

Sole Source Application and Determination Form

A sole source determination is not effective until the sole source application for determination has been posted on the Purchasing website for thirty (30) calendar days without protest and is subsequently approved in writing by the Vice President of Administration and Finance.

1. Name of Department: Southwest Innovation Alliance
Contact Name: Matthew Gallegos
Phone: 505-321-0806
Email: matthew.gallegos@nmt.edu

2. Name of Prospective Vendor: Wellesley Court, LLC (Landlord for 3225 Central Ave NE, Albuquerque, NM 87106)
Contact Name: Leslie Warner (3117 Hyder Ave SE Albuquerque, NM 87106)
Phone / Email: (505) 238-5223 / lhwarner@hotmail.com
Estimated Cost: 10/01/2025–09/30/2026: \$14,651.58/mo → \$175,818.96/yr

3. Purpose/need for purchase and detailed list of items of tangible property, services, or professional services:

The selection of a collaboration space at 3225 Central Avenue NE, Albuquerque, NM 87106, is made pursuant to the Air Force Research Laboratory (AFRL) Southwest Regional Partnership Intermediary Agreement (PIA), FA9453-22-3-0002. Under Section 3.3.3 (Collaboration Spaces) of the Statement of Work, the Recipient is required to:

“provide physical space for various AFRL events that support a collaborative environment to engage with the research community, industry and academia... establish and utilize state-of-the-art facilities and equipment to promote collaborative work environments” (AFRL Southwest Regional PIA, FA9453-22-3-0002, Attachment 1, p. 6).

A dedicated, professional facility is essential to host AFRL personnel, small businesses, academic institutions, and private-sector partners in a secure, flexible environment that fosters technology transfer, rapid prototyping, partnership development, and economic

competitiveness. Locating the space in Albuquerque—an established aerospace and defense hub—ensures accessibility to key stakeholders and proximity to Kirtland Air Force Base, consistent with the scope of work outlined in the PIA.

Items/Services:

- Lease of Suite C/E, 3225 Central Ave NE (~8,198 SF main floor + 1,366 SF basement)
- Landlord services: building maintenance (roof, exterior, structure, plumbing, electrical, HVAC), utilities (water, sewer, gas, 110 V electricity), parking, and signage rights
- Tenant improvements: limited modifications such as kitchenette build-out near existing plumbing
- Facility attributes: flexible open plan for co-working and events, breakout spaces for private meetings, on-site storage, and adjacent parking to support collaborative engagements.

4. Detailed explanation of criteria developed for this purchase:

To ensure the leased space meets AFRL Southwest Regional PIA requirements, NMT SWIA staff and AFRL Program Managers established five specific criteria:

- 1. Proximity to Kirtland Air Force Base (KAFB)**
 - a. Rationale: Must be minutes from KAFB for AFRL staff access and secure coordination.
 - b. Outcome: 3225 Central is within a short drive of KAFB gates.
- 2. Approximate Size of 10,000 SF**
 - a. Rationale: Needed for open collaboration, breakout offices, events, and storage.
 - b. Outcome: Provides 8,198 SF main + 1,366 SF basement, meeting the footprint requirement.
- 3. Easy and Adjacent Parking**
 - a. Rationale: Essential for AFRL staff, small businesses, and academic partners.
 - b. Outcome: Offers adjacent, no-cost parking unmatched by other options.
- 4. Cost-Effective Reconfiguration and Tenant Improvements**
 - a. Rationale: Budget and schedule cannot absorb major renovations.
 - b. Outcome: Only minor upgrades (e.g., kitchenette installation) required; other properties required prohibitive construction.
- 5. Lease Period Aligned with PIA Performance**
 - a. Rationale: Synchronizes with federal funding cycles to avoid disruptions.
 - b. Outcome: Landlord's option years (2025–2029) provide cost certainty and continuity for inclusion of the lease in a future PIA proposal.

5. Provide a detailed, sufficient explanation of the reasons, qualifications or unique capabilities of the prospective vendor that make that prospective vendor the one source for providing the items of tangible property, services, or professional services:

- **Sole source provider:** Only Wellesley Court, LLC can lease Suite C/E at 3225 Central Ave NE, the exact space meeting AFRL's five criteria.
- **Proven suitability:** The property already supports AFRL's collaboration needs without additional build-outs or relocation costs.
- **Lease continuity and protections:** The landlord agreed to and accepted the required non-appropriations clause, protecting New Mexico Tech and AFRL if no federal funds are appropriated to continue the lease—ensuring compliance with institutional and federal requirements.
- **Predictable costs:** Option-year rent schedule provides budget certainty and prevents program disruptions.
- **Facility features:** Turn-key infrastructure, proximity to KAFB, and included parking cannot be duplicated elsewhere without significant expense or delay.

6. Provide a detailed, sufficient explanation of how the items of tangible property, services, or professional services is/are unique and how this uniqueness is substantially related to the intended purpose of the department/grant:

The premises at 3225 Central Ave NE are uniquely suited to fulfill the AFRL Southwest Regional PIA's mandate to "provide physical space... and establish and utilize state-of-the-art facilities and equipment to promote collaborative work environments" (FA9453-22-3-0002, Attachment 1, p. 6). Its specific characteristics make it substantially related to and indispensable for the PIA's intended purpose:

- **Purpose-Fit Layout and Size**
 - The 8,198 SF main floor plus 1,366 SF basement deliver the near-10,000 SF footprint explicitly called for in AFRL's site criteria. This size allows simultaneous AFRL events, partner meetings, and technology demonstrations without splitting operations across multiple sites.
 - The open-plan configuration and flexible walls enable reconfigurable zones for workshops, prototyping, and multi-organization collaboration—exactly the type of dynamic environment envisioned by the PIA's Statement of Work.
- **Built-In Features That Enable Immediate Collaboration**
 - Existing HVAC, ADA access, plumbing, and electrical infrastructure provide a turn-key environment for immediate use—no lengthy build-outs or retrofits would delay AFRL programming.
 - Basement storage at no additional cost secures equipment and materials on-site, supporting rapid deployment for AFRL events or demonstrations.
 - Adjacent parking and signage rights make the facility accessible and visible to industry, academia, and AFRL personnel, ensuring robust participation.
- **Strategic Location Aligned with Mission Needs**

- Minutes from Kirtland Air Force Base, the facility allows AFRL staff to move quickly between base operations and collaborative sessions—critical for classified coordination and rapid response to program needs.
- Its position on Central Avenue in Albuquerque, a regional aerospace and defense hub, places AFRL’s collaboration space within a community of small businesses, researchers, and industry partners who are central to the PIA’s technology transfer objectives.
- **Continuity and Risk Mitigation Supporting PIA Deliverables**
 - Because the lease commenced September 17, 2020, the facility is already operational, fully built out, and supporting collaborative functions. Continuing at this site avoids costly downtime, preserves established accessibility, and keeps AFRL on schedule to deliver PIA outcomes.
 - The pre-negotiated option rent schedule through 2029 aligns funding and lease timelines, ensuring uninterrupted support for AFRL’s collaboration space mandate.

7. Please provide a narrative description of the department’s due diligence in determining a basis for the procurement. Include:

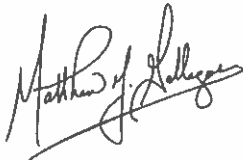
- a. method used to research and review other available sources (i.e. list of potential vendors from Purchasing, internet, state pricing agreements, purchasing cooperatives)
- b. list of vendors contacted, the date and method of contact (i.e. email, phone call)
- c. documentation explaining why:
 - i. those vendors cannot provide the required items of tangible property, services, or professional services
 - ii. other similar items of tangible property, services, or professional services cannot meet the intended purpose of department/grant:

To comply with NMT’s purchasing requirements and to ensure an informed sole-source determination, NMT SWIA and AFRL undertook extensive due diligence to evaluate all reasonably available alternatives before selecting 3225 Central Ave NE.

- **Method Used to Research and Review Other Available Sources:** NMT SWIA engaged a licensed commercial real estate broker, Austin Tidwell of RESOLUT RE, to perform a comprehensive market survey of potential properties in Albuquerque’s Nob Hill and Downtown districts. The search began in February 2020 and continued through August 2020, using:
 - Broker databases (CoStar and MLS listings) to identify properties with comparable square footage and amenities.
 - Direct outreach to listing brokers and property managers to confirm availability, lease terms, and readiness.
 - Site tours and walkthrough evaluations of each candidate property with AFRL program staff to assess suitability relative to five key criteria (proximity to KAFB, ~10,000 SF, parking, reconfiguration cost, and lease alignment with PIA performance).

- Purchasing cooperatives and State pricing agreements: No cooperative leases or state facilities offered dedicated, near-10,000 SF spaces with parking and proximity to KAFB that could serve as an AFRL collaboration hub.
- **Selection Process Overview:** For each property, NMT SWIA and AFRL staff evaluated lease terms, parking arrangements, renovation requirements, and location advantages/disadvantages. Between February and August 2020, the following properties and their representatives were evaluated via broker-facilitated site visits and follow-up communications (phone and email):
 - 116 Central Ave SW, Albuquerque, NM 87102 – toured in February 2020.
 - 3222 Central Ave SE, Albuquerque, NM 87106 – toured in July 2020.
 - 3225 Central Ave NE, Albuquerque, NM 87106 – toured in July 2020.
- **Documentation Explaining Why Alternatives Were Insufficient**
 - 116 Central Ave SW: While large enough and reconfigurable, it lacked adjacent parking and required paid parking arrangements, which would burden AFRL participants and limit attendance. Additionally, its greater distance from Kirtland Air Force Base increased travel time and reduced operational efficiency.
 - 3222 Central Ave SE: Though in Nob Hill, the property's layout and infrastructure were not conducive to cost-effective reconfiguration. Substantial modifications would have been necessary, resulting in budget overruns and schedule delays. Eliminated early in the process due to extensive demolition and tenant improvement costs as confirmed by the broker.
 - 3225 Central Ave NE: The only property meeting all five selection criteria, with minimal required improvements, adjacent free parking, proximity to KAFB, and option terms aligning to the AFRL PIA's funding cycles. Its lease structure, including the non-appropriations clause, further ensures compliance and protection for NMT and AFRL.
- **Conclusion of Due Diligence**
 - This thorough search confirmed that Wellesley Court, LLC is the sole viable provider capable of delivering a collaboration space that satisfies AFRL Southwest Regional PIA requirements. Selecting any other property would impose excessive renovation costs, operational delays, reduced accessibility, and non-alignment with federal funding periods—posing significant risk to NMT's ability to meet its obligations under FA9453-22-3-0002.

I certify I have performed thorough and diligent research and analysis to determine that **Wellesley Court, LLC** is the only source capable of providing the required leased property. I understand that violations of the New Mexico Procurement Code (Chapter 13, Article 1 NMSA 1978) can carry severe penalties. I affirm that the information provided in this Sole Source Determination is true and accurate to the best of my knowledge and belief.



11 SEP 2025

Name, Title: Matthew J. Gallegos, Executive Director, SWIA

Signature/Date



Review: Purchasing Services, Meradeth Montoya, Assistant Director

Signature/Date

Website Posting Date: 9/11/25

Posting Expiration Date: 10/12/25

Protested (Yes/No):



Approval: Delilah A. Walsh
Vice President of Administration and Finance

Signature/Date

Version: July 2025