

[+Bracketed/Underscored Material+] - New
[~~Bracketed/Strikethrough Material~~] - Deletion

SPONSORED BY: Renée Grout, by request

ORDINANCE

APPROVING A PROJECT INVOLVING ARRAY TECHNOLOGIES, INC. PURSUANT TO THE LOCAL ECONOMIC DEVELOPMENT ACT AND CITY ORDINANCE F/S 004-10, THE CITY'S IMPLEMENTING LEGISLATION FOR THAT ACT, TO SUPPORT THE ACQUISITION, CONSTRUCTION AND IMPROVEMENT OF A MANUFACTURING FACILITY TO MANUFACTURE UTILITY SCALE SOLAR TRACKER TECHNOLOGY AND RELATED PRODUCTS; AUTHORIZING THE EXECUTION OF AN INTERGOVERNMENTAL AGREEMENT IN CONNECTION WITH THE PROJECT; MAKING CERTAIN DETERMINATIONS AND FINDINGS RELATING TO THE PROJECT INCLUDING THE APPROPRIATION OF FUNDS; RATIFYING CERTAIN ACTIONS TAKEN PREVIOUSLY; AND REPEALING ALL ACTIONS INCONSISTENT WITH THIS ORDINANCE.

16 WHEREAS, pursuant to Sections 5-10-1 through 5-10-13 NMSA 1978, as
17 amended (the "Act"), the City is authorized to provide economic development
18 assistance to eligible entities for certain projects benefitting the municipality and
19 its residents; and

1

1 WHEREAS, pursuant to the LEDA Ordinance, Array Technologies, Inc. (the
2 "Company"), has submitted to the Council and the Albuquerque Development
3 Commission (the "Commission") an application (the "Application") requesting
4 certain economic development assistance for the acquisition, construction and
5 improvement of a manufacturing facility for the Company to manufacture utility
6 scale solar trackers and related products, which will include the retention of 318
7 employees and the addition of 87 new employees, within the Albuquerque
8 Metropolitan Area (the "Project"); and

9 WHEREAS, the Project is located in unincorporated Bernalillo County (the
10 "County") and the County will administer and disburse to the Company LEDA
11 funds totaling up to \$3,000,000, of which \$2,500,000 is to be received by the
12 County from the State Economic Development Department, \$250,000 are to be
13 City LEDA funds, and \$250,000 are to be County LEDA funds; and

14 WHEREAS, the Act requires that a local government, in this case the
15 County, enter into a project participation agreement meeting the requirements of
16 the Act and that the City and State, as participants in the award of LEDA funds,
17 enter into Intergovernmental Agreements; and

18 WHEREAS, City staff has participated with the Company, the County and
19 the State to prepare a project participation agreement (the "Agreement") and
20 Intergovernmental Agreement that will govern the relationship between the City,
21 County, State and Company with respect to the Project; and

22 WHEREAS, the form of the proposed Agreement and Intergovernmental
23 Agreement has been filed with the City Clerk and presented to the Council; and

24 WHEREAS, the proposed Agreement contains the provisions required by
25 the Act and the LEDA Ordinance and, among other things, provides that the
26 Company will grant to the County a security instrument to secure the Company's
27 obligations under the Agreement; and

28 WHEREAS, the County has obtained a cost-benefit analysis with respect to
29 the Project on the basis of information provided by the Company, which cost-
30 benefit analysis shows that the City will recoup the value of its contribution within
31 ten (10) years; and

1 WHEREAS, the Application, together with the cost-benefit analysis,
2 demonstrates the benefits that will accrue to the community as a result of the
3 donation of public resources and demonstrates that the Company, by completing
4 the Project, will be making a substantive contribution to the community, as
5 required by the LEDA Ordinance; and

6 WHEREAS, the Commission has considered the Project and has
7 recommended that the Council approve the Company's proposal; and

8 WHEREAS, the total amount of public money expended and the value of
9 credit pledged in each fiscal year in which money is expended by the City for the
10 Project (and any other approved projects) pursuant to the Act does not and will
11 not exceed ten percent of the general fund expenditures of the City in such fiscal
12 year; and

13 WHEREAS, the City anticipates that it will transfer to the County, for
14 subsequent transfer to or on behalf of the Company pursuant to the
15 Intergovernmental Agreement between the City and the County, certain funds of
16 the City that are available for the Project; and

17 WHEREAS, after having considered the Application and the Agreement, the
18 Council has concluded that the economic and other benefits of the Project to the
19 City will be substantial, that it is desirable and necessary at this time to authorize
20 the City to enter into the Intergovernmental Agreement and provide City funds for
21 the Project, and that the City's provision of the assistance contemplated by the
22 Agreement will constitute a valid public purpose under the Act; and

23 WHEREAS, there has been published in The Albuquerque Journal, a
24 newspaper of general circulation in the City, public notice of the Council's
25 intention to adopt this Ordinance, which notice was published at least fourteen
26 (14) days prior to hearing and final action on this Ordinance;

27 BE IT ORDAINED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY
28 OF ALBUQUERQUE:

29 Section 1. RATIFICATION. All actions not inconsistent with the provisions
30 of this Ordinance previously taken by the Council and the officials of the City
31 directed toward the provision of economic development assistance in connection

1 with the Project be approved and the same hereby are ratified, approved and
2 confirmed.

3 Section 2. GOALS AND OBJECTIVES. The goals and objectives of the
4 Project are, as set forth in the Agreement, to create and support an economic
5 development project that fosters, promotes and enhances local economic
6 development efforts and that provides job growth and career opportunities for
7 Albuquerque-area residents and otherwise makes a substantive contribution to
8 the community.

9 Section 3. THE PROJECT. The Project will consist of the acquisition,
10 construction and improvement of a manufacturing facility for the Company to
11 manufacture utility scale solar trackers and related products, which will include the
12 retention of 318 employees and the addition of 87 new employees within the City
13 and the operation of the facility for a minimum of ten years.

14 Section 4. FINDINGS. The Council hereby declares that it has considered
15 all relevant information presented to it relating to the Project and the Agreement
16 and hereby finds and determines that the provision of economic development
17 assistance for the Project is necessary and advisable and in the interest of the
18 public and will promote the public health, safety, morals, convenience, economy,
19 and welfare of the City and its residents.

20 Section 5. AUTHORIZATION AND APPROVAL OF THE PROJECT AND THE
21 AGREEMENT; APPROPRIATION OF FUNDS. The City hereby approves the Project
22 and the Intergovernmental Agreement, which provides, among other things, that
23 the County will administer and disburse to the Company LEDA funds totaling up
24 to \$3,000,000, of which \$2,500,000 is to be received by the County from the State
25 Economic Development Department, \$250,000 are to be City LEDA funds, and
26 \$250,000 are to be County LEDA funds, in exchange for which the Company will
27 complete the Project as specified in the Agreement. There is hereby appropriated
28 for the Project up to \$250,000 of City funds for the Project.

29 Section 6. AUTHORIZATION OF OFFICERS; APPROVAL OF DOCUMENTS.

30 (A) The form, terms, and provisions of the Agreement and
31 Intergovernmental Agreement in the forms presented to the Council with this

1 Ordinance are in all respects approved, authorized, and confirmed, and the City is
2 authorized to enter into the Intergovernmental Agreement in substantially the
3 form thereof, with only such changes as are not inconsistent with this Ordinance
4 or such other changes as may be approved by supplemental resolution of the
5 Council.

6 (B) The Council authorizes the Mayor or the Chief Administrative
7 Officer of the City to execute and deliver the Intergovernmental Agreement in the
8 name and on behalf of the City, with only such changes therein as are not
9 inconsistent with this Ordinance or such changes as may be approved by
10 supplemental resolution of the Council.

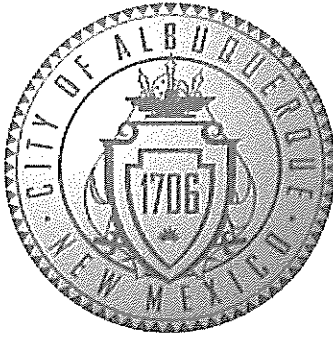
11 (C) The Mayor, Chief Administrative Officer, Chief Financial
12 Officer, City Treasurer, and City Clerk are further authorized to execute,
13 authenticate and deliver such certifications, instruments, documents, letters and
14 other agreements, and to do such other acts and things, either prior to or after the
15 date of delivery of the executed Agreement, as are necessary or appropriate to
16 consummate the transactions contemplated by the Agreement.

17 (D) City officials shall take such action as is necessary in
18 conformity with the Act, the LEDA Ordinance and this Ordinance to effectuate the
19 provisions of the Intergovernmental Agreement and carry out the transactions as
20 contemplated by this Ordinance and the Intergovernmental Agreement, including,
21 without limitation, the execution and delivery of any documents deemed
22 necessary or appropriate in connection therewith.

23 Section 7. SEVERABILITY. If any section, paragraph, clause or provision
24 of this Ordinance shall for any reason be held to be invalid or unenforceable, the
25 invalidity or unenforceability of that section, paragraph, clause, or provision shall
26 not affect any of the remaining provisions of this Ordinance.

27 Section 8. REPEALER. All laws, ordinances, resolutions, and orders, or
28 parts thereof, inconsistent with this Ordinance are repealed by this Ordinance but
29 only to the extent of that inconsistency. This repealer shall not be construed to
30 revive any bylaw, ordinance, resolution, or order, or part thereof, previously
31 repealed.

1 Section 9. RECORDING; AUTHENTICATION; PUBLICATION; EFFECTIVE
2 DATE. This Ordinance, immediately upon its final passage and approval, shall be
3 recorded in the ordinance book of the City, kept for that purpose, and shall be
4 there authenticated by the signature of the Mayor and the presiding officer of the
5 City Council, and by the signature of the City Clerk or any Deputy City Clerk, and
6 notice of adoption thereof shall be published once in a newspaper that maintains
7 an office in, and is of general circulation in, the City, and shall be in full force and
8 effect five (5) days following such publication.



Mayor Timothy M. Keller

CITY OF ALBUQUERQUE


Albuquerque, New Mexico

Office of the Mayor

INTER-OFFICE MEMORANDUM

October 18, 2023

TO: Patrick Davis, President, City Council

FROM: Timothy M. Keller, Mayor 

SUBJECT: Approving an Ordinance for Array Technologies, Inc. Pursuant to the Local Economic Development Act (LEDA Project 24-2)

Attached for your consideration and approval is an Ordinance involving Array Technologies, Inc. LEDA Project, Pursuant to the Local Economic Development Act (LEDA-24-2).

Array Technologies, Inc. ("Array"), a corporation headquartered in Albuquerque and registered to do business in New Mexico ("Array"), is seeking the County of Bernalillo to be the fiscal agent for City LEDA funds and for the City to directly provide LEDA funds, to be used for the construction of their solar tracking system manufacturing facility (the "Project"). Array is seeking LEDA funding in the amount of \$3,000,000. The State has agreed to provide \$2,500,000, Bernalillo County has agreed to provide \$250,000 and the City proposes to provide \$250,000. The County will act as fiscal agent for the State and City's funds. Array will be eligible for reimbursement for costs of the renovation, expansion and improvement incurred following execution of the Project Participation Agreement ("PPA"). LEDA funds will help the Company reimburse LEDA eligible expenses for the acquisition and construction of a manufacturing facility following execution of the Project Participation Agreement ("PPA").

Array (NASDAQ: ARRY) is a leading American company and global provider of utility-scale solar tracker technology. With over 30 years of innovations, Array is uniquely positioned to deliver solutions for customers seeking clean energy adoption in markets around the globe. Engineered to withstand the harshest conditions on the planet, Array's high-quality solar trackers and sophisticated software maximize energy production, accelerating the adoption of cost-effective and sustainable energy. With an annual revenue of approximately \$1.7B, their primary US manufacturing facility is located in Albuquerque, NM, where the company was originally founded. Array relies on its diversified global supply chain and customer-centric approach to deliver, commission and support solar energy developments around the world.

Due to Array's anticipated growth and desire to better serve its customers, the company's current facility at 3901 Midway Pl NE was unable to support a large enough expansion for their future needs. As a result, the company engaged in a site selection process across two states. The company ultimately selected a site in unincorporated Bernalillo County (however, the property has an Albuquerque address). The City, County and State have all agreed to participate in the project making it a regional economic development project, allowable by ordinance.

Additionally, this Project is unique in the sense that it is both a retention and expansion project. Array currently has 318 full-time employees in Albuquerque that will be retained and plans to create another 87 positions at the project location. Array confirmed that 90% of their existing employees (286) live in Albuquerque. The new jobs will be created in: Operations, Customer Service, Assembly/Production, Engineering- Industrial, and Engineering -Systems. The newly created jobs will average \$48,568, with salaries ranging from \$35,000 to \$127,000. Many of these jobs will provide opportunities and training for low/moderate income residents. Array will maintain the Project's operations in Albuquerque for a minimum of ten (10) years.

The Project is expected to create approximately over 374 construction jobs sourced from local labor pools, as much as possible. The Project is also anticipated to create 76 indirect and induced jobs.

Array Technologies plans to occupy approximately 216,320 square feet at the project location. The ordinance would allow reimbursement of approved Project costs so Array can undertake the acquisition and construction for its new manufacturing facility located in Bernalillo County. The total capital investment in the acquisition and construction for the Project facility is estimated at \$49,000,000.

The Applicant proposes to construct the Project at the Westland Business Center & Unplatted Lands located at 701 Atrisco Vista Boulevard SW, Albuquerque, New Mexico, 87121. Array Technologies will use the facility for its headquarters and office functions, assembly, manufacturing, warehousing, and distribution of their commercial solar tracker product. The facility will also be used for truck parking, vehicle parking, laydown yards, outdoor storage, and such additional ancillary uses as are permitted by applicable statutes, zoning by-laws, codes and other laws.

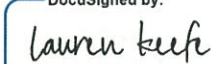
This project includes a fiscal impact analysis provided to the City from the New Mexico Economic Development Department, using a model developed by the New Mexico Economic Development Department. The analysis estimates the impact that a potential project may have on the state and local economies and estimates the costs and benefits for the state and local economies over a 10-year period. The report and analysis uses RIMS II Multipliers produced by the U.S. Bureau of Economic Analysis (BEA). The fiscal impact determination of the project is from information the company provided. The analysis shows that the company will be making a substantive contribution to the community. Overall, the City will receive approximately \$2,323,973 in net benefits over the 10-year period, equating to a Present Value of \$2,136,289. The Project will have an estimated Total Public Net Benefit of \$ 11,310,741 over the 10-year period.

Your consideration and approval is requested.


Approved:

 11/14/23
Samantha Sengel Date
Chief Administrative Officer

Approved as to Legal Form:

DocuSigned by:
 11/13/2023 | 3:11 PM MST
1A21D96D32C74EE...
Lauren Keefe Date
City Attorney

Recommended:

DocuSigned by:
 11/13/2023 | 3:07 PM MST
24B057A550B94A0...
Max Gruner, Date
Director

Cover Analysis

1. What is it?

This is an ordinance for LEDA funding in the amount of \$250,000 from the City for the Array Technologies, Inc. Project (“Array”). The State has agreed to provide \$2,500,000, Bernalillo County proposes to provide \$250,000 and the City proposes to provide \$250,000. The County will act as fiscal agent for the State and City’s funds. Array will be eligible for reimbursement for costs of the renovation, expansion and improvement incurred following execution of the Project Participation Agreement (“PPA”).

This Project is unique in the sense that it is a regional economic development project and both a retention and expansion project. Array currently has 318 full-time employees in Albuquerque that will be retained and plans to create another 87 positions at the project location. Array confirmed that 90% of their existing employees (286) live in Albuquerque.

2. What will this piece of legislation do?

The ordinance authorizes \$250,000 in City LEDA funds for the Project and allows the City to execute an Intergovernmental Agreement (“IGA”) with Bernalillo County to serve as the fiscal agent for the Project. The ordinance authorizes reimbursement of approved Project costs so the Company can undertake the acquisition and construction of its manufacturing facility located in unincorporated Bernalillo County. The total capital investment in the acquisition and construction for the Project facility is estimated at \$49,000,000.

At the time of application, the Company has 318 existing employees locally. The Company intends to retain the existing employees and create 87 new jobs at the Project location. The Company expects the majority of these jobs to be filled by Albuquerque residents. The new jobs will be created in: Operations, Customer Service, Assembly/Production, Engineering-Industrial, and Engineering -Systems. The newly created jobs will average \$48,568, with salaries ranging from \$35,000 to \$127,000. Many of these jobs will provide opportunities and training for low/moderate income residents. Array will maintain the Project’s operations in Albuquerque for a minimum of ten (10) years.

The Project is expected to create approximately over 374 construction jobs sourced from local labor pools, as much as possible. The Project is also anticipated to create 76 indirect and induced jobs.

3. Why is this project needed?

Due to Array’s anticipated growth and desire to better serve its customers, the company’s current facility at 3901 Midway Pl NE was unable to support a large enough expansion for their future needs. As a result, the company engaged in a site selection process across two states. The company ultimately selected a site in unincorporated Bernalillo County (however, the property has an Albuquerque address). The City, County and State have all agreed to participate in the project making it a regional economic development project, allowable by ordinance.

The Project represents a significant capital investment in our community and the retention of 318 existing high-paying jobs. It also will lead to the creation of 87 new high-quality, manufacturing jobs. The renewable energy industry has been identified as a key, economic-base industry in Albuquerque. Albuquerque already has the intellectual capital, R&D history, technological capacity, and workforce necessary to drive sustainable long-term growth and future investment in this industry.

Array proposes to construct the Project at the Westland Business Center & Unplatted Lands located at 701 Atrisco Vista Boulevard SW, Albuquerque, New Mexico, 87121. Array Technologies will use the facility for its headquarters and office functions, assembly, manufacturing, warehousing, and distribution of their commercial solar tracker product. The facility will also be used for truck parking, vehicle parking, laydown yards, outdoor storage, and such additional ancillary uses as are permitted by applicable statutes, zoning by-laws, codes and other laws.

4. How much will it cost and what is the funding source?

\$250,000. General Fund.

5. Is there a revenue source associated with this contract? If so, what level of income is projected?

No. There is no direct revenue to the City.

6. What will happen if the project is not approved?

The incentive is critical to the success of the Project. If the legislation does not pass, the result would be loss of new jobs, a loss of revenue and a potential cancellation of the Project. The Company would not be able to pursue the Project without approval.

7. Is this service already provided by another entity?

No.

ALBUQUERQUE DEVELOPMENT COMMISSION

October 6 2023

Local Economic Development Act Hearing

Case #2023-8

LEDA 24-2: Array Technologies, Inc. LEDA Project

REQUEST: Approving an Ordinance for Array Technologies, Inc. Pursuant to the Local Economic Development Act

PROJECT SUMMARY:

Array Technologies, Inc. (“Array”), a corporation headquartered in Albuquerque and registered to do business in New Mexico (“Array”), is seeking the County of Bernalillo to be the fiscal agent for City LEDA funds and for the City to directly provide LEDA funds, to be used for the construction of their solar tracking system manufacturing facility (the “Project”). Array is seeking LEDA funding in the amount of \$3,000,000. The State has agreed to provide \$2,500,000, Bernalillo County has agreed to provide \$200,000 and the City proposes to provide \$300,000. The County will act as fiscal agent for the State and City’s funds. Array will be eligible for reimbursement for costs of the renovation, expansion and improvement incurred following execution of the Project Participation Agreement (“PPA”).

Array (NASDAQ: ARRY) is a leading American company and global provider of utility-scale solar tracker technology. With over 30 years of innovations, Array is uniquely positioned to deliver solutions for customers seeking clean energy adoption in markets around the globe. Engineered to withstand the harshest conditions on the planet, Array’s high-quality solar trackers and sophisticated software maximize energy production, accelerating the adoption of cost-effective and sustainable energy. With an annual revenue of approximately \$1.7B, their primary US manufacturing facility is located in Albuquerque, NM, where the company was originally founded. Array relies on its diversified global supply chain and customer-centric approach to deliver, commission and support solar energy developments around the world.

Array has been recognized within the industry for its practices. Newsweek recognized Array in its fourth annual list of America’s Most Responsible Companies, which honors organizations that strive for true excellence in terms of their treatment of customers and employees as well as the environment around them. This comprehensive ranking is an effort to recognize companies with a genuine commitment towards aligning business practices with ethical values and encourage more corporations to prioritize corporate social responsibility. Array has been named the silver winner of the 2022 Corporate Sustainability Initiative by The Cleanie Awards®, the leading awards program focused on recognizing innovators and those making an impact in the clean energy industry.

Due to Array’s anticipated growth and desire to better serve its customers, the company’s current facility at 3901 Midway Pl NE was unable to support a large enough expansion for their future needs. As a result, the company engaged in a site selection process across two states. The company ultimately selected a site in unincorporated Bernalillo County (however, the property has an Albuquerque address). The City, County and State have all agreed to participate in the

project making it a regional economic development project, allowable by ordinance. Additionally, this Project is unique in the sense that it is both a retention and expansion project. Array currently has 318 full-time employees in Albuquerque that will be retained and plans to create another 87 positions at the project location. Array hosts hiring days and job fairs at the University of New Mexico as well as other locations throughout the year in order to reach the goal of 90% local employment. Many of these jobs will provide opportunities and training for low/moderate income residents. Array will maintain the Project's operations in Albuquerque for a minimum of ten (10) years.

Array Technologies plans to occupy approximately 216,320 square feet at the project location. The exact amount of occupancy will be agreed upon prior to lease execution. The ordinance would allow reimbursement of approved Project costs so Array can undertake the acquisition and construction for its new manufacturing facility located in Bernalillo County. The total capital investment in the acquisition and construction for the Project facility is estimated at \$49,000,000.

The Project is expected to create approximately over 374 construction jobs sourced from local labor pools, as much as possible. The Project is also anticipated to create 76 indirect and induced jobs.

The Applicant proposes to construct the Project at the Westland Business Center & Unplatted Lands located at 701 Atrisco Vista Boulevard SW, Albuquerque, New Mexico, 87121. Array Technologies will use the facility for its headquarters and office functions, assembly, manufacturing, warehousing, and distribution of their commercial solar tracker product. The facility will also be used for truck parking, vehicle parking, laydown yards, outdoor storage, and such additional ancillary uses as are permitted by applicable statutes, zoning by-laws, codes and other laws.

The Project will generate additional benefits and costs for local taxing districts, a summary of which is provided below. The source of specific benefits and costs are provided in greater detail for each taxing district on subsequent pages. Overall, the City will receive approximately \$2,323,973 in net benefits over the 10-year period, equating to a Present Value of \$2,136,289. The Project will have an estimated Total Public Net Benefit of \$ 11,310,741 over the 10-year period.

The State of New Mexico and its local governments are empowered to offer discretionary incentives to companies that support economic development projects that foster, promote, and enhance local economic development efforts. Qualifying entities for these projects include:

“A corporation, limited liability company, partnership, joint venture, syndicate, association or other person that is one or a combination of two (2) or more of the following:

(1) An industry for the manufacturing, processing, or assembling of any agricultural or manufactured products;

The LEDA application, as shown in Exhibit 1, provides details of the project and the number and types of jobs to be created.

Typically, Exhibit 2 of the staff analysis is the required Project Participation Agreement (“PPA”) between Array and the City. For the sake of this staff analysis, we do not have a PPA to summarize or attach. The PPA for this project will be executed by Bernalillo County. The Bernalillo County legislative process associated with the incentive transaction is underway concurrently. However, the PPA for this project was not yet drafted at the time of this analysis. The City will participate in the negotiation of the final PPA terms. The City will be a party to the PPA and will have a separate Intergovernmental Agreement (“IGA”) with Bernalillo County outlining the terms of the fiscal agent relationship. The application, this analysis and other supporting documentation outline the general terms of the Project. We have included the draft IGA in Section V, where we would typically summarize the PPA.

This project includes a fiscal impact analysis provided to the City from the New Mexico Economic Development Department, using a model developed by the New Mexico Economic Development Department. The analysis estimates the impact that a potential project may have on the state and local economies and estimates the costs and benefits for the state and local economies over a 10-year period. The report and analysis uses RIMS II Multipliers produced by the U.S. Bureau of Economic Analysis (BEA). The fiscal impact determination of the project is from information the company provided. The analysis shows that the company will be making a substantive contribution to the community.

FINDINGS:

1. LEDA 24-2 is a qualified project as defined by the State’s Local Economic Development Act and the City enabling legislation (F/S O-04-10); and
2. LEDA 24-2 would make positive substantive contributions to the local economy and community by retaining 318 jobs and creating 87 base jobs; and
3. Subject to the development of acceptable security documents, LEDA 24-2 would comply with the adopted City plans and policies, and meet community economic development priorities and objectives, including remaining in operation for 10 years; and
4. Subject to the development of acceptable security documents, LEDA 24-2 would adequately meet the evaluation criteria established by the City for Local Economic Development Act projects, including the requirement that the City recoup the value of its investment within 10 years.

PROJECT ANALYSIS: The project, as proposed in the project application, will be analyzed in accordance with the City’s LEDA project evaluation criteria.

I. PROJECT ELIGIBILITY

1. QUALIFYING ENTITY

City enabling legislation (F/S O-04-10), as well as the State Local Economic Development Act, establishes a definition for a “Qualifying Entity” eligible for LEDA funding assistance. Array qualifies under the Act and the Ordinance by meeting the following definition:

As stated in the Summary, qualifying entities for these projects include

“A corporation, limited liability company, partnership, joint venture, syndicate, association or other person that is one or a combination of two (2) or more of the following:

(1) An industry for the manufacturing, processing, or assembling of any agricultural or manufactured products;

2. ECONOMIC DEVELOPMENT POLICIES AND OBJECTIVES

The City’s enabling legislation also states that applications for LEDA assistance, which meet the policies and objectives of the City’s community economic development plans, shall receive priority. Array qualifies as the type of project that meets the City’s identified economic development priorities under (F/S O-04-10) in the following categories:

(2) Private companies seeking to build, expand or relocate facilities;

(4) Manufacturing firms (including intellectual property such as computer software);

(5) Projects which enhance the exporting capacity of companies and/or provide goods and services which currently have to be imported into Albuquerque;

II. LAND USE, PLAN AND DESIGN ELEMENTS

1. PLAN & ZONING:

Legal Description

The northern portion of Tract E Plat Tracts A, B, C, D, & E Westland Business Center & Unplatted Lands (Uniform Property Code: 100505750514240103) located at project address 701 Atrisco Vista Boulevard SW, Albuquerque, New Mexico, 87121.

This Land is located at the southwest corner of Ladera Drive and Atrisco Vista Boulevard, in Bernalillo County, New Mexico, together with the building and surrounding parking, laydown yards, exterior storage areas, sidewalks, landscaping, and other improvements and facilities to be constructed or located upon the Land, as shown on the Site Plan below.

The project also conforms to the City’s Economic Development strategies:

LEDA 24-2: Array Technologies LEDA Project

Smart Recruitment, Retention, and Expansion – The Economic Development Department (EDD) is focused on recruiting companies from specific industries that build upon Albuquerque's existing assets. The EDD supports new enterprise creation, cluster development, and strategic attraction and recruitment of businesses that align with and complement existing strengths.

2. LAND USE:

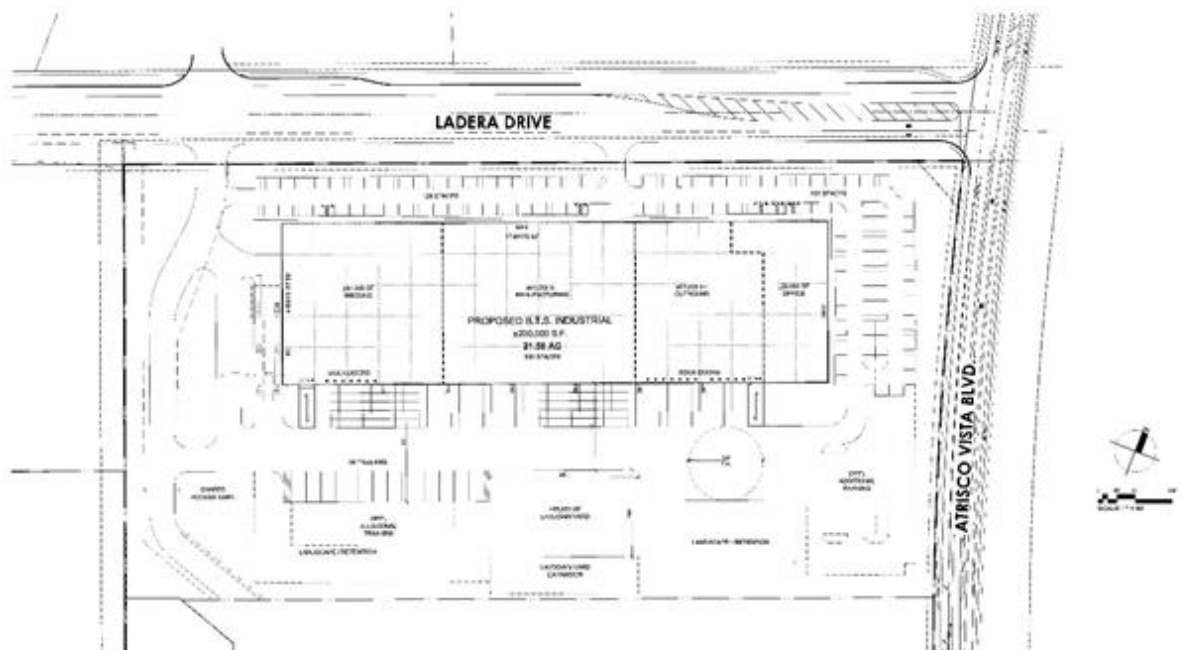
The Project site is currently vacant, raw land with no improvements. There are no existing structures or uses exist, no existing building to be rehabilitated or incorporated into the construction.

The Applicant proposes to use the facility for its headquarters and office functions, assembly, manufacturing, warehousing, and distribution of their commercial solar tracker product. The facility will also be used for truck parking, vehicle parking, laydown yards, outdoor storage, and such additional ancillary uses as are permitted by applicable statutes, zoning by-laws, codes and other laws.

The Project is expected to become operational in 2025.

No existing building or historic properties on the site, so no building demolition is necessary. Only grubbing and rough grading would be required.

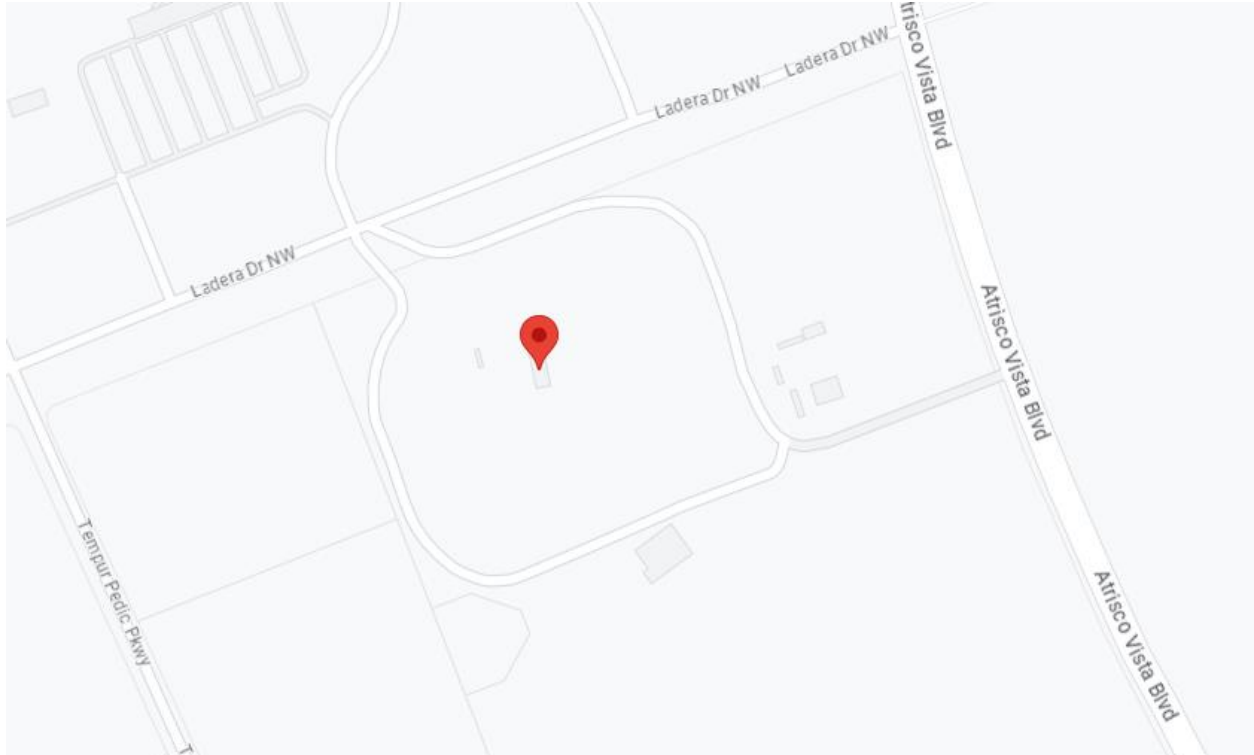
3. INFILL:



PROJECT SUNSHINE
SWC Ladera Dr. & Atrisco Vista Blvd.
Bernalillo County, New Mexico



LEDA 24-2: Array Technologies LEDA Project



4. DESIGN AND CONSERVATION:

From the Application:

“While water consumption for our operations is relatively low, we recognize that our geographical area of operations is prone to high water stress and risk. Using tools like the World Resources Water Risks Atlas, we monitor our sites for water-related risks, including physical quantity risks, physical quality risks, and regulatory risks.

We have implemented programs around water circularity, water use, and water disposal to manage extreme water risk. We also identify opportunities to partner with utilities and other organizations to ensure that we are using this finite resource in a responsible and sustainable manner. We will continue to monitor these risks and develop strategies to manage our water risk exposure in a responsible and transparent way. As a result of our efforts, our water consumption has decreased by 184,000 gallons since 2020.

Furthermore, in our manufacturing, we seek to minimize waste, enhance the sustainability of our operations, and ensure that our products are made responsibly. For example, we collect aluminum shavings from manufacturing operations to form condensed pucks of aluminum for more efficient recycling.

As part of our Environmental Policy and ESG reporting, Array commits to calculate and publish our corporate greenhouse gas inventory annually in accordance with the Greenhouse Gas (GHG) Protocol Corporate Accounting Standards. Our strategy is built around opportunities to reduce emissions throughout our supply chain.

Waste Management: We are continually expanding our network of strategic partnerships with suppliers and customers to ensure that we are sourcing responsibly and reducing the environmental impacts of our systems throughout the production process and at the end of their useful life.

To manage waste during production, we collect aluminum shavings from our manufacturing operations to form condensed pucks of aluminum for more efficient recycling. To reduce the waste from our products at the end of their useful life, Array provides customers with end-of-life recycling guidance in the installation manual.”

As a renewable energy company, Array has demonstrated a commitment to implementing environmentally-friendly practices. Their efforts have led to a number of industry recognitions and demonstrable improvements in operations.

5. RENEWABLE ENERGY:

Energy Management: In 2022, Array took several steps to improve their renewable energy use and reduce consumption. The company converted to LED lights in the Albuquerque facility, upgraded evaporating coolers, and leveraged more efficient saw equipment. The company also continued purchasing renewable power from Power New Mexico. The company currently gets

between 2.5-4% of their electricity from rooftop solar and combined with renewable energy mix from the utility, their overall renewable energy consumption at their current Albuquerque facility ranges between 22-26% on average.

III. ECONOMIC BENEFITS

6. COMPETITION:

There are no local companies that could potentially be considered as competitive with Array.

7. JOBS:

Array will create and fill 87 highly solar manufacturing jobs as part of this Project. The jobs will be created in: Operations, Customer Service, Assembly/Production, Engineering- Industrial, and Engineering -Systems. The newly created jobs will average \$48,568, with salaries ranging from \$35,000 to \$127,000.

Array estimates that the majority of the new permanent jobs will be filled by current Albuquerque residents. The jobs will exceed the median wages for the industry within the community and will match the skills of current city residents.

During the onboarding process, employees receive general company training as well as position-specific training. The duration of the training can vary and is based on the specific requirements of the position.

These employment classifications, salaries, and benefits are more fully detailed below and attached as an exhibit to the application.

Benefits offered to the employees include Medical, Dental, Vision, Spending Account, Life, AD&D and Disability Insurance and various additional health benefits.

In addition to the benefits of the newly created jobs, this Project is also a retention project. By Array selecting the Bernalillo County site, the company will retain 318 existing, high-paying jobs. Array confirmed that 90% of their existing employees (286) live in Albuquerque.

The Project is also expected to create approximately 76 indirect and induced jobs. Additionally, the Project will lead to the creation of 374 construction jobs sourced from local labor pools, as much as possible.

IV. PROJECT FEASIBILITY

9. COST/ FEASIBILITY/ FINANCING:

The Array project will be capitalized with the following capital structure:

- Applicant Equity Investment - \$23,082,463

LEDA 24-2: Array Technologies LEDA Project

Total Project Amount (Sum of above)- \$23,082,463

Additionally, the State has committed \$2,500,000 in LEDA funds, Bernalillo County has committed \$200,000 and the City has committed an additional \$300,000 for a total of \$3,000,000. LEDA funding is subject to City Council approval.

10. DEVELOPER'S RECORD:

Array Technologies is a publicly traded company (NASDAQ: ARRY), founded and headquartered in Albuquerque. During its 30-year history, the company has created a global footprint with customers and offices throughout the world. In January 2022, Array Technologies acquired one of Europe's leading tracker manufacturers, STI Norland. Together, the companies became the largest solar tracker company in the world with manufacturing capacity, design, and engineering resources on three continents. This move established Array as a leader in the rapidly growing Brazilian solar market.

Additional information is available at: <https://arraytechinc.com/>

Based upon financial information provided, the company's track record and the organizational capacity, the company appears capable of managing and completing the project.

11. EQUITY:

The Array project will be capitalized with the following capital structure:

- Applicant Equity Investment - \$23,082,463

Total Project Amount (Sum of above)- \$23,082,463

Additionally, the State has committed \$2,500,000 in LEDA funds, Bernalillo County has committed \$200,000 and the City has committed an additional \$300,000 for a total of \$3,000,000. LEDA funding is subject to City Council approval.

Based upon financial information provided and the due diligence conducted, the company appears capable of managing and completing the project.

12. MANAGEMENT:

Array's management team leads a global team of hundreds of employees across 6 countries. Their combined background, capabilities and experience in the solar manufacturing industry is ideal to lead a project of this scope.

Principal Directors:

Kevin Hostetler - Chief Executive Officer

Nipul Patel - Chief Financial Officer

Neil Manning - Chief Operations Officer

Terrance Collins - Chief Human Resources Officer

Travis Rose - Chief Revenue Officer

Tyson Hottinger - Chief Legal Officer

Aaron Gabelnick - Chief Strategy and Technology Officer

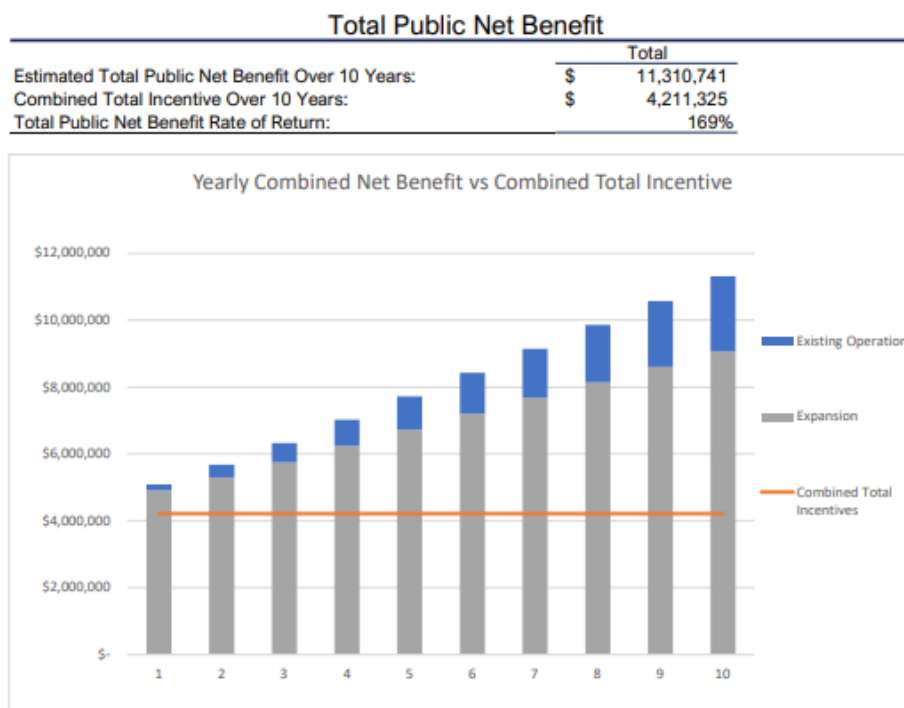
Additional information on the management team can be found at: <https://arraytechinc.com/our-story/executive-team/>

Information on the company's Board of Directors can be found at: <https://ir.arraytechinc.com/corporate-governance/board-of-directors>

Based upon expertise and proven track record of the management team, the company appears capable of managing and completing the Project.

13. FISCAL IMPACT ANALYSIS

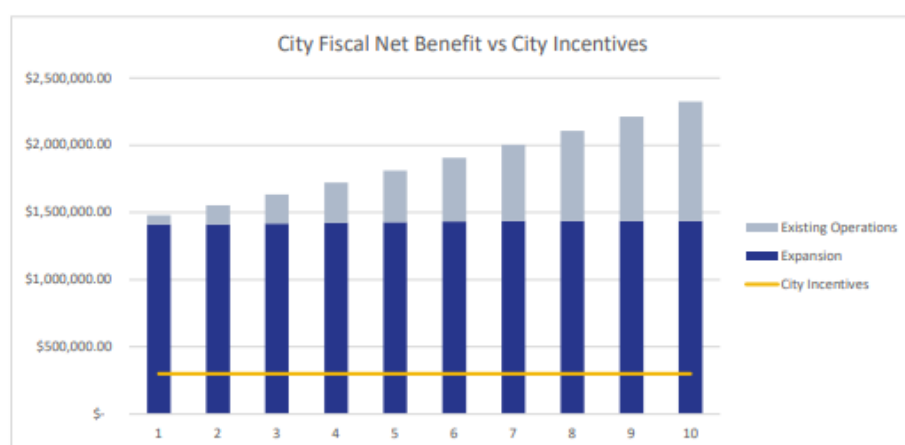
This staff analysis presents the results of an economic impact analysis performed using a model developed by the New Mexico Economic Development Department. The report estimates the impact that a potential project may have on the state and local economies and estimates the costs and benefits for the state and local economies over a 10-year period. The report and analysis uses RIMS II Multipliers produced by the U.S. Bureau of Economic Analysis (BEA).



LEDA 24-2: Array Technologies LEDA Project

City Breakdown of Combined Benefits, Costs, and Net Benefits Over the Next 10 Years

Taxes and Revenue			
Gross Receipt Taxes	\$	4,111,108	
Misc. Taxes and Revenue	\$	4,227,566	
Property Taxes	\$	2,711,503	
Subtotal of Benefits	\$	11,050,176	
Costs			
Costs	\$	8,726,204	
Subtotal of Costs	\$	8,726,204	
Net Benefits			
Net Benefits	\$	2,323,973	
Present Value	\$	2,136,289	



Incentives		
Total City Incentive:	\$	300,000
City Incentive Per Job:	\$	3,448

Combined Payback and Return		
City Payback Period Combined:		0.20 Years
City Rate of Return Combined:		612%

Expansion Only Payback and Return		
City Payback Period Expansion:		0.21 Years
City Rate of Return Expansion:		377%

V. PROJECT PARTICIPATION AGREEMENT

Pursuant to the Local Economic Development Act, Sections 5-10-1 to 5-10-13 NMSA 1978 ("LEDA"), the City adopted Ordinance No. F/S 04-10 (the "LEDA Ordinance"), approving an economic development plan for the City and authorizing the City to consider applications for economic development assistance. The Ordinance calls for the preparation and approval of a Project Participation Agreement (PPA), which is the formal document, which states the contributions and obligations of all parties in the LEDA project. The agreement must clearly state the following items:

- (1) The economic development goals of the project;
- (2) The contributions of the City and the qualifying entity;
- (3) The specific measurable objectives upon which the performance review will be based;
- (4) A schedule for project development and goal attainment;
- (5) The security being offered for the City's investment;
- (6) The procedures by which a project may be terminated and the City's investment recovered; and,
- (7) The time period for which the City shall retain an interest in the project. Each project agreement shall have a "sunset" clause after which the City shall relinquish interest in and oversight of the project.

B. Each project participation agreement shall be adopted as an ordinance and adopted by the Council at a public hearing.

The final PPA will clearly state the above items and comply with the Local Economic Development Act.

.For the sake of this staff analysis, we do not have a PPA to summarize or attach. The PPA for this project will be executed by Bernalillo County. The Bernalillo County legislative process associated with the incentive transaction is underway concurrently. However, the PPA for this project was not yet drafted at the time of this analysis. The City will participate in the negotiation of the final PPA terms. The City will be a party to the PPA and will have a separate Intergovernmental Agreement ("IGA") with Bernalillo County outlining the terms of the fiscal agent relationship. The application, this analysis and other supporting documentation outline the general terms of the Project. We summarize the IGA below:

This Intergovernmental Agreement ("Agreement") is entered into as of the date of the last signature affixed below by and between Bernalillo County, New Mexico (the "County") and the City of Albuquerque, New Mexico ("City" and collectively referred to as "the Parties").

SECTION 1: RECITALS:

WHEREAS, the purpose of the Local Economic Development Act, NMSA 1978 § 5-10-1 through § 5-10-13 (2007) ("LEDA"), is to provide "public support for economic development to foster, promote and enhance local economic development efforts..." and

WHEREAS, the City has adopted Ordinance No. F/S O-04-10, approving an economic development plan for the City that promotes economic development within the City; and

WHEREAS, the City has adopted No. _____ on December, 2023 (the “Ordinance”) to approve the economic development project proposed by Arrey Technologies, Inc., a Delaware corporation (“Array” or the “Company” or the “Qualifying Entity”) pursuant to which Array will acquire, construct and improve a 216,320 square feet manufacturing facility located in the County at 701 Atrisco Vista NW to manufacture utility scale solar trackers and related products, at an estimated cost of approximately \$28,082,435 including land, building, and infrastructure upgrades and will operate the facility for a minimum of ten (10) years, which will create and maintain jobs as set forth in the Ordinance; and

WHEREAS, the Qualifying Entity has entered into a Local Economic Development Project Participation Agreement (hereinafter “PPA”) with the County and, pursuant to the terms of that PPA, Array will, among other things, retain 318 existing employees and hire an additional 87 employees for the Company’s operations in the Albuquerque Metropolitan Area, thereby expanding the City’s tax base. A copy of the PPA is attached hereto as Exhibit A; and

WHEREAS, the Project will achieve job growth within the Albuquerque Metropolitan Area, thereby making a positive substantive contribution to the community; and

WHEREAS, the City will transfer \$300,000 in LEDA contribution to the County for use in the Project as set forth in the PPA; and

WHEREAS, the City and County desire to enter into this Agreement as necessary to facilitate disbursement of funds for the Project;

NOW THEREFORE, the Parties do hereby agree to the following terms and conditions to accomplish the Project.

SECTION 2. PURPOSE OF AGREEMENT:

The purpose of this Agreement is to place the primary responsibility on the County for overseeing and administering LEDA funds distributed by the City. It is the intent of the parties that Three Hundred Thousand Dollars (\$300,000) from City LEDA funds (“City Funds”) will be transferred to the County to support the Project.

The Parties agree that any and all City Funds received will be accounted for by County as the fiscal agent for the City in accordance with the procedures the County will use to account for its own funds used to implement the Project.

SECTION 3. SCOPE OF WORK:

The County will act as fiscal agent for the City Funds supporting the Project. The City Funds will be granted to the County to assist with the economic development initiatives and costs and expenses incurred for the Project. The Company has agreed in the PPA that it will operate the facilities for a period of ten years and will generate certain economic activity through December 31, 2033.

The City and the County agree that failure of the Company to meet its obligations set forth under the PPA will result in a violation of the terms and conditions of the PPA, which could result in the foreclosure of a security interest on collateral, if any, provided by the Company to secure its obligations under the PPA. Proceeds of any such foreclosure will be used, first, to pay or reimburse any costs and expenses, including attorneys' fees, of the foreclosure and then will be allocated to the City based on the contribution to the Project by the City. The portion of such net proceeds that is allocable to the City will be returned to the City. All the terms, conditions and requirements set forth under the PPA are incorporated into this Agreement by reference.

SECTION 4. BERNALILLO COUNTY RESPONSIBILITIES:

The County shall:

- A. Provide the City with an invoice for the City Funds and serve as Fiscal Agent for the City Funds transferred to it under this Agreement;
- B. Complete all of the following goals identified in this Agreement within the time limits agreed upon by the Parties:
 - i. distribute the funds transferred to the County by the City to the Company as provided for in the PPA;
 - ii. account for receipts and disbursements of said monies;
 - iii. provide the City with any required financial documentation pertaining to such disbursements; and
 - iv. submit all required and reasonably requested documentation to the City including the endorsed Ordinance approved by the County Commission accepting Array as a qualifying entity for LEDA, copies of the Project Application submitted by Array, the PPA entered into by the County and Array, and any other documentation as reasonably required by the City within the time required.

- C. Not impose any obligations on the City with respect to the administration of the Project, other than the provision of funds described in this Agreement.
- D. Any funds recaptured by the County as the result of enforcing the provisions of the PPA will be used in accordance with Section 3 of this Agreement.

SECTION 5. BERNALILLO COUNTY CERTIFICATIONS:

As Fiscal Agent, the County hereby represents and agrees that:

- A. It will comply with all applicable State laws, regulations, policies, guidelines and requirements with respect to the acceptance and use of City Funds;
- B. It has the legal authority to receive and expend the City Funds;
- C. It will enforce the provisions of the Ordinance;
- D. It has exercised due diligence in evaluating the Project as a project with potential long term economic development benefits and will, upon request, provide the City with copies of all documentation and references to expertise it has relied upon in approving the Project, including all documentation received from Array;
- E. It has entered into a PPA and has obtained all financial documentation it has deemed appropriate to protect the County's investment in the Project;
- F. It will notify the City of any default on the part of Array of which it becomes aware within 10 days of becoming aware of the event of default. Further, the County shall provide the opportunity for any default to be cured by Array in accordance with the PPA.
- G. It will comply with the County's procurement code and will keep files of all related procurement documents, including but not limited to requests for professional services, advertisements, minutes of pertinent meetings, selection and award criteria, contacts, subcontracts and agreements;
- H. It has complied with Article IX, Section 14, of the New Mexico Constitution known as the "anti-donation clause."

SECTION 6. CITY OF ALBUQUERQUE RESPONSIBILITIES:

- A. The City shall:

- i. Transfer to the County Three Hundred Thousand Dollars (\$300,000) to be used for the Project. Such transfer shall be effected within thirty (30) days after receipt of an invoice from the County after this Agreement has been fully executed. The City Funds shall be used only for the purpose stated in this Agreement and the PPA.
- ii. At its discretion, review and audit the Project if it is deemed to be necessary or desirable.

SECTION 7. TERM OF AGREEMENT:

This Agreement shall become effective on the date it is fully executed and shall terminate upon termination of the PPA.

SECTION 8. LIABILITY:

No party shall be responsible for liability incurred as a result of the other party's acts or omissions. Any liability incurred in connection with this Agreement is subject to the immunities and limitations of the New Mexico Tort Claims Act. The County and the City may agree to reimburse one another under these liability provisions, subject to sufficient appropriation by the New Mexico Legislature or sufficient funds being available to the party, as determined by the party responsible for payment.

SECTION 9. RECORDS; RETURN OF SURPLUS FUNDS:

- A. The County shall keep such records as will fully disclose the amount and disposition of the total funds from all County and City sources budgeted for the Project, the purposes for which such funds were used and such other records as the City may require.
- B. If, upon the expiration of the Project or the termination date of this Agreement, any surplus funds received from the City are possessed by County, County shall return said funds to the City for disposition in accordance with law.

SECTION 10. STRICT ACCOUNTABILITY:

The County shall be strictly accountable for receipts and disbursements relating hereto and shall make all relevant financial records available to the City quarterly or upon request, and shall maintain all such records for a period of six (6) years following completion of all the records and any audits.

SECTION 11. REPORTS:

The County shall provide to the City copies of all reports received by the County from the Company. At the request of the City, the County will request that Array provide to the County and the City an affidavit signed by an officer of Array indicating the economic performance targets have been met. The County will provide the City with information regarding problems or delays encountered with respect to the Project and the reasons therefor and such other information pertaining to the Project as may be requested by the City.

SECTION 12. NOTICES; REPRESENTATIVES OF THE PARTIES:

Any notice required to be given to either party by this Agreement shall be in writing and shall be delivered in person, by courier service or by U.S. Mail, either first class or certified, return receipt requested, postage prepaid, as follows. The parties hereby designate the individuals named below as their representative responsible for overall administration of this Agreement.

FINDINGS:

1. LEDA 24-2 is a qualified project as defined by the State's Local Economic Development Act and the City enabling legislation (F/S O-04-10); and
2. LEDA 24-2 would make positive substantive contributions to the local economy and community by retaining 318 jobs and creating 87 base jobs; and
3. Subject to the development of acceptable security documents, LEDA 24-2 would comply with the adopted City plans and policies, and meet community economic development priorities and objectives, including remaining in operation for 10 years; and
4. Subject to the development of acceptable security documents, LEDA 24-2 would adequately meet the evaluation criteria established by the City for Local Economic Development Act projects, including the requirement that the City recoup the value of its investment within 10 years.

STAFF RECOMMENDATION:

Based on the above findings, staff recommends approval of LEDA 24-2 as proposed in the project plan application.

Max Gruner,
Director
Economic Development Department

FY23 LEDA Application

Applicant	Charles Wooding
Applicant ID	APP-017707
Company Name	Array Technologies
Phone	3122283240
Email	charles.wooding@jll.com
Status	Submitted
Application Amount	\$0.00
Funded/Approved	<input type="checkbox"/>
LEDA Starting Job Count	318
LEDA PPA Job Count Target	87

Contact Information

Question: Legal Company Name

Array Tech, Inc

Question: Trade Name (dba)

Array Technologies

Question: Project Name

Project Sunflower

Question: Company Street Address

3901 Midway Place NE

Question: Company City

Albuquerque

Question: Company State

NM

Question: Company Zip

87109

Question: Phone

(505) 881-7567

Question: Website

<http://www.arraytechinc.com/>

Question: Primary Contact Person First Name

Meredith

Question: Primary Contact Person Last Name

O'Connor

Question: Federal Tax ID #

85-0402479

Question: NM State Tax and Revenue (CRS) #

157-1298

Question: City/County Business License Registration will be pursued

☐ Yes

☒ No

Question: NAICS Code(s)

334519

Question: DUNS # (preferred but not required)

801903790

Question: This Business is organized as a:

☒ C-Corporation

☐ S-Corporation

☐ LLC

☐ Partnership

☐ Sole Proprietorship

☐ B-Corporation

Question: Incorporation Papers

[Incorporation Papers.pdf](#) (9/13/2023, 3:07 PM)

Question: Resumes of all principals (owners, partners, directors or officers; required for businesses 1 year or younger)

No Attachments

Question: Company Contact for Project Administration (if different from above)

Michael Howell

Question: Title

Deputy General Counsel

Question: Telephone

505-239-7896

Question: Cell Phone

505-239-7896

Question: Email

michael.howell@arraytechinc.com

Project Information

Please include detailed information such as:

- Executive Summary; Business description and history
 - Infrastructure Development/Needs
 - Market analysis and strategy
 - Summary of competition
 - Tax Reporting Status
 - Effect on Existing Industry and Commerce during and after Construction
-

- Land Acquisition
- Local Purchasing
- Water Conservation
- Relocation of Individuals or Businesses
- Construction Schedule
 - Target Close Date
 - General Contract Signed
 - Construction Start
 - Construction End
 - New Facility Operational Date
- Operations plan; Organizational chart
- Any document or record that the local governing body, in its sole discretion, deems necessary.

Question: Description of the Proposed Development, its product and its timeline.

Array Technologies is a Solar Paneling company manufacturing Solar Panels and a variety of related products. 2. Array's innovations power the renewable energy industry. Array is leading the way to a brighter, smarter future with relentless reliability and an unparalleled track record. Over its 30-year company history, Array Technologies has expanded from its manufacturing base in the United States to become a global provider of time-proven renewable energy solutions. In January 2022, Array Technologies acquired one of Europe's leading tracker manufacturers, STI Norland. Together, they became the largest solar tracker company in the world with manufacturing capacity, design, and engineering resources on three continents. This move established Array as a leader in the rapidly growing Brazilian solar market. While Array's strength lies in utility-scale solar trackers today, they are committed to generating energy with integrity for a sustainable world tomorrow. Array needs a new Office and Manufacturing Facility and plans to build a 200,000 RSF facility in New Mexico with construction starting around Q1 2024 and ending around Q2 2025.

Question: Provide a detailed scope of work that is specific to the funding request/award and what the funds will be used for.

The LEDA funding/award will be used for reimbursements of expenses towards buildings, construction and improvements. We will be building a manufacturing facility, office and headquarters at the site.

Question: Business Plan (required for businesses 1 year or younger)

N/A

Question: Supporting Documentation

No Attachments

Financial Information **CONFIDENTIAL INFORMATION**

*Upload sources and uses chart; enter N/A and zero for questions that do not apply to your business

Question: Provide detailed assumptions for your project including three years of projected cash flow income statements. If the applicant has been in business less than one year, you may be requested to provide additional financial information after review.

[10-K.pdf](#) (9/13/2023, 3:03 PM)

CONFIDENTIAL INFORMATION

Question: Provide financial statements (balance sheet, profit and loss and cash flow) or tax returns for the past three years. Also provide interim statements within 90 days of application date.

[10-K.pdf](#) (9/14/2023, 1:39 PM)

CONFIDENTIAL INFORMATION

Question: What is the collateral/security to be pledged to the funds awarded?

- ☐ Letter of Credit
- ☒ Surety Bond
- ☐ Mortgage Security
- ☐ Security Agreement/Escrow
- ☐ Security Agreement/Lien
- ☐ Security Interest/Lien

Question: What is the method of appraisal for stated security (if Security Mortgage or Lien were selected above)?

N/A

Question: What is the equity investment from the applicant?

\$23,082,463.00

Question: External Equity Investment Sources

Stock Ticker: ARRY Privately Financed Project.

Question: External Equity Investment Amount

\$0.00

Question: City/County Funding Source

Industrial Revenue Bonds / LEDA Grant

Question: City/ County Funding Amount

\$0.00

Question: Bank Loan Source (financial institution names), type (commercial, USDA, SBA 504, etc.), and stage (applied or approved)

N/A

Question: Bank Loans Amount Total

\$0.00

Question: Other Loans Source

N/A

Question: Other Loans Amount

\$0.00

Question: Other Sources

N/A

Question: Other Sources Amount

\$0.00

Question: Total Project Amount (Sum of above)

\$23,082,435.00

Question: Supporting financial documentation

No Attachments

Company History and Background

Question: How long has the company been in operation, as of the date of application?

1989

Question: At the time of this application, how many full-time employees do you currently

employ? Please provide the most recent Department of Workforce Solutions report below. If no employees, disregard report. Enter 0.

318.00

Question: List owners with more than 20% ownership stake in the company. Additionally, please list principal directors and/or officers.

Publicly Traded Company (ARRY)

Question: Are owners and/or officers current with financial obligations/payments to the State of New Mexico or any other Federal or State entity? If no, please explain.

As a publicly traded company we cannot speak to our owners financial obligations. To the best of our knowledge all officers are current.

Question: Does the applicant have any loans or other financial obligations on which payments are not current? If yes, please explain.

No

Question: Please identify any financially affiliated/associated companies in which any of the applicant's owners have a 20% stake.

N/A

Community Aspects

Question: At the community level, what are the infrastructure needs not yet in place or in process that will affect this project's application?

A need for additional public infrastructure, such as sewers and water extensions or traffic signals, could arise due to the increase in employees in the area.

Question: What specific incentives are being REQUESTED from the COMMUNITY? Please explain where the applicant is in this process and provide an idea of a timeline for incentives' deployment.

Industrial Revenue Bonds- Applicant is submitting their application. Hoping to deploy the incentives as soon as possible.

Local Economic Development Act (LEDA) Grant-Applicant is submitting their application. Hoping to deploy the incentives as soon as possible.

Question: What specific incentives will be PROVIDED from the COMMUNITY?(e.g. parcel of land, building lease, waiver of fees, utility access/extension)?

A need for additional specific incentives, such as utility access / extensions, could arise due to

the increase in employees in the area during the construction phase.

Job Creation / Performance

Please download the job creation worksheet to work up the required information for this section.

- [Job Creation Worksheet](#)

Question: Outline the number and types of jobs to be created.

87 Total
Operations- 7
Customer Service- 5
Assembly/Production- 65
Engineering, Industrial- 5
Engineering, Systems- 5

Question: Outline the proposed pay scale and payroll proposed by the entity.

Operations- \$51,000
Customer Service- \$94,000
Assembly- \$35,000
Engineering, Industrial- \$98,000
Engineering, Systems- \$127,000

Question: Outline the benefits offered to the employees, including but not limited to health care and retirement.

Benefits offered to the employees include Medical, Dental, Vision, Spending Account, Life, AD&D and Disability Insurance and various additional health benefits.

Question: Outline any efforts being made or proposed by the applicant to hire people within the local employment pool.

Array hosts hiring days and job fairs at UNM as well as other locations throughout the year in order to reach the goal of 90% local employment.

Question: Attach job creation worksheet

[LEDA- Job creation worksheet.pdf](#) (9/14/2023, 10:20 PM)

Question: Starting Headcount (from worksheet above)

318.00

Question: Total new jobs to be created Year 1 (from worksheet above)

20.00

Question: Total new payroll Year 1 (from worksheet above)

\$1,850,000.00

Question: Total number of new jobs to be created Year 2 (from worksheet above)

57.00

Question: Total new payroll Year 2 (from worksheet above)

\$1,327,000.00

Question: Total number of new jobs to be created Year 3 (from worksheet above)

87.00

Question: Total new payroll Year 3 (from worksheet above)

\$1,050,000.00

Economic Impact Analysis

NMEDD will perform an Economic Impact Analysis to address the impact to the local tax base, the school system, etc. using the Economic Impact Datasheet provided by the applicant.

Question: Outline any impacts to the environment, positively or negatively.

Array vows to use solar renewable energy on site to offset other sources of electricity.

Question: Status of permitting/regulatory matters needed for project.

Zonal Certification Pending

Attachments

Please download the authorization for examination and release of information template and the example employer quarterly wage and contribution report.

- [Authorization for examination and release of information form](#)
- [Employer quarterly wage and contribution report example](#)

If you are a new business, please apply for a NM Tax Identification Number here:

<http://www.tax.newmexico.gov/Businesses/wage-withholding-tax.aspx>

Please download the LEDA Application Affirmation Template here:

[LEDA Application Affirmation Template](#)

[Click here](#) to view a filled out sample.

Question: New Mexico Economic Development Department authorization for examination and release of information.

[Authorizationforexaminationandreleaseofinformation1a.pdf](#) (9/15/2023, 5:44 PM)

Question: Latest New Mexico employer's quarterly wage and contribution report submitted to the Department of Workforce Solutions.

[Wage Report.pdf](#) (9/15/2023, 3:12 PM)

Question: Affirmation and any other supporting documents

[2020_LEDA_App_Affirmation.pdf](#) (9/13/2023, 3:00 PM)



EDD

ECONOMIC
DEVELOPMENT
DEPARTMENT

10/12/2023

FISCAL IMPACT ANALYSIS AND ECONOMIC IMPACT OF THE CURRENT OPERATIONS AND EXPANSION OF PROJECT SUNFLOWER

Prepared by:

New Mexico Economic Development Department
Joseph Montoya Building
1100 S. St. Francis Drive
Santa Fe, New Mexico 87505





Purpose and Limitations:

This report and analysis, provided by the New Mexico Economic Development Department, relies on prospective estimates of business activity. These estimates, which are provided by the company, may not be realized due to unforeseen events that are outside the control of the company and unknown to the New Mexico Economic Development Department.

The New Mexico Economic Development Department made reasonable efforts to ensure that the estimates provided by the company, are realistic estimates of future activity.

The model was created by the New Mexico Economic Development Economists and used assumptions to generate the final report. The report and analysis provided by the New Mexico Economic Development Department is not a guarantee that any of the estimates or results contained in this report will actually be achieved.

Introduction:

This report and analysis presents the results of an economic impact analysis performed using a model developed by the New Mexico Economic Development Department. The report estimates the impact that a potential project may have on the state and local economies and estimates the costs and benefits for the state and local economies over a 10-year period. The report and analysis uses RIMS II Multipliers produced by the U.S. Bureau of Economic Analysis (BEA).

Most projects produce a growth in population and/or a growth in the workforce in a City, County and the State of New Mexico. All growth comes at a cost, the additional economic activity and population growth stimulated by the project will generate additional costs in terms of providing basic infrastructure (roadways, bridges and utilities) and public services (including public safety, schools and administrative services). For example, if the applicant hires employees from outside the State, County and City, those workers who end up relocating their residence to within one or all of those areas, the population for which the government must provide services also increases. The costs associated with the expansion are broken down into two categories: 1) New residents to the State, County and City. 2) New Mexican residents hired to work for the company. The analysis assumes that all workers will live in the area of the expansion.

Description of the Company:

0

Description of the Project:

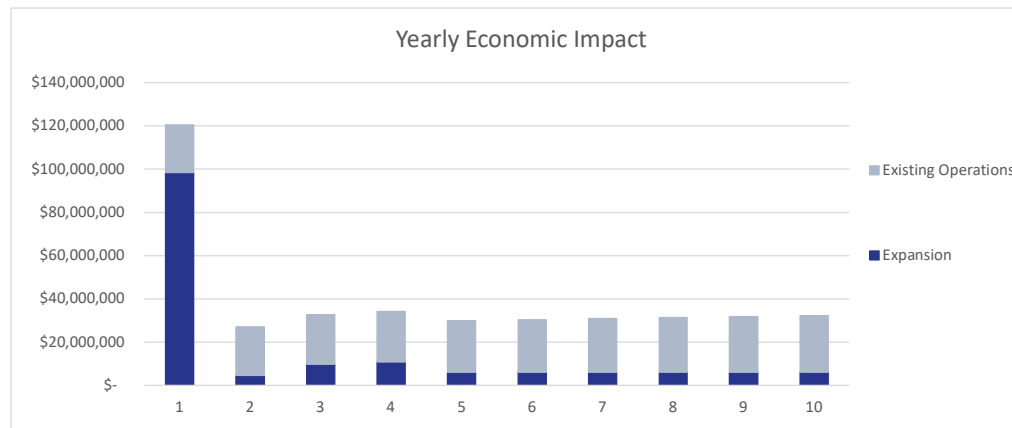
0

A scenic landscape photograph of a lake at sunset. The sky is filled with large, colorful clouds in shades of orange, pink, and blue. The sun is low on the horizon, casting a warm glow over the scene. In the background, a dense forest of evergreen trees lines the shore of the lake. To the right, a rocky mountain slope rises above the trees. The foreground is a lush green field of grass and small white flowers. The text "Economic Impact" is overlaid in the center of the image, underlined.

Economic Impact

Total Economic Impact

	Total
Combined Estimated Economic Impact Over 10 Years:	\$ 401,078,853
Combined Total Incentive Over 10 Years:	\$ 4,211,325
Economic Impact Rate of Return:	9,424%



Workers and New Residents over 10 years

	Direct	Indirect and Induced
Number of Jobs Created:	87	76
Estimated Number of Construction Workers:	374	
Estimated Number of New Residents to the State:	78	
Estimated Number of New Residents to the County:	157	
Estimated Number of New Residents to the City:	139	

Total Public Impacts



Fiscal Impact of Existing and Expanded Operations Over the Next Ten Years

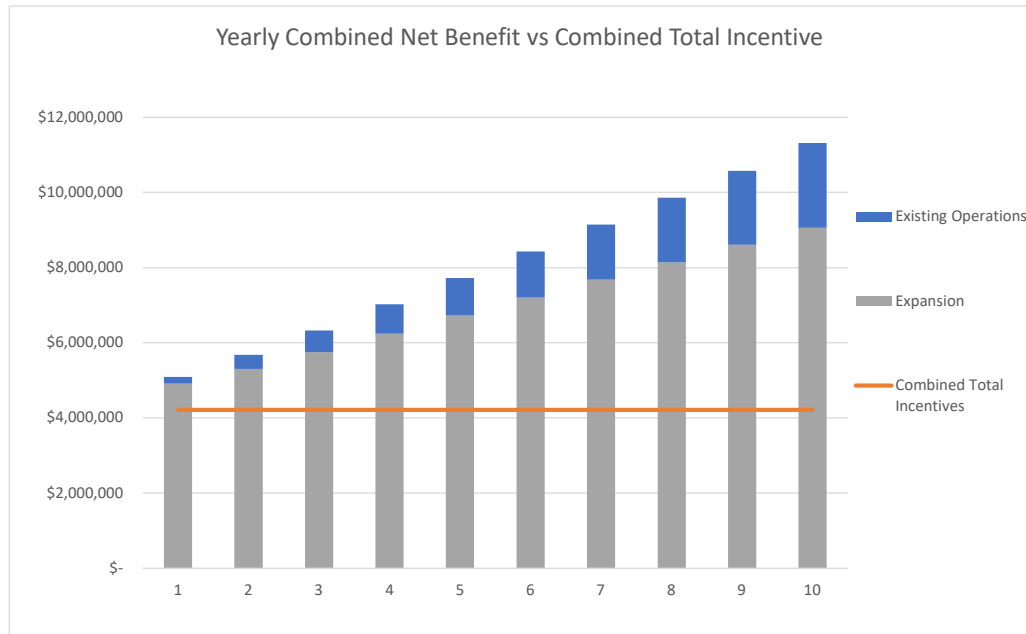
Cumulative Net Benefits					
	Existing Operations	Expansion	Existing & Expanded Operations	Present Value of Net Benefits*	
State of New Mexico	\$ (1,972,275)	\$ 3,184,045	\$ 1,211,770	\$	1,457,452
County	\$ 3,335,598	\$ 4,439,400	\$ 7,774,998	\$	6,376,012
City	\$ 887,781	\$ 1,436,192	\$ 2,323,973	\$	2,136,289
School District	\$ 2,505,629	\$ 47,646	\$ 2,553,275	\$	2,051,874
Special Taxing District	\$ 2,393,526	\$ 45,514	\$ 2,439,040	\$	1,960,072
Total	\$ 7,150,259	\$ 9,152,797	\$ 16,303,056	\$	13,981,699

* The Present Value of Net Benefits expresses the future stream of net benefits received over several years as a single value in today's dollars. Today's dollar and a dollar to be received at differing times in the future are not comparable because of the time value of money. The time value of money is the interest rate or each taxing entity's discount rate. This analysis uses a discount rate of 5% to make the dollars comparable.

** In the cumulative net benefits of the existing and expanded operations for the State of New Mexico, corporate income tax has been removed from the existing operations total to avoid double counting.

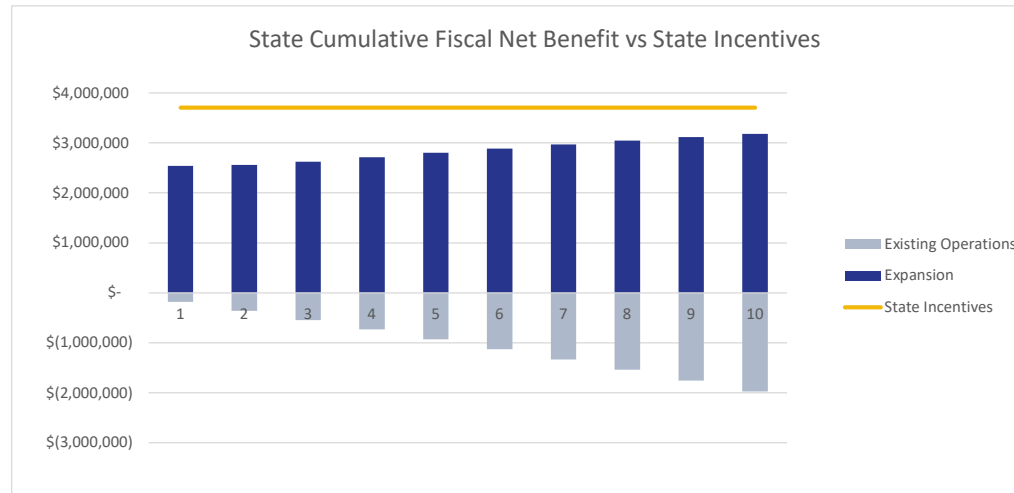
Total Public Net Benefit

	Total
Estimated Total Public Net Benefit Over 10 Years:	\$ 11,310,741
Combined Total Incentive Over 10 Years:	\$ 4,211,325
Total Public Net Benefit Rate of Return:	169%



State Impacts





Incentives

Total State Incentive:	\$	3,711,325
State Incentive Per Job:	\$	42,659

Combined Payback and Return

State Payback Period Combined:	10 + Years	Years
State Rate of Return Combined:	-61%	

Expansion Only Payback and Return

State Payback Period Expansion:	10 + Years	Years
State Rate of Return Expansion:	-18%	

State Net Benefits Of Current Operations

Year	Benefits		Costs		Net Benefits	Cumulative Net Benefits
1	\$	1,118,960	\$	1,295,145	\$ (176,184)	\$ (176,184)
2	\$	1,150,451	\$	1,331,409	\$ (180,958)	\$ (357,142)
3	\$	1,182,973	\$	1,368,688	\$ (185,715)	\$ (542,858)
4	\$	1,216,566	\$	1,407,012	\$ (190,446)	\$ (733,304)
5	\$	1,251,269	\$	1,446,408	\$ (195,139)	\$ (928,442)
6	\$	1,287,127	\$	1,486,907	\$ (199,781)	\$ (1,128,223)
7	\$	1,324,181	\$	1,528,541	\$ (204,359)	\$ (1,332,583)
8	\$	1,362,480	\$	1,571,340	\$ (208,860)	\$ (1,541,442)
9	\$	1,402,070	\$	1,615,337	\$ (213,267)	\$ (1,754,710)
10	\$	1,443,002	\$	1,660,567	\$ (217,565)	\$ (1,972,275)

State Net Benefits Of Expansion

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ 2,539,705	\$ -	\$ 2,539,705	\$ 2,539,705
2	\$ 62,432	\$ 40,288	\$ 22,144	\$ 2,561,849
3	\$ 178,147	\$ 115,949	\$ 62,198	\$ 2,624,048
4	\$ 272,416	\$ 179,628	\$ 92,789	\$ 2,716,836
5	\$ 273,378	\$ 184,657	\$ 88,721	\$ 2,805,557
6	\$ 274,367	\$ 189,827	\$ 84,539	\$ 2,890,097
7	\$ 275,383	\$ 195,143	\$ 80,240	\$ 2,970,337
8	\$ 276,428	\$ 200,607	\$ 75,821	\$ 3,046,158
9	\$ 277,502	\$ 206,224	\$ 71,278	\$ 3,117,437
10	\$ 278,606	\$ 211,998	\$ 66,608	\$ 3,184,045

State Combined Net Benefits

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ 3,658,666	\$ 1,295,145	\$ 2,363,521	\$ 2,363,521
2	\$ 1,212,883	\$ 1,371,697	\$ (158,814)	\$ 2,204,707
3	\$ 1,361,120	\$ 1,484,637	\$ (123,517)	\$ 2,081,190
4	\$ 1,488,982	\$ 1,586,639	\$ (97,657)	\$ 1,983,533
5	\$ 1,524,647	\$ 1,631,065	\$ (106,418)	\$ 1,877,115
6	\$ 1,561,493	\$ 1,676,735	\$ (115,242)	\$ 1,761,873
7	\$ 1,599,565	\$ 1,723,683	\$ (124,119)	\$ 1,637,754
8	\$ 1,638,908	\$ 1,771,947	\$ (133,039)	\$ 1,504,716
9	\$ 1,679,572	\$ 1,821,561	\$ (141,989)	\$ 1,362,727
10	\$ 1,721,608	\$ 1,872,565	\$ (150,957)	\$ 1,211,770

State Breakdown of Combined Benefits, Costs, and Net Benefits Over the Next 10 Years

Taxes and Revenue

Gross Receipt Taxes	\$ 5,567,509
Personal Income Taxes	\$ 8,775,317
Corporate Income Taxes	\$ -
Misc. Taxes and Revenue	\$ 3,104,618
Subtotal of Benefits	\$ 17,447,444

Costs

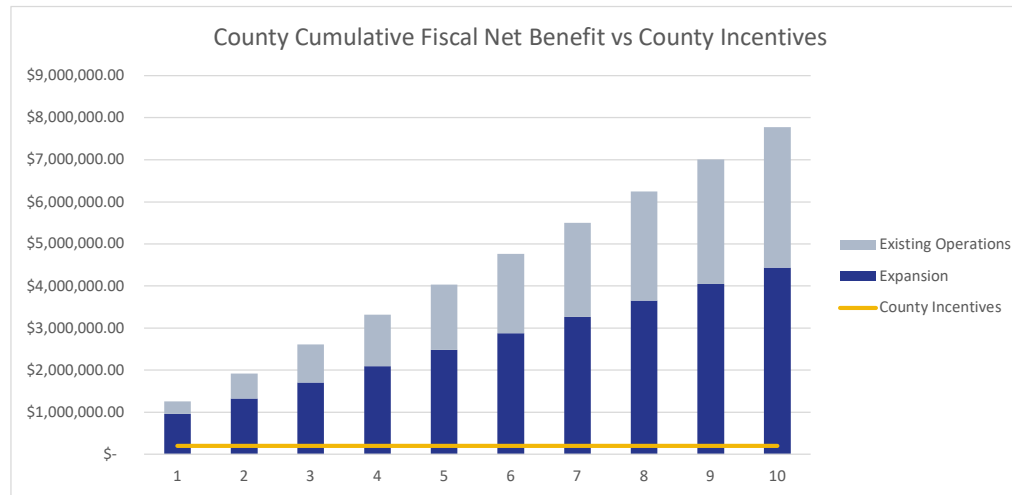
Costs	\$ 16,235,674
Subtotal of Costs	\$ 16,235,674

Net Benefits

Net Benefits	\$ 1,211,770
Present Value	\$ 1,457,452

County Impacts





Incentives

Total County Incentive:	\$ 200,000.00
County Incentive Per Job:	\$ 2,298.85

Combined Payback and Return

County Payback Period Combined:	0.16 Years
County Rate of Return Combined:	3088%

Expansion Only Payback and Return

County Payback Period Expansion:	0.21 Years
County Rate of Return Expansion:	1751%

County Net Benefits Of Current Operations

Year	Benefits		Costs		Net Benefits	Cumulative Net Benefits
1	\$	457,259	\$	164,830	\$ 292,429	\$ 292,429
2	\$	470,207	\$	169,445	\$ 300,762	\$ 593,191
3	\$	483,566	\$	174,189	\$ 309,377	\$ 902,568
4	\$	497,352	\$	179,067	\$ 318,285	\$ 1,220,852
5	\$	511,579	\$	184,081	\$ 327,498	\$ 1,548,351
6	\$	526,264	\$	189,235	\$ 337,029	\$ 1,885,380
7	\$	541,423	\$	194,533	\$ 346,889	\$ 2,232,269
8	\$	557,073	\$	199,980	\$ 357,093	\$ 2,589,361
9	\$	573,232	\$	205,580	\$ 367,653	\$ 2,957,014
10	\$	589,920	\$	211,336	\$ 378,584	\$ 3,335,598

County Net Benefits Of Expansion

Year	Benefits		Costs	Net Benefits		Cumulative Net Benefits
1	\$	960,557	\$ -	\$	960,557	\$ 960,557
2	\$	371,584	\$ 5,127	\$	366,457	\$ 1,327,014
3	\$	394,045	\$ 14,757	\$	379,288	\$ 1,706,302
4	\$	412,650	\$ 22,861	\$	389,789	\$ 2,096,091
5	\$	413,499	\$ 23,501	\$	389,998	\$ 2,486,089
6	\$	414,371	\$ 24,159	\$	390,212	\$ 2,876,301
7	\$	415,267	\$ 24,835	\$	390,432	\$ 3,266,733
8	\$	416,187	\$ 25,531	\$	390,657	\$ 3,657,390
9	\$	417,133	\$ 26,246	\$	390,887	\$ 4,048,277
10	\$	418,103	\$ 26,980	\$	391,123	\$ 4,439,400

County Combined Net Benefits

Year	Benefits		Costs	Net Benefits		Cumulative Net Benefits
1	\$	1,417,816	\$ 164,830	\$	1,252,987	\$ 1,252,987
2	\$	841,791	\$ 174,572	\$	667,219	\$ 1,920,205
3	\$	877,611	\$ 188,946	\$	688,665	\$ 2,608,870
4	\$	910,001	\$ 201,927	\$	708,074	\$ 3,316,944
5	\$	925,078	\$ 207,581	\$	717,496	\$ 4,034,440
6	\$	940,635	\$ 213,394	\$	727,241	\$ 4,761,681
7	\$	956,690	\$ 219,369	\$	737,321	\$ 5,499,002
8	\$	973,260	\$ 225,511	\$	747,749	\$ 6,246,751
9	\$	990,365	\$ 231,825	\$	758,540	\$ 7,005,291
10	\$	1,008,024	\$ 238,316	\$	769,707	\$ 7,774,998

County Breakdown of Combined Benefits, Costs, and Net Benefits Over the Next 10 Years

Taxes and Revenue

Gross Receipt Taxes	\$	1,751,369
Misc. Taxes and Revenue	\$	2,444,039
Property Taxes	\$	5,645,862
Subtotal of Benefits	\$	9,841,270

Costs

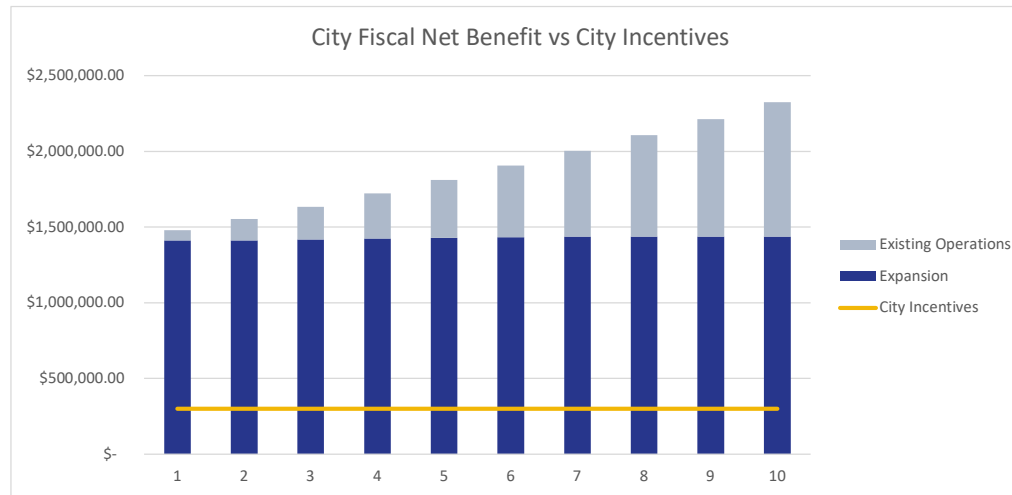
Costs	\$	2,066,272
Subtotal of Costs	\$	2,066,272

Net Benefits

Net Benefits	\$	7,774,998
Present Value	\$	6,376,012

City Impacts





Incentives

Total City Incentive:	\$	300,000
City Incentive Per Job:	\$	3,448

Combined Payback and Return

City Payback Period Combined:	0.20	Years
City Rate of Return Combined:	612%	

Expansion Only Payback and Return

City Payback Period Expansion:	0.21	Years
City Rate of Return Expansion:	377%	

City Net Benefits Of Current Operations

Year	Benefits		Costs		Net Benefits		Cumulative Net Benefits
1	\$	764,596	\$	696,103	\$	68,493	\$ 68,493
2	\$	787,851	\$	715,594	\$	72,257	\$ 140,750
3	\$	811,902	\$	735,630	\$	76,271	\$ 217,022
4	\$	836,779	\$	756,228	\$	80,552	\$ 297,573
5	\$	862,516	\$	777,402	\$	85,113	\$ 382,687
6	\$	889,144	\$	799,170	\$	89,974	\$ 472,661
7	\$	916,697	\$	821,546	\$	95,151	\$ 567,812
8	\$	945,213	\$	844,550	\$	100,663	\$ 668,475
9	\$	974,728	\$	868,197	\$	106,531	\$ 775,006
10	\$	1,005,281	\$	892,507	\$	112,775	\$ 887,781

City Net Benefits Of Expansion

Year	Benefits		Costs	Net Benefits		Cumulative Net Benefits
1	\$	1,410,794	\$ -	\$	1,410,794	\$ 1,410,794
2	\$	23,445	\$ 21,654	\$	1,791	\$ 1,412,586
3	\$	67,140	\$ 62,319	\$	4,821	\$ 1,417,406
4	\$	103,232	\$ 96,545	\$	6,687	\$ 1,424,094
5	\$	104,663	\$ 99,248	\$	5,416	\$ 1,429,509
6	\$	106,134	\$ 102,027	\$	4,107	\$ 1,433,616
7	\$	107,645	\$ 104,884	\$	2,761	\$ 1,436,377
8	\$	109,197	\$ 107,820	\$	1,376	\$ 1,437,754
9	\$	110,791	\$ 110,839	\$	(48)	\$ 1,437,706
10	\$	112,429	\$ 113,943	\$	(1,514)	\$ 1,436,192

City Combined Net Benefits

Year	Benefits		Costs	Net Benefits		Cumulative Net Benefits
1	\$	2,175,390	\$ 696,103	\$	1,479,287	\$ 1,479,287
2	\$	811,296	\$ 737,247	\$	74,048	\$ 1,553,336
3	\$	879,042	\$ 797,949	\$	81,092	\$ 1,634,428
4	\$	940,011	\$ 852,772	\$	87,239	\$ 1,721,667
5	\$	967,179	\$ 876,650	\$	90,529	\$ 1,812,196
6	\$	995,277	\$ 901,196	\$	94,081	\$ 1,906,277
7	\$	1,024,342	\$ 926,430	\$	97,912	\$ 2,004,189
8	\$	1,054,410	\$ 952,370	\$	102,040	\$ 2,106,229
9	\$	1,085,519	\$ 979,036	\$	106,483	\$ 2,212,712
10	\$	1,117,710	\$ 1,006,449	\$	111,261	\$ 2,323,973

City Breakdown of Combined Benefits, Costs, and Net Benefits Over the Next 10 Years

Taxes and Revenue

Gross Receipt Taxes	\$	4,111,108
Misc. Taxes and Revenue	\$	4,227,566
Property Taxes	\$	2,711,503
Subtotal of Benefits	\$	11,050,176

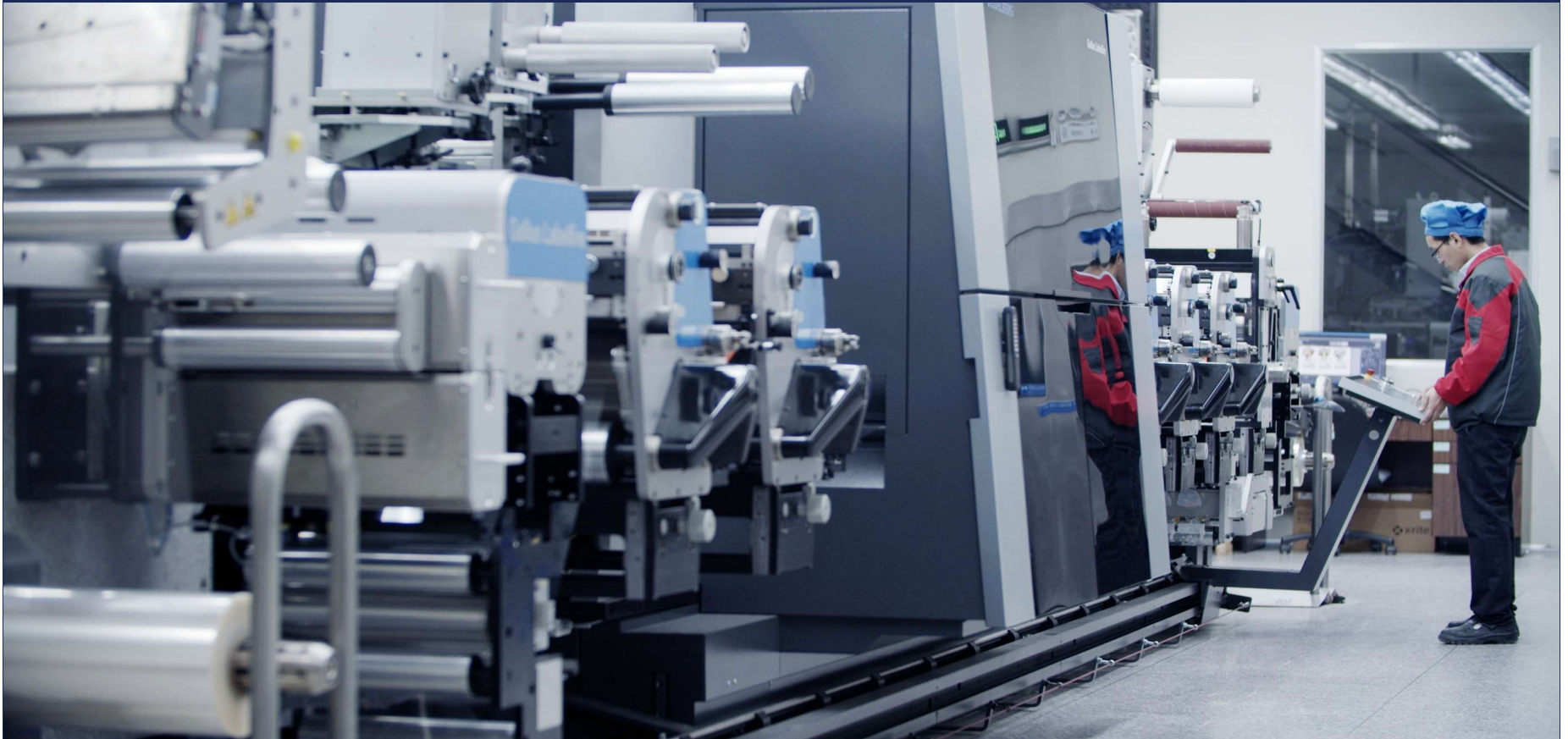
Costs

Costs	\$	8,726,204
Subtotal of Costs	\$	8,726,204

Net Benefits

Net Benefits	\$	2,323,973
Present Value	\$	2,136,289

Special Taxing District and Public Schools



Special Taxing District

Special Taxing District Net Benefits of Current Operations

Year	Benefits		Costs		Net Benefits		Cumulative Net Benefits
1	\$	218,592	\$	-	\$	218,592	\$ 218,592
2	\$	222,964	\$	-	\$	222,964	\$ 441,557
3	\$	227,424	\$	-	\$	227,424	\$ 668,980
4	\$	231,972	\$	-	\$	231,972	\$ 900,952
5	\$	236,611	\$	-	\$	236,611	\$ 1,137,564
6	\$	241,344	\$	-	\$	241,344	\$ 1,378,907
7	\$	246,171	\$	-	\$	246,171	\$ 1,625,078
8	\$	251,094	\$	-	\$	251,094	\$ 1,876,172
9	\$	256,116	\$	-	\$	256,116	\$ 2,132,288
10	\$	261,238	\$	-	\$	261,238	\$ 2,393,526

Special District Net Benefits of Expansion

Year	Benefits		Costs		Net Benefits		Cumulative Net Benefits
1	\$	-	\$	-	\$	-	\$ -
2	\$	1,237	\$	-	\$	1,237	\$ 1,237
3	\$	3,551	\$	-	\$	3,551	\$ 4,788
4	\$	5,478	\$	-	\$	5,478	\$ 10,267
5	\$	5,588	\$	-	\$	5,588	\$ 15,854
6	\$	5,699	\$	-	\$	5,699	\$ 21,554
7	\$	5,813	\$	-	\$	5,813	\$ 27,367
8	\$	5,930	\$	-	\$	5,930	\$ 33,297
9	\$	6,048	\$	-	\$	6,048	\$ 39,345
10	\$	6,169	\$	-	\$	6,169	\$ 45,514

Special District Combined Net Benefits

Year	Benefits		Costs		Net Benefits		Cumulative Net Benefits
1	\$	218,592	\$	-	\$	218,592	\$ 218,592
2	\$	224,202	\$	-	\$	224,202	\$ 442,794
3	\$	230,975	\$	-	\$	230,975	\$ 673,769
4	\$	237,450	\$	-	\$	237,450	\$ 911,219
5	\$	242,199	\$	-	\$	242,199	\$ 1,153,418
6	\$	247,043	\$	-	\$	247,043	\$ 1,400,461
7	\$	251,984	\$	-	\$	251,984	\$ 1,652,445
8	\$	257,024	\$	-	\$	257,024	\$ 1,909,468
9	\$	262,164	\$	-	\$	262,164	\$ 2,171,633
10	\$	267,407	\$	-	\$	267,407	\$ 2,439,040

Public Schools

Public Schools Net Benefits of Current Operations

Year	Benefits		Costs	Net Benefits		Cumulative Net Benefits
1	\$	228,830	\$ -	\$	228,830	\$ 228,830
2	\$	233,407	\$ -	\$	233,407	\$ 462,237
3	\$	238,075	\$ -	\$	238,075	\$ 700,313
4	\$	242,837	\$ -	\$	242,837	\$ 943,149
5	\$	247,693	\$ -	\$	247,693	\$ 1,190,843
6	\$	252,647	\$ -	\$	252,647	\$ 1,443,490
7	\$	257,700	\$ -	\$	257,700	\$ 1,701,190
8	\$	262,854	\$ -	\$	262,854	\$ 1,964,044
9	\$	268,111	\$ -	\$	268,111	\$ 2,232,156
10	\$	273,474	\$ -	\$	273,474	\$ 2,505,629

Public Schools Net Benefits of Expansion

Year	Benefits		Costs	Net Benefits		Cumulative Net Benefits
1	\$	-	\$ -	\$	-	\$ -
2	\$	1,295	\$ -	\$	1,295	\$ 1,295
3	\$	3,717	\$ -	\$	3,717	\$ 5,013
4	\$	5,735	\$ -	\$	5,735	\$ 10,747
5	\$	5,849	\$ -	\$	5,849	\$ 16,597
6	\$	5,966	\$ -	\$	5,966	\$ 22,563
7	\$	6,086	\$ -	\$	6,086	\$ 28,649
8	\$	6,207	\$ -	\$	6,207	\$ 34,856
9	\$	6,332	\$ -	\$	6,332	\$ 41,188
10	\$	6,458	\$ -	\$	6,458	\$ 47,646

Public Schools Combined Net Benefits

Year	Benefits		Costs	Net Benefits		Cumulative Net Benefits
1	\$	228,830	\$ -	\$	228,830	\$ 228,830
2	\$	234,702	\$ -	\$	234,702	\$ 463,533
3	\$	241,793	\$ -	\$	241,793	\$ 705,325
4	\$	248,571	\$ -	\$	248,571	\$ 953,897
5	\$	253,543	\$ -	\$	253,543	\$ 1,207,439
6	\$	258,614	\$ -	\$	258,614	\$ 1,466,053
7	\$	263,786	\$ -	\$	263,786	\$ 1,729,839
8	\$	269,062	\$ -	\$	269,062	\$ 1,998,900
9	\$	274,443	\$ -	\$	274,443	\$ 2,273,343
10	\$	279,932	\$ -	\$	279,932	\$ 2,553,275

Property Tax Exemptions and Industrial Revenue Bonds



Property Tax Exemptions and Industrial Revenue Bonds

The City and/or the County is considering abating taxes on the Project's property. Below is a table that identifies the types of property that are under consideration for property tax abatement:

Land:	Yes
Building and Property Improvements:	Yes
Furniture, Fixtures and Equipment:	Yes

Property Tax Percentage Exemptions On Land and Building

County	City	Schools	Special Taxing District
75%	75%	75%	75%

Property Tax Percentage Exemptions On Furniture, Fixtures and Equipment

County	City	Schools	Special Taxing District
100%	100%	100%	100%

Value of Exemption Through 10 Years:	\$ 4,165,121	\$ 3,925,887	\$ 417,067	\$ 383,036
*Value of Payment in Lieu of Taxes Through 10 Years:	\$ 3,595,464	\$ -	\$ -	\$ -

*The model assumes that the payment in lieu of taxes will be administered to the either the county or city, and the local government will disperse the amounts to the appropriate districts.

Percentage of Gross Receipt Taxes Foregone on Newly Purchased Furniture, Fixtures and Equipment Over 10 Years

Year	State	County	City
1	100%	100%	100%
2	100%	100%	100%
3	100%	100%	100%
4	100%	100%	100%
5	100%	100%	100%
6	100%	100%	100%
7	100%	100%	100%
8	100%	100%	100%
9	100%	100%	100%
10	100%	100%	100%
Value of Exemption Through 10 Years:	\$ 26,425	\$ 8,313	\$ 19,513

INTERGOVERNMENTAL AGREEMENT
BETWEEN
BERNALILLO COUNTY AND THE CITY OF ALBUQUERQUE

This Intergovernmental Agreement (“Agreement”) is entered into as of the date of the last signature affixed below by and between Bernalillo County, New Mexico (the “County”) and the City of Albuquerque, New Mexico (“City” and collectively referred to as “the Parties”).

SECTION 1: RECITALS:

WHEREAS, the purpose of the Local Economic Development Act, NMSA 1978 § 5-10-1 through § 5-10-13 (2007) (“LEDA”), is to provide “public support for economic development to foster, promote and enhance local economic development efforts...” and

WHEREAS, the City has adopted Ordinance No. F/S O-04-10, approving an economic development plan for the City that promotes economic development within the City; and

WHEREAS, the City has adopted No. _____ on December, 2023 (the “Ordinance”) to approve the economic development project proposed by Arrey Technologies, Inc., a Delaware corporation (“Array” or the “Company” or the “Qualifying Entity”) pursuant to which Array will acquire, construct and improve a 216,320 square feet manufacturing facility located in the County at 701 Atrisco Vista NW to manufacture utility scale solar trackers and related products, at an estimated cost of approximately \$28,082,435 including land, building, and infrastructure upgrades and will operate the facility for a minimum of ten (10) years, which will create and maintain jobs as set forth in the Ordinance; and

WHEREAS, the Qualifying Entity has entered into a Local Economic Development Project Participation Agreement (hereinafter “PPA”) with the County and, pursuant to the terms of that PPA, Array will, among other things, retain 318 existing employees and hire an additional 87 employees for the Company’s operations in the Albuquerque Metropolitan Area, thereby expanding the City’s tax base. A copy of the PPA is attached hereto as Exhibit A; and

WHEREAS, the Project will achieve job growth within the Albuquerque Metropolitan Area, thereby making a positive substantive contribution to the community; and

WHEREAS, the City will transfer \$250,000 in LEDA contribution to the County for use in the Project as set forth in the PPA; and

WHEREAS, the City and County desire to enter into this Agreement as necessary to facilitate disbursement of funds for the Project;

NOW THEREFORE, the Parties do hereby agree to the following terms and conditions to accomplish the Project.

SECTION 2. PURPOSE OF AGREEMENT:

The purpose of this Agreement is to place the primary responsibility on the County for overseeing and administering LEDA funds distributed by the City. It is the intent of the parties that Two Hundred Fifty Thousand Dollars (\$250,000) from City LEDA funds (“City Funds”) will be transferred to the County to support the Project.

The Parties agree that any and all City Funds received will be accounted for by County as the fiscal agent for the City in accordance with the procedures the County will use to account for its own funds used to implement the Project.

SECTION 3. SCOPE OF WORK:

The County will act as fiscal agent for the City Funds supporting the Project. The City Funds will be granted to the County to assist with the economic development initiatives and costs and expenses incurred for the Project. The Company has agreed in the PPA that it will operate the facilities for a period of ten years and will generate certain economic activity through December 31, 2033.

The City and the County agree that failure of the Company to meet its obligations set forth under the PPA will result in a violation of the terms and conditions of the PPA, which could result in the foreclosure of a security interest on collateral, if any, provided by the Company to secure its obligations under the PPA. Proceeds of any such foreclosure will be used, first, to pay or reimburse any costs and expenses, including attorneys’ fees, of the foreclosure and then will be allocated to the City based on the contribution to the Project by the City. The portion of such net proceeds that is allocable to the City will be returned to the City. All the terms, conditions and requirements set forth under the PPA are incorporated into this Agreement by reference.

SECTION 4. BERNALILLO COUNTY RESPONSIBILITIES:

The County shall:

- A. Provide the City with an invoice for the City Funds and serve as Fiscal Agent for the City Funds transferred to it under this Agreement;
- B. Complete all of the following goals identified in this Agreement within the time limits agreed upon by the Parties:
 - i. distribute the funds transferred to the County by the City to the Company as provided for in the PPA;
 - ii. account for receipts and disbursements of said monies;
 - iii. provide the City with any required financial documentation pertaining to such disbursements; and
 - iv. submit all required and reasonably requested documentation to the City including the endorsed Ordinance approved by the County Commission accepting Array as a qualifying entity for LEDA, copies of the Project Application submitted by Array, the PPA entered into by the County and Array, and any other documentation as reasonably required by the City within the time required.
- C. Not impose any obligations on the City with respect to the administration of the Project, other than the provision of funds described in this Agreement.
- D. Any funds recaptured by the County as the result of enforcing the provisions of the PPA will be used in accordance with Section 3 of this Agreement.

SECTION 5. BERNALILLO COUNTY CERTIFICATIONS:

As Fiscal Agent, the County hereby represents and agrees that:

- A. It will comply with all applicable State laws, regulations, policies, guidelines and requirements with respect to the acceptance and use of City Funds;
- B. It has the legal authority to receive and expend the City Funds;
- C. It will enforce the provisions of the Ordinance;
- D. It has exercised due diligence in evaluating the Project as a project with potential long term economic development benefits and will, upon request, provide the

City with copies of all documentation and references to expertise it has relied upon in approving the Project, including all documentation received from Array;

- E. It has entered into a PPA and has obtained all financial documentation it has deemed appropriate to protect the County's investment in the Project;
- F. It will notify the City of any default on the part of Array of which it becomes aware within 10 days of becoming aware of the event of default. Further, the County shall provide the opportunity for any default to be cured by Array in accordance with the PPA.
- G. It will comply with the County's procurement code and will keep files of all related procurement documents, including but not limited to requests for professional services, advertisements, minutes of pertinent meetings, selection and award criteria, contacts, subcontracts and agreements;
- H. It has complied with Article IX, Section 14, of the New Mexico Constitution known as the "anti-donation clause."

SECTION 6. CITY OF ALBUQUERQUE RESPONSIBILITIES:

- A. The City shall:
 - i. Transfer to the County Two Hundred Fifty Thousand Dollars (\$250,000) to be used for the Project. Such transfer shall be effected within thirty (30) days after receipt of an invoice from the County after this Agreement has been fully executed. The City Funds shall be used only for the purpose stated in this Agreement and the PPA.
 - ii. At its discretion, review and audit the Project if it is deemed to be necessary or desirable.

SECTION 7. TERM OF AGREEMENT:

This Agreement shall become effective on the date it is fully executed and shall terminate upon termination of the PPA.

SECTION 8. LIABILITY:

No party shall be responsible for liability incurred as a result of the other party's acts or

omissions. Any liability incurred in connection with this Agreement is subject to the immunities and limitations of the New Mexico Tort Claims Act. The County and the City may agree to reimburse one another under these liability provisions, subject to sufficient appropriation by the New Mexico Legislature or sufficient funds being available to the party, as determined by the party responsible for payment.

SECTION 9. RECORDS; RETURN OF SURPLUS FUNDS:

- A. The County shall keep such records as will fully disclose the amount and disposition of the total funds from all County and City sources budgeted for the Project, the purposes for which such funds were used and such other records as the City may require.
- B. If, upon the expiration of the Project or the termination date of this Agreement, any surplus funds received from the City are possessed by County, County shall return said funds to the City for disposition in accordance with law.

SECTION 10. STRICT ACCOUNTABILITY:

The County shall be strictly accountable for receipts and disbursements relating hereto and shall make all relevant financial records available to the City quarterly or upon request, and shall maintain all such records for a period of six (6) years following completion of all the records and any audits.

SECTION 11. REPORTS:

The County shall provide to the City copies of all reports received by the County from the Company. At the request of the City, the County will request that Array provide to the County and the City an affidavit signed by an officer of Array indicating the economic performance targets have been met. The County will provide the City with information regarding problems or delays encountered with respect to the Project and the reasons therefor and such other information pertaining to the Project as may be requested by the City.

SECTION 12. NOTICES; REPRESENTATIVES OF THE PARTIES:

Any notice required to be given to either party by this Agreement shall be in writing and shall be delivered in person, by courier service or by U.S. Mail, either first class or

certified, return receipt requested, postage prepaid, as follows. The parties hereby designate the individuals named below as their representative responsible for overall administration of this Agreement.

To City:

City of Albuquerque
Attn: Economic Development Dept.
(Max Gruner)
One Civic Plaza NW, Rm. 1110
Albuquerque, NM 87102

Mail: P.O. Box 1293
Albuquerque, NM 87103

To the County:

Bernalillo County
Attn: Economic Development Dept.
(Marcos A. Gonzales)
415 Silver SW
Albuquerque, NM 87102

SECTION 13. AMENDMENTS:

This Agreement shall not be altered, changed or amended, except by instrument in writing executed by all of the Parties hereto.

SECTION 14. GOVERNING LAW:

This Agreement shall be governed by the laws of the State of New Mexico.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the last date of signature below,

CITY OF ALBUQUERQUE, NEW MEXICO

By: _____

Name: Lawrence Rael

Title: Chief Administrative Officer

Date: _____

APPROVED AS TO FORM

By: _____

Attorney for the City of Albuquerque

BERNALILLO COUNTY, NEW MEXICO

By: _____

Name: _____

Title:

Date: _____

APPROVED AS TO FORM

By: _____

Name: _____

Title: Attorney for Bernalillo County