate the criteria for pedestrian access and tree plantings on the side slopes of dams and detention ponds.
- Drainage shall be directed around play areas.

b) Construction

- Concrete mow strips are required where mowed turf grass is adjacent to fences, walls, asphalt paths, or graveled landscape areas.
- Where mowed turf grass is adjacent to a vertical element (pole, wall, fence, etc.) a 12-inch concrete mow strip is required.
- A 6-inch concrete mow strip is required between turf areas and mulched areas.
- Block walls shall be constructed of fluted or split-face block, or other graffiti resistant material.
- Fencing provided at the perimeter of the park shall be considerate of maintenance issues and the character of the adjacent neighborhood.
- Memorial signs for benches, trees, etc. are allowed.

c) Site Planning

- Pedestrian circulation around and through the park shall be accessible, with a preferred maximum slope of 20:1.
- Visibility into the park is required. Structures and/or plantings shall not create blind areas for undesirable activities to occur.
- Electrical services within the park shall be underground.

-
- Recreation areas (basketball courts, skate areas, play areas, sport fields, etc.) shall be set back a minimum of 30 feet from parking lots or roadways. Where space limitations exist, fencing (4 foot minimum height) may be provided in lieu of buffer distance.
 - Play equipment shall meet recommended manufacturer safety criteria for spacing between play components and other site features. Play areas shall meet accessibility requirements of the Americans with Disabilities Act.
 - Surfacing in play areas with swings, play structures, rock climbers, etc. shall be sand, engineered wood carpet and/or poured in place rubberized surfacing. Surfacing shall meet the necessary fall height requirements.
 - Park design shall be considerate of standard maintenance practices to create sustainable, quality parks.
 - Maintenance access points shall have a mountable curb or a designated drive pad. These access points shall restrict other vehicle access by providing a lockable swing gate or lockable removable bollards.
 - Parks shall provide for litter and trash collection/removal.
 - All parks shall have trash receptacles, benches, picnic tables, bike racks, and doggie dispensers. Drinking fountains may also be provided.
 - All park amenities shall be consistent within each park, and considerate of the character of the surrounding neighborhood. The number of amenities shall be appropriate for the size of the park and activity areas.
 - Shade shall be provided in all parks through the use of trees and/or shade structures. The style of shade structure should be considerate of the character of the park and surrounding neighborhood.

d) Irrigation System

- The use of a "purple pipe system" should be considered in anticipation of water reuse or non-potable water source.
- Piping for mainlines and lateral lines should consider the future drip line of the trees.

-
- Designers shall not exceed the manufacturer's recommended flow rates through pipe, valves, meters, etc. to minimize pressure loss and improve system longevity.

e) Planting

- Planting design shall consider xeric principles for efficient water use. Grouping plant material with similar water requirements is suggested.
- Turf grass shall be provided for both active and passive recreation.
- Shrubs should be spaced for mature spread, not to obstruct visibility or accessibility.
- Shrub beds shall have a minimum 3-inch layer of top dressing such as crusher fines, rock mulch, bark mulch, cobble, etc. Weed control fabric shall be used under all gravel mulches, except crusher fines.



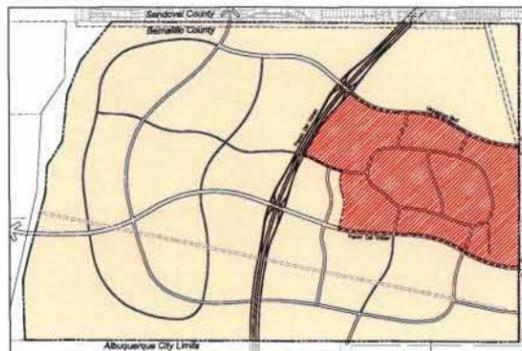
PHASE ONE
PARKS, OPEN SPACE AND
COMMUNITY FACILITIES PLAN

-  Elementary School
(Site is approximate in location)
-  Park
(Site is approximate in location)
-  Community Center
(Site is approximate in location)
-  Open Space
-  Multi-Use Trail



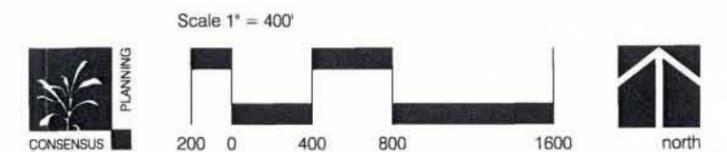
QUAIL RANCH

SHEET KEY MAP



Prepared For:
Sandia Properties LTD, Co.
#10 Tramway Loop NE
Albuquerque, NM 87122

Prepared By:
Consensus Planning, Inc.
924 Park Avenue SW
Albuquerque, NM 87102



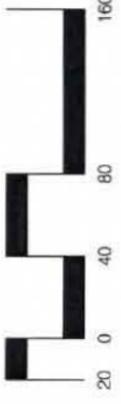


QUAIL RANCH

CONCEPTUAL PARK PLAN

Prepared For:
 Sandia Properties LTD., Co.
 #10 Tramway Loop NE
 Albuquerque, NM 87122

Prepared By:
 Consensus Planning, Inc.
 924 Park Avenue SW
 Albuquerque, NM 87102



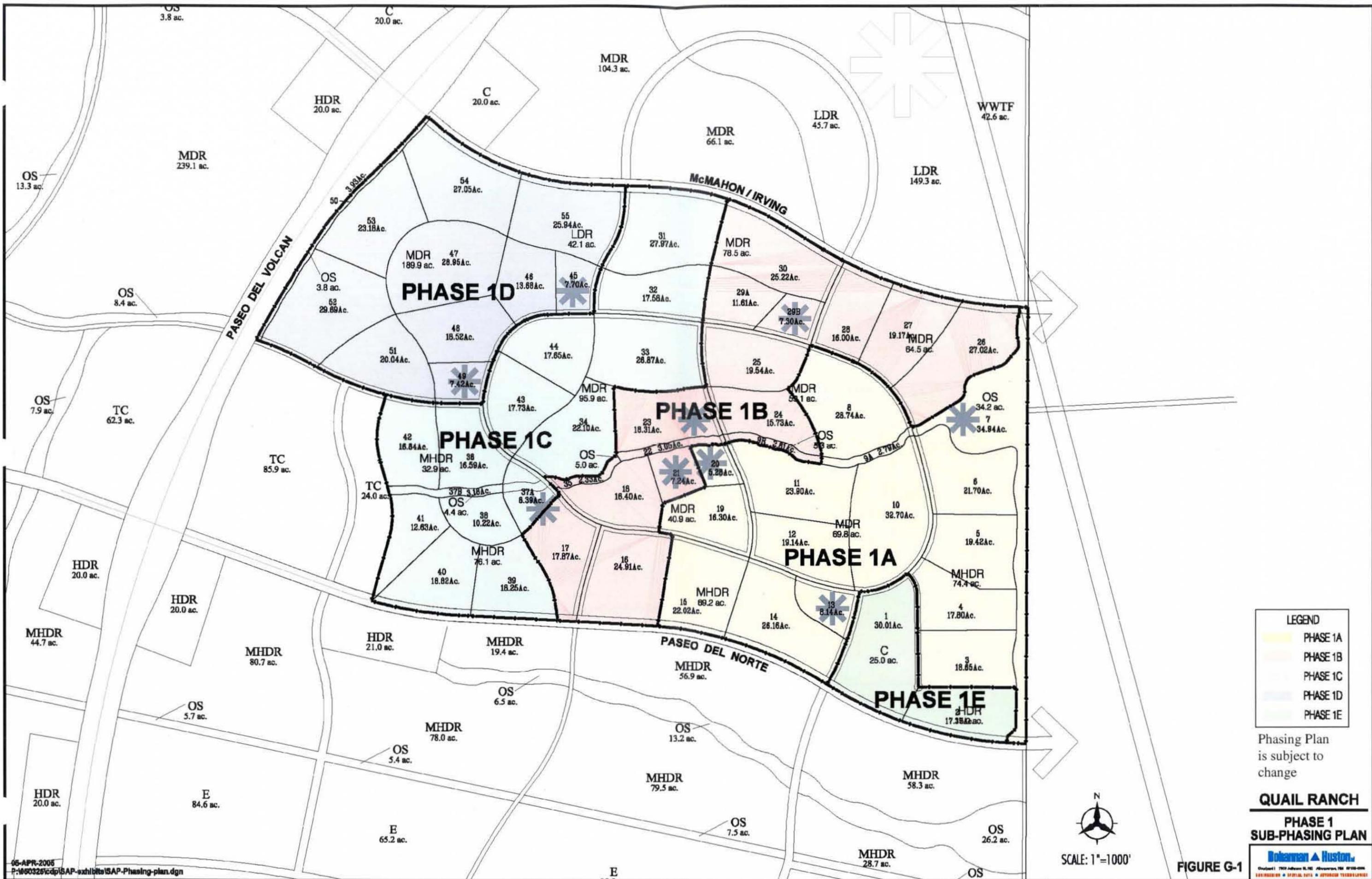
G. PHASING

The purpose of the phasing plan is to provide an overview of where early phases of construction are anticipated to begin, which are based on existing and proposed grading and infrastructure availability. Nothing in the phasing plan is intended to restrict development in any part of Phase One from proceeding during any phase of the project. The phasing plan on the following Figure G-1 is a generalized guideline of anticipated development sequencing, and is not a restriction on development.

The 1,025 acres contained within Phase One are anticipated to be developed in four sub-phases, currently referred to as Phases 1A, 1B, 1C, and 1D. A detailed plan identifying this sub-phasing is included as Figure G-1. Up to 450 homes will be constructed each year. The following Table, G-1, summarizes the four proposed sub-phases within Phase One. The commercial development is anticipated to occur once a sufficient number of rooftops are built. Phase One is anticipated to buildout in 8-12 years, depending on market conditions.

Table G-1 PROPOSED SUB-PHASING WITHIN PHASE ONE		
Phase	Approximate Proposed Development Program (Residential Dwelling Units)	Approximate Area (Acres)
IA	1250	300
IB	950	230
IC	1130	240
ID	900	210
IE	270 Multi-Family/Commerical	45
Total	4500	1025





LEGEND	
	PHASE 1A
	PHASE 1B
	PHASE 1C
	PHASE 1D
	PHASE 1E

Phasing Plan
is subject to
change

QUAIL RANCH

**PHASE 1
SUB-PHASING PLAN**

Robbman & Huston

Charleston, SC • SPARTANBURG, SC • JOHNSONVILLE, SC

N
SCALE: 1"=1000'

FIGURE G-1

H. TRANSPORTATION

Due to the size and buildout horizon of Quail Ranch Phase One, it is premature to conduct a Transportation Impact Analysis at this time. **A cordon line transportation demand analysis was conducted for Phase One of Quail Ranch.** A cordon line transportation demand analysis involves scribing a circle around the development and identifying transportation demands into and out of the circle as well as the direction of those demands. It includes identifying regional trip attractors by type of development, such as employment centers and shopping alternatives for residential trips that may originate and/or terminate throughout the metropolitan area. Offsite trip destinations are prioritized and trips to them are quantified according to a gravity model, which calculates the likelihood of the trips in proportion to the inverse of the square of the distance to the destination attractors' location. This level of analysis is appropriate for master planning purposes in order to estimate the scale and type of future network linkages needed to serve the development.

TRANSPORTATION

Major development of commercial and neighborhood centers will happen along major arterials and collectors maximizing connectivity with trails, minimizing reliance on vehicular transportation, and offering attractive, landscaped pedestrian connections through the community. Quail Ranch Master Plan, page 35.

Detailed turning movement and intersection analysis is not included in the analysis. It is anticipated that detailed intersection operational analysis will be performed for individual site development purposes in order to identify the specific geometric configuration of intersection improvements at the design stage during the subdivision approval process.

The transportation demand analysis includes the following calculations: 1) Trip Generation based upon land use types and procedures established by the Institute of Transportation Engineers, 2) Trip Distribution based upon the land use type and resulting trip purpose, and 3) Trip Assignment, which identifies the assumed transportation network link on which the trip will be routed. Each transportation network link is then reviewed to identify the type, scale, and laneage requirements to satisfy the demand for them. **For the purposes of analyzing the traffic generated by the development and the timing of the required improvements, it is assumed that trips are generated by occupied homes, which are measured by building permits, rather than by platted lots.**

1. TRIP GENERATION

Trip generation computations were performed utilizing the procedures established within the Trip Generation Manual, published by the Institute of Transportation Engineers (ITE). The trips generated from the land uses proposed above are shown in table H-1.

Land Use	ITE Land Use Code	Size	24 Hour Two-Way	AM Peak		PM Peak	
			Volume	Hour		Hour	
				Enter	Exit	Enter	Exit
Single Family Home	210	4,230	32,653	743	2,228	1,969	1,156
Apartments	220	270	1,725	27	108	105	57
Subtotal Residential Trips (USE)			34,378 (34,400)	770	2,336	2,074	1,213
General Office	710	27,225 TSF	490	58	8	19	91
Shopping Center	820	245,025 TSF	12,160	163	105	543	588
Subtotal Non-residential Trips			12,650	221	113	562	699

2. TRIP DISTRIBUTION

The trip distribution used a modified gravity model combined with the MRCOG 2025 socioeconomic forecasts for the Mid-Region of New Mexico. The MRCOG data was interpolated to determine the 2020 socioeconomic forecasts for each sub-area or data analysis subzone. A 2020 year horizon was selected based upon the anticipated buildout schedule for Phase One, which assumes a three-year ramp-up period from 110 single-family dwelling unit building permits (SFDU) in year one, 210 SFDU in year two, 310 SFDU in year three, and 450 SFDU in years four through twelve, resulting in a total cumulative development of 4,230 SFDU in year twelve. The assumed development program then includes 270 multi-family dwelling units in year thirteen, followed by development of the non-residential property. Assuming a two-year period for planning and approvals prior to construction, the total buildout is approximately fifteen years from now, or approximately in year 2020.

In addition to the residential buildout schedule shown above, the non-residential land uses identified previously, which total approximately 272,250 SF, are proposed to be constructed at the end of the Phase One buildout period.

The buildout phasing used for this Traffic Analysis is based upon occupancy projections. There is a delay between infrastructure and sub-

division construction and the construction and occupancy of the homes. This delay is estimated to be approximately 3 years. This delay also occurs with the commercial center since individual commercial buildings are constructed and occupied over a period of approximately 3 years after the initial construction of the first commercial enterprise. The Fiscal Impact Analysis is based upon infrastructure construction projections and as such, represents a buildout schedule 3-years shorter than that used for the traffic and infrastructure demand analyses.

a) Residential Trips

Table H-2 BUILDOUT SCHEDULE		
Year	Annual Development Program	Cumulative Development Program
1	110 SF DWELLING UNITS	110 SFDU/BP
2	210 SFDU	320 SFDU/BP
3	310 SFDU	630 SFDU/BP
4	450 SFDU	1,080 SFDU/BP
5	450 SFDU	1,530 SFDU/BP
6	450 SFDU	1,980 SFDU/BP
7	450 SFDU	2,430 SFDU/BP
8	450 SFDU	2,880 SFDU/BP
9	450 SFDU	3,330 SFDU/BP
10	450 SFDU	3,780 SFDU/BP
11	480 SFDU	4,230 SFDU/BP
12	270 MULTI-FAMILY DU	4500
13	25 ACRES NON-RESIDENTIAL	4500

The residential trips are distributed using an inverse relationship between the distance from the subarea or zone within Quail Ranch from which the residential trips are generated, to those zones in the surrounding area that contain employment to which the residential trips are attracted.

As these residential trips could generally be considered work trips (work to home or home to work), the distance from Quail Ranch to the surrounding area and the employment in each of the subareas in the surrounding areas, determines the strength of the attraction of these surrounding areas. In other words, the gravity model as-

sumes that people have a propensity to live closer to where they work, rather than farther away. For residential trip purposes, all of Sandoval County, all of Bernalillo County except the East Mountain area, and a portion of Valencia County were used to determine the residential trip distribution.

b) Office/Industrial Trips

The office/industrial trips use an inverse relationship based upon distance and population, as these trips are considered to generally be to the employment located in Quail Ranch. The same area used to determine the residential trip distribution was used to determine the office/industrial trip distribution.

c) Commercial/Retail Trips

The commercial/retail trips use an inverse relationship based solely upon population. The surrounding areas used for determining the commercial trip distribution was limited to a five-mile radius.

Four general destination areas and/or routes were considered in developing the trip distribution: 1) Trips generated and captured internally by mixed-use non-residential land uses; 2) trips destined to or from Rio Rancho to the north and east via Rainbow/Universe/Unser/ or a New Connection; 3) trips destined to or from Albuquerque to the south and east via Paseo del Volcan/Double Eagle II Road; and 4) trips destined to or from Albuquerque to the east via Paseo del Norte/Unser/Universe.

Utilizing the trip generation and distribution calculations identified previously, approximately 3.5% of the residential trips generated within the development are anticipated to be captured internally. The remaining 96.5% of the trips generated will have a destination somewhere offsite. Therefore, approximately 33,200 daily trips are anticipated to utilize the regional transportation network to destinations away from Quail Ranch at the completion of Phase One in approximately 12 years. The following table summarizes the trip distribution for each trip type.

Trip Type	To/From South (DEII Rd to I-40)	To/From East	To/From North (Southern)	Internal
		(Paseo del Norte)		
Residential	50%	34.50%	12%	3.50%
Office/Industrial	47%	30%	19.40%	3.60%
Commercial/Retail	0.40%	5%	6.60%	88%

3. TRIP ASSIGNMENT

Based on the above trip generation and trip distribution, trips were assigned to specific roadways to estimate the roadway requirements for Quail Ranch Phase One. The roadway requirements are based on the 2000 Florida Level of Service Handbook, a general planning guideline for estimating future roadway requirements. The arterials were assumed to be Class I arterials that average less than 2 signalized intersections per mile. The volumes and lanes discussed below are those for Quail Ranch only. Of the total, approximately 33,200 average daily trips (ADT) that are anticipated to be routed offsite at the end of Phase One in approximately the year 2020, it is estimated that approximately 10%, or 3,320 ADT, will be routed north and east toward the City of Rio Rancho. Approximately 45%, or 14,940 ADT, is expected to head south toward I-40, and approximately 45%, or 14,940 ADT, is expected to be directed to the east along Paseo del Norte. These anticipated traffic volumes are summarized on Figure H-2, which represents the offsite transportation demand volumes generated by the development at the completion of Phase One in approximately 12 years.

a) Paseo del Norte Extension from Double Eagle II Road

The westerly extension of Paseo del Norte from its southerly turn toward the Double Eagle II Airport will be the primary entrance to Quail Ranch during the initial stages of development until additional network linkages are developed. Using the above trip generation and trip distribution, this link is anticipated to convey approximately 14,940 trips per day at the end of Phase One in approximately 12 years.

For the connection of Paseo del Norte into Quail Ranch, a typical section is similar to that used within the City of Albuquerque to the east. The section will ultimately accommodate 6-lanes (3 lanes in each direction), within a total right-of-way of 156' (78' on each side of centerline). Prior to or concurrently with development of the first subdivision phase, it is anticipated that two lanes (one lane in each direction) will be required to connect the project to the existing Paseo del Norte extension. At a level of development within Phase One of approximately 2,000 residential building permits, it is anticipated that four lanes will be required to the point where Paseo del Norte currently turns south toward the Double Eagle II airport. The intersection is located within the unincorporated portion of Bernalillo County.

b) Double Eagle II Road

Double Eagle II Road, (the existing alignment of old Paseo del Volcan) currently exists as a two-lane, roadway providing access from the Double Eagle II Airport south to Interstate 40. A two-lane extension of Paseo del Norte provides access to the Double Eagle II Airport from the north and east. The City of Albuquerque is currently planning an

expansion of the Double Eagle II road from two lanes to four lanes from the Airport to I-40 in order to support the planned development of the Eclipse Aviation plant and supporting facilities at the airport in the next few years. If the Eclipse manufacturing facility is not completed and the four-lane road is not constructed, it is anticipated that a two-lane facility will be adequate to serve the traffic generated by Quail Ranch Phase One on Double Eagle II Road.

c) Paseo del Norte East of Double Eagle II Road

Until the connection north to Rio Rancho is constructed near the end of Phase One, Paseo del Norte east of Double Eagle II Road will carry both the traffic destined for north Albuquerque and Rio Rancho. Assuming completion of the Rio Rancho connection to Southern Boulevard is completed prior to the completion of Phase One, daily traffic volumes are anticipated at about 14,940 ADT, which can be accommodated using a 2-lane section.

d) Roadway Connection North to Rio Rancho

The Quail Ranch Annexation Agreement required the construction of an additional two-lane roadway connection to Southern Boulevard. Such a connection provides an all-weather transportation connection for public safety personnel and other public and municipal functions from Quail Ranch to existing pavement on Southern Boulevard. Several alternative alignments have been investigated for feasibility, including connections at or near Universe Boulevard, 10th, 20th, 30th, and 40th streets. The preferred connection is at 40th. The majority of this connection is located outside the municipal limits of the City of Rio Rancho, within Sandoval County. Considerations surrounding the feasibility of the connections include the existence of right-of-way, the cost of drainage crossing structures, and the impact upon the proposed Paseo del Volcan alignment and the existing environmental and alignment documentation that has been accomplished to date. For ease of construction, including the minimal impact and requirements for drainage crossing structures, an alignment utilizing Alcalde Road and 40th street is recommended. The alternative alignments including the recommended alternative are shown on Figure H-3. The daily traffic from Quail Ranch forecast to Rio Rancho is approximately 3,315 vpd. This can easily be accommodated in a 2-lane section.

4. CONCLUSION OF OFF-SITE TRANSPORTATION

It is anticipated that in order to support the completion of Phase One of Quail Ranch, which totals approximately 4,500 residential dwelling units, a total of six lanes of capacity is required to connect to the regional transportation network (three lanes of ingress and three lanes of egress). These six lanes can be provided by construction of four lanes on the westerly extension of Paseo del Norte from its intersec-

tion with Double Eagle II Road, and a two-lane temporary connection to Southern Boulevard. The alignment proposed for the Southern Boulevard connection follows the existing rights-of-way of Alcalde Road and 40th Street, which requires no additional right-of-way acquisition.

5. ONSITE TRANSPORTATION CIRCULATION SYSTEM

The purpose of this internal traffic circulation and street classification plan is to identify the network of arterials, collectors, and other major roads that are proposed to provide access to the development of Phase One, and in very general terms for the balance of Quail Ranch. The proposed street sections meet or exceed the minimum allowable widths for streets and rights-of-way required by the City of Rio Rancho. Having street sections that meet and exceed minimum allowable widths not only creates opportunities for additional linear parkways, but also provides space for bus stops and other mass transit needs. Once the City begins planning their mass transit strategy, coordination of transit facilities within Phase One will occur.

For Phase One, all onsite roadways will be constructed by the developer, and the Development Agreement will include provisions for construction of required off-site improvements to related portions of Paseo del Norte, Paseo del Volcan and Irving/McMahon that are within the project boundaries. Impact fee credits are anticipated to offset the cost of those roadway facilities that are constructed by the developer and are considered system level improvements. All transportation planning is consistent with the Metropolitan Transportation Plan and linkages with bikeways are provided. The extensive trail network within Phase One connects to the adjacent Town Center, Village Center and major arterials to promote alternative modes of transportation. The development of Phase One is anticipated to become the new standard in Rio rancho for providing roadway facilities, trails and open space networks to facilitate a pedestrian and bicycle-friendly environment.

Arterial, collector and major roads have the primary purposes of intercepting traffic from residential streets and carrying the traffic to the regional transportation facilities that serve or will serve Quail Ranch. Local, residential and access streets primarily serve the abutting land. Driveways serving individual single-family residences will not be permitted on all streets and roads classified as major local, collector, or arterial. Roadways classified as collector and arterial are eligible for impact fee credits under the City of Rio Rancho's Impact Fee Ordinance.

The proposed traffic circulation and major roadway classification system for Quail Ranch is shown in Figure H-1. Ultimately, the Quail Ranch Master Plan incorporates portions of three primary regional transportation network facilities as represented on the Middle Rio Grande Council of

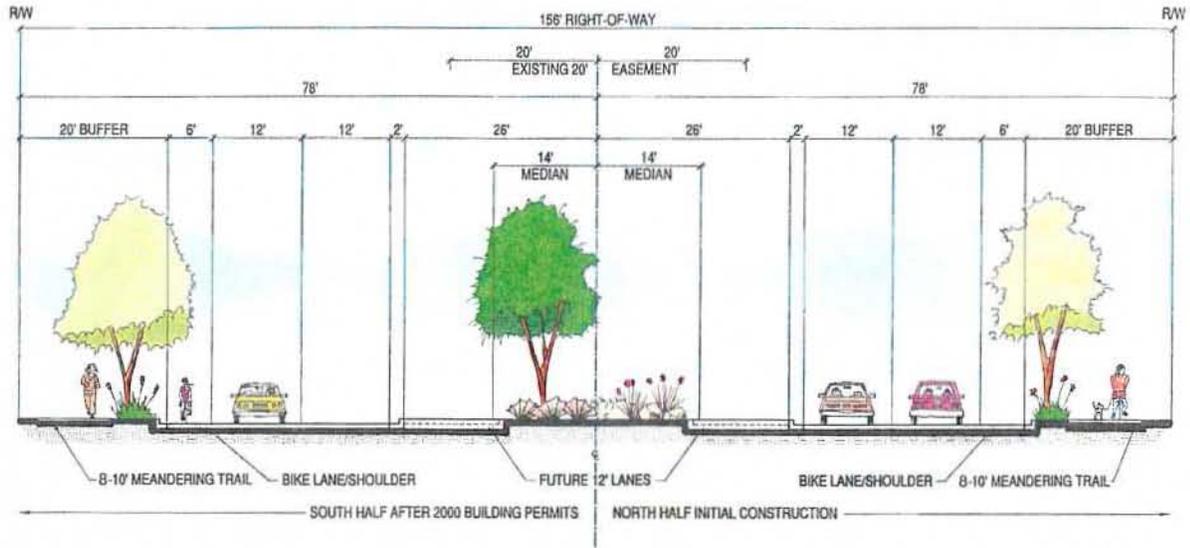
Governments' (MRCOG) Albuquerque Metropolitan Planning Area (MPA) Long Range Roadway System Plan (LRRSP): 1) Paseo del Volcan, 2) Paseo del Norte and 3) Irving/McMahon. Paseo del Volcan is proposed by the New Mexico Department of Transportation as a high-capacity, limited access principal arterial roadway. Paseo del Norte and Irving/McMahon are both identified on the LRRSP as principal arterial streets.

Detailed cross-sections of each of the proposed road classifications are provided in the following pages, but comply substantially with those given in Table H-4. The interior loop road within Phase One is considered a collector road. The major connections from the interior loop road to both Paseo del Norte and Irving/McMahon are likely candidates for ultimate 4-lane minor arterial street sections. Interior streets near the Town Center adjacent to the southwest portion of Phase One are also anticipated to require 4-lane minor arterial street sections.

The typical section for arterial streets, including Paseo del Norte and Irving/McMahon is included as Figure H-5. The typical section for Paseo del Volcan is included as Figure H-6. The typical section for minor arterial streets, including connections from the interior loop road to Paseo del Norte and Irving is included as Figure H-7. The typical section for collector streets, including the interior loop road, is included as Figure H-8. In these sections, the pavement is offset in order to provide corridors for alternative drainage infrastructure as well as bicycle and pedestrian trails with landscaping enhancements to form a linear park. Alternate sections, in which the pavement is centered within the rights-of-way, are shown in Figure H-9.

Table H-4 RECOMMENDED STREET CLASSIFICATION DESIGN CRITERIA					
Street Classification	ADT	Curb-to-Curb Dimensions	Proposed R/W	City Standard R/W Required	Design Speed (MPH)
Principal Arterial Street- Paseo del Norte and Irving/McMahon	20,000+	32' F-F 30' median 32' F-F	156'	156'	40-45
Minor Arterial Street (4 lane divided) (NW/NE/SW/SE Entrances)	15,000-20,000	25' F-F 16' median 25' F-F	106' – 126'	106'	35-40
Collector Street (2 lane undivided) (Loop and Cross Loop)	2,000 – 15,000	40' F-F	100'	68'	30-35
Major Local Street (Internal)	1,000 – 2,000	32' – 36'	50' – 60'	N/A	30
Local Residential Street	250 – 2,000	24' – 32'	42' – 50'	50'	25
Cul-de-Sac Street	0 – 250	22' – 28'	40' – 46'	40'	20

**Figure H-4 Principal Arterial Street Section
Paseo del Norte (Off-Site)**



**Figure H-5 Principal Arterial Street Section
Paseo/Irving/McMahon (On-site)**

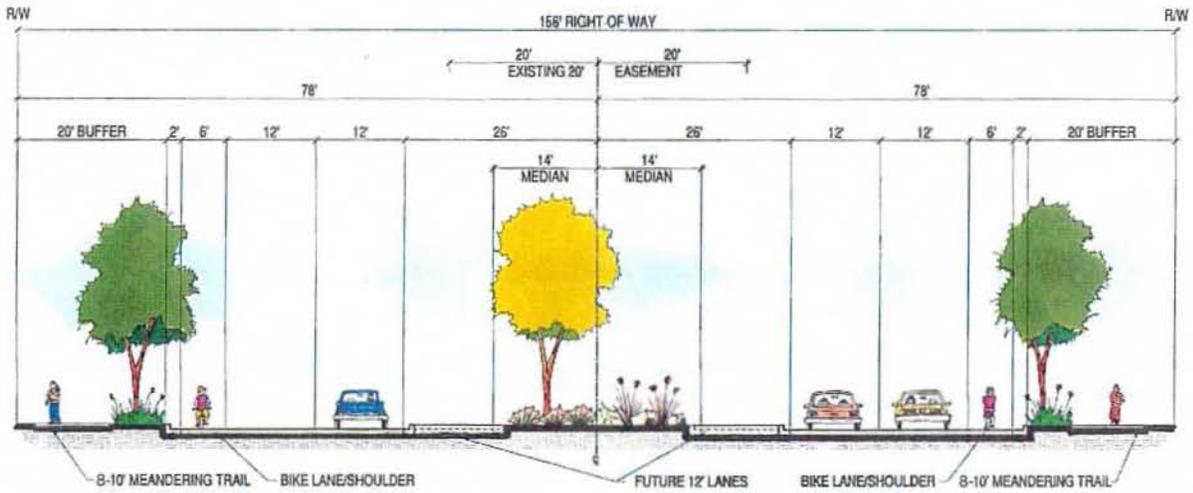
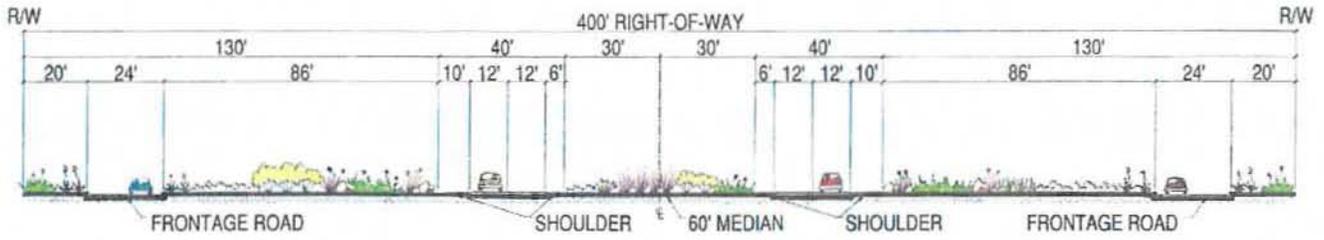


Figure H-6 Principal Arterial Street Section - Paseo del Volcan



**Figure H-7 Minor Arterial Street Section
SW/SE/NW/NE Connections to Principal Arterials**

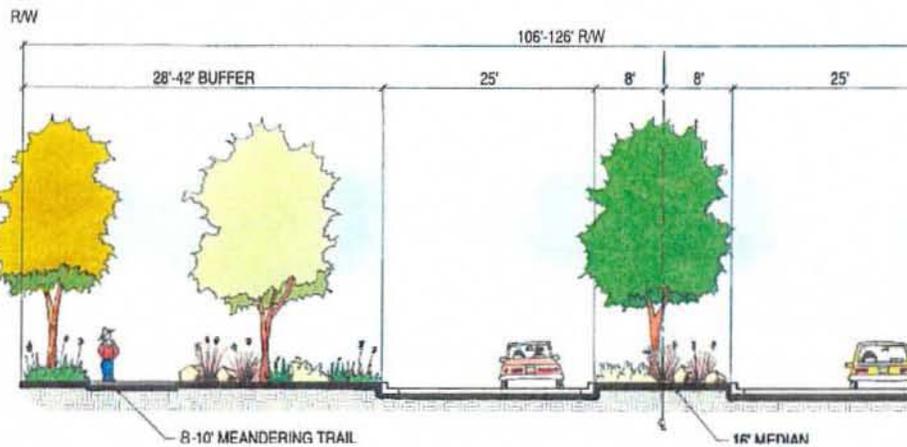


Figure H-8 Collector Street Section--Loop and Cross Loop

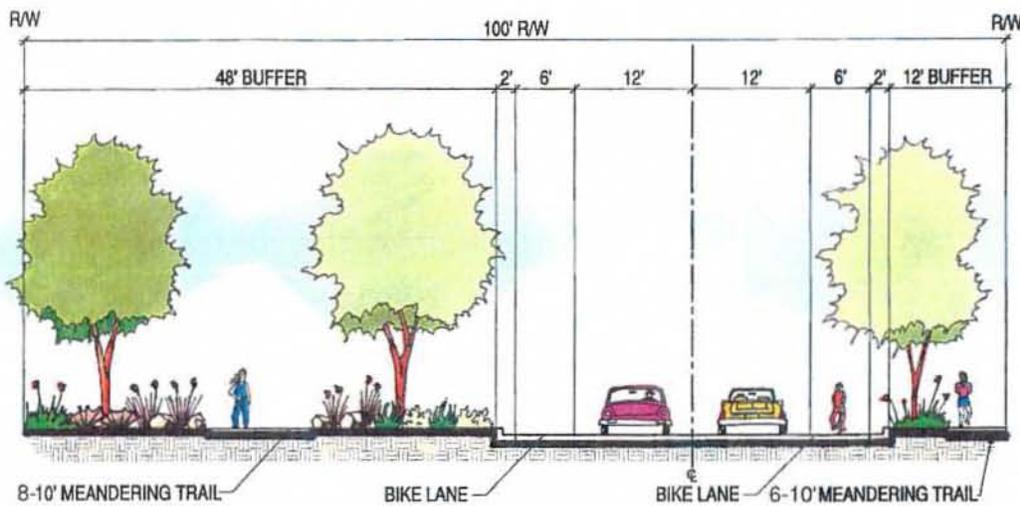
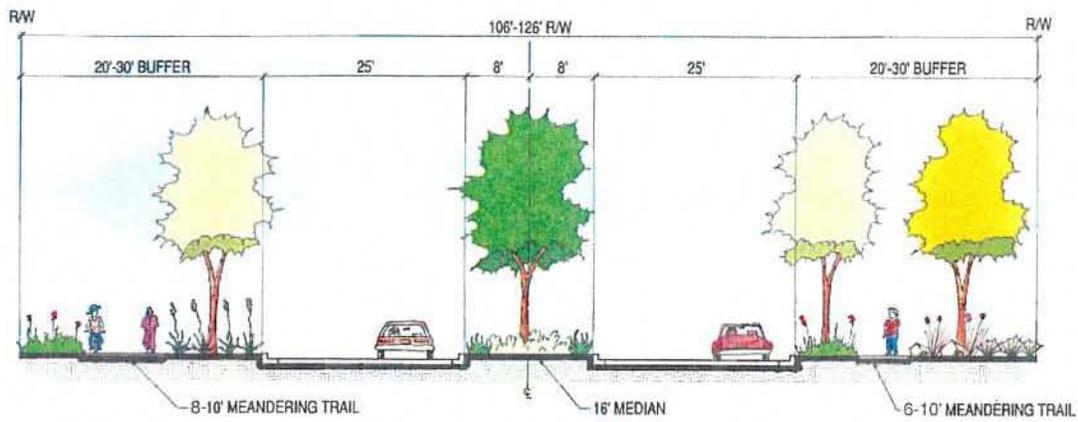
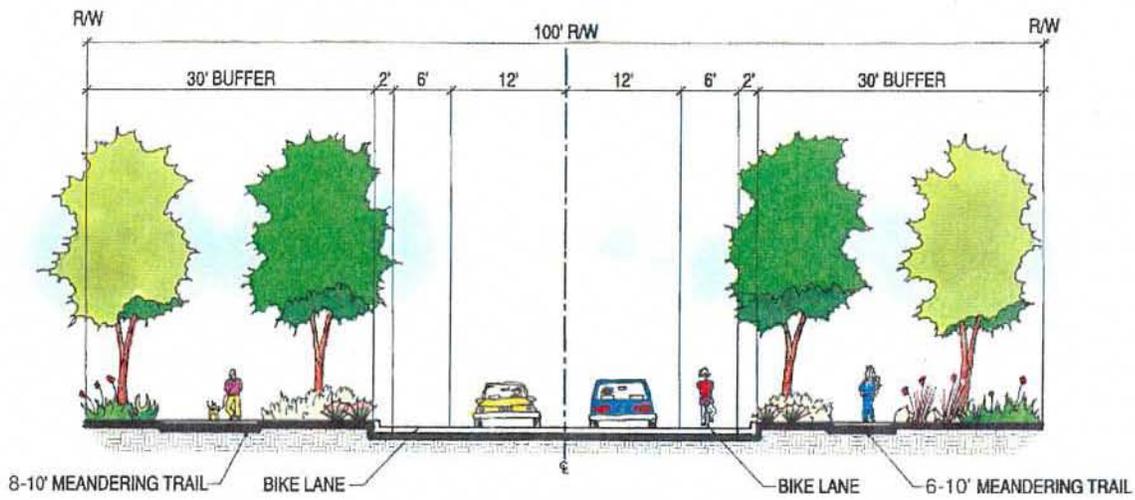


Figure H-9 Alternative Cross Sections

Arterial Alternative



Collector Alternative







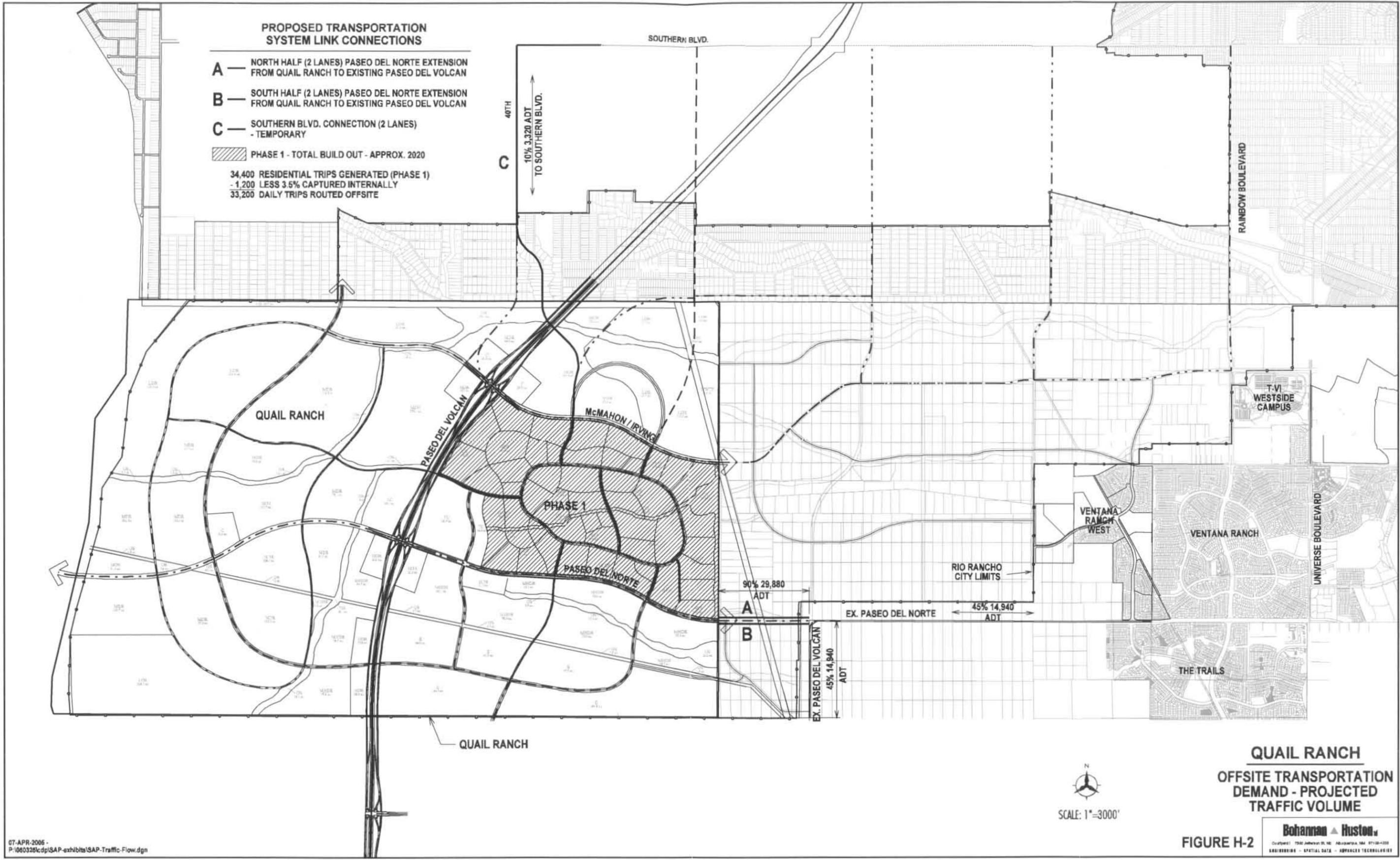
LEGEND

	CONTROLLED ACCESS PRINCIPAL ARTERIAL STREET
	PRINCIPAL ARTERIAL STREET
	MINOR ARTERIAL STREET
	COLLECTOR STREET
	PHASE 1

QUAIL RANCH
ROADWAY CLASSIFICATION SYSTEM
FIGURE H-1



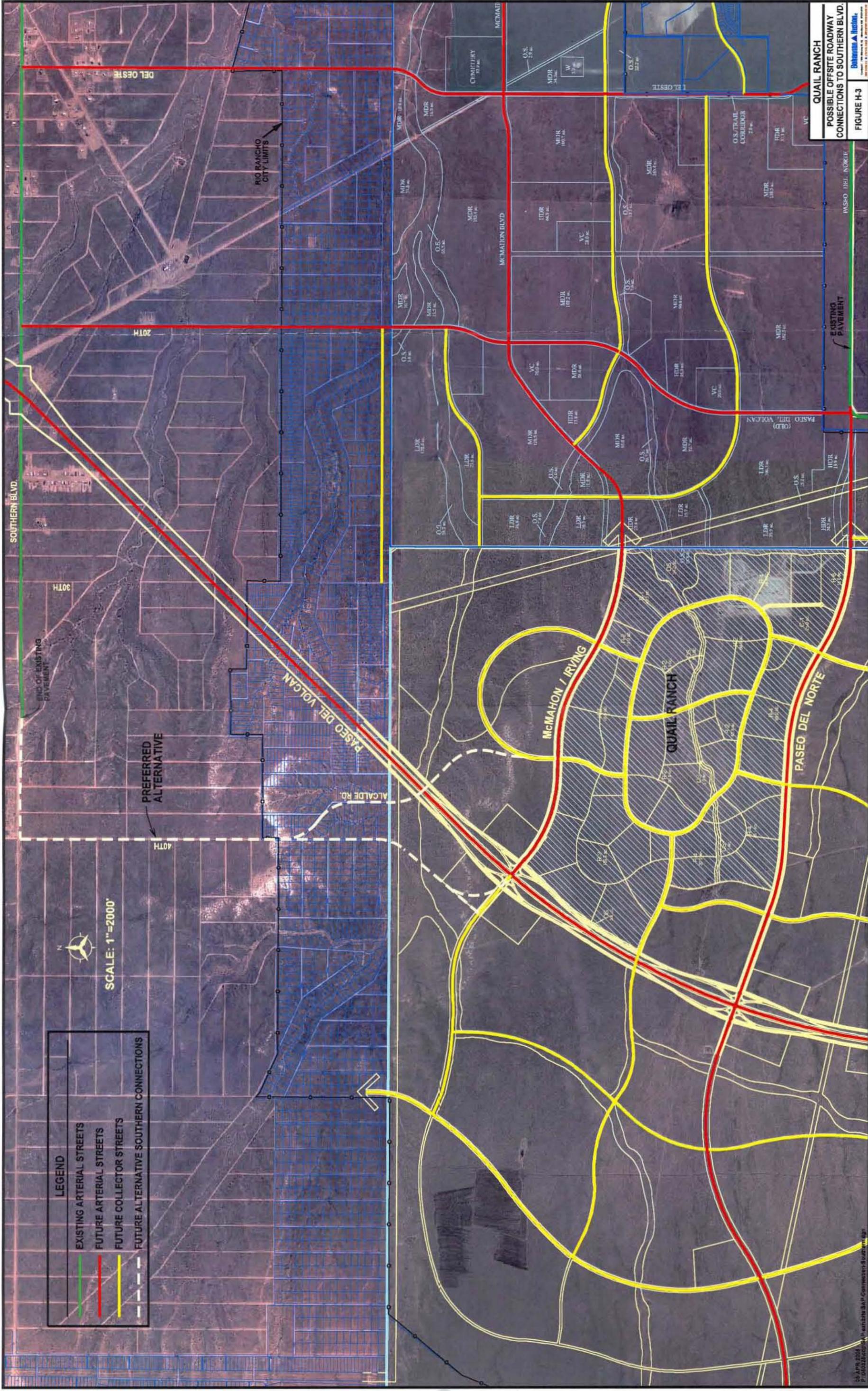
SCALE: 1" = 1000'



QUAIL RANCH
OFFSITE TRANSPORTATION
DEMAND - PROJECTED
TRAFFIC VOLUME

N
 SCALE: 1"=3000'

FIGURE H-2



LEGEND

- EXISTING ARTERIAL STREETS
- FUTURE ARTERIAL STREETS
- FUTURE COLLECTOR STREETS
- FUTURE ALTERNATIVE SOUTHERN CONNECTIONS



SCALE: 1"=2000'

PREFERRED ALTERNATIVE

PASEO DEL VOLCAN

ALCALDE RD.

McMAHON / IRVING

QUAIL RANCH

PASEO DEL NORTE

QUAIL RANCH
POSSIBLE OFFSITE ROADWAY
CONNECTIONS TO SOUTHERN BLVD.

FIGURE H-3

Behan & Associates

City of Phoenix, Department of Transportation & Public Works

I. DRAINAGE & GRADING

1. DRAINAGE ANALYSIS

Opportunities abound for creative and unique drainage solutions given the location of the property in the upper reaches of the watersheds to which they contribute. Quail Ranch is expected to develop in a fashion that embraces naturalistic concepts in engineering to create a sustainable development including water harvesting, creation of new riparian habitat areas, and joint use park/ponds. The goal of this drainage management section is to manage storm water at its source to reduce the need for large conveyance and storage facilities. (Please note that a full Drainage Management Plan will be submitted under separate cover for approval by AMAFCA and the City Public Infrastructure Department.) This discussion describes:

DRAINAGE

The open space network will also provide areas for the retention/detention and conveyance systems for stormwater management. Quail Ranch Master Plan, page 29.

- the overall drainage management strategy,
- the hydrologic analysis approach, and
- assumptions and results of modeling activities.

Each of these activities is conducted to assess stormwater conveyance and storage facilities for Phase One of the development. Some off-site areas, that is, outside of Phase One boundaries, were also evaluated. Figure I-1 illustrates the drainage areas evaluated and analyzed both on-site and off-site affecting the holistic stormwater treatment system planned for the development. All requirements for funding drainage infrastructure will be provided for in the Development Agreement.

a) Stormwater Management

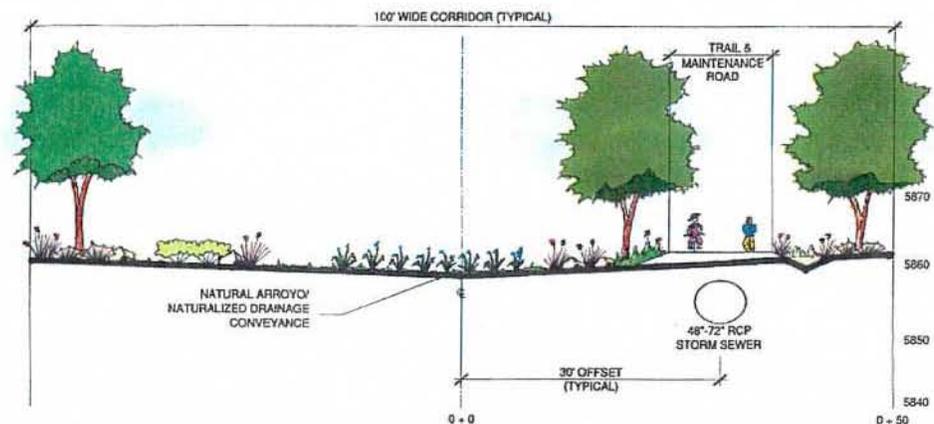
Quail Ranch is located in the upper reaches of two significant watersheds on Albuquerque's West Mesa; the Boca Negra and the Calabacillas watersheds. The Boca Negra watershed is located within the southern third of Quail Ranch and discharges in a southeasterly direction towards Petroglyph National Monument and the Taylor Ranch neighborhood. The northern two-thirds of Quail Ranch drains to the Calabacillas watershed including both the western and middle branches (Figure I-1). The Albuquerque Metropolitan Arroyo Flood Control Authority (AMAFCA) has recommended that the Boca Negra Arroyo, west of Paseo del Volcan, be diverted northward within Quail Ranch toward the middle branch of the Calabacillas system. This decision was made to reduce the impacts of runoff from the Boca Negra arroyo to the Petroglyph National Monument and development downstream of the Monument.

In recent history and up to the present, Quail Ranch has been carefully managed as a sustainable grazing resource for cattle and wildlife. As a result, the ecological condition of both the Boca Negra and Calabacillas watersheds shows very little topsoil loss and good stands of native grasses. This condition forms the starting point to determine the best way to adapt the development to the land. The goals of groundwater recharge, responsible stormwater management and adaptive water quality treatment are all included within this drainage plan.

Beyond addressing the storm water management for Phase One of the Quail Ranch development, ecological engineering for offsite flows that would impact the new community from upland runoff is discussed. Issues related to existing federally regulated floodplains are also discussed.

b) Methods and Assumptions

The proposed development area was divided into numerous drainage basins related to the existing topography and anticipated land use planning. The Phase One area analyzed encompasses approximately 1025 acres and includes developable acreage, road rights-of-way, public open space, parks, and water harvesting and water quality facilities. The Conceptual Drainage Management Plan for Phase One is shown on Figure I-2. The 100-year, 24-hour storm was selected as the design event given that all flows within the development are retained or detained in some fashion and conveyed within park and trail system open space corridors. Timing and construction of infrastructure will meet the needs of existing development. Ultimately, the drainage system network discharges to a multi-use community water quality treatment facility along the West Branch of the Calabacillas arroyo on the east side of the development. Arroyo treatment has been analyzed. The preferred treatment method is piping, which is safe, functional and efficient. Piping adds to the available adjacent areas for constructing trails, open space, and linear parkways.



Typical Open Space Channel

Given the current state of the rangeland resource within the Ranch, it was determined that no runoff is generated due to storms at or above the 5-year frequency. This corresponds to a rainfall event of 1.25 inches or less. Therefore, to maintain the process of aquifer recharge and to improve water quality of runoff discharged from the community in order to meet EPA requirements, runoff generated by storm events of the 2-year and 5-year frequency are retained. This equates to constructing several small localized rainwater harvesting facilities within the development that are capable of storing runoff volumes from these storm events. Lesser frequency (larger) events are allowed to pass through these ponds and be conveyed by storm drain and/or open conveyances downstream to the community water quality facility.



Conceptual park/pond layout.

Incorporating this water harvesting strategy into the Quail drainage management program accomplishes other benefits as well including treating the "first flush" event that carries higher concentrations of man-made constituents such as oil and grease, antifreeze and landscape treatment chemicals. Erosion rates downstream of the Ranch will also be minimized given small, frequent events will not be released. Ponding water from high frequency events also permits beneficial use by wildlife and native vegetation established within the open space corridors. To ensure protection of the public from less frequent storm events, runoff from storms of greater than the 5-year volume would be detained and conveyed to the multi-use water quality facility.

Preservation of arroyos downstream of the Ranch is also achieved given flows above historic rates do not result thereby reducing erosion and mass wasting of channel banks. Ultimately, a post-development discharge rate at half of historic rate is expected once all facilities have been constructed.

Formal hydrologic modeling was performed using AHYMO, 1997 version, as detailed within the City of Albuquerque's Design Process Manual (DPM), Chapter 22-2 Hydrology. This regional hydrologic model has been adopted by all local and federal authorities responsible for design and management of stormwater facilities within Quail Ranch, including the City of Rio Rancho, AMAFCA and the Federal Emergency Management Agency (FEMA). Quail Ranch falls within the jurisdictions of all of these agencies responsible for protection of the public and design of public drainage infrastructure.

Land treatments related to the amount of pervious and impervious area within the developed watershed were assigned based on formulas available from the DPM. Time of concentration calculations, were also calculated using DPM methodology. Basin areas were determined through digitized calculation with AutoCAD®. Rainfall depths for the 24-hour, 2-year, 5-year, and 100-year events are 0.95, 1.25 and 2.66 inches respectively. Application of Albuquerque DPM methodology is necessary to assure consistency with AMAFCA criteria along with the fact that drainage within Quail Ranch discharges into existing and proposed facilities within AMAFCA's jurisdiction.

Conveyance facilities, whether storm drains or open channels were modeled within the system using assumed slopes of 1 to 2 percent and conservatively sized to assure adequate capacity to anticipate fully developed conditions. A minor amount of sediment bulking, 2.5%, was added to all flows given the propensity for soil to erode through water and wind action in the development area. Off-site flows were not bulked given any structure proposed addresses only developed conditions within the confines of the Ranch.

c) Hydrologic Analysis

Watershed modeling consisted of creating a basin and routing scenario that represented the effects of community development on runoff rates and volumes and the facilities required to manage developed condition runoff. Table I-1 shows the data inputs for the model and the resulting runoff rates and volumes generated by the 2-, 5- and 100-year frequency storms. Table I-1 also shows that some basins are planned to have higher percentages of impervious area based on the development densities anticipated related to zoning and building type

associated with creating a mixed-use community. These densities, related to zoning categories, are described elsewhere in this report.

Runoff volumes for the 2-year and 5-year events, as discussed previously, are proposed to be retained within park and open space facilities located in several individual drainage basins. These storm water quality and water harvesting facilities are expected to form a portion of the open space network between neighborhoods and commercial land use areas. A typical layout for these multi-use facilities is located in the Parks and Open Space chapter of this Specific Area Plan. Watershed basins that include a local open space water quality facility include basins Q (Town Center), C, D, E (medium density residential), N and I (medium high density residential). In general, these ponds cumulatively retain up to about 8 acre feet of runoff when filled to the 5-year storm depth. A neighborhood level water quality pond is proposed centrally located within the loop road, which collects runoff from portions of basins K and L.

Table I-1 QUAIL RANCH PHASE ONE WATERSHED BASINS ASSIGNED VARIABLES AND RESULTING RUNOFF RATES AND VOLUMES

Basin	Land Area (acres)	Land Treatments				Time of Concentration (hours)	Runoff Rates and Volumes					
		A	B	C	D		2-Year		5-Year		100-Year	
		%	%	%	%		Peak Flow (cfs)	Runoff Volume (ac-ft)	Peak Flow (cfs)	Runoff Volume (ac-ft)	Peak Flow (cfs)	Runoff Volume (ac-ft)
A	70	0	20	30	50	0.191	54	2.8	91	4.2	202	9.4
B	61	0	30	35	35	0.133	44	1.8	81	2.9	197	7.1
C	120	0	20	30	50	0.478	48	4.7	81	7.2	190	16.1
D	85	0	20	30	50	0.37	43	3.3	71	5.1	161	11.4
E	90	0	20	30	50	0.27	55	3.5	93	5.4	210	12.1
F.1	21	0	15	20	65	0.273	24	1	39	1.5	78	3.1
F.2	58	0	15	20	65	273	46	2.9	73	4.3	150	8.9
G	18	0	5	25	70	0.135	23	0.93	35	1.4	68	2.8
H	28	0	5	5	90	0.21	36	1.9	52	2.7	97	5.2
I	81	0	15	20	65	0.288	69	4	110	6	231	12.4
J	77	0	20	30	50	0.202	57	3	96	4.7	215	10.3
K	47	0	20	30	50	0.182	39	1.9	65	2.9	141	6.3
L	105	0	20	30	50	0.248	66	4.1	112	6.3	258	14
M	59	0	15	20	65	0.173	60	2.9	95	4.3	195	9
N	64	0	15	20	65	0.2	61	3.2	96	4.7	198	9.9
Q	135	0	5	5	90	0.219	128	7.7	195	10.8	381	21.1

Runoff from the 2- and 5-year events not stored within an individual basin is stored in downstream facilities located in other open space areas. Basins where this occurred include basins A, B, F, G, H, J, , and M. These flows are conveyed into the community water quality facility located at the eastern border of the project site, which is located where natural topography provided a prime location for a community water quality improvement facility. As with the neighborhood level water quality facilities, this facility also retains runoff resulting from storms up to the 5-year storm event. Retention storage within this community water quality facility is approximately 75 acre-feet of storm water, which is permitted to infiltrate back into the aquifer. This facility also collects runoff from the major street network and open space corridors within Phase One of the Quail Ranch development. It is anticipated that future active recreational uses will be accommodated within this facility.

d) Hydraulic Evaluation

Conceptually, neighborhood water quality pond facilities were sized so that the 2-year storm fills the pond 3 feet deep while the 5-year storm increased the depth an additional one-foot for a total of 4 feet. An additional 4.5 feet of depth was allowed in each pond to accommodate the 100-year storm independent of the 5-year volume occupying the lower volume. In addition, a lower elevation bio-treatment cell has been included in all facilities to treat runoff amounts that may result from storms of up to 0.25 inch. No discharge is released from these water quality ponds until the 5-year volume had been filled. Therefore, all pipe outlets were assigned invert elevations 4-feet above the pond bottom.

Conveyance facilities were conservatively sized to carry the 100-year storm with the assumption that the retention volumes located within each water quality pond were filled to capacity at the time of the 100-year, 2.66 inch rainfall event. Facilities were sized to convey the entire hydrograph without allowing the hydraulic grade line (HGL) either to rise into the manholes if using storm drains or to exceed freeboard requirements for open channels.

Ultimately, all discharges from Phase One facilities are routed into a large community water quality facility, which will be dedicated to AMAFCA for ownership, operation and maintenance. (The Drainage Master Plan will detail specific design elements of this facility.) This facility was sized to detain the 100-year volume discharged from upstream basins east of Paseo del Volcan and store the 5-year volume from basins that had not previously been routed through an upland park/pond facility within Phase One. The operation of this community water quality facility is to promote vadose zone recharge of storms up to the 5-year volume while providing the opportunity to address NPDES stormwater quality requirements.

In addition, it is expected that this facility will help protect downstream conveyances that may have limited capacity in their current configuration along with reducing possible erosion that may otherwise be caused by high-energy flows. The embankment was evaluated to determine the size and configuration necessary to detain the 100-year event while allowing the Probable Maximum Flood (PMF) to pass safely through an emergency spillway. The conceptual spillway configuration was established following criteria established by the Office of the State Engineer, Dam Safety Bureau (2003).

2. OFFSITE AND ADMINISTRATIVE ISSUES

Currently there are several FEMA floodplains that are mapped on arroyos inside and outside Phase One of the Quail Ranch development, which must be addressed. As shown on Figure I-4 it is obvious that at least one of the floodplains mapped is inaccurate and does not correspond to the 100-year zone of inundation given that the floodplain is mapped in an area above the normal flood zone. Correction of this floodplain and concurrent revision of the floodplains within the West Branch of the Calabacillas Arroyo can be accomplished by a Letter of Map Revision (LOMR) submittal to FEMA.

A second item that must be addressed to permit development is diversion of flows emanating from the upper reaches of the watershed west of the proposed Paseo del Volcan alignment at the western boundary of Phase One (Figure I-1). An analysis of these areas was performed using AHYMO implementing NRCS curve numbers for land treatment conditions. This approach was adopted given the native condition of the area and the fact that curve numbers are widely used for rangeland conditions of which the western reaches of Quail Ranch will remain for some time. Flows from the three basins modeled, W1, W2, and W3 were 170 cfs, 230 cfs and 250 cfs respectively. Runoff volumes totaled 14, 19 and 20 ac-feet respectively as well. These rates and volumes represent, on average, 0.4 cfs of discharge per acre and approximately 0.03 acre-feet of runoff per acre.

A small diversion berm is proposed that can effectively redirect undeveloped flows towards the north to ultimately discharge to the Middle Branch of the Calabacillas Arroyo thereby protecting Phase One from upland runoff. This is consistent with adopted AMAFCA policy and is recommended in several approved drainage reports including, most recently, the Boca Negra Drainage Plan. Figure I-4 shows the proposed alignment of this low earthen berm and its ultimate collection pond, located within the confines of an existing playa and the mistakenly identified flood plain shown in the FEMA maps. It is expected that the berm will serve to both harvest low flows and convey larger flows to a retention area designed to act as a water spreading and infiltration basin.

3. SUMMARY OF THE DRAINAGE FACILITIES ANALYSIS

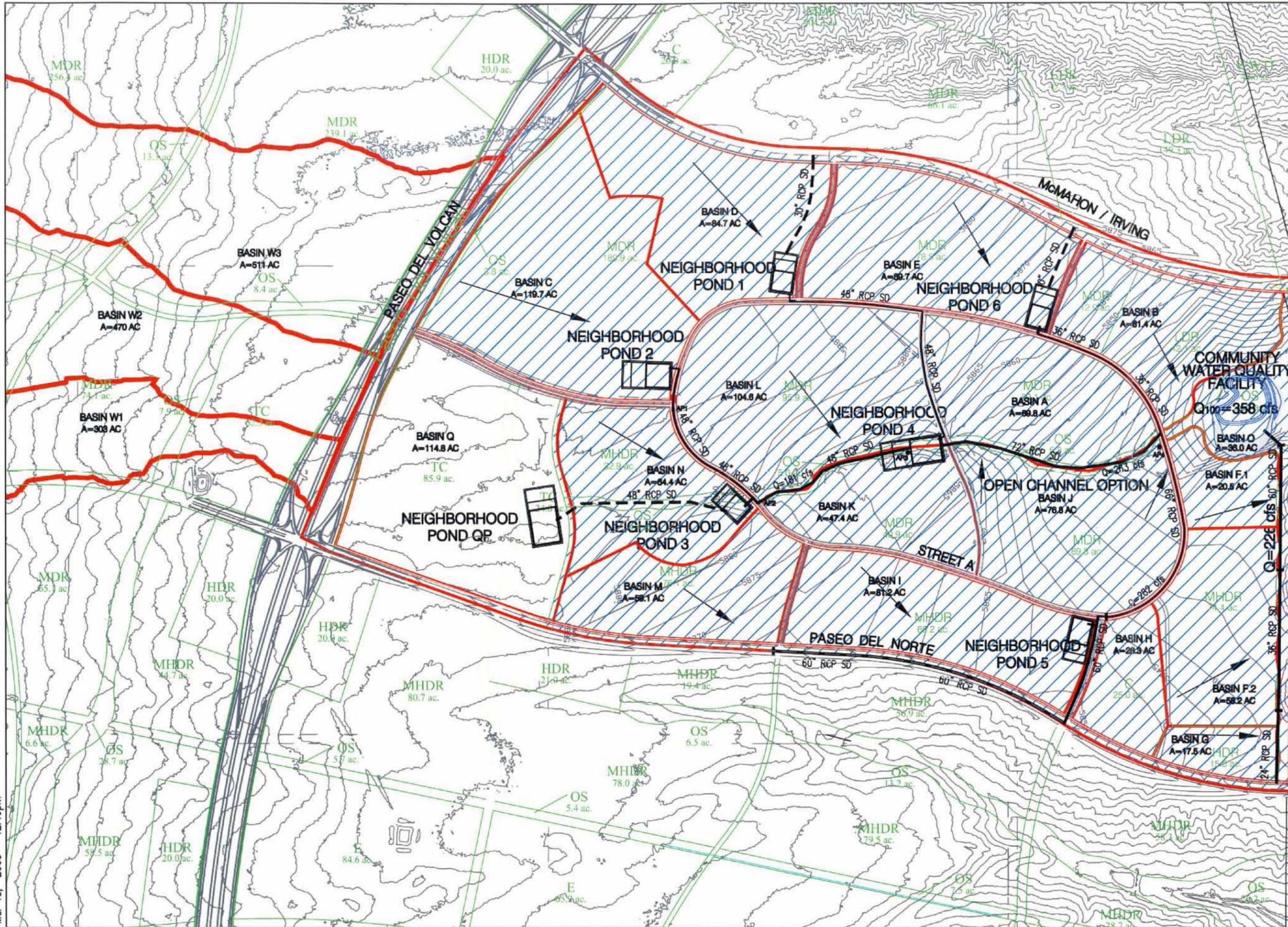
Hydrologic analysis of areas within Quail Ranch show the opportunity for uniquely engineered naturalistic systems that permit addressing water harvesting, water quality enhancement, mitigation of erosion potential and beneficial use of storm water for wildlife, open space and native vegetation. The development of Quail Ranch strives to embrace the pre-developed hydrologic system to better integrate natural processes into a modern sustainable community environment. A detailed Drainage Master Plan is underway for submittal to AMAFCA and the City of Rio Rancho to assure compliance with their respective requirements.

4. MASS GRADING ANALYSIS

Utilizing the drainage analysis and concepts identified previously as well as the results of the preliminary subsurface investigation undertaken by Vinyard and Associates, an analysis of the overall earthwork requirements for Quail Ranch, Phase One was performed. The purposes of this analysis are to determine whether individual parcels that might be created through a bulk parcelization of the property could be balanced from an earthwork perspective, and to identify and plan for dealing with any significant subsurface conditions identified. Significant shortages or excesses of earth material that might be generated in order to implement the drainage concepts and patterns must be identified and planned. Following the mass grading operation, if necessary, each parcel or "super-pad" must be provided with the ability to grade individual lots, streets, and pads without significant additional import or export of earth material.

A major consideration of the mass grading analysis is the ongoing earthwork operation to remove material from the Quail Ranch Property, which is being executed by the developers of the property south of Ventana Ranch. This operation has been authorized to remove as much as 3 million cubic yards of earth material, however, that volume of removal seems unlikely to be feasible. A second, smaller volume of removal has been assumed in the volumetric analysis, of approximately 1.3 million cubic yards of earth material to be removed. The unknown nature of the actual amount of material to be removed has made analysis of the mass grading and earthwork requirements of the project very difficult. Upon completion of the ongoing earthwork operation, new mapping of the borrow site must be acquired in order to evaluate the existing ground surface and identify the actual volume of earth removed, which may result in modifications to the earthwork analysis provided herein.

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- LDR Low Density Residential
- MDR Medium Density Residential
- MHDR Medium High Density Residential
- HDR High Density Residential
- TC Town Center
- C Commercial
- E Employment
- WWTFF Wastewater Treatment Facility
- SC Sport Complex
- ES Schools
- PARK, CC Parks/Community Center
- OS Open Space
- Phase 1
- Basin Boundary
- Flow Direction

N

 SCALE: 1"=1000'

CONCEPTUAL DRAINAGE PLAN
FIGURE I-2

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WATER QUALITY
FACILITY

FIGURE I-3

SCALE: 1"=120'

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Consulting Engineers, Inc. 10000 Westchase Drive, Houston, TX 77066-0000
ENGINEERING - SPATIAL DATA - ADVANCED TECHNOLOGIES

Sandoval County

Bernalillo County

MIDDLE BRANCH CALABACILLAS

PASEO DEL VOLCAN DIVERSION BERM

WEST BRANCH CALABACILLAS

BOCA NEGRA

RIO RANCHO CITY LIMITS

PASEO DEL VOLCAN

PROPOSED

LEGEND

-  FEMA FLOODPLAIN
-  PHASE 1 BOUNDARY
-  FLOW DIRECTION
-  BASIN/WATERSHED BOUNDARY



SCALE: 1"=2000'

QUAIL RANCH FLOODPLAINS AND DIVERSION BERM
FIGURE I-4

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CORPUS CHRISTI, TEXAS
ENGINEERING - SPATIAL DATA - ANALYZED TECHNOLOGIES

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NOTE:
 CONCEPTUAL LOT / POND /
 PARK / TRAIL LAYOUT
 SUBJECT TO CHANGE



SCALE: 1"=1000'



QUAIL RANCH
CONCEPTUAL MASS
GRADING PLAN

Bohannon & Houston
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 WWW.BOHANNONANDHOUSTON.COM

FIGURE I-5



J. WATER SYSTEM ANALYSIS

Quail Ranch lies within the New Mexico Utilities, Inc. (NMUI) service area assigned to NMUI by the New Mexico Public Regulation Commission (PRC). A draft water master plan, Water Master Plan Update 2004 (Update 2004), was completed in April 2004. The Quail Ranch development as then envisioned was included in the April 2004 draft water master plan as was what is now called Paradise West. Criteria for water system pressure zone delineation, supply and distribution system configuration and sizing within Quail Ranch was set forth based on existing pressure zone delineations, water system records, and system evaluations and supply studies performed by NMUI or its consultants in the past. The Update 2004 was based on ultimate buildout of the NMUI service area and did not consider phased development. On-going coordination with NUMI has occurred throughout the preparation phase of this Specific Area Plan. It is the responsibility NUMI to serve the users within their service area.

Three major objectives have been identified for this report. The first is to modify the Update 2004 to update land development forecasts which have occurred subsequent to that April 2004 document. The second is to identify improvements that must be constructed to provide water service under a phased development approach to first approximately 1,000 homes within Phase One, then 1,025 acres of development, and finally to determine system improvements required for full buildout of Quail Ranch. Ultimate system improvements are identified that accommodate development throughout Quail Ranch, including the industrial and employment areas south of Phase One. Phased infrastructure improvements will be provided for Phase One in such a way that future service to these employment areas outside of Phase One is not precluded or hindered in any way. The third and final objective is to identify infrastructure improvements required for the ultimate development in sufficient detail to allow the appropriate level of infrastructure to be provided when needed to support the level of demand that will exist at various stages during the phased development of the project without precluding implementation of the ultimate plan.

1. PHYSICAL LAYOUT OF QUAIL RANCH WITH RESPECT TO NMUI

The NMUI service area land rises in elevation from the Rio Grande west to the escarpment. Ground elevations east of Coors Boulevard, the lowest part of the NMUI service area, are in the vicinity of 4,990 feet, while the western portion of Quail Ranch rises to an elevation of over 6,140 feet. As a result of the area topography, water system pressure zones are created from east to west to maintain static pressures generally between 50 and 100 pounds per square inch (psi). Figure J-1 shows the NMUI service area boundary as well as the existing and future water system pressure zones. Overlaid on the service boundary is the Quail Ranch

boundary as well as the 1,025 acre Phase One development. The vast majority of the 1,025 acres contained within Quail Ranch Phase One lies within pressure zone 8W, whose service reservoir lies west of the 1,025 acre parcel and requires an overflow elevation (OFE) of 6,060 feet.

2. SOURCE OF WATER FOR 1025-ACRE DEVELOPMENT AND ULTIMATELY ALL OF QUAIL RANCH

The short-term and long-term sources of water supply present critical challenges to the development of Quail Ranch. The draft April 2004 Update evaluated potential water sources for the entire anticipated Quail Ranch development in addition to the entire NMUI service area containing approximately 18,000 developable acres. Water supply will come from wells within the original service area to the extent possible to be supplemented as required with wells within Quail Ranch. Some wells required for ultimate development will be drilled on the Quail Ranch as well as the area east of Quail Ranch now called Paradise West.

NMUI applied for well sites in the Quail Ranch area in their 1996 request to the Office of the State Engineer (OSE) for additional water diversion to meet water demands in the total service area. That request has been before the OSE since that time. Until that request has been approved along with additional well sites, water for Quail Ranch must come from the existing permitted well sites.

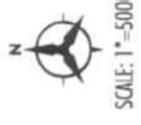
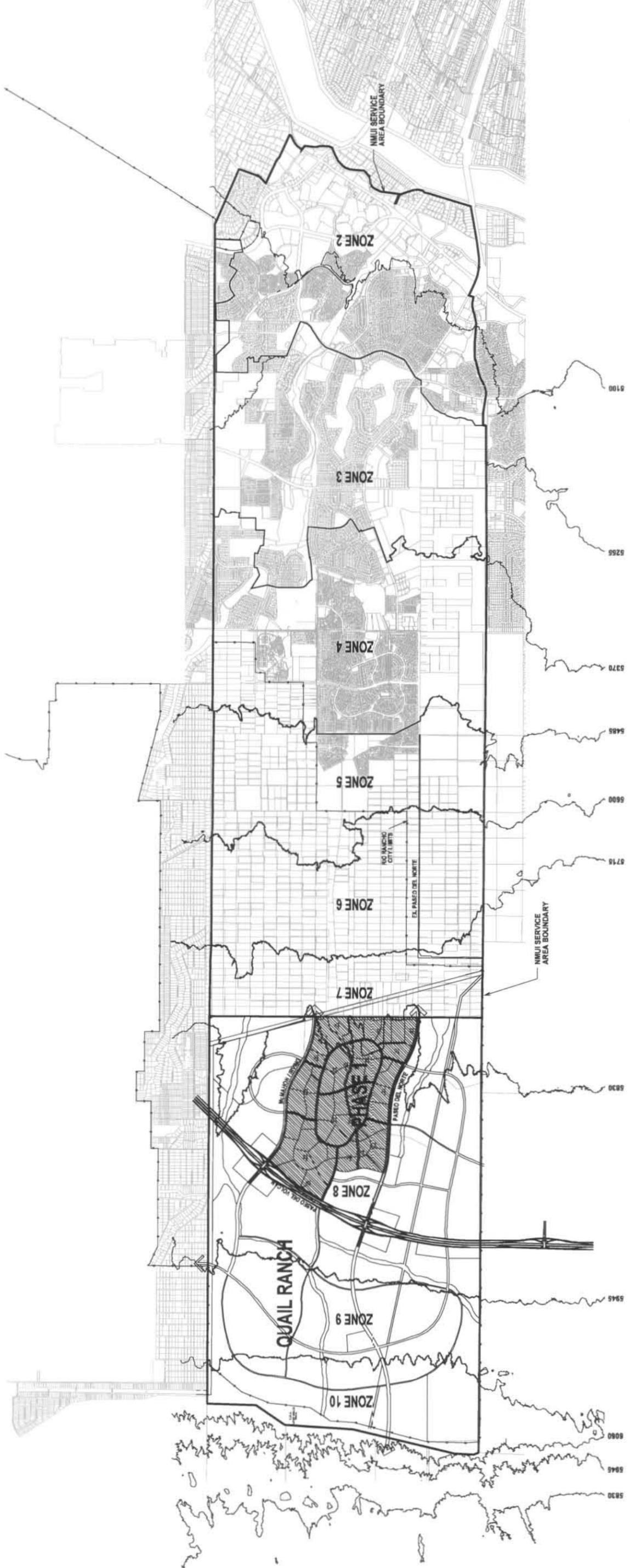
a) Required System Improvements

Figure J-2 shows the water system back bone improvements required to provide service to Phase One of Quail Ranch. A new pump station is located at the Well No. 7 site. This pump station provides service to the Ventana West Subdivision whose service reservoir will be constructed west at an OFE of 5,715 feet. Service for Quail Ranch Phase One will include a transmission line to a new reservoir site, currently designated as the Zone 5W Reservoir. At this point, a booster station will be constructed to pump water from the Zone 5W Reservoir west to Quail Ranch. Ultimately, sometime after the completion of Phase One, this pump station will pump water to a Zone 7W Reservoir that will be constructed near the eastern boundary of Quail Ranch. A pump station will be constructed adjacent to this future 7W reservoir which will pump water into the Zone 8W Reservoir and/or into Zone 8W, the location of Phase One development. Until some portion of Phase One is complete, approximately 1,000 homes, it is feasible to pump water into the Zone 8W developed area using a closed loop system and variable speed drivers for the pumps. Redundant power supply, possibly including a generator set, or dedicated engine powered fire pumps may be installed to provide fire protection for the interim period until the Zone 8W Reservoir is constructed. Upon completion of approximately 1,000 homes, installation of the Zone 8W Reservoir is prudent.

The future Zone 7W Reservoir and a new pump station at that site to pump water to the Zone 8W Reservoir are not required until development within the Paradise West Subdivision occurs.

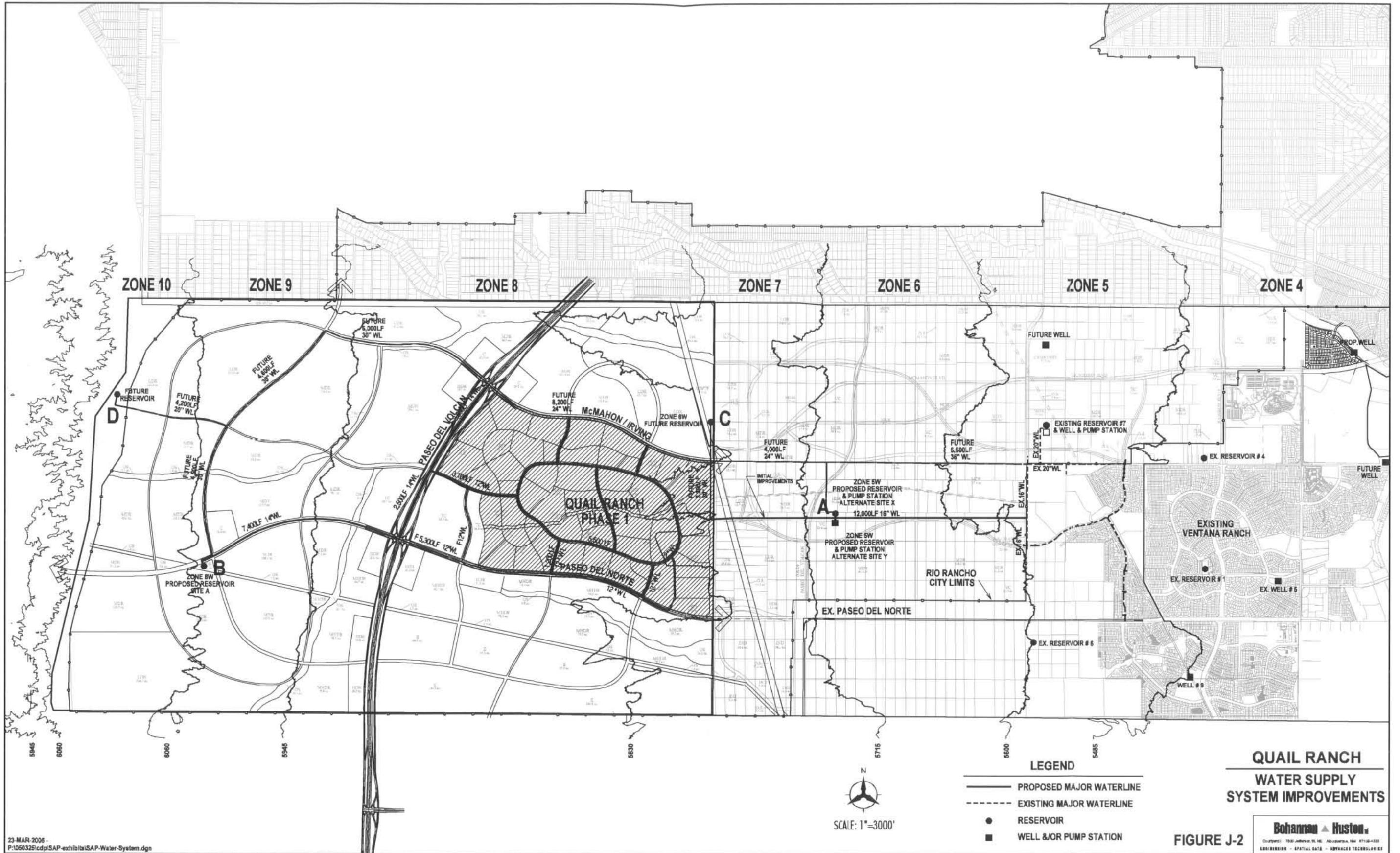
Ultimate requirements for the balance of Quail Ranch will be determined at a later date. However, the 2004 NMUI Master Plan Update included provisions for water service to the employment center in the southeast quadrant of Quail Ranch. The improvements proposed for Phase One of Quail Ranch do not hinder or preclude those provisions in any way.





QUAIL RANCH
NMUI SERVICE AREA
/ PRESSURE ZONES

FIGURE J-1



**QUAIL RANCH
WATER SUPPLY
SYSTEM IMPROVEMENTS**

FIGURE J-2

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 Courtyard 1 7500 Ambury St. NE Albuquerque, NM 87109-4333
 ENGINEERING - SPATIAL DATA - ADVANCED TECHNOLOGIES

23-MAR-2006
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K. WASTEWATER ANALYSIS

Upon completion, the wastewater system within Quail Ranch will be owned, operated and maintained by New Mexico Utilities, Inc. (NMUI). Capital facilities will be constructed by the developer utilizing turn-key project delivery methods with review, approval, and financial participation by NMUI under a water and wastewater service agreement.

The collection system sizing and layout are discussed in this section including figures illustrating the proposed collection network for Phase One of the development. All of Phase One was evaluated as were some off-site areas that will ultimately be conveyed by infrastructure within the Phase One boundary. Figure K-1 illustrates the areas evaluated including both offsite and the proposed Phase One development area.

1. EVALUATION APPROACH

The proposed development was divided into numerous sanitary sewer collection basins based on land use designations and the anticipated site grading as shown on Figure K-1. The land use plan shows Phase One of Quail Ranch divided into 15 sub-areas. In total, there are approximately 1,025 acres of planned development within Phase One that were considered. Approximately 998 acres outside Phase One were also analyzed for wastewater contributions, as the proposed treatment plant will take these flows as well. This includes the area south of Paseo del Norte and east of Paseo del Volcan to the eastern ranch boundary.

It was assumed that all flow west of Paseo del Volcan will be intercepted by a future, separate collection system and conveyed northward to the Irving/McMahon alignment or to the Middle Branch of the Calabacillas Arroyo where it will be conveyed eastward to the wastewater treatment plant. The remainder of Quail Ranch will also be conveyed to the wastewater treatment plant along alignments following street and open space alignments that do not cross or impact Phase One.

2. FLOW ESTIMATES

Anticipated sanitary system flows were based on the estimated water usage per dwelling and the total number of proposed dwellings. To estimate the number of dwellings units in each basin, the area of the basin was multiplied by the development density. The anticipated water demand per dwelling was assumed at 325 gal/du/day based on data provided by New Mexico Utilities Inc. Approximately 20% of that water is consumed, and the other 80% is returned as wastewater yielding an average wastewater flow per dwelling of 260 gal/du/day. Overall average daily flow was determined by multiplying the estimated number of dwellings per basin by the anticipated daily flows per dwelling. A peak

hourly flow factor of 2.85 was multiplied against the average flow. The results of these calculations are summarized in Table K-1, which shows development density, basin size, peak flows, and related variables.

Basin	Area	Development Type	Approx. Density	Average WW Flow	WW Generation	Avg Flow	Peak Flow
Phase One	(ac)		(DU/Ac)	(gal/DU/day)	(Gal/day)	(MGD)	(MGD)
A	69.8	MDR	4.8	260	87,074	0.09	0.25
B	61.4	LDR	3.5	260	55,917	0.06	0.16
C	119.7	MDR	4.8	260	149,376	0.15	0.43
D	84.7	MDR	4.8	260	105,755	0.11	0.3
E	89.7	MDR	4.8	260	111,890	0.11	0.32
F	78.9	MHDR	8	260	164,014	0.16	0.47
G	17.5	HDR	24	260	109,013	0.11	0.31
I	81.2	MHDR	8	260	168,938	0.17	0.48
J	76.8	MDR	4.8	260	95,825	0.1	0.27
K	47.4	MDR	4.8	260	59,183	0.06	0.17
L	104.6	MDR	4.8	260	130,515	0.13	0.37
M	59.1	MHDR	8	260	122,842	0.12	0.35
N	64.4	MHDR	8	260	133,981	0.13	0.38
H	28.3	COMM	NA	1354	38,307	0.04	0.11
Q	114.8	COMM	NA	1354	155,393	0.16	0.44
	535	EMPLOY	NA	1354	724,390	0.84	2.06
Off-Site	401.5	MHDR	8	260	835,120	0.26	2.38
	41	HDR	24	260	255,840	0.72	0.73

3. CONVEYANCE SYSTEM FOR PHASE ONE

Conveyances for the conceptual system were sized based on peak hourly flows. The pipe system is expected to radiate out from the wastewater treatment facility and generally follow the natural drainage patterns of the development as shown in Figure K-1. There are three main branches to the system internal to Phase One (north, south, and central) and a larger interceptor. The interceptor is located along the eastern boundary of Quail Ranch and collects all flows from Phase One as well as flows from portions of Quail Ranch outside of Phase One located south of Paseo del Norte and conveys these flows to the wastewater treatment plant (WWTP). The system internal to Phase One includes:

1. A north branch routed west along the northerly portion of the loop road;

2. A south branch routed along the southerly portion of the loop road, which then turns south along the southeast collector road to Paseo del Norte, and continues west along Paseo del Norte to the west boundary of Phase One; and
3. A central branch routed through the central open space and drainage conveyance corridor from the east side of the loop road to the west side.

These branches converge at a point on the downstream (eastern) edge of the loop road, and are conveyed to the interceptor through the open space/drainage/water quality facility by a central connector line.

Pipeline sizes required are shown in Figure K-1. Without flows contributed from outside Phase One, the Eastern Interceptor line could be designed as a 10-inch line. However, the addition of the southeastern portion of Quail Ranch requires upsizing the line to approximately 18 to 24. Depending on final grading for that area, a lift station will be required for at least a small portion of the area.

4. WASTEWATER TREATMENT SYSTEM

The primary objective of this section is to identify the current effluent disposal regulations that will effect effluent discharge requirements, and hence the technology recommended for the Quail Ranch Wastewater Treatment Plant (WWTP), which will be owned, operated and maintained by New Mexico Utilities, Inc. (NMUI). Due to the City of Rio Rancho requirement of “zero discharge” of wastewater outside the Quail Ranch boundaries, a surface water (arroyo) discharge alternative is not considered for the Quail Ranch WWTP.

All the effluent disposal alternatives considered for Quail Ranch, including surface irrigation, land application, drip irrigation, and subsurface leachfield disposal will require a New Mexico Environment Department (NMED) Groundwater Discharge Permit. Landscape irrigation using surface application (i.e., sprinklers) will be regulated under the NMED Policy for the Above Ground Reuse of Reclaimed Domestic Wastewater (the Policy). If direct groundwater injection is employed at some point in the future, drinking water standards of USEPA will also apply.

In addition to the NMED Groundwater Discharge Permit requirements, sludge disposal standards of US Environmental Protection Agency (EPA) will apply. These regulations identify standards for the use of disposal of sewage sludge. Appropriate sludge handling units are proposed in order to comply with the sludge disposal standards.

5. WASTEWATER SYSTEM INFLUENT DESIGN CRITERIA

a) Projected Wastewater Flows

The estimated wastewater generation rates for each residential and commercial establishment within the project area were identified. Based on this information, the design flow for Phase One of Quail Ranch is determined as 1.5 MGD. It is anticipated that the ultimate facility required to serve all of Quail Ranch will be approximately 9.0 MGD.

Since the area has no development at present, flows to the new WWTP can be expected to increase gradually. The small flows in the early years present challenges from an operational standpoint since it is difficult to maintain high effluent quality under low-flow conditions. In order to maximize the treatment process efficiency and to provide for start-up of the facility while minimizing the initial capital investment, the 1.5 MGD required to serve the ultimate development of Phase One will be constructed in the two phases of 0.75 MGD each. Refer to Table K-2 for additional proposed phasing increments.

Wastewater Treatment Plant Phasing Increment	Approximate Area Served (Acres)	Incremental Wastewater Handling Capacity (MGD)	Cumulative Wastewater Handling Capacity (MGD)
Initial Plant Constr.- Phase IA/IB	530	0.75	0.75
Second Increment: IC/ID	1025	0.75	1.5
Phase 2	2000	1.5	3
Phase 3	4000	3	6
Phase 4 – Total Quail Ranch Lands	6000	3	9

b) Anticipated Influent Wastewater Characteristics

The wastewater flow generated from the project area is expected to be mostly from residential developments with only a small amount of flow from commercial developments in early phases. It is assumed that there are no significant industrial or agricultural sources that will contribute to this wastewater system initially. Industrial developments which may be proposed during future phases of Quail Ranch may require reanalysis of the treatment and disposal system. For the foreseeable future, it is expected that the influent wastewater characteristics for the project area will be similar to the typical characteristics found in the literature for untreated domestic wastewater. Table K-3 presents the anticipated characteristics of the influent wastewater.

Contaminants	Unit	Typical Untreated Domestic Wastewater	Anticipated Influent to the Wastewater Facility
5-day Biochemical Oxygen Demand (BOD ₅)	mg/L	110 - 400	300
Total Suspended Solids (TSS)	mg/L	100 - 350	300
Total Kjeldahl Nitrogen (TKN)	mg/L	20 - 85	50
Phosphorus (as P)	mg/L	4 - 15	8

6. EFFLUENT DISPOSAL ALTERNATIVES

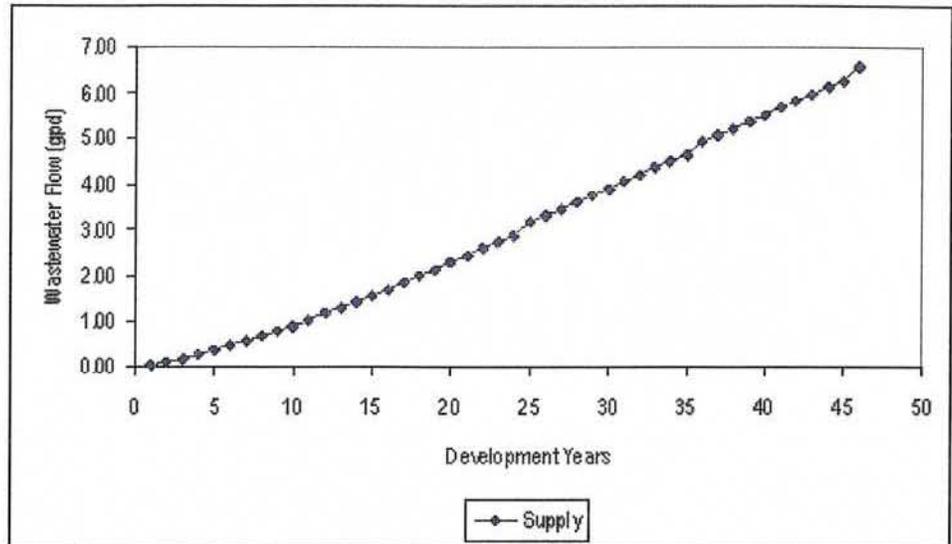
The effluent disposal alternatives considered for Quail Ranch include landscape reuse, shallow infiltration, land application, vadose-zone injection, and aquifer injection. The disposal methods included in this analysis are focused on shallow infiltration and possible beneficial reuse of the treated effluent. Coordination and discussion of the requirements for and potential alternatives for effluent disposal with the NMED is ongoing.

a) Shallow Infiltration

Shallow infiltration, using leachfields or infiltration galleries, is a common effluent disposal alternative for sites with suitable soil and groundwater conditions. For shallow infiltration, the treated effluent is discharged below the ground surface, where further treatment can occur as the wastewater percolates to the groundwater.

Shallow infiltration is proposed for the Phase One WWTP and for disposal of excess wastewater seasonally thereafter. Over the long term and certainly on a seasonal basis, it is anticipated that there will be periods as the development progresses during which the reclaimed wastewater supply will be higher than the irrigation demand for it. However, due to excessive area requirements and the associated capital costs, additional means and methods of effluent disposal will be required to support additional phases of development following the completion of Phase One.

Table K-4 WASTEWATER SUPPLY FOR QUAIL RANCH



b) Landscape Reuse

Irrigation of turf and other landscaping within recreational facilities and other heavily landscaped areas provides for a beneficial reuse of treated wastewater effluent. In addition, it reduces the demand on potable sources of water. Irrigation reuse is most applicable in areas of highly concentrated landscaping demands such as large, centrally located parks, regional recreational facilities, and golf courses. Extensive irrigation systems that provide water to far-flung and low demand landscaped areas such as subdivision entrances and streetscapes provide less prudent opportunities for reuse of treated effluent.

The plan provides for a regional recreational facility that has been relocated to an area near the wastewater treatment plant, in order to provide for the future efficient and beneficial irrigation reuse of treated effluent from the plant. In addition, a limited system of non-potable irrigation piping is recommended to convey treated effluent from the plant to parks and common areas at or near the community water quality facility on the eastern boundary of Phase One.

The possibility of a future golf course in future phases of development in the northwest quadrant of Quail Ranch may provide for an additional source of demand for irrigation water, which may be met by treated effluent from the wastewater treatment plant. In addition, New Mexico Utilities, Inc. provides irrigation water to the existing Paradise Hills Golf Course in Bernalillo County. It may be possible at some point in the future to replace that demand for irrigation water, which is currently being supplied by potable water, with treated effluent from the wastewater treatment plant.

When feasible, it is anticipated that some level of surface or subsurface landscape reuse of reclaimed wastewater will be utilized from a point in the future when the supply of effluent is adequate to provide benefit. After that, it is anticipated that the supply of wastewater effluent from the WWTP will exceed the projected demand for irrigation water, due to the seasonal only demand for irrigation supply. Therefore, both in the very short term, and over the life of the plant, provisions for other additional methods of disposal must be identified and implemented for effluent from the plant. The wastewater supply over the years from the Quail Ranch is depicted in Table K-4.

c) Land Application

Land application of reclaimed wastewater includes the reuse of treated effluent for agricultural irrigation (food or non-food crops) or simply application of wastewater on the land surface (rangeland irrigation). Design criteria of land application systems without any crops are similar to that of shallow infiltration systems. The nitrogen uptake of the soil (and crop, if any) and the percolation rates govern the area requirements for this disposal alternative. Loading rates for land application areas with crops will be less than those for shallow infiltration.

Land application of treated wastewater could be considered beneficial if food, non-food crops and/or vegetation are planted in the area. However, this alternative would then require regular crop harvesting practices, which may be feasible in the short term while a working ranch continues to exist on the balance of Quail Ranch lands. However, such beneficial reuse of the effluent would occur only during the growing season, and other methods must be employed to dispose of the effluent during other times of the year.

d) Vadose-zone Injection

Vadose-zone injection involves discharge of treated effluent into soil layers that are located deeper than just below the surface, but also well above the saturated groundwater zone. Currently there are no vadose-zone injection systems permitted in the State of New Mexico. The NMED currently does not recognize a category of effluent disposal systems between a shallow infiltration (leach field) system and a direct aquifer injection system. Discussions with the NMED have been initiated to identify the requirements and potential for such a system.

e) Direct Aquifer Injection

Direct aquifer injection, also known as groundwater recharge, is direct injection of highly treated wastewater into the saturated groundwater zone, usually into a well-confined aquifer. The reclaimed wastewater is required to be highly treated and strictly monitored before it can be

injected to the groundwater. Advanced treatment of the effluent from a typical wastewater treatment plant is therefore necessary.

At this time, there are no wastewater re-injection systems permitted in the State of New Mexico. It is expected that an in-depth geotechnical and hydraulic investigation of the site would be required by NMED to acquire a permit. A significant time and resource investment should be anticipated and planned for this disposal alternative. The regulations for drinking water quality would govern the effluent quality discharged as aquifer injection. In addition, NMED Regulation Subpart V - Underground Re-injection specifies procedures for aquifer designations acceptable for discharge.

Based on the wastewater reuse strategy of the City of Rio Rancho, aquifer injection is considered to be a viable and beneficial long-term alternative for the Quail Ranch treatment plant. However, the stringent treatment requirements combined with the relatively low demands during early phases of the project, the implementation of this alternative is not expected to occur during the development of Phase One. It is anticipated that treatment technologies will likely improve, costs will likely moderate, and procedural requirements will likely ease over time, which makes this option more viable for future phases of the project.

7. OVERALL EVALUATION AND FINAL RECOMMENDATION FOR EFFLUENT DISPOSAL

It is recommended that the Quail Ranch WWTP through completion of Phase One of the development employ shallow infiltration as the primary and landscape reuse as the secondary effluent disposal options. Both landscape irrigation and shallow infiltration methods will require a Groundwater Discharge Permit (DP) from NMED. With these discharge permits, NMED regulates the maximum amount of nitrate allowed in the effluent to be disposed. As a part of the permit, groundwater monitoring is often required at the application site, with the extent depending on the reclaimed water quality and hydrogeology of the site.

The effluent disposal methods recommended for the future phases of Quail Ranch include a combination of landscape reuse, shallow infiltration, and possibly ultimately aquifer injection. The extent that these alternatives will be employed at the plant will depend on the preferences of NMUI as well as the evolving view of the State Environment Department towards groundwater injection.

8. WASTEWATER TREATMENT SYSTEM ALTERNATIVES

a) Treatment Alternatives

A number of treatment alternatives were reviewed as part of analysis.

These alternatives included:

- Lagoons for the initial phases
- Wetlands
- Package treatment plants
- Oxidation ditches
- Trickling filters
- Pre-engineered activated sludge systems
- Conventional activated sludge systems with biological nutrient removal (BNR)
- Sequencing Batch Reactors (SBRs)
- Membrane Bioreactors (MBRs)

These alternatives were conceptually evaluated in terms of their reliability, treatment efficiency, area requirements, and capital costs. Lagoons, wetlands, and package treatment systems are not considered to be reliable for major (larger than 1 MGD flowrate) wastewater treatment plants. The conventional trickling filters are not considered reliable because of their inability to consistently meet secondary effluent standards. The oxidation ditches are less cost effective when compared to conventional activated sludge systems with biological nutrient removal, which can incorporate common wall construction more efficiently. Pre-engineered activated sludge systems are basically a subset of conventional activated sludge plants. The conventional activated sludge systems with nutrient removal, SBRs, and MBRs are further described in the following sections.

b) Design Basis

The effluent quality standards with which the Quail Ranch WWTP will be required to comply are summarized in Table K-5. These requirements are based on the treatment standards required by the potential for surface application of reclaimed wastewater for landscape irrigation.

Table K-5 STRINGENT EFFLUENT WASTEWATER QUALITY REQUIRED FOR THE QUAIL RANCH WWTP			
Contaminants	Unit	Anticipated Influent to the Wastewater Facility	Most Stringent Effluent Quality Standards*
Biochemical Oxygen Demand (BOD ₅)	Mg/L	300	≤ 10 mg/L
Total Suspended Solids (TSS)	Mg/L	300	≤ 5 mg/L (≤ 3 NTU)
Total Kjeldahl Nitrogen (TKN)	Mg/L	50	≤ 10 mg/L
Phosphorus (as P)	Mg/L	8	Not applicable
Fecal coliform	Organisms/100 mL	-	5

c) Conventional Wastewater Treatment System

In general, conventional BNR facilities require a larger footprint compared to the other two alternatives considered for the Quail Ranch WWTP. Phasing of the system into 0.75 and 1.5 MGD also marginally increases the area requirements due to the increased number of treatment system trains and units. The 1.5 MGD conventional BNR facility is anticipated to require about 6 acres of land, while the 9.0 MGD conventional facility at ultimate phase can be expected to require about 25 acres.

d) Sequencing Batch Reactors

The acceptance of the SBR technology into the mainstream of wastewater treatment in recent years is primarily due to advances in process control. Reliable electronic components and programmable logic controllers have made the control and sequencing of the SBR cycles simple. The process is now essentially automatic and requires only operator monitoring of process parameters and adjustments in cycle timing, when required, to ensure effluent quality.

SBR facilities require significantly less land area than conventional BNR systems. The 1.5 MGD SBR facility is anticipated to require about 2 acres of land, while the ultimate 9.0 MGD SBR facility at buildout will likely require about 10-15 acres.

e) Membrane Bioreactors

The membrane separation component can be provided in two main configurations: 1) Immersed or 2) External. For the immersed configuration, membrane units are directly immersed into the bioreactor. For the external membrane separation system, the supernatant

is pumped under pressure through a membrane unit external to the bioreactor. Permeate or treated flow is collected for reuse or disposal while the rejected flow is returned to the bioreactor. In general, the use of a MBR system is particularly applicable if the following conditions exist:

- Site space limitations – The MBR system has been typically employed where there is an interest to conserve land space or if the dedicated site is not large enough to accommodate the conventional activated sludge technology and associated facilities (such as secondary clarifiers, tertiary effluent filtration).
- Stringent effluent treatment requirements – The MBR system provides cost competitive treatment approach to conventional BNR treatment coupled with other tertiary treatment technologies when high quality effluent is required for such applications as 1) demineralization pretreatment (pre-treatment step before reverse osmosis treatment) or 2) stringent turbidity and microbial treatment requirements for such applications as direct recharge of effluent to an aquifer or direct discharge into a ephemeral stream.

MBR facilities also require less area than conventional BNR systems. It is anticipated that the area requirements for the MBR facility will be similar to that of the SBR facility, with about 2 acres for the 1.5 MGD and about 10-15 acres for the 9.0 MGD facility.

9. CAPITAL COST COMPARISON FOR TREATMENT SYSTEM OPTIONS

The conventional BNR facilities appear to be particularly cost-effective for large capacity plants. SBR systems are likely to be very cost-competitive with other mechanical wastewater treatment systems over a wide range of flows. Since secondary clarifiers are not needed, construction costs may be significantly lower for SBRs. MBR systems are likely to have higher construction costs compared to the other mechanical wastewater treatment systems.

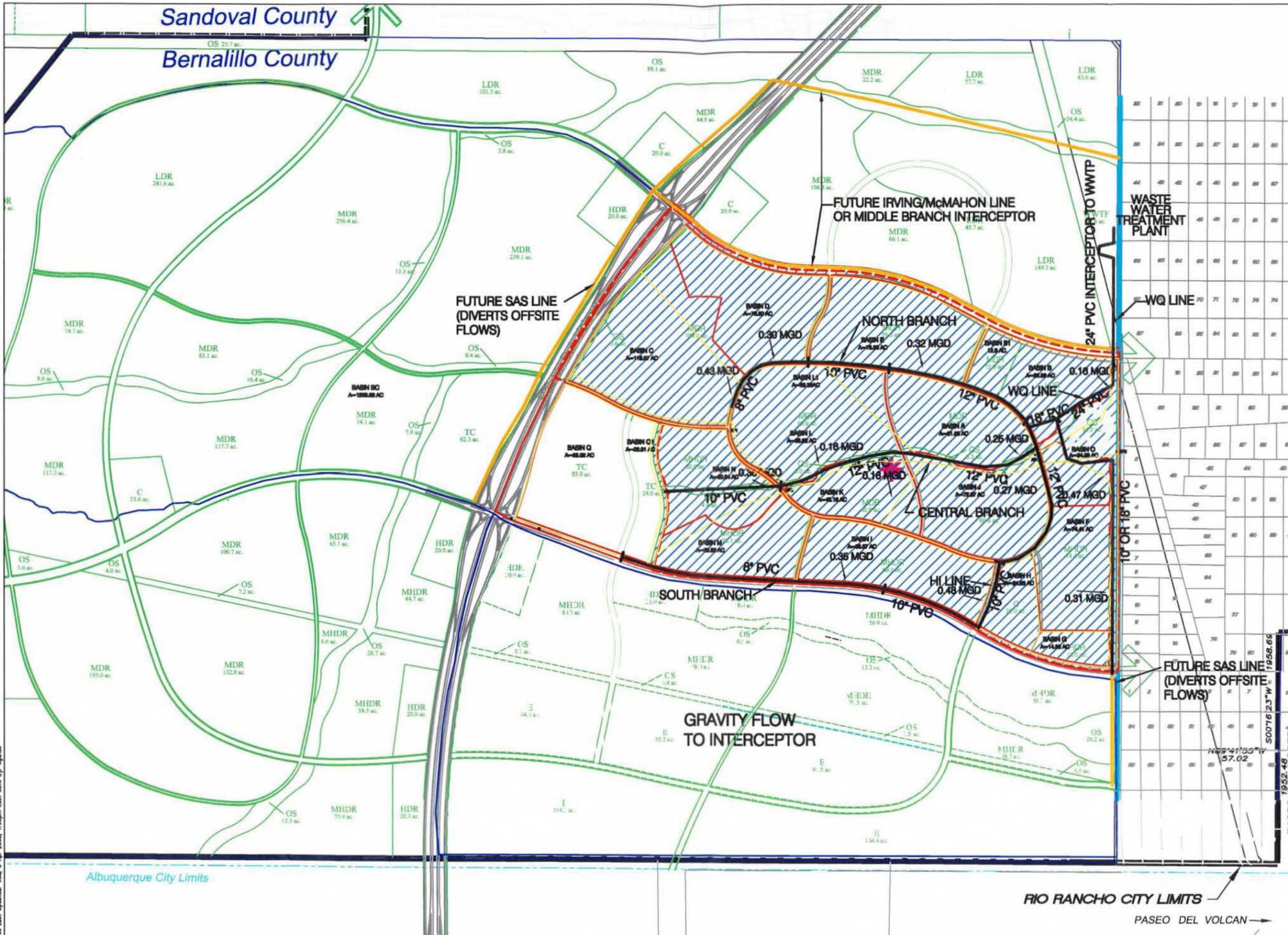
It can be expected that a conventional BNR facility for 1.5 MGD wastewater will cost about \$9,000,000. This is equivalent to approximately \$6.00 per treated gallon. The construction cost of an SBR facility is estimated to be approximately \$7,500,000 with about \$5.00 per treated gallon. For pre-engineered systems, the costs can be slightly lower than the conventional system costs. It is anticipated that the cost of pre-engineered systems will be about \$5.50 to \$6.00 per treated gallon.

While the membrane market can vary significantly, based on preliminary designs of two different membrane treatment facilities that we completed during the past two years, the construction costs of an MBR facility is ex-

pected to be approximately \$11,250,000 (excluding NM Gross Receipts Tax and engineering services). This is equivalent to about \$7.50 per treated gallon without the cost of effluent disposal.

10. RECOMMENDED TREATMENT ALTERNATIVE

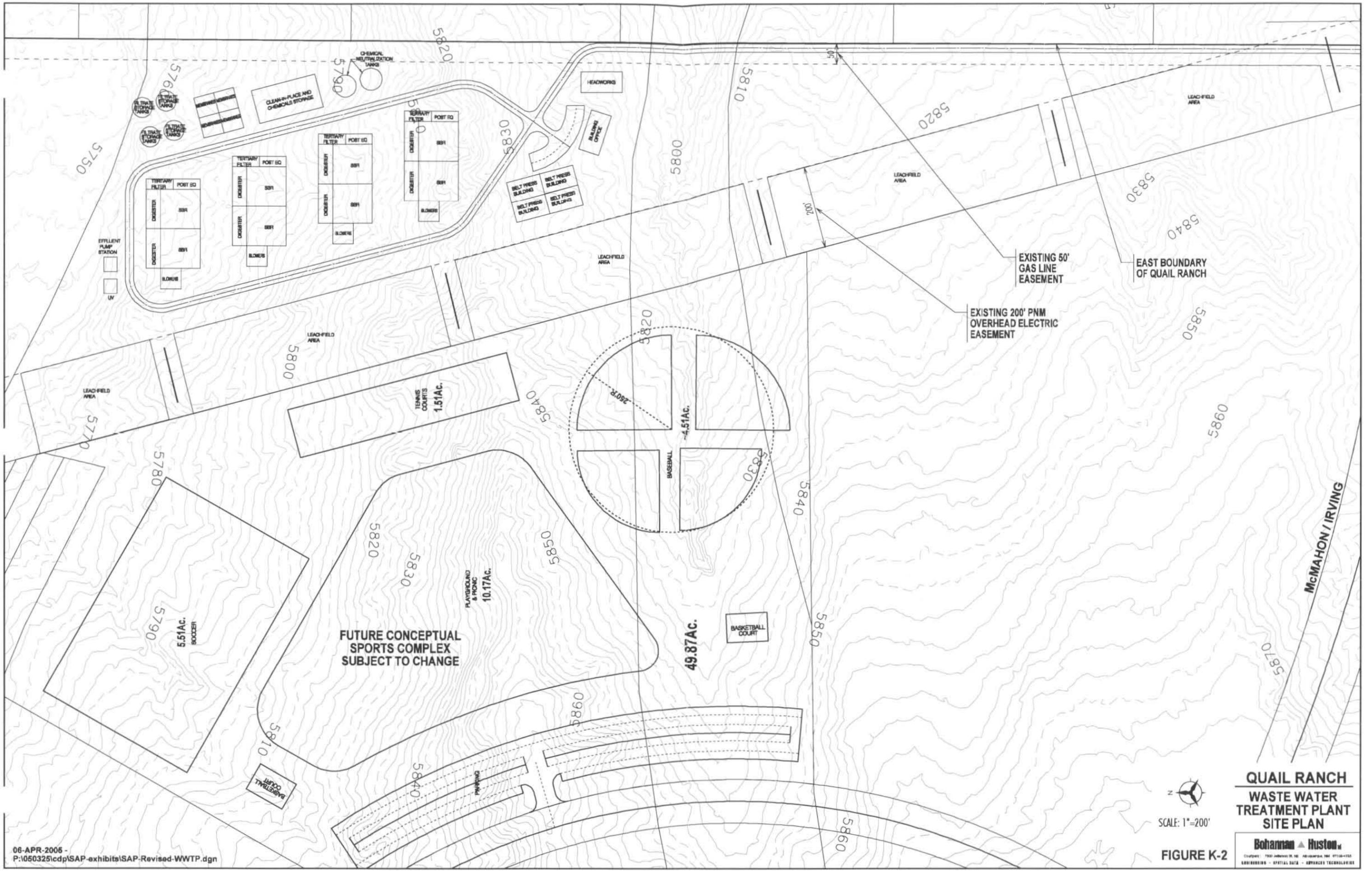
For Quail Ranch, it is recommended that an SBR facility be constructed. An SBR facility will occupy less area and will be able to better handle low flows that are expected during the initial stages of the facility. Since direct aquifer injection is not a preferred and feasible effluent disposal alternative for the first phases of the facility, it is recommended that the costs of a membrane system be deferred to later phases. It is also recommended that, when needed in the future, external membrane systems be utilized in order to provide more flexibility in the system.



- LDR Low Density Residential
- MDR Medium Density Residential
- MHDR Medium High Density Residential
- HDR High Density Residential
- TC Town Center
- c Commercial
- E Employment
- WWTP Wastewater Treatment Facility
- SC Sport Complex
- ES Schools
- PARK CC Parks/Community Center
- OS Open Space
- Phase 1 Phase 1
- Basin Boundary Basin Boundary
- Offsite Basin Boundary Offsite Basin Boundary
- Phase I SAS Phase I SAS
- Future SAS Future SAS


 SCALE: 1"=1600'
QUAIL RANCH SEWER SYSTEM
FIGURE K-1

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 SCALE: 1"=200'

**QUAIL RANCH
 WASTE WATER
 TREATMENT PLANT
 SITE PLAN**

FIGURE K-2

Bohannon & Huston
CLAYTON 7500 IRVING BLVD. HOUSTON, TEXAS 77030-1333
 ENGINEERING - AERIAL DATA - ADVANCED TECHNOLOGIES

L. UTILITIES

Coordination with utility providers has taken place and continues to be an on-going process as the development horizon approaches. The developer has met with all applicable utility providers. Quail Ranch represents a unique development opportunity since it is located in Bernalillo County and within the service area of New Mexico Utilities. Building sound working relationships between the developer, the City of Rio Rancho and with all utility providers is paramount to the project's success.

During the extensive pre-planning stage for Phase One the developer met with utility providers, including New Mexico Utilities (NMUI), Public Service Company of New Mexico (PNM), Qwest, and Cable One. In the case of New Mexico Utilities, an agreement with Ranch Joint Venture, the current landowner for Quail Ranch, details contractual requirements for the utility to provide services to the area. The Water and Wastewater sections of this plan detail coordination with NMUI and consistency between this Specific Area Plan and the NMUI August 2004 Waster Master Plan.

Planning for dry utilities occurred with meeting between the developer, PNM Bernalillo, Qwest, Cable One and other alternatives. Each utility provider stated that serving the area did not pose issues and they are willing to work together to choose appropriate locations for siting facilities, and will utilize easements existing on lands within Paradise West to facilitate extensions. DSL and wireless communications are other opportunities the developer is researching. Knowing that Rio Rancho is aiming to be the first wireless city, future coordination with the wireless service provider is anticipated.

**DECLARATION OF COVENANTS,
CONDITIONS, RESTRICTIONS, ASSESSMENTS,
CHARGES, SERVITUDES, LIENS, RESERVATIONS
AND EASEMENTS**

FOR

**DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, ASSESSMENTS,
CHARGES, SERVITUDES, LIENS, RESERVATIONS AND EASEMENTS
FOR**

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**DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS,
ASSESSMENTS, CHARGES, SERVITUDES, LIENS,
RESERVATIONS AND EASEMENTS
FOR**

THIS DECLARATION of Covenants, Conditions, Restrictions, Assessments, Charges, Servitudes, Liens, Reservations and easements (hereinafter termed the "Declaration") is made this _____ day of _____, 2004 by _____ LLC , a New Mexico limited liability company (hereinafter sometimes termed "Declarant").

WITNESSETH:

WHEREAS, Declarant is the developer of approximately Two Hundred Ninety Nine (299) acres of land in Albuquerque, Bernalillo County, New Mexico, known as _____; and

WHEREAS, Declarant is the owner in fee of that portion of _____ legally described on Exhibit "A" attached hereto and incorporated herein by this reference (hereinafter referred to as the "Covered Property"); and

WHEREAS, Declarant may, without obligation, annex additional property to the Covered Property, to become a part thereof and subject to this Declaration (hereinafter collectively referred to as the "Additional Property"); and

WHEREAS, Declarant desires to develop, in stages, the Covered Property and those portions of the Additional Property which may from time to time be annexed pursuant to this Declaration and become part of the Covered Property, into planned residential communities; and

WHEREAS, as part of the various stages of development of the aforesaid lands, Declarant intends, without obligation, to Record various subdivision plats; to dedicate portions of _____ to the public for streets, roadways, drainage, flood control, and general public use; and to Record various subdivisions covering portions of _____, which will designate the purposes for which such portions of _____ may be used and may set forth additional covenants, conditions, restrictions, assessments, charges, servitudes, liens, reservations and easements applicable to such portions of _____; and

WHEREAS, Declarant desires to form a non-profit corporation for the social and recreational purposes of benefiting _____, the Owners and the Residents (as said terms are defined hereinbelow), which non-profit corporation (hereinafter termed the "Association") will (1) acquire, construct, operate, manage and

maintain a variety of Common Areas upon _____; (2) establish, levy, collect and disburse the Assessments and other charges imposed hereunder; and (3) as the agent and representative of the Members of the Association and Residents of _____, administer and enforce all provisions hereof and enforce use and other restrictions imposed on various parts of _____; and

WHEREAS, Declarant is preparing the necessary documents for the incorporation and organization of the Association and may, without obligation, seek approval thereof by the Federal Housing Administration (hereinafter termed "FHA"), the Veterans Administration (hereinafter termed "VA") and by any other governmental agencies or financial institutions whose approval Declarant deems necessary or desirable; and

WHEREAS, the Declarant therefor wishes to subject all of the Covered Property to the "Declaration" hereinafter set forth; and

WHEREAS, in order to cause the Declaration to run with the Covered Property and to be binding upon the Covered Property and the Owners thereof from and after the date of the Recording of this Declaration, Declarant hereby makes all conveyances of the Covered Property, whether or not so provided therein, subject to the Declaration herein set forth; and by accepting Deeds, leases, easements or other grants or conveyances to any portion of the covered Property, the Owners and other transferees for themselves and their heirs, executors, administrators, trustees, personal representatives, successors or assigns, agree that they shall be personally bound by all of the Declaration (including but not limited to the obligation to pay Assessments) hereinafter set forth except to the extent such persons are specifically excepted herefrom.

NOW, THEREFORE, DECLARANT hereby declares, covenants and agrees as follows:

ARTICLE I DEFINITIONS

The following words, phrases or terms used in this Declaration shall have the following meanings:

1.1 "Additional Property" shall mean real property situated in the City of Albuquerque, County of Bernalillo, State of New Mexico, and the Improvements located thereon, which is contiguous to any real property previously subjected to this Declaration which is owned and/or controlled by the Declarant. For purposes of this Section, property shall be contiguous if only separated by a public street or road. All or part of the Additional Property may be added to the Covered Property in one or more additional phases by Supplemental Declaration pursuant to the provisions of Article XIII hereof.

1.2 "Annual Assessment" shall mean the charge levied and assessed each year against each Lot and Tract pursuant to Article VII, Section 7.2 hereof.

1.3 "Apartment Development" shall mean a Tract which is limited by Tract Declaration to residential use and surrounding area which are intended, as shown by the site plan therefor approved by the City of Albuquerque and the Design Review Committee or otherwise, as one integrated apartment operation under the same ownership.

1.4 "Articles" shall mean the Articles of Incorporation of the Association as they same may from time to time be amended or supplemented.

1.5 "Assessable Property" shall mean any Lot or Tract, except such part or parts thereof as may from time to time constitute Exempt Property.

1.6 "Assessment" shall mean an Annual Assessment, Special Assessment, and/or Penalty Assessment.

1.7 "Assessment Lien" shall mean the lien created and imposed by Article VII, Section 7.1 hereof.

1.8 "Assessment Period" shall mean the time period set forth in Article VII, Section 7.6.

1.9 "Association" shall mean the New Mexico non-profit corporation to be organized by Declarant to administer and enforce the Declaration and to exercise the rights, powers and duties set forth in this Declaration, its predecessors or successors, whether incorporated or unincorporated, and assigns. Declarant hereby reserves the exclusive right to cause such Association to be incorporated and intends to name the Association "The _____ Community Association", and hereby reserves the right to use any similar name if, for any legal or other reason, "The _____ Community Association" cannot or should not be used.

1.10 "Association Land" shall mean such part or parts of the Covered Property, together with the buildings, structures and Improvements thereon, and other real property which the Association may at any time own in fee or in which the Association may at any time have a leasehold interest, for as long as the Association is the owner of the fee or leasehold interest.

1.11 "Board" shall mean the Board of Directors of the Association.

1.12 "Bylaws" shall mean the Bylaws of the Association as the same may from time to time be amended or supplemented.

1.13 "City" shall mean the City of Albuquerque, New Mexico.

1.14 "Cluster Residential Development" shall mean Lots with Dwelling Units intended for Single Family occupancy, including, but not limited to, types of residential housing arrangements known as single family detached, duplexes, townhouses, clustered housing, zero-lot line housing and similar arrangements, together with related areas intended for the use and enjoyment of the Owners and Residents of the Lots in the Cluster Development.

1.15 "Common Area and Common Areas" shall mean (a) all Association Land and the Improvements thereon; (b) all land within the Covered Property which the Declarant, by this Declaration or other Recorded instrument, makes available for use by Members of the Association and evidences its intent to convey to the Association at a later date; (c) all land within the covered Property which the Declarant indicates on a Recorded subdivision plat or Tract is to be used for landscaping, water retainage, drainage, and/or flood control for the benefit of _____ and/or the general public and is to be dedicated to the public for the City of Albuquerque upon the expiration of a fixed period of time, but only until such land is so dedicated; and/or (d) all land within _____ which is owned privately or by a governmental agency for which the Association has accepted responsibility for maintenance, and for which the Association benefits by limited use, full use, or aesthetic consistency, for the benefit of the Members.

1.16 "County" shall mean and refer to the County of Bernalillo, State of New Mexico.

1.17 "Covered Property" shall mean the real property situated in the City of Albuquerque, Bernalillo County, New Mexico described on Exhibit A attached hereto, and the Improvements to be completed thereon, and any part of the Additional Property added pursuant to Article XIII hereof.

1.18 "Declarant" shall mean _____ LLC, a New Mexico limited liability company, and the successors and assigns of Declarant's rights and powers hereunder.

1.19 "Declaration" shall mean this Declaration of Covenants, Conditions, Restrictions, Assessments, Charges, Servitudes, Liens, Reservations, and Easements, as amended or supplemented from time to time.

1.20 "Deed" shall mean a deed or other instrument conveying the fee simple title in a "Lot" or "Tract".

1.21 "Design Review Committee Guidelines" shall mean the architectural guidelines and standards promulgated by the Design Review Committee as provided in Article XI, Section 11.1 hereof.

1.22 "Design Review Committee" shall mean the committee of the Association to be created and appointed pursuant to Article XI hereof.

1.23 "Developer" means a person or entity who is engaged in residential or commercial real estate development and who purchases one or more Lots or Tracts from the Declarant for the purpose of constructing Improvements thereon for sale or lease.

1.24 "Development" shall mean and refer to the real property described on Exhibit A and any part of the Additional Property added pursuant to Article XIII hereof.

1.25 "Development Plan" shall mean the _____
Development Plan as the same may be amended from time to time.

1.26 "Dwelling Unit" shall mean any building or portion of a building situated upon a Lot or Tract designed and intended for use and occupancy as a residence by a Single Family.

1.27 "Exempt Property" shall mean the following parts of
_____:

- (1) All land and improvements owned by or dedicated to and accepted by the United States, the State of New Mexico, Bernalillo County, the City of Albuquerque, AMAFCA or any political subdivision is the owner thereof or for so long as said dedication remains effective;
- (2) All Association Land, for as long as the Association is the owner thereof.

1.28 "General Commercial Development" shall mean a Tract limited by a Tract Declaration to be used for various retail or other commercial purposes within the restrictions created by the Declaration.

1.29 "Improvement" shall mean, but not be limited to buildings, sheds, utility buildings, roads, driveways, dams, channels, basins, parking areas, fences, walls, retaining walls, poles, basketball goals, antennas, dish antennas, excavations, rocks, hedges, plantings, planted trees and shrubs, and all other structures or landscaping Improvements of every type and kind.

1.30 "Land Use Classification" shall mean the classification to be established by the Declarant pursuant to Article IV, Section 4.1, which designates the type of Improvements which may be constructed on a Lot, Tract or Association Land and the purposes for which such Improvements and surrounding land may be utilized.

1.31 "Lessee" shall mean the Lessee under a Lease, including an assignee of a Lease but excluding any person who has assigned all of his interest in a Lease.

1.32 "Lot" shall mean any (a) area of real property within the covered Property designated as a Lot on any recorded subdivision plat Recorded and approved by the Declarant or Board and (b) any Condominium Unit within the covered Property.

1.33 "Maintenance Charges" shall mean any and all costs assessed pursuant to Article X hereof.

1.34 "Member" shall mean any person or entity holding a Membership in the Association pursuant to this Declaration.

1.35 "Membership" shall mean a Membership in the Association and the corresponding rights, privileges and responsibilities of the Owners and Declarant pursuant to Article VI hereof.

1.36 "Notice" shall mean actual or constructive notice of any fact. Notice with respect to receipt of any document shall mean delivery of the document in person, by posting in accordance with New Mexico law or regular or certified mail. If delivery is by regular or certified mail, the document shall be deemed to have been delivered seventy-two (72) hours after a copy of the document has been deposited in the United States Mail.

