

# CITY of ALBUQUERQUE

## TWENTY FIFTH COUNCIL

COUNCIL BILL NO. O-23-80 ENACTMENT NO. \_\_\_\_\_

SPONSORED BY: Klarissa Peña by request

1 **ORDINANCE**

2 **AMENDING “ARTICLE 2: CITY FUNDS, PART 1: URBAN ENHANCEMENT**  
3 **TRUST FUND ORDINANCE”.**

4 **WHEREAS, The Urban Enhancement Trust Fund and advisory UETF**  
5 **Committee were established in 1983 by the Albuquerque City Council; and**

6 **WHEREAS, The UETF Ordinance has only been modified twice in 40 years**  
7 **and is in need of updates to terms that reflect current department and division**  
8 **names, advisory board identity and arts and cultural programming goals; and**

9 **WHEREAS, The current UEFT Citizen Committee worked with city staff to**  
10 **evaluate and recommend these changes to the Mayor.**

11 **BE IT ORDAINED BY THE COUNCIL THE GOVERNING BODY OF THE CITY OF**  
12 **ALBUQUERQUE:**

13 **§ 4-2-1-1 INTENT.**

14 **It is the intent of the city to create an Urban Enhancement Trust Fund (UETF)**  
15 **to enhance and enrich the culture of the city. The principal of the trust fund**  
16 **shall be maintained intact. The interest earned thereon shall be utilized to**  
17 **enrich the city’s cultural life.**

18 **(’74 Code, § 4-1-1)(Ord. 65-1983; Am Ord. 28-1994)**

19 **§ 4-2-1-2 ADMINISTRATION OF THE TRUST FUND.**

20 **(A) The Mayor with the advice of the City of Albuquerque Investment**  
21 **Committee (“Investment Committee”) is authorized and directed to convey any**  
22 **funds appropriated to the Urban Enhancement Trust Fund to the City**  
23 **Treasurer or a trustee, with instructions to administer such fund as the Urban**  
24 **Enhancement Trust Fund for the uses and purposes set forth in §§ 4-2-1-1 et**  
25 **seq. The trust fund shall be permanent and irrevocable. Funds appropriated to**  
26 **the Urban Enhancement Trust Fund shall be invested in securities permitted**

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1 by §4-1-10 and subject to the city's investment policy in effect at the time of  
2 adoption of this section or as may be amended from time to time, and  
3 according to the recommendations and oversight of the Investment  
4 Committee.

5 (B) If a trustee is selected, it shall be a qualified, responsible financial  
6 institution which shall be selected by the Mayor, subject to Council approval,  
7 for a term of up to five years after publication of a request for sealed bid  
8 proposals.

9 (C) The administration of the trust fund shall be evaluated at least annually by  
10 the Investment Committee to determine whether the administration of the trust  
11 fund shall be undertaken by the City

12 Treasurer, or a new trustee, who shall be selected as provided in division (B).

13 (D) The fiscal year for the trust fund shall end on June 30 of each year. Within  
14 30 days after the end of each fiscal year, the City Treasurer shall furnish the  
15 Mayor a report of all investment activity of the past year in connection with the  
16 administration of the trust fund. The following reinvestment procedures shall  
17 be used: 90% of the annual earnings generated by investments shall be used  
18 for the purposes set forth in § 4-2-1-1 and in accordance with the Urban  
19 Enhancement Program adopted pursuant to § 4-2-1-

20 3. The remaining 10% of the earnings shall be added to the principal of the  
21 trust fund and reinvested.

22 (E) In investing the principal of the trust fund, the trustee shall be subject to  
23 the restrictions imposed on investment of city funds under § 4-1-9.

24 (F) The City Attorney shall prepare detailed instructions to the trustee  
25 consistent with the terms of §§ 4-2-1-1 et seq.

26 ('74 Code, § 4-1-2) (Ord. 65-1983; Am. Ord. 28-1994; Am. Ord. 12-2000)

27 § 4-2-1-3 PROJECT DEFINITION AND SELECTION.

28 [The urban enhancement projects funded by the Urban Enhancement Trust  
29 Fund shall be selected and programmed as provided below:]

30 (A) Project Definition.

31 (1) Trust Fund Projects for Cultural Services. Projects and activities, including  
32 educational projects and activities, of [non-profit] organizations [, that  
33 enhance the arts in greater Albuquerque, including] ~~[substantially dedicated to~~

1 enhancing Albuquerque's cultural vitality in the area of art,] music, theater,  
2 dance, [creative writing, visual art, performance art, installation, photography,  
3 film, teaching artists, arts education, culturally-based craft workers and  
4 culture bearers] ~~[history, and literature, and that have favorable economic or~~  
5 ~~cultural impacts on the city. Cultural Services Trust Fund projