

CITY of ALBUQUERQUE

TWENTY SIXTH COUNCIL

COUNCIL BILL NO. C/S O-24-68 ENACTMENT NO. _____

SPONSORED BY: Renée Grout

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ORDINANCE

**AMENDING THE METROPOLITAN REDEVELOPMENT AGENCY ORDINANCE
RELATED TO CITY REQUIREMENTS FOR TAX INCREMENT FINANCING**

WHEREAS, local governments are permitted to capture tax increment in established Metropolitan Redevelopment Areas (“MRA”) pursuant to the Metropolitan Redevelopment Code, NMSA 1978, Sections 3-60A-1 et seq.; and

WHEREAS, local governments are permitted to use the Tax Increment Financing generated within an MRA consistent with the adopted Metropolitan Redevelopment Plan for the MRA; and

WHEREAS, the successful implementation of Tax Increment Financing requires clear governance structures to ensure accountability, equitable decision-making, and alignment with the goals of the Metropolitan Redevelopment Plan; and

WHEREAS, transparency in the use of TIF funds fosters public trust and ensures that stakeholders are informed about the allocation and outcomes of tax increment revenues; and

WHEREAS, establishing measurable performance standards within TIF districts enables the City to evaluate progress effectively and adjust strategies to achieve redevelopment goals;

WHEREAS, the proposed amendments align with the City of Albuquerque’s commitment to revitalizing underutilized areas and supporting economic growth; and

WHEREAS, enhancing the strategic planning of TIF districts contributes to the stability and growth of the City’s tax base, ensuring redevelopment efforts that align with long-term community goals and economic priorities.

1 BE IT ORDAINED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY
2 OF ALBUQUERQUE:

3 SECTION 1. ROA 1994, Section 14-8-4-7(D), Activities to be Undertaken
4 Pursuant to Statutory Authority, of the Metropolitan Redevelopment Agency
5 Ordinance is hereby amended as follows:

6 (D) With respect to tax increment financing carried out by the Metropolitan
7 Redevelopment Agency, the provisions of the State Tax Increment Law, NMSA
8 1978, Sections 3-60A-19 through 3-60A-24 [and this Metropolitan
9 Redevelopment Agency Ordinance, ROA 1994, Sections 14-8-4-10 through 14-
10 8-4-12] shall apply.

11 SECTION 2. A new Section 10 is hereby created in Chapter 14, Article 8,
12 Part 4 of the Metropolitan Redevelopment Agency Ordinance as follows:

13 §14-8-4-10 TAX INCREMENT FINANCING GUIDELINES

14 The provisions of this section apply for the purpose of establishing
15 and administering Tax Increment Financing (“TIF”) within a Metropolitan
16 Redevelopment Area as follows:

17 A. The Metropolitan Redevelopment Agency may request initiation of
18 Tax Increment Financing by submitting to the City Council a “TIF
19 Initiation Resolution.” The TIF Initiation Resolution shall
20 demonstrate the following:

21 (1) All requirements of the Metropolitan Redevelopment Code, NMSA
22 1978, Chapter 3, Article 60A have been met; and

23 (2) The Metropolitan Redevelopment Plan analysis and objectives are
24 current, meaning either:

25 (a) The existing Metropolitan Redevelopment Plan was
26 adopted no more than five years from the TIF Initiation Resolution; or

27 (b) A substantive amendment to the Metropolitan
28 Redevelopment Plan was adopted no more than five years from the
29 TIF Initiation Resolution, that addressed Rehabilitation or
30 Metropolitan Redevelopment Projects.

31 (B) Tax Increment Financing Action and Funding Plan

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(1) The Metropolitan Redevelopment Agency shall prepare a Tax Increment Financing Action and Funding Plan (“Action Plan”). No Rehabilitation or Metropolitan Redevelopment Projects shall commence until the City Council has approved the Action Plan by Resolution. However, activities pertaining to the development of the Action Plan may commence upon the Council’s approval of the TIF Initiation Resolution. The approved Action Plan shall be incorporated as an appendix to the Metropolitan Redevelopment Plan. The Action Plan shall include, but is not limited to, the following elements:

- a. A map depicting the geographical boundaries of the TIF (“Boundary”).**
- b. A map identifying areas within the Boundary where anticipated Rehabilitation and Metropolitan Redevelopment Project activity may occur.**
- c. Identified Metropolitan Redevelopment Projects aimed at achieving the objectives of the Metropolitan Redevelopment Plan. Each Metropolitan Redevelopment Project shall include an estimated TIF revenue contribution.**
- d. Defined quantifiable measures used to evaluate the effectiveness and progress of the TIF (“Performance Metric”). The Performance Metric shall measure advancement of the adopted goals of the Metropolitan Redevelopment Plan.**
- e. An explanation of which Performance Metric each Metropolitan Redevelopment Project supports or aims to achieve.**
- f. The total base values of property tax and gross receipts tax within the Boundary.**

- 1 g. Identification of participating governmental units,
2 including the participating increment and the duration of
3 participation.
- 4 h. A five-year budget projecting anticipated revenues and
5 expenditures.
- 6 i. An accounting of deposits into the TIF fund of the
7 previous years, detailing increments received, and
8 adjustments made, if applicable.
- 9 j. The date marking the inception of the TIF as described in
10 NMSA 1978, Section 3-60A-21, and the expected date of
11 dissolution.
- 12 k. The date for a midpoint review and update of the Action
13 Plan. The midpoint update to the Action Plan shall be
14 submitted via Resolution for approval by the City Council.

15 (2) Prior to the final consideration of the Action Plan by City Council,
16 the Action Plan shall be the subject of at least one public hearing
17 held by the development commission, or respective commission
18 or board, at which time, comments from the public as a whole
19 shall be gathered and considered in preparation of the final
20 Action Plan.

21 (3) The City Council may impose conditions of approval or
22 amendments as part of its decision to authorize the Action Plan.

23 (C) Reporting and Transparency

- 24 (1) For each TIF District, the Metropolitan Redevelopment Agency
25 shall submit to the City Council annual reports by August of each
26 year, detailing:
 - 27 a. Rehabilitation and Metropolitan Redevelopment Projects,
28 including descriptions and TIF revenue contributions.
 - 29 b. Revenue and expenditure summaries.
 - 30 c. Progress toward Performance Metrics and Metropolitan
31 Redevelopment Plan goals.

- 1 d. Annual and compounded growth rates of property values
- 2 and gross receipt tax.
- 3 e. Principal and interest on bonded indebtedness, if
- 4 applicable.

5 (2) The following TIF District-related documents shall be made
6 publicly available on the Metropolitan Redevelopment Agency
7 website within seven days of becoming effective or final:

- 8 a. Resolutions approving the Metropolitan Redevelopment
- 9 Plan and TIF Initiation Resolution.
- 10 b. Annual reports.
- 11 c. Studies and reports conducted within the TIF Boundary.
- 12 d. TIF District map.
- 13 e. TIF Action and Funding Plan including all attachments
- 14 and amendments thereto.
- 15 f. Base values used to calculate revenues within the TIF
- 16 Boundary.

17 SECTION 3. A new Section 11 is hereby created in Chapter 14, Article 8,
18 Part 4 of the Metropolitan Redevelopment Agency Ordinance as follows:

19 §14-8-4-11 TAX INCREMENT FINANCING DISTRICT DISSOLUTION

- 20 (1) No later than 20 years from the date of a TIF District's inception,
- 21 the collection of incremental taxes shall cease.
- 22 (2) A TIF District shall automatically dissolve upon the full repayment
- 23 of all financial obligations.
- 24 (3) As part of the dissolution, the Metropolitan Redevelopment
- 25 Agency shall compile a final closure report summarizing the TIF
- 26 district's achievements. The report shall be published on the
- 27 Metropolitan Redevelopment Agency website and delivered via
- 28 Executive Communication to the City Council. This report shall
- 29 include, but not be limited to:
- 30 a. A description of the Rehabilitation and Metropolitan
- 31 Redevelopment Projects completed, including their

- 1 alignment with Performance Metrics and the goals
2 outlined in the Metropolitan Redevelopment Plan;
3 b. The total amount of increment revenue reinvested;
4 c. The total amount of private funds leveraged as a result of
5 the reinvestment of TIF revenue; and
6 d. The compounded annual growth rate of property taxes
7 and gross receipts taxes over the duration of the TIF's
8 designated term.

9 SECTION 4. ROA 1994, Section 14-8-4-3, Redevelopment Project Powers, of
10 the Metropolitan Redevelopment Agency Ordinance is hereby amended as
11 follows:

12 § 14-8-4-3 REDEVELOPMENT PROJECT POWERS.

13 As used in §§ 14-8-4-1 et seq., the term REDEVELOPMENT PROJECT
14 POWERS includes any rights, powers, functions and duties of a municipality
15 authorized by sections 3-60A-5 through 3-60A-18 NMSA 1978, except the
16 following powers which are reserved to the City Council:

- 17 a. Adopting the TIF Initiation Resolution.
18 b. Establishing and amending the geographic boundaries for Tax
19 Increment Financing.
20 c. Approving the TIF Action and Funding Plan.
21 d. Appointing members to a commission or board administering
22 the activities within the TIF District.]

23 SECTION 5. A new Section 12 is hereby created in Chapter 14, Article 8,
24 Part 4 of the Metropolitan Redevelopment Agency Ordinance as follows:

25 §14-8-4-11 DEFINITIONS

26 The definitions set forth in NMSA 1978 Chapter 3, Article 60A shall
27 apply to this Ordinance and any term used within it, unless otherwise defined
28 herein.

29 SECTION 6. CODE CLEANUP. The Metropolitan Redevelopment Agency is
30 directed to clean up Article 12 of the Code of Resolutions to reflect all changes
31 made in Metropolitan Redevelopment Areas, Plans and Designations by
32 preparing a proposed bill amending the Chapter 1 of the Code of Resolutions.

1 The proposed bill shall be submitted to Council Services Staff by July 31,
2 2025.

3 SECTION 7. PUBLIC ACCESS TO DESIGNATION REPORTS. The
4 Metropolitan Redevelopment Agency is directed to publish all Metropolitan
5 Redevelopment Designation Reports on the Metropolitan Redevelopment
6 Agency website.

7 SECTION 8. SEVERABILITY. If any section, paragraph, sentence, clause,
8 word or phrase of this Ordinance is for any reason held to be invalid or
9 unenforceable by any court of competent jurisdiction, such decision shall not
10 affect the validity of the remaining provisions of this Ordinance. The Council
11 hereby declares that it would have passed this Ordinance and each section,
12 paragraph, sentence, clause, word or phrase thereof irrespective of any
13 provision being declared unconstitutional or otherwise invalid.

14 SECTION 9. COMPILATION. SECTIONS 1 and 4 of this Ordinance amend,
15 are incorporated in, and are to be compiled as part of the Revised Ordinances
16 of Albuquerque, New Mexico, 1994. SECTION 2 of this Ordinance is to be
17 compiled as a new Section 14-8-4-10 of the Revised Ordinances of
18 Albuquerque, New Mexico, 1994, titled "Tax Increment Financing Guidelines."
19 SECTION 3 of this Ordinance is to be compiled as a new Section 14-8-4-11 of
20 the Revised Ordinances of Albuquerque, New Mexico, 1994, titled "Tax
21 Increment Financing District Dissolution." SECTION 5 of this Ordinance is to
22 be compiled as a new Section 14-8-4-12 of the Revised Ordinances of
23 Albuquerque, New Mexico, 1994, titled "Definitions."

24 SECTION 10. EFFECTIVE DATE. This Ordinance takes effect five days
25 after publication by title and general summary.

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