1.37 "Owner" shall mean the person or persons, including Grantor, holding the beneficial ownership of the fee (including the purchaser under a contract of sale of real property within the Subdivision) and shall not include persons holding only a security interest or a lessee or tenant.

1.38 "Party Wall" shall mean a wall or fence constructed on or immediately adjacent to the common boundary of Lots or Tracts or the common boundary of Common Areas and a Lot or Tract.

1.39 "Penalty Assessments" shall mean assessments imposed for violation of the Declaration, Articles of Incorporation, Bylaws, Design Review Committee Guidelines or _____ Rules, pursuant to the procedures established from time to time by the Board. Such assessments shall be punitive in nature and may be imposed without regard to whether or not monies have been expended by the Association as a result of such violation.

1.40 "Recording" shall mean placing an instrument of public record in the office of the County Recorder of Bernalillo County, New Mexico, and "Recorded" shall mean having been so placed on public record.

1.41 "Rental Apartments" shall mean four (4) or more Dwelling Units with a building under single ownership, each of which is designed and utilized, otherwise than as a hotel or on some other transient basis, for rental or leased residential purposes to non-owners on a non-cooperative basis. This term is intended to include rented or leased apartments in the typically regarded sense as of the date hereof, and it is not intended to include usual or atypical arrangements or any arrangements whereby the apartment occupant is, directly or indirectly, an owner or beneficiary of ownership in his apartment or whereby he occupies his apartment pursuant to some form of reciprocal

use agreement, irrespective of whether any such arrangements may otherwise fall within the aforesaid definition.

1.42 "Resident" shall mean each natural person residing in a Dwelling Unit.

1.43 "Single Family" shall mean a group of one or more persons each related to the other by blood, marriage or legal adoption, or a group of not more than three (3) persons not all so related, who maintain a common household in a Dwelling Unit.

1.44 "Single Family Residential Development" shall mean a Tract limited by a Tract Declaration for use of a development of Single Family detached housing, each intended for use by a Single Family.

1.45 "Special Assessments" shall mean any assessment levied and assessed pursuant to Article VII, Section 7.4 hereof.

1.46 "Special Use Fees" shall mean special fees authorized by this Declaration which an Owner, Resident or any other person is obligated to pay the Association over, above and in addition to any Assessments imposed or payable hereunder. Special Use Fees may include club house fees, swimming pool fees or similar user based fees.

1.47 "Sub-Association" shall mean an owners association created within _____ other than the _____ Community Association and subject to the _____ Declaration. Each owner who is a member of a Sub-Association shall also hold membership in the _____ Community Association.

1.48 "Supplemental Declaration" shall mean a written instrument Recorded pursuant to Article XIII.

1.49 "Tenant" shall mean any person who occupies property located on the Covered Property under any type of rental or letting arrangement but is not included in the definition of a Lessee.

1.50 "Tract" shall mean an area of real property within the Covered Property which (i) is not included within the boundaries of any Recorded subdivision plat; (ii) is subject to subdividing; and (iii) is not Association Land.

1.51 "Utility Company" shall mean New Mexico Utilities, Inc. and its successors and assigns who provide water and sewer service.

1.52 " _____ or _____ " shall mean the Covered Property.

1.53 " _____ Rules" shall mean the rules for _____ adopted by the board pursuant to Article V, Section 5.3 hereof.

1.54 "Water and Sewer Service" shall mean the water and sanitary service which is mandatory for all Owners which is provided by the Utility Company.

ARTICLE II
PROPERTY SUBJECT TO THE DECLARATION

Section 2.1. General Declaration Creating

Declarant intends to develop _____ and to sell and convey Lots and Tracts. As portions of _____ are developed, Declarant intends, with respect to particular property, to record one (1) or more subdivisions covering Lots and Tracts and designating Common Areas which will incorporate this Declaration and which will establish such additional covenants, conditions, and restrictions as may be appropriate for that property. Declarant hereby declares that all of the real property within _____ is, and shall be, held, conveyed, hypothecated, encumbered, leased, occupied, built upon or otherwise used, improved or transferred, in whole or in part, subject to this Declaration and any Recorded Plats applicable thereto, as amended or modified from time to time; provided, however, property which is not part of a Lot or Tract and which is dedicated or conveyed to the public or a governmental entity for public purposes shall not be subject to this Declaration and the covenants herein contained while owned by the public or the governmental entity, although restrictions imposed in this Declaration upon the Owners, Lessees and Residents concerning the use and maintenance of such public areas shall at all times apply to the Owners, Lessees and Residents. This Declaration is declared and agreed to be in furtherance of a general plan for the subdivision, improvement and sale of _____ and are established for the purpose of enhancing and perfecting the value, desirability and attractiveness of _____ and every part thereof. All of this Declaration shall run with the Covered Property and with all Lots, Tracts and Association Land for all purposes and shall be binding upon and inure to the benefit of Declarant, the Association, all Owners, Lessees and Residents and their successors in interest. Nothing in this Declaration shall be construed to prevent the Declarant from modifying the Development Plan as to any portion of _____ owned by the Declarant or from dedicating or conveying portions of _____ owned by the Declarant, including streets or roadways, for uses other than as a Lot, Tract or Association Land. As long as the Declarant owns any Lot or Tract, Declarant approval is also required for any amendment to a Tract subdivision.

Section 2.2. Association Bound. Upon issuance of a Certificate of Incorporation by the New Mexico Corporation Commission to the Association, the Covenants shall be binding upon and shall benefit the Association.

ARTICLE III
EASEMENTS AND RIGHTS OF ENJOYMENT IN COMMON AREAS

Section 3.1. Easements of Enjoyment. Every Owner and Tenant and other Member of the Association shall have a right and easement of enjoyment in and to the Common Areas which shall be appurtenant to and shall pass with the title to every Lot and Tract, subject to the following provisions:

(a) The right of the Association to charge reasonable admission and other Special Use Fees for use of any recreational or other facility situated upon the Common Areas. Fees shall be uniform among Members.

(b) The right of the Association to suspend the voting rights and right to use of the recreational facilities and other Common Areas by any Member (i) for any period during which any Assessment against his Lot or Tract remains delinquent; (ii) for a period not to exceed 60 days for any infraction of this Declaration, or the _____ Rules, and (iii) for successive suspension periods if any such infraction is not corrected during any prior suspension period. The Member's obligation to continue to pay all fees and Assessments shall continue even though voting rights and the right to use of the recreation facilities and other Common Areas has been suspended.

(c) The right of the Association to dedicate or transfer all or any part of the Common Areas to any public agency, authority, or private or public utility company for such purposes and subject to such conditions as may be agreed to by the Association. Unless otherwise required by zoning stipulations or agreements with the City of Albuquerque effective prior to the date hereof or specified on a Recorded subdivision plat, no such dedication or transfer shall be effective unless approved by the Owners representing at least 75% of the votes entitled to be cast by each class of Membership, except that the Board shall have authority to transfer to such public agencies, authorities or utility companies easements and rights-of-way which are intended to benefit _____ and which do not have any substantial adverse affect on the enjoyment of the Common Areas by the Members.

(d) The right of the Association to regulate the use of the Common Areas through the _____ Rules and to prohibit access to those Common Areas, such as landscaped rights-of-way, not intended for use by the Members. The _____ Rules shall be intended, in the absolute discretion of the Board, to enhance the preservation of the Common Areas for the safety and convenience of the users thereof, or otherwise shall serve to promote the best interests of the Owners and Residents.

Section 3.2. Delegation of Use. Any Member may, in accordance with the _____ Rules and the limitations therein contained and this Declaration (a) delegate this right of enjoyment in the Common Areas and facilities to the members of his family, his lessees, or his guests or invitees; or (b) designate another person to exercise all of his rights (but not liabilities or voting rights), which other person shall, during the period of such designation, have the sole right to delegate rights of enjoyment pursuant to subsection (a) of this Section.

ARTICLE IV
LAND USE CLASSIFICATIONS, PERMITTED USES AND RESTRICTIONS

Section 4.1. Land Use Classifications. As portions of _____ are readied for development, the Land Use Classifications, restrictions, easements, rights-of-way, and other matters, including new or different uses and restrictions therefor and including any number of subclassifications thereof for any special uses, shall be fixed by Declarant in a Declaration which may be Recorded for that portion of _____. Any such Declaration shall be construed as a supplement to this Declaration and fully a part hereof for all purposes to the same extent as if all of the provisions thereof were set forth in this Declaration. Contemplated Land Use Classifications include, but are not limited to, the following Land Use Classifications:

- (a) Single Family Residential Use.
- (b) Apartment Development Use, which may be converted to Condominium Development Use upon approval by the board.
- (c) Condominium Development Use, which may be converted to Apartment Development Use upon approval by the Board.
- (d) Association use, which may include Common Areas.
- (e) Cluster Residential Use, which shall consist of Lots with Dwelling Units intended for Single Family occupancy and may include those types of residential housing arrangements known as single family detached duplexes, townhouses, clustered housing, zero-lot line housing and similar arrangements, together with related areas intended for the use and enjoyment of the Owners and Residents of the Lots in the cluster development.
- (f) Community Center Use.
- (g) School.
- (h) Church.
- (i) Public/Private Recreation.
- (j) General Public Use.

Unless otherwise specifically provided in this Declaration, the definitions and characteristics of such Land Use Classifications, and specific permitted and prohibited uses in such classifications, shall be determined in the City of Albuquerque approved zoning action.

Section 4.2. Single Family Covenants, Conditions, Restrictions and Easements Applicable to Lots and Tracts Within Residential Land Use Classifications. The following covenants, conditions, restrictions and reservations of easements and rights shall apply to all single family residential Lots and Tracts, and the Owners, Lessees and Residents thereof.

- (a) Animals. No animals, livestock, horses, insects or poultry of any kind shall be kept, raised, or bred in the Subdivision. Dogs, cats and other household pets in reasonable numbers may be kept, providing they are not kept, raised or bred for commercial or hobby breeding purposes. Such household pets, except cats, must be restrained on a leash or otherwise under the direct control of an individual when in _____ . All City and County animal and animal control ordinances shall be complied with.
- (b) Antennas. No exterior antenna, or satellite dishes with a diameter in excess of twenty-four (24) inches, of any sort shall be installed or maintained on any Lot.
- (c) Architectural Control. No excavation or grading work shall be performed on any Lot without the prior written approval of the Design Review Committee. No Improvement shall be constructed or installed on any Lot without the prior written approval of the Design Review Committee. No addition, alteration, repair, change or other work which in any way alters the exterior appearance, including but without limitation, the exterior color scheme, of any part of a Lot, or any Improvements located thereon, from their appearance on the date this Declaration is Recorded shall be made or done without the prior written approval of the Design Review Committee. Any Owner desiring approval of the Design Review Committee for the construction, installation, addition, alteration, repair, change or replacement of any Improvement shall submit to the Design Review Committee a written request for approval specifying in detail the nature and extent of the addition, alteration, repair, change or other work which the Owner desires to perform. The Design Review Committee may from time to time adopt submittal requirements including without limitation a standard form of application as may be necessary for the Committee to perform its duties hereunder. Any Owner requesting the approval of the Design Review committee shall also submit to the Design Review Committee any additional information, plans and specifications which the Design Review Committee may request. The approval by the Design Review Committee of any construction, installation, addition, alteration, repair, change or other work pursuant to this Section shall not be deemed a waiver of the Design Review Committee's right to withhold approval of any similar construction, installation, addition, alteration, repair, change or other work subsequently submitted for approval.

Upon receipt of approval from the Design Review Committee for any construction, installation, addition, alteration, repair, change or other work, the Owner who had requested such approval shall proceed to perform, construct or make the addition, alteration, repair, change or other work approved by the Design Review Committee as soon as practicable and shall diligently pursue such work so that it is completed within sixty (60) days of issuance of such approval or such additional period of time as may be approved by the Committee at the time of issuance or any extension of such time period subsequently granted by the Committee. Any change, deletion or addition to the plans and specifications approved by the Design Review Committee must be approved in writing by the Design Review Committee.

The Design Review Committee shall have the right to charge a fee for reviewing requests for approval of any construction, installation, alteration, addition, repair, change or other work pursuant to this Section, which fee shall be payable at the time the application for approval is submitted to the Design Review Committee. The amount of such fees shall be based upon the reasonable costs of the Design Review Committee to perform its design and review duties and may include the fees and costs of any architect, engineer or other consultant employed by the committee to assist the Committee in performing such duties.

- (d) Clothes Drying Facilities. Outside clotheslines or other outside facilities for drying or airing clothes shall not be erected, placed or maintained on any Lot or Tract unless they are erected, placed and maintained exclusively within a fenced service yard or otherwise concealed.
- (e) Common Area/Easement Area. The Common Area and the beneficial interest in the Easement Areas shall be reserved by the Association for the benefit of all Owners pursuant to this Declaration to enhance the value and desirability of the Subdivision for watering, planting, cutting, removing and otherwise caring for the landscaping and for installing, maintaining and repairing signs identifying the Subdivision and utility lines necessary for the maintenance of the Landscaping. The Common Area and the beneficial interest in the Easement Areas shall be improved and maintained subject to the provisions of Section 4.2, paragraph (e), Section 10.2, and the provisions of this Declaration. Any dispute as to responsibility for improvement and maintenance of Common Area and Easement Area shall be resolved by the Board.
- (f) Declarant's Use for Sales and Leasing Purposes. Notwithstanding any other provision of this Declaration, Declarant shall have the right and an easement to maintain sales or leasing offices, management offices and models throughout the Covered Property and to maintain one (1) or more advertising signs on the Common Area while the Declarant is selling Lots, Tracts and other property in the Covered Property. Declarant reserves the

right to place models, management offices and sales and leasing offices on any Lots, Tracts or other property owned by Declarant and on any portion of the common Area in such number, of such size and in such locations as Declarant deems appropriate so long as Declarant is marketing Lots, parcels or other property, Declarant shall have the right to restrict the use of the parking spaces on the Common Area. Such right shall include reserving such spaces for use by prospective purchasers, Declarant's employees and others engaged in sales, leasing, maintenance, construction or management activities.

- (g) Diseases and Insects. No Owner shall permit any thing or condition to exist upon any Lot or Tract which shall induce, breed or harbor infectious plant diseases or noxious insects.
- (h) Encroachment Easements. Should minor variations between lot lines as shown on the Plat and actual physical lot boundaries (such as walls, including interior party walls, and fences) occur, either due to original construction, reconstruction, repair or due to the settling, shifting or movement of structures, a valid easement shall exist for the encroaching Improvements for so long as the encroachments exists.
- (i) Health, Safety and Welfare. In the event additional uses, activities, and facilities are deemed by the Board to be a nuisance or to adversely affect the health, safety or welfare of Owners, Lessees and Residents, the Board may make rules restricting or regulating their presence on _____ as part of _____ Rules or may direct the Design Review Committee to make rules governing their presence on Lots or Tracts as part of the Design Review Committee Guidelines.
- (j) Incidental Uses. The Board may approve uses of property within a Land Use Classification which are incidental to the full enjoyment by the Owners of the property within that Land Use Classification. Such approval may be subject to such regulations, limitations and restrictions, including termination of the use, as the Board may wish to impose, in its sole discretion, for the benefit of _____ as a whole. By way of example and not limitation, the uses which the Board may permit are private roadways and streets within an area having a Land Use Classification of Cluster Residential use or Condominium Development Use, recreation facilities intended primarily for the benefit of all or certain Owners and Residents within areas having a Land Use Classification of Cluster Residential use or Condominium Development Use, and recreational facilities intended for usage by the Residents or Owners of more than a single Lot or Tract within any area classified for residential use.

- (k) Machinery and Equipment. No machinery or equipment of any kind shall be placed, operated or maintained upon, or adjacent to, any Lot or Tract except (i) such machinery or equipment as is usual and customary in connection with the use, maintenance or construction (during the period of construction) of a building, appurtenant structures, or other Improvements; (ii) that which the Declarant or the Association may require for the operation and maintenance of _____; or (iii) that used in connection with any business permitted under a Tract Declaration.
- (l) Maintenance of Lawns and Plantings. Each Owner of a Lot or Tract shall keep all shrubs, trees, hedges, grass and plantings of every kind located on (i) his Lot or Tract (including setback areas and Common Areas), (ii) planted public right-of-way areas between sidewalks (or bikepaths) and the street curb in front of his property, if any, (iii) any other public right-of-way or easement area which abuts the Owner's Lot or Tract and which is located between the boundary line of his Lot or parcel and the paved area of any street, sidewalk, bikepath or similar area, and (iv) any non-street public right-of-way or easement area adjacent to his Lot or Tract, neatly trimmed, and shall keep all such areas properly cultivated and maintained and free of trash, weeds and other unsightly material. Minimum water use xeriscape landscaping will be used to the maximum extent possible.
- (m) Manufactured Homes. No manufactured homes or similar pre-constructed homes shall be constructed or placed in _____.
- (n) Mineral Exploration. No Lot or Tract shall be used in any manner to explore for or to remove any water, oil or other hydrocarbons, minerals of any kind, gravel, earth or any earth substance of any kind, except for grading and excavation work in connection with the construction of Improvements which have been approved in writing by the Design Review Committee or which are being constructed by, or on behalf of, the Declarant.
- (o) Model Homes. The provisions of this Declaration and of Tract Declarations which prohibit non-residential use of Lots and Tracts and regulate parking of vehicles shall not prohibit the construction and maintenance of model homes and sales offices by builders or developers engaged in the construction, sale or leasing of Dwelling Units on _____ and parking incidental to the visiting of such model homes or sales offices so long as the location of such model homes are approved by the Declarant, and the construction, operation and maintenance of such model homes and sales offices otherwise comply with all of the provisions of this Declaration. The Declarant may also permit Lots and other areas to be used for parking in connection with the showing of model homes or the visiting of sales offices so long as such parking and parking areas are in compliance with the ordinances of the City or other applicable governmental agencies. Any homes constructed

as model homes shall cease to be used as model homes at any time the Owner or builder thereof is not actively engaged in the construction and sale of Single Family residences located in _____, and no model home or sales office shall be used as a model home or sales office for the sale of lots and/or homes not located on _____.

- (p) Motor Vehicles. No automobile, motorcycle, motorbike or other motor vehicle shall be constructed, reconstructed or repaired upon any Lot, Tract or street in _____, and no inoperable vehicle, including but not limited to vehicles with flat tires may be stored or parked on any such Lot, Tract or street, so as to be visible from a neighboring Property or to be visible from Common Areas or streets; provided, however, that the provisions of this Section shall not apply to (i) emergency vehicle repairs or temporary construction shelters or facilities maintained during, and used exclusively in connection with, the construction of any Improvement approved in writing by the Design Review Committee; (ii) any automobile repair business which may be permitted in any General Commercial Land Use Classification.
- (q) Nuisances; Construction Activities. No rubbish, debris, petroleum products or similar product, of any kind shall be placed or permitted to accumulate upon or adjacent to any Lot or Tract, and no obnoxious or offensive activity shall be carried on nor shall anything be done or placed which may become a nuisance, or cause unreasonable embarrassment, disturbance or annoyance to other Owners in the enjoyment of their Lot or Tract or in their enjoyment of the Common Area. Without limiting the generality of any of the foregoing provisions, no horns, whistles, firecrackers, bells or other sound devices, except security devices shall be used or placed on any such property without prior approval of the Board. Normal construction activities and parking in connection with the building of Improvements on a Lot or Tract shall not be considered a nuisance or otherwise prohibited by this Declaration, but Lots and Tracts shall be kept in a neat and tidy condition during construction periods, trash and debris shall not be permitted to accumulate, and supplies of brick, block, lumber and other building materials will be piled only in the vicinity of the construction site. The Board, in its sole discretion, shall have the right to determine the existence of any such nuisance.
- (r) Overhead Encroachments. No tree, shrub, or planting of any kind on any Lot or Tract shall be allowed to overhang or otherwise to encroach upon any sidewalk, street, pedestrian way or other area from ground level to a height of eight (8) feet without the prior written approval of the Design Review Committee.
- (s) Parking. Cars, pickups, passenger vans and other similar personal use vehicles of all Owners, Lessees and Residents, are encouraged to be kept

in garages, carports, and residential driveways of the Owner. Parking in front and side yards is prohibited. Screening of mobile homes, motor homes, recreation vehicles, and other similar vehicles shall be in accordance with subsection (ee) herein.

- (t) Party Walls. Except as hereinafter provided, the rights and duties of Owners with respect to Party Walls between Lots and Tracts shall be as follows: (i) the Owners of contiguous Lots or Tracts who have a Party Wall shall both equally have the right to use such wall or fence, provided that such use by one (1) Owner does not interfere with the use and enjoyment of same by the other Owner; (ii) in the event that any Party Wall is damaged or destroyed through the act of an Owner or any of his Tenants, Lessees, agents, guests, or members of his family (whether or not such act is negligent or otherwise culpable), it shall be the obligation of such Owner to rebuild and repair the Party Wall without cost to the Owner of the adjoining Lot or Tract any dispute over an Owner's liability for such damage shall be resolved as provided in Subsection (v) below, but any liability imposed on an Owner hereunder shall not prevent the Owner from seeking reimbursement and indemnity therefor from the persons causing such damage; (iii) in the event any Party Wall is destroyed or damaged (including deterioration from ordinary wear and tear and lapse of time), other than by the act of an adjoining Owner, his Tenants, Lessees, agents, guests or family, it shall be the obligation of all Owners whose Lots or Tracts adjoin such Party Wall to rebuild and repair such wall or fence at their joint expense, such expense to be allocated among the Owners in accordance with the frontage of their Lots or Tracts on the Party Wall; (iv) notwithstanding anything to the contrary herein contained, there shall be no modification of any Party Wall without the prior consent of all Owners of any interest therein, whether by way of easement or in fee; (v) in the event of a dispute between Owners with respect to the construction, repair or rebuilding of a Party Wall, or with respect to the sharing of the cost thereof, such adjoining Owners shall submit the dispute to the Board, the decision of which shall be binding. Anything in the foregoing to the contrary notwithstanding; in the case of Party Walls between Common Areas and Lots or Tracts, the Association shall be responsible for all maintenance thereof, subject to the provisions of Article X, except that each Owner of a Lot or Tract shall be responsible for painting and maintenance of the portion of the Party Wall facing his Lot or Tract or the portion thereof which is not a portion of the Common Area. The provisions of this Subsection (p) shall not apply to any Party Wall which separates the interiors of two (2) Dwelling Units and the rights of the Owners of such Dwelling Units with respect to Party Walls shall be governed by plats and covenants, conditions and restrictions to be Recorded by the developer of the Dwelling Units.
- (u) Perimeter Walls. Perimeter walls shall be constructed by the Declarant. The Association shall be responsible for the exterior maintenance, repair,

replacement, graffiti removal and upkeep. Lot owners shall be obligated to maintain the structural integrity of the perimeter walls and cannot alter the walls in any manner without the written approval of the Design Review Committee.

- (v) Repair of Building. No building or structure on any Lot or Tract shall be permitted to fall into disrepair, and each such building and structure shall at all times be kept in good condition and repair and adequately painted or otherwise finished. In the event any building or structure is damaged or destroyed, then, subject to the approvals required by Subsection (a) above, such building or structure shall be immediately repaired or rebuilt or shall be demolished.
- (w) Restriction on Further Subdivision, Property Restrictions and Rezoning. No Lot shall be further subdivided or separated into smaller Lots by any Owner other than the Declarant, and no portion less than all of any such Lot, shall be conveyed or transferred by any Owner other than Declarant, without the prior written approval of the Board. This provision shall not, in any way, limit Declarant from sub-dividing or separating into Lots any property at any time owned by Declarant. No portion of a Lot but for the entire Lot, together with the Improvements thereon, may be rented, and then only to a Single Family. No further covenants, conditions, restrictions or easements shall be Recorded by any Owner, Lessee, or other person other than the Declarant against any Lot without the provisions thereof having been first approved in writing by the Board and having been endorsed on such Recorded covenants, conditions, restrictions and easements, and any covenants, conditions, restrictions or easements Recorded without such approval being endorsed thereon shall be null and void.
- (x) Right of Entry. During reasonable hours and upon reasonable notice to the Owner or other occupant of a Lot or Tract, any member of the Design Review Committee, any member of the Board, or any authorized representative of any of them, shall have the right and license to enter upon and inspect any Lot or Tract, and the Improvements thereon, except for the interior portions of any completed Dwelling Unit for the purpose of ascertaining whether or not the provisions of this Declaration, the Design Review Committee Guidelines, or the _____ Rules have been or are being complied with and such persons shall not be deemed guilty of trespass by reason of such entry.
- (y) Rooftop Decks. No rooftop decks shall be allowed unless as an integral part of the original construction approved by the Design Review Committee.

- (z) Sheds. Construction or installation of any storage shed, utility shed or any other building or similar structure shall require prior approval of the Design Review Committee.
- (aa) Signs. (1) No signs whatsoever (including, but not limited to, commercial, political and similar signs) shall be erected or maintained on any Lot or Tract except: (i) signs required by legal proceedings; (ii) no more than two (2) identification signs for individual residences, each with a face area of seventy-two (72) square inches or less; (iii) not more than one (1) "For Sale" or "For Lease" sign per Lot) with a face area of six (6) square feet; (iv) promotional and advertising signs of builders on any Lot or Tract approved from time to time by Declarant as to number, size, color, design, message content, location and type; and (v) such other signs (including, but not limited to, construction job identification signs, builder identification signs, and subdivision, shopping center, apartment and business identification signs) which are in conformance with the requirements of the City or other governmental agencies and which have been approved in writing by the Design Review Committee as to size, color, design, message content and location. (2) Project name and subdivision name signs shall be approved by the Declarant and shall be maintained by the Association. The Design Review Committee shall have the authority to alter the sign face area limitations from time to time.
- (bb) Temporary Occupancy and Temporary Buildings. No trailer, basement of any incomplete building, tent, shack, garage or barn, and no temporary buildings or structures of any kind, shall be used at any time for a residence, either temporary or permanent. Temporary buildings, construction trailers or structures used during the construction of a dwelling or other structure on any property shall be removed immediately after the completion of construction.
- (cc) Towing of Vehicles. The Board shall have the right but not the obligation to have any truck, mobile home, travel trailer, tent trailer, trailer, camper shell, detached camper, recreational vehicle, boat, boat trailer or similar equipment or vehicle or any automobile, motorcycle, motorbike, or other motor vehicle which is parked, kept, maintained, constructed, reconstructed or repaired in violation of this Declaration towed away at the sole cost and expense of the owner of the vehicle or equipment. Any expense incurred by the Association in connection with the towing of any vehicle or equipment shall be paid to the Association upon demand by the owner of the vehicle or equipment. If the vehicle or equipment is owned by an Owner, any amounts payable to the Association shall be secured by the Assessment Lien, and the Association may enforce collection of suit amounts in the same manner provided for in this Declaration for the collection of Assessment.

- (dd) Trash Containers and Collection. No garbage or trash shall be placed or kept on any Lot or Tract, except in covered containers of a type, size and style which are required by the City of Albuquerque or approved in writing by the Design Review Committee. All rubbish, trash, or garbage shall be removed from the Lots and Tracts and shall not be allowed to accumulate thereon. No incinerators shall be kept or maintained on any Lot or Tract. Lots and Tracts shall be kept in a neat and tidy condition during construction periods and trash and debris shall be placed in appropriate containers.
- (ee) Trucks, Trailers, Campers and Boats. Except as provided otherwise by this Section, no mobile home, motor home, recreational vehicle, motorcycles, campers, trailers, boat, boat trailer, camper, camper shell, detached camper, hang glider, ultra light, all terrain vehicle, snowmobile, ultra light, or similar facility vehicle, or recreational equipment shall be kept, placed, or maintained within _____ at any time, unless enclosed within a garage or within the side or rear yard so as to, at the discretion of the Design Review Committee, be screened from any street, or the ground floor of neighboring homes. Unless enclosed within a garage, all outside storage of said vehicles, equipment or facilities must be specifically approved by the Design Review Committee. The provisions of this subsection shall not apply to (i) temporary construction trailers, shelters or facilities maintained during, and used exclusively in connection with, the construction of any work or improvement permitted by this Declaration (ii) a recreational vehicle parked in the driveway or the street for a period not to exceed forty-eight (48) hours, and (iii) a guest's use of a recreational vehicle for a period not to exceed seven (7) days.

Section 4.3. Covenants, Conditions, Restrictions and Easements Applicable to Lots Within Single Family Residential Land Use Classifications. The following covenants, conditions, restrictions and reservations of easements and rights shall apply only to Lots and the Owners and Residents thereof restricted by a Plat to Single Family Residential use, or Cluster Residential Use.

- (a) Residential Use. All Dwelling Units shall be used, improved and devoted exclusively to residential use by a Single Family. No trade or business may be conducted on any Lot or in or from any Dwelling Unit, except that an Owner or other Resident of a Dwelling Unit may conduct a business activity within a Dwelling Unit so long as the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Dwelling Unit, and is in compliance with all laws, including licensing and zoning laws.
- (b) Tenants. The entire Dwelling Unit on a Lot may be let to a Single Family Lessee from time to time by the Owner, subject to the provisions of this Declaration and the _____ Rules, and the Design Review Committee Guidelines. Tenants shall be bound by the terms of

this Declaration, the _____ Rules, and the Design Review Committee Guidelines. Owners shall continue to have financial liability for the acts or omissions of their Tenants.

Section 4.4. Covenants, Conditions, Restrictions and Easements Applicable to Multi-Family and Non-Residential Land Use Classifications. It is the intent of the Declarant to adopt separate Covenants, Conditions, Restrictions and Design Review Committee Guidelines for these land uses.

ARTICLE V ORGANIZATION OF ASSOCIATION

Section 5.1. Formation of Association. The Association shall be a nonprofit New Mexico corporation charged with the duties and invested with the powers prescribed by law and set forth in the Articles, Bylaws, and this Declaration. Neither the Articles nor Bylaws shall, for any reason, be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration.

Section 5.2. Board of Directors and Officers. The affairs of the Association shall be conducted by the Board and such officers as the Board may elect or appoint in accordance with the Articles and the Bylaws as the same may be amended from time to time. The Board may also appoint various committees and appoint a manager who shall, subject to the direction of the Board, be responsible for the day-to-day operation of the Association. The Board shall determine the compensation to be paid to the manager or any other employee of the Association. Unless this Declaration specifically requires a vote of the Members, approvals or actions to be given or taken by the Association shall be valid if given or taken by the Board.

Section 5.3. The _____ Rules. The Board may, from time to time, and subject to the provisions of this Declaration, adopt, amend and repeal rules and regulations pertaining to: (i) the management, operation and use of the common Areas including, but not limited to, any recreational facilities situated upon the common Areas; (ii) minimum standards for any maintenance of Lots and Tracts; or (iii) the health, safety or welfare of the Owners and Residents. In the event of any conflict or inconsistency between the provisions of this Declaration and the _____ Rules, the provisions of this Declaration shall prevail. The _____ Rules shall be enforceable in the same manner and to the same extent as the covenants, conditions and restrictions set forth in this Declaration.

Section 5.4. Personal Liability. No member of the Board or of any committee of the Association, no officer of the Association, and no other employee or representative of the Association shall be personally liable to any Member, or to any other person, including the Association, for any damage, loss or prejudice suffered or claimed on account of any act, omission, error or negligence of the Association, the Board, any representative or employee of the Association, or any committee, committee member or officer of the Association; provided, however, the limitations set forth in this section 5.

shall not apply to any person who has failed to act in good faith or has engaged in willful or intentional misconduct.

Section 5.5. Sub-Association. In the event any homeowners or similar association is to be formed by the developer (other than the Declarant) of a Tract or subdivision on _____, the covenants, conditions and restrictions, the articles of incorporation and bylaws or other governing documents for such association shall not be effective unless the contents thereof have been approved by the Board and the governing documents specify that such association and the rights of its members are subject and subordinate to the provisions of this Declaration, the provisions of the Articles and Bylaws of the Association, and the provisions of the _____ Rules, and the Design Review Committee Guidelines.

ARTICLE VI MEMBERSHIPS AND VOTING

Section 6.1. Owners of Lots and Tracts. Every Owner (including the Declarant) of a Lot or Tract which is Assessable Property shall be a Member of the Association. For the purposes of this Section, Lots and Tracts owned by the Declarant shall be considered Assessable Property even though said Lots and Tracts are not subject to Assessment so long as there is a Class II Membership in the Association. Each such Owner (including the Declarant) shall have the following number of Memberships:

- (a) One Membership for each residential Lot owned by the Member. No Owner, whether one or more persons, shall have more than one (1) Membership per residential Lot owned. In the event the Owner of a residential Lot is more than one person or entity, votes and rights of use and enjoyment shall be as provided herein. The rights and privileges of membership, including the right to vote, may be exercised by a Member or the Member's spouse, but in no event shall more than one (1) vote for each Membership applicable to a particular Residential Unit be cast for each Residential Unit;
- (b) In the case of the Owner of a Tract zoned for Single Family Use but not yet subdivided, one Membership for each Dwelling Unit based upon a density of five (5) Dwelling Units per net acre. Upon subdivision of the Tract or a portion of the Tract into Lots, one Membership per Lot owned as described above.
- (c) In the case of ownership of a Lot or Tract restricted by a zoning to a Land Use Classification other than Single Family Residential Use, Cluster Residential Development Use or Apartment Development Use, the number of Memberships and Assessments shall be as determined by Declarant.

Each such Membership shall be appurtenant to and may not be separated from ownership of the Lot to which the Membership is attributable.

Section 6.2. Declarant. The Declarant shall be a member of the Association for so long as it owns any Lot or Tract or any part of the Covered Property or any property covered by the Development Plan which has not been annexed and subjected to this Declaration.

Section 6.3. Voting. The Association shall have two classes of voting Memberships:

Class I. Class I Members shall be all Owners with the exception of the Declarant. Class I Members shall be entitled to one vote for each Membership or as set forth in Section 6.1(c).

Class II. The Class II Member shall be the Declarant who shall be entitled to one (1) vote for each Membership.

Section 6.4. Right to Vote. No change in the ownership of a Membership shall be effective for voting purposes unless and until the Board is given actual written notice of such change and is provided satisfactory proof thereof. The vote for each such Membership must be cast as a unit. In the event that a Membership is owned by more than one person or entity and such owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question. If any Member casts a vote representing a certain Membership, it will thereafter be conclusively presumed for all purposes that he was acting with the authority and consent of all other owners of the same Membership unless objection thereto is made at the time the vote is cast. In the event more than one vote is cast for a particular Membership, none of said votes shall be counted and all said votes shall be deemed void.

Section 6.5. Membership Rights. Each member shall have the rights, duties and obligations set forth in this Declaration and such other rights, duties and obligations as are set forth in the Articles and Bylaws, _____ Rules and Design Review Committee Guidelines as the same may be amended from time to time.

Section 6.6. Transfer of Class I Membership. The rights and obligations of the owner of a Class I Membership in the Association shall not be assigned, transferred, pledged, conveyed or alienated in any way except upon transfer of ownership to an Owner's Lot or Tract, as applicable, and then only to the transferee of ownership to the Lot or Tract. A transfer of ownership to a Lot or Tract may be effected by deed, intestate succession, testamentary disposition, foreclosure of a mortgage or deed of record, or such other legal process as now in effect or as may hereafter be established under or pursuant to the laws of the State of New Mexico. Any attempt to make a prohibited transfer shall be void. Any transfer of ownership to a Lot or parcel shall operate to transfer the Membership(s) appurtenant to said Lot or Tract to the new Owner thereof.

Section 6.7. Suspension of Voting Rights. Any Member who fails to pay the Annual Assessments, Special Assessments or Penalty Assessments provided herein within thirty (30) days of the due date thereof, shall have all voting rights as provided herein suspended until such amounts plus any accrued interest, attorney's fees and/or collection costs are paid in full. In addition, the Board may suspend an Owner's voting rights for violations of the Declaration, Design Review Committee Guidelines, or the _____ Rules.

ARTICLE VII
COVENANT FOR ASSESSMENTS AND CREATION OF LIEN

Section 7.1. Creation of Lien and Personal Obligation of Assessments and Maintenance Charges. The Declarant, for each Lot and Tract established within _____, hereby covenants and agrees, and each owner by acceptance of a Deed therefor (whether or not it shall be so expressed in such Deed) is deemed to covenant and agree, to pay to the Association the following assessments and charges: (1) Annual Assessments established by this Article VII, (2) Special Assessments for capital improvements or other extraordinary expenses or costs established by this Article VII, and (3) Penalty Assessments as set forth by this Article VII, all such Assessments to be established and collected as hereinafter provided. The Annual Assessments, Special Assessments Penalty Assessments, together with interest, incidental and taxable costs, and reasonable attorney's fees, and all other sums which may become due and payable to the Association by an Owner shall be a charge on the Lot or Tract and shall be a continuing servitude and lien upon the Lot or Tract against which each such Assessment is made. The Annual and Special Assessments against each Lot or Tract shall be based on the number of Memberships appurtenant to the Lot or Tract (including, without limitation, Memberships attributable to Dwelling Units, Condominium Units and/or Rental Apartments located on such Lot or Tract). Each such Annual, Special and Penalty Assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of the Lot or Tract at the time when the Assessment fell due. The personal obligation for delinquent Assessments shall not pass to the successors in title of the Owner unless expressly assumed by them. However, such exemption does not apply to the obligation of the successor in title of the Owner to correct any violation of the Declaration, the _____ Rules, or the Design Review Committee Guidelines by the Owner pursuant to Article XI; however, the transfer of title shall not extinguish any Assessment Lien except a transfer pursuant to foreclosure of a superior lien in which the Assessment Lien has been extinguished by such foreclosure.

Section 7.2. Annual Assessments. Within thirty (30) days prior to the commencement of the Association's fiscal year, the Board shall estimate the costs and expenses to be incurred by the Association during the fiscal year in performing its functions (including a reasonable provision for contingencies and replacements) and shall subtract from such estimate an amount equal to other projected revenues and surplus balances not needed for reserves and contingencies. The sum or net estimate shall be assessed on a monthly, quarterly or annual basis to all non-exempt Owners in shares proportionate to their voting rights as set forth more fully herein.

(a) Supplement Assessments. If at any time, and from time to time during any fiscal year, the Annual Assessment proves or appears likely to be inadequate, for any reason, including nonpayment of any Owner's share, the Board may levy a further assessment in the amount of such actual or estimated inadequacy, which shall be assessed to Owners divided as provided herein.

(b) Following the termination of Class II Memberships, the Board may also levy in any fiscal year an assessment for paying or returning in whole or in part the cost of acquisition, construction, reconstruction, repair or replacement of a capital improvement to the Common Area or to retire a debt of the Association for amounts in excess of \$20,000.00. Consent of a majority of the quorum of Members entitled to vote shall be required for such capital improvements following termination of the Class II Membership. Prior to termination of the Class II Membership, the Declarant shall have sole and absolute discretion concerning supplemental assessments.

Section 7.3. Determination of Annual Assessment Payment. The Annual Assessment shall be determined as set forth above. Until January 1 of the year following the recording of the first subdivision, the Annual Assessment against each Owner shall be a maximum of eighteen dollars per month (\$18.00/month). Commencing on the year immediately following the recording of the first subdivision and continuing each succeeding year thereafter for as long as a Class II Membership exists, the Annual Assessment may be increased January 1 of each year by the Board up to a maximum of ten percent (10%) per annum. For as long as a Class II Membership exists, the short fall between the amount of Annual Assessments due and payable by the Class I Members and the total budgeted amount of the Annual Assessment necessary for the operation of the Association, shall be paid by the Declarant.

(a) Payment of Assessment Amounts. The amount of any Annual Assessment payable by each Owner shall be in accordance with the voting rights described in Article VI as modified herein. All Assessments shall be payable in full when assessed. Assessments shall not be prorated for portions of a month or Assessment Period based upon the sale or transfer of ownership by a party other than the Declarant. The Annual Assessment for any Tract which has not been developed or subdivided shall be based upon a density of five (5) Dwelling Units per net acre. Assessments shall accrue from the date of sale of all or a portion of a Tract. The Owner shall be charged fifty percent (50%) of the Annual Assessment amount otherwise chargeable during the first twelve (12) months following sale of all or a portion of a Tract by the Declarant and seventy-five percent (75%) of the Annual Assessment amount otherwise chargeable during the second twelve (12) months following sale of all or a portion of the Tract by the Declarant provided the Tract is not otherwise subdivided. Beginning on the twenty-fifth (25th) month following the sale

of all or a portion of a Tract by the Declarant, the Annual Assessment amount shall be in accordance with the voting rights described in Article VI. Upon division of a Tract into Lots, the Annual Assessment and Memberships shall be based upon actual density and not based upon five (5) Dwelling Units per net acre.

Section 7.4. Special Assessments for Capital Improvements and Extraordinary Expenses. In addition to the Annual Assessments authorized above, the Association may levy, in any Assessment Period, a Special Assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, or for the purpose of defraying other extraordinary expenses. For as long as a Class II Membership exists, the Class II Member shall make all determinations concerning Special Assessments. Thereafter, Special Assessments shall be by a majority vote of a quorum of Class I Members entitled to vote in person or by proxy. The provisions of this Section are not intended to preclude or limit the assessment, collection or use of Annual Assessments for the aforesaid purposes.

Section 7.5. Penalty Assessments. Penalty Assessments may be imposed for violation of the Declaration, Articles of Incorporation, Bylaws, _____ Rules or the Design Review Committee Guidelines or procedures, pursuant to the notice provisions and procedures established by the Board.

Section 7.6. Notice and Quorum for Any Action Authorized Under Section 7.4. Written notice of any meeting called for the purpose of taking any action authorized under Section 7.4 of this Article shall be sent to all Members no less than ten (10) days in advance of the meeting at the addresses of such Members on the records of the Association. For as long as a Class II Membership exists, the presence in person or by proxy, of the Class II Member shall constitute a quorum. Thereafter, the presence of Class I Members or of proxies entitled to cast fifty percent (50%) of all the votes (exclusive of suspended voting rights) shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement.

Section 7.7. Establishment of Annual Assessment Period. The period for which the Annual Assessment is to be levied (the "Assessment Period") shall be the calendar year, except that the first Assessment Period shall commence upon the filing of the first subdivision and terminate on December 31 of such year. The Board in its sole discretion from time to time may change the Assessment Period by giving notice thereof to the Members of the Association.

Section 7.8. Rules Regarding Billing and Collection Procedures. The Board shall have the right to adopt rules and regulations setting forth procedures for the purpose of making the Assessments provided herein and for the billing and collection of the Annual, Special and Penalty Assessments provided that said procedures are not inconsistent with the provisions hereof. The failure of the Association to send a bill to a Member shall not relieve any member of his liability for any Assessment or charge

under this Declaration, but the Assessment Lien therefor shall not be foreclosed or otherwise enforced until the Member has been given not less than thirty (30) days written notice prior to such foreclosure or enforcement, at the address of the Member on the records of the Association, that the Assessment or any installment thereof is or will be due and of the amount owing. Such notice may be given at any time prior to or after delinquency of such payment. The Association shall be under no duty to refund any payments received by it even though the ownership of a Membership changes during an Assessment Period; successor Owners of Lots or Tracts shall be given credit for prepayments, on a prorated basis, made by prior Owners. In case the owner of a Membership becomes liable for payment of an increased sum during the Assessment Period, he shall notify the Association but his failure to notify the Association shall not relieve him of the liability for such amounts. The amount of the Annual Assessment against Members who become such during an Assessment Period upon the Recording of a subdivision shall be prorated and such new Members shall be liable for a proportionate share of any previously levied Special Assessment if such Assessments are paid in installments. Members must notify Association of a change of mailing address when applicable.

Notice of any past due Assessment or of any lien may, at the Association's discretion, be given to any Mortgagee, and each Owner shall, upon demand, provide the Association with the name, address and telephone number of such Mortgagee.

Section 7.9. Collection Costs and Interest on Delinquent Assessments. Any Assessment or installment thereof not paid when due shall be deemed delinquent and shall bear interest from thirty (30) days after the due date until paid at a rate of eighteen percent (18%) per annum and the Member shall be liable for all taxable and incidental costs, including attorney's fees, which may be incurred by the Association in collecting the same. Late fees may also be established by the Board to be adjusted from time to time. The Board may also record a Notice of Delinquent Assessment against any Lot or Tract as to which any such amount is delinquent and constitutes a lien and may establish a fixed fee to reimburse the Association for the Association's cost in Recording such Notice, processing the delinquency and Recording a notice of payment, which fixed fee shall be treated as a collection cost of the Association secured by the Assessment Lien.

Section 7.10. Evidence of Payment of Assessments. Upon receipt of a written request by a Member or any other person, the Association, within a reasonable period of time thereafter, shall issue to such member or other person a written certificate stating (a) that all Annual, Special and Penalty Assessments (including interest, costs and attorney's fees, if any, as provided in Section 7.8 above) have been paid with respect to any specified Lot or Tract as of the date of such certificates, or (b) if all Annual, Special and Penalty Assessments have not been paid, the amount of such Annual, Special and Penalty Assessments (including interest, costs and attorney's fees, if any) due and payable as of such date. The Association may make a reasonable charge for the issuance of such certificates, which charges must be paid at the time the request for any such certificate is made. Any such certificate, when duly issued as

herein provided, shall be conclusive and binding with respect to any matter therein stated as against any bona fide purchaser of, or lender on, the Lot or Tract in question.

Section 7.11. Property Exempted from the Annual and Special Assessments and Assessment Lien. Exempt Property shall be exempted from the assessment of the Annual and Special Assessments; provided, however, that in the event any change of ownership of Exempt Property results in all or any part thereof becoming Assessable Property in any year, the Assessments shall be prorated to the date of change in ownership.

Section 7.12. Transfer Fee. Each person or entity other than a Developer who purchases a Lot or Tract shall pay to the Association immediately upon becoming the Owner of the Lot or Tract a transfer fee in such amount as is established from time to time by the Board. The Association may also record documents in the records of Bernalillo County to place purchasers on notice of assessment amounts, utilities and other amounts which may be due to the Association, Utility Company or others in conjunction with the sale of any Tract or Lot in _____.

Section 7.13. Disclosure of Special Levy. Each owner of real property in _____ shall, in any contract for the sale and purchase of such property to a third party, include notice to the purchaser that the real property is subject to special levies imposed by the _____ Public Improvement District. The notice shall include reference to the Notice of Imposition of Special Levy recorded in the Records of Bernalillo County on June 2, 2004 as Document #2004076094.

ARTICLE VIII

ENFORCEMENT OF PAYMENT OF ANNUAL, SPECIAL AND PENALTY ASSESSMENTS AND OF ASSESSMENT LIEN

Section 8.1. Association as Enforcing Body. The Association, as the agent and representative of the Members, shall have the right to enforce the provisions of this Declaration. However, if the Association shall fail or refuse to enforce this Declaration or any provision hereof for an unreasonable period of time after written request to do so, then any Member may enforce the provisions of this Declaration by any appropriate action, whether at law or in equity.

Section 8.2. Associations' Remedies to Enforce Payment of Assessments. If any Member fails to pay the Assessments when due, the Association may enforce the payment of the Assessments by taking either or both of the following actions, concurrently or separately (and, by exercising either of the remedies hereinafter set forth, the Association does not prejudice or waive its rights to exercise the other remedy);

- (a) Bring an action at law and recover judgment against the Member personally obligated to pay the Annual, Special and Penalty Assessments;

- (b) Foreclose the Assessment Lien against the Lot or Tract in accordance with the then prevailing New Mexico law relating to the foreclosure of realty mortgages (including the right to recover any deficiency) and the Lot or Tract may be redeemed after foreclosure sale as provided by law. The Association shall have the right to bid at any foreclosure sale.

Section 8.3. Subordination of Assessment Lien to First Mortgage or Deed of Trust; Priority of Lien. The Assessment Lien provided for herein shall be subordinate to any first mortgage lien held by, or first deed of trust of which the beneficiary is, a lender who has lent funds with the Lot or Tract as security, or help by the lender's successors and assigns, and shall also be subject to subordinate to liens for taxes and other public charges which by applicable law are expressly made superior. Except as above provided, the Assessment Lien shall be superior to any and all charges, liens or encumbrances which in any manner may arise or be imposed upon each Lot or Tract after the date this Declaration is Recorded. Sale or transfer of any lot or Tract shall not affect the Assessment Lien; provided, however, that if the sale or transfer is pursuant to foreclosure of a mortgage or deed of trust to which the Assessment Lien is subordinate, or pursuant to any sale or proceeding in lieu thereof, the purchaser at the mortgage foreclosure or deed of trust sale, or any grantee taking by deed in lieu of foreclosure, shall take the Lot or Tract free of the Assessment Lien for all Assessments that have accrued up to the date of issuance of a sheriff's or trustee's deed or deed in lieu of trustee's deed or deed in lieu of foreclosure, the Assessment Lien immediately shall become and remain superior to any and all other charges, liens or encumbrances (except liens for taxes or other public charges which by applicable law are expressly made superior), and such mortgage or deed of trust foreclosure sale purchaser or grantee shall take subject to all Assessments and the Assessment Lien therefor accruing subsequent to the date of issuance of a sheriff's or trustee's deed or deed given in lieu of foreclosure.

Section 8.4. Costs to be Borne by Member in Connection with Enforcement of Payment of Annual and Special Assessments. In any action taken pursuant to Section 8.2 of this Article, the Member shall be personally liable for, and the Assessment Lien shall be deemed to secure the amount of, the Assessments together with interest and the Association's incidental and taxable costs including collection costs and attorney's fees. The Assessment Lien shall also secure payment of any other sums which may become payable to the Association by an Owner pursuant to this Declaration.

ARTICLE IX USE OF FUNDS; BORROWING POWER

Section 9.1. Purpose For Which Association's Funds May Be Used. The Association shall apply all funds and property collected and received by it (including the Annual, Special and Penalty Assessments, fees, loan proceeds, surplus funds and all funds and property received by it from any other source) for the common good and benefit of _____ and the Members and Residents by devoting said funds and property, among other things, to the acquisition, construction, alteration, maintenance, provision and operation, by any manner or method whatsoever, of any

and all land, properties, improvements, facilities, services, projects, programs, studies and systems, within or without _____ which may be necessary, desirable or beneficial to the general common interests of _____, the Members and the Residents. The following are some, but not all, of the areas in which the Association may seek to aid, promote and provide for such common benefit: social interaction among Members and Residents, maintenance of landscaping on Common Areas, public right of way, drainage areas within _____, recreation, liability insurance, communications, education, transportation, health, utilities, public services, safety and indemnification of officers and directors of the Association. The Association also may expend its funds for any purposes for which any municipality may expend its funds under the laws of the State of New Mexico or such municipality's charter.

Section 9.2. Borrowing Power. The Association may borrow money in such amounts, at such rates, upon such terms and security, and for such periods of time as is necessary or appropriate.

Section 9.3. Association's Rights in Spending Funds From Year to Year. The Association shall not be obligated to spend in any year all the sums received by it in such year (whether by way of Annual or Special Assessments, fees or otherwise), and may carry forward as surplus any balances remaining. The Association shall not be obligated to reduce the amount of the Annual Assessment in the succeeding year if a surplus exists from a prior year and the Association may carry forward from year to year such surplus as the Board in its discretion may determine to be desirable for the greater financial security of the Association and the accomplishment of its purposes.

Section 9.4. Administration of Special Use Fees. The Association is authorized to bill for, sue for, collect, administer and disburse all Special Use Fees and the payment thereof shall be secured by the Assessment Lien; provided, however, that all Special Use Fees collected shall, if imposed in connection with a particular improvement, be separately accounted for as to each separate improvement pertaining to which they are collected and shall be expended on the particular improvement to which they pertain.

Section 9.5. Insurance. The Association shall maintain insurance against liability incurred as a result of death or injury to persons or damage to property on the Common Areas with minimum bodily injury limits of \$1,000,00.00 per occurrence and minimum property damage liability limits of \$500,000.00 per occurrence or a combined single limit of \$1,000,000.00 per occurrence. The Association may, but shall not be required to, purchase director and officers liability insurance, errors and omissions insurance or similar insurance policies in amounts and types determined by the Board.

ARTICLE X MAINTENANCE

Section 10.1. Common Areas and Public Right of Way. The Association, or its duly delegated representatives, shall maintain and otherwise manage all Common

Areas, including, but not limited to, the landscaping, walkways, paths, parking areas, drives, recreational facilities and the roofs, interiors and exteriors of the buildings and structures located upon the Common Areas; provided however, the Association shall not be responsible for providing or maintaining the landscaping, structures or other Improvements on any Common Areas which are part of Lots or Tracts unless (i) such landscaping, structures or other Improvements are available for use by all Owners and Residents or are within easements intended for the general benefit of _____ and (ii) the Association assumes in writing the responsibility for such maintenance or such responsibility is set forth in a Recorded instrument as hereinafter provided. The Association shall not maintain areas which (i) the City of Albuquerque or other governmental entity is maintaining or (ii) are to be maintained by the Owners of a Lot or Tract pursuant to Article IV, Section 4.2(d) of this Declaration unless the Association elects to maintain such areas and as to which the Association has not previously made such an election to maintain. Specific areas to be maintained by the Association may be identified on subdivision plats Recorded or approved by the Declarant, in Tract Declarations and in Deeds from the Declarant to a transferee of a Lot or Tract. Failure to so identify such specific areas to be maintained by the Association shall not affect the Association's rights and responsibilities.

The Board shall use a standard of reasonable care in providing for the repair, management and maintenance of the Common Area so that the _____ development will reflect a high pride of ownership. In this connection the Association may, in the discretion of the Board:

- (a) Reconstruct, repair, remove, replace or refinish any Improvement or portion thereof upon Association Land;
- (b) Construct, reconstruct, remove, repair, replace or refinish any road improvement or surface upon any portion of the Common Area used as a road, street, walk, driveway, parking area, except that no permanent improvements shall be made by the Association on any Common Area that is not Association Land and the Association shall provide only maintenance on Common Areas which are not Association Land;
- (c) Replace injured and diseased trees and other vegetation in any Common Area, and plant trees, shrubs and ground cover to the extent that the Board deems necessary for the conservation of water and soil and for aesthetic purposes;
- (d) Place and maintain upon any Common Area such signs as the board may deem appropriate for the proper identification, use and regulation thereof;
- (e) Do all such other and further acts which the Board deems necessary to preserve and protect the Common Area and the beauty thereof, in accordance with the general purposes specified in this Declaration.

The Board shall be the sole judge as to the appropriate maintenance of all Common Areas and other properties maintained by the Association.

Section 10.2. Improper Maintenance and Use of Lots and Tracts. In the event any portion of any Lot or Tract is so maintained as to present a public or private nuisance, or as to substantially detract from the appearance or quality of the surrounding Lots and Tracts or other areas of _____ which are substantially affected thereby or related thereto, or in the event any portion of a Lot or Tract is being used in a manner which violates this Declaration, the _____ Rules, or the Design Review Committee Guidelines or in the event the Owner or Lessee of any Lot or Tract is failing to perform any of its obligations under this Declaration within respect to the maintenance, repair or replacement of the Improvements located on such Lot or Tract, the Board may by resolution make a finding to such effect, specifying the particular condition or conditions which exist, and pursuant thereto give written Notice thereof to the Owner and make demand that corrective action be taken within fourteen (14) calendar days of the date of the Notice. If at the expiration of the said fourteen (14) day period the requisite corrective action has not been taken, the Board shall be authorized and empowered to cause such action to be taken, including but not limited to the hiring of an attorney to take action on behalf of the Board, whether by information pre-suit action or by formal legal proceedings. The costs of any action taken by the Board as set forth herein, including but not limited to incidental and taxable costs, attorney's fees, and any fines assessed against said Owner or his family, guests, invitees, licensees, employees or Designees shall be added to and become a part of the Assessment to which the offending Owner and the Owner's Lot or Tract is subject and shall be secured by the Assessment Lien.

ARTICLE XI DESIGN REVIEW COMMITTEE

Section 11.1. Establishment. The Declarant shall establish a Design Review Committee to perform the functions of the Design Review Committee set forth in this Declaration and shall adopt the procedural rules and regulations for the performance of such duties by the Design Review Committee, including procedures for the preparation, submission and determination of the application for any approvals required by this Declaration or any Tract Declaration ("Design Review Committee Guidelines"). The Design Review Committee shall consist of such number of regular members and alternate members as the Declarant may designate and such members shall be appointed by the Declarant. The appointees need not be architects, Owners, or Residents and do not need to possess any special qualifications of any type except such as the Declarant may, in its discretion, require. The Design Review Committee shall hold regular meetings, a quorum for which shall consist of a majority of the regular members shall be necessary for any decision of the Design Review Committee. An alternate member, approved by the Declarant, may participate at any meeting at which there is not a quorum of regular members present, may constitute a quorum by his (their) presence and shall have all of the authority of a regular member while so participating. The Design Review Committee Guidelines shall interpret and implement

this Declaration by setting forth the procedures for Design Review Committee review and the standards for development within _____, including, but not limited to, architectural design, placement of buildings, landscaping, color schemes, exterior finishes and materials, signage, wall design and similar matters related to Improvements. The Design Review Committee Guidelines may also include provisions requiring the establishment of landscaping on Lots and Tracts pursuant to specific timetables. Subject to the provisions of Section 11.2 of this Article, the decision of the Design Review Committee shall be final on all matters submitted to it pursuant to this Declaration.

Section 11.2. Appeal. Any Owner or other Resident aggrieved by a decision of the Design Review Committee shall appeal the decision to the Board in accordance with procedures to be established by the Board. No legal action may be taken without first appealing the decision to the Board. Such procedures include the requirement that the appellant has modified the requested action or has new information which would in the Board's opinion warrant a reconsideration. If the Board fails to allow an appeal or if the Board, after appeal, again rules in a manner aggrieving the appellant, the decision of the Board is final. In the event the decision of the Design Review Committee is overruled by the Board on any issue or question, the prior decision of the Design Review Committee shall be deemed modified to the extent specified by the Board and, for purposes of this Declaration, such decision, as so modified, shall thereafter be deemed the decision of the Design Review Committee. In this regard, the Board shall have the authority to modify or overrule the decision of the Design Review Committee on any matter presented to it.

Section 11.3. Fee. The Design Review Committee may establish a reasonable processing fee to defer the costs of the Association in considering any requests for approvals submitted to it, which fee shall be paid at the time the request for approval is submitted. The Design Review Committee may employ an architect and other design professionals and the fees for such services shall be included in review fees.

Section 11.4. Appointment of Design Review Committee Members. Design Review Committee members are appointed by the Declarant and may be replaced at the discretion of the Declarant. Declarant's right to appoint Design Review Committee members shall cease and the Board shall be vested with that right and all other rights of the Declarant pertaining to the Design Review Committee on the date on which the Class II Membership is extinguished, at such time Declarant no longer owns any property at _____, or when such right is expressly relinquished by Declarant to the Board in writing, whichever condition occurs first.

Section 11.5. Non-Liability for Approval of Plans. Plans and specifications shall be approved by the Design Review Committee as to style, exterior design, appearance and location, but the Design Review Committee takes no responsibility for engineering design or for compliance with zoning and building ordinances, and by approving any member thereof, the Association, any Member, the Board, nor the Declarant assumes any liability or responsibility therefor, or for any defect in any structure constructed from such plans and specifications. Neither the Design Review Committee, any member

thereof, the Association, the Board nor the Declarant shall be liable to any Owner or other person for any damage, loss or prejudice suffered or claimed on account of (a) the approval or disapproval of any plans, drawings and specifications, whether or not defective, (b) the construction or performance of any work, whether or not pursuant to approved plans, drawings and specifications, or (c) the development, or manner of development, of any property within _____. Approval of plans and specifications by the Design Review Committee is not, and shall not be deemed to be, a representation or warranty, whether express or implied, that said plans or specifications comply with applicable governmental ordinances or regulations including, without limitations, zoning ordinances and building does, and industry standards for design or construction.

ARTICLE XII RIGHTS AND POWERS OF ASSOCIATION

Section 12.1. Association's Rights and Powers as Set Forth in Articles and Bylaws. In addition to the rights and powers of the Association set forth in this Declaration, the Association shall have such rights and powers as are set forth in its Articles and Bylaws or as provided by New Mexico common law or statute. Such rights and powers, subject to the approval thereof by any agencies or institutions deemed necessary by Declarant, may encompass any and all things which a natural person could do or which now or hereafter may be authorized by law, provided such Articles and Bylaws are not inconsistent with the provisions of this Declaration. After incorporation of the Association, a copy of the Articles and Bylaws of the Association shall be available for inspection at the office of the Association during reasonable business hours. In addition to all other rights and remedies granted to the Association by this Declaration, the Association shall have the power to impose reasonable fines against an Owner for any violation of this Declaration or the _____ Rules by the Owner, a Lessee or Tenant of the Owner or by any Resident or occupant of the Owner's Lot or Tract.

Section 12.2. Association's Rights of Enforcement of Provisions of This and Other Instruments. The Association, as the agent and representative of the Owners, shall have the right to enforce the covenants set forth in this Declaration and/or any and all covenants, restrictions, reservations, charges, servitudes, assessments, conditions, liens or easements provided for in any contract, deed, declaration or other instrument which (a) shall have been executed pursuant to, or subject to, the provisions of this Declaration, or (b) otherwise shall indicate that the provisions of such instrument were intended to be enforced by the Association or by Declarant.

Section 12.3. Contracts with Others for Performance of Association's Duties. Subject to the restrictions and limitations contained herein, the Association may enter into contracts and transactions with others, including Declarant and its affiliated companies, and such contracts or transactions shall not be invalidated or in any way affected by the fact that one or more directors or officers of the Association or members of any committee are employed by or otherwise connected with Declarant or its affiliates, provided that the fact of such interest shall be disclosed or known to the other

directors acting upon such contract or transaction, and provided further that the transaction or contract is fair and reasonable. Any such director, officer or committee member may be counted in determining the existence of a quorum at any meeting of the Board or committee of which he is a member which shall authorize any contract or transaction described above or grant or deny any approval sought by the Declarant, its affiliated companies or any competitor thereof and may vote thereat to authorize any such contract, transaction or approval with like force and effect as if he were not so interested.

Section 12.4. Change of Use of Association Land and Procedure Therefor.

Upon (a) adoption of a resolution by the Board stating that in the Board's opinion the then present use of a designated part of the Common Areas is no longer in the best interests of the Owners and Residents and (b) the approval of such resolution by a majority of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for such purpose, the Board shall have the power and right to change the use thereof (and in connection therewith, construct, reconstruct, alter or change the buildings, structures and other Improvements thereon in any manner deemed necessary by the Board to accommodate the new use), provided such new use (i) shall be for the benefit of the Owners and Residents, and (ii) shall be consistent with any deed restrictions (or zoning regulations).

ARTICLE XIII
ANNEXATION OF ADDITIONAL PROPERTY

Section 13.1. Annexation Without Approval. All or any part of the Additional Property may be annexed to the Covered Property and become subject to this Declaration and subject to the jurisdiction of the Association without the approval, assent or vote of the Association or its Members, by the execution and Recording of a Supplemental Declaration by Declarant or its successors and assigns. The Supplemental Declaration shall (i) describe the Additional Property being annexed; (ii) incorporate the Declaration by reference, (iii) be executed by the Declarant, and (iv) be recorded in the records of Bernalillo County. The Recording of said Supplemental Declaration shall constitute and effectuate the annexation of said portion of the Additional Property described therein, making said real property subject to this Declaration and subject to the functions, powers and jurisdiction of the Association, and thereafter said property shall be part of the Covered Property and all of the Owners of Lots or Tracts in said property shall automatically be Members of the Association. Although Declarant or its successors and assigns shall have the ability to so annex all or any portion of the Additional Property, neither Declarant nor its successors and assigns shall be obligated to annex all or any portion of such Additional Property and such Additional Property shall not become subject to this Declaration unless and until a Supplemental Declaration shall have been so executed and Recorded.

Section 13.2. Supplemental Declarations. Any Supplemental Declaration may contain such complementary additions and modifications of the covenants, conditions and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the Additional Property so annexed and as are not

inconsistent with the plan of this Declaration. In no event, however, shall any such Supplemental Declaration, revoke or modify the covenants established by this Declaration within the existing Covered Property.

ARTICLE XIV
WATER, SEWER AND COMMUNITY WATCH

Section 14.1. Water and Sewer Services. Water and Sewer Service is provided by the Utility Company. All Owners must subscribe to the Water and Sewer Service so long as the Utility Company provides such services on a non-discriminatory basis in comparison to its other customers. No Owner may drill a well on any lot or procure Water and Sewer Services from other providers unless such services are ultimately provided by a governmental authority. Each Owner shall be responsible for payment of any hookup fees, line extension fees, impact fees or other fees associated with such services.

Section 14.2. Community Watch. The Association may, but shall not be obligated to, maintain or support certain community watch activities within _____ . THESE ACTIVITIES SHALL NOT CONSTITUTE SECURITY SERVICES AND NEITHER THE ASSOCIATION, THE DECLARANT, NOR ANY SUCCESSOR DECLARANT SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE PROPERTIES, NOR SHALL ANY OF THEM BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE THEM ADEQUATE SECURITY OR OF INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. NO REPRESENTATION OR WARRANTY IS MADE THAT ANY FIRE PROTECTION SYSTEM, BURGLAR ALARM SYSTEM, PATROL OR OTHER SECURITY SYSTEM CAN NOT BE COMPROMISED OR CIRCUMVENTED, NOR THAT ANY SUCH SYSTEMS OR SECURITY MEASURES UNDERTAKEN WILL IN ALL CASES PREVENT LOSS OR PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. EACH OWNER ACKNOWLEDGES, UNDERSTANDS AND COVENANTS TO INFORM ITS TENANTS THAT THE ASSOCIATION, ITS BOARD OF DIRECTORS AND COMMITTEES, DECLARANT, AND ANY SUCCESSOR DECLARANT ARE NOT INSURERS AND THAT EACH PERSON USING THE PROPERTIES ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO UNITS AND TO THE CONTENTS OF UNITS RESULTING FROM ACTS OF THIRD PARTIES.

ARTICLE XV
TERM; AMENDMENTS; TERMINATION

Section 15.1. Term; Method of Termination. This Declaration shall be effective upon the date of Recording hereof and, as amended from time to time, shall continue in full force and effect until January 1, 2025. From and after said date, this Declaration, as amended, shall be automatically extended for successive periods of ten (10) years each, unless there is an affirmative vote to terminate this Declaration by a quorum of the then Members casting two-thirds (2/3) of the total votes cast at an election held for such purpose in person or by proxy within six (6) months prior to the expiration of the initial

effective period hereof or any ten (10) year extension. The Declaration may likewise be terminated at any time if two-thirds (2/3) of the quorum of the votes cast by each class of Members shall be cast in favor of termination at an election held for such purpose. If the necessary votes and consents are obtained, the Board shall cause to be Recorded with the County Recorder of Bernalillo County, New Mexico, a Certificate of Termination, duly signed by the President or Vice President and attested by the Secretary or Assistant Secretary of the Association, with their signatures acknowledged. Thereupon this Declaration and the covenants contained herein shall have no further force and effect, and the Association shall be dissolved pursuant to the terms set forth in its Articles.

Section 15.2. Amendments. This Declaration may be amended by Recording with the County Recorder Recorded of Bernalillo County, New Mexico, a Certificate of Amendment, duly signed and acknowledged. The Certificate of Amendment shall set forth in full the amendment adopted. For as long as Class II Membership exists, the Declarant may amend this Declaration. After the Class II Membership no longer exists, an amendment shall require an affirmative vote of two-thirds (2/3) of a quorum of Members called to vote in person or by proxy for such amendment. A Plat or Zoning designation may be amended with (i) the approval of the Board; and (ii) the approval of the Declarant as long as the Declarant owns any property in _____ . Notwithstanding the foregoing to the contrary, (i) all amendments must be approved by the Board, and (ii) all amendments to the Article VIII, Section 8.3 affecting lienholder priority must be approved by the holders of any and all first mortgages and deeds of trust affected thereby.

Section 15.3. Right of Amendment if Requested by Governmental Agency or Federally Chartered Lending Institutions. Anything in this Article to the contrary notwithstanding, Declarant so long as the Declarant owns any Lot or Tract, and thereafter, the Board, may amend all or any part of this Declaration to such an extent and which such language as may be requested by the Federal Housing Administration ("FHA") or the Veterans Administration ("VA") and to further amend to the extent requested by any other federal, state or local governmental agency which requests such an amendment as a condition precedent to such agency's approval of this Declaration, or by any federally chartered lending institution as a condition precedent to lending funds upon the security of any Lot(s) or Tract(s) or portions thereof. Any such amendment shall be effected by the Recording, by Declarant, if made by the Declarant, or by the Board if made by the Board, of a Certificate of Amendment, specifying the federal, state or local governmental agency or the federally chartered lending institution requesting the amendment and setting forth the amendatory language requested by such agency or institution. The Recording of such a Certificate shall be deemed conclusive proof of the agency's or institution's request for such an amendment, and such Certificate, when Recorded, shall be binding upon all of the Covered Property and all persons having an interest therein.

ARTICLE XVI
GENERAL PROVISIONS

Section 16.1. Interpretation of the Declaration. The Association, by its Board, shall have the exclusive right to construe and interpret the provisions of this Declaration. The Association's construction or interpretation of the provisions hereof shall be final, conclusive and binding as to all persons and property benefited or bound by the Declaration and provisions hereof.

Section 16.2. Severability. Any determination by any court of competent jurisdiction that any provision of this Declaration is invalid or unenforceable shall not affect the validity or enforceability of any of the other provisions hereof.

Section 16.3. Rule Against Perpetuities. If any interest purported to be created by this Declaration is challenged under the Rule Against Perpetuities or any related rule, the interest shall be construed as becoming void and of no effect as of the end of the applicable period of perpetuities computed from the date when the period of perpetuities starts to run on the challenged interest; the "lives in being" for computing the period of perpetuities shall be (a) those which would be used in determining the validity of the challenged interest, plus (b) those of the issue of the Board who are living at the time the period of perpetuities starts to run on the challenged interest.

Section 16.4. Change of Circumstances. Except as otherwise expressly provided in this Declaration, no change of conditions or circumstances shall operate to extinguish, terminate or modify any of the provisions of this Declaration.

Section 16.5. Rules and Regulations. In addition to the right to adopt rules and regulations on the matters expressly mentioned elsewhere in this Declaration, the Association shall have the right to adopt rules and regulations with respect to all other aspects of the Association's rights, activities and duties, provided said rules and regulations are not inconsistent with the provisions of this Declaration.

Section 16.6. Declarant's Disclaimer of Representations. Anything to the contrary in this Declaration notwithstanding, and except as otherwise may be expressly set forth on a recorded plat or other instrument recorded in the office of the County Recorder of Bernalillo County, New Mexico, Declarant makes no warranties or representations whatsoever that the plans presently envisioned for the complete development of _____ can or will be carried out, or that any land now owned or hereafter acquired by it is or will be subjected to this Declaration, or that any such land (whether or not it has been subjected to this Declaration) is or will be committed to or developed for a particular (or any) use, or that if such land is once used for a particular use, such use will continue in effect.

Section 16.7. References to the Covenants in Deeds. Deeds to and instruments affecting any Lot or Tract or any part of the covered Property may contain the covenants herein set forth by reference to this Declaration; but regardless of whether any such reference is made in Deed or instrument, each and all of the covenants shall be binding upon the grantee-Owner or other person claiming through any instrument and his heirs, executors, administrators, successors and assigns.

Section 16.8. Successors and Assigns of Declarant. Any reference in this Declaration to Declarant shall include any successors or assignees of Declarant's rights and powers hereunder.

Section 16.9. Gender and Number. Wherever the context of this Declaration so requires, words used in the masculine gender shall include the feminine and neuter genders; words used in the neuter gender shall include the masculine and feminine genders; words in the singular shall include the plural; and words in the plural shall include the singular.

Section 16.10. Captions and Titles. All captions, titles or headings of the Articles and Sections in the Declaration are for the purpose of reference and convenience only and are not to be deemed to limit, modify or otherwise affect any of the provisions hereof or to be used in determining the intent or context thereof.

Section 16.11. Notices. If notice of any action or proposed action by the Board or any committee or of any meeting is required by applicable law, this Declaration or resolution of the Board to be given to any Owner or Resident then, unless otherwise specified herein or in the resolution of the Board, such notice requirement shall be deemed satisfied if notice of such action or meeting is published once in any newspaper in general circulation within the City of Albuquerque or _____ . This Section shall not be construed to require that any notice be given if not otherwise required and shall not prohibit satisfaction of any notice requirement in any other manner.

Section 16.12. Conveyance or Encumbrances of Association Land. The Association Land shall not be mortgaged, transferred, dedicated or encumbered without the prior written consent or affirmative vote of the Class II Membership and the affirmative vote or written consent of the Owners representing at least two-thirds (2/3) of the votes in Class I Membership.

Section 16.13. Attorney's Fees. In addition to any other remedies set forth in the Declaration regarding costs and attorney's fees, in the event the Association employs an attorney to enforce any lien granted to it under the terms of this Declaration or to collect any Assessments or other amounts due from an Owner or to enforce compliance with or recover damages for any violation or noncompliance with the Declaration, Articles, Bylaws, _____ Rules, or Design Review Committee Guidelines, the offending Owner or other person or entity shall pay to the Association, upon demand, all attorney fees and court costs incurred by the Association, whether or not suit is filed, which fees and costs shall be secured by the Assessment Lien.

Section 16.14. Remedies Cumulative. Each remedy afforded the Association herein is cumulative and not exclusive.

Section 16.15. Responsibility of Successors in Interest to Owner's Violations. Successors in title of an Owner to a Lot or Tract are obligated to correct any violation of

the Declaration, the _____ Rules, or the Design Review Committee Guidelines by any preceding Owner of the Lot or Tract.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be duly executed.

Mexico limited

LLC, a New liability company

By Sandia Properties Ltd. Co.,
its Managing Member

By _____
Robert M. Murphy, President

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

The foregoing Declaration was acknowledged before me this _____ day of _____, 2004 by ROBERT M. MURPHY, President of Sandia Properties Ltd. Co., as the Managing Member of _____ LLC, a New Mexico limited liability company.

My commission expires _____.

NOTARY PUBLIC

Exhibit "A"

Legal Description

All of Tracts 1A, 1B, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14 of the Bulk Land Plat for _____ recorded in Bernalillo County, Albuquerque, New Mexico Real Estate records on March 11, 2004, Book 2004-C, Page 84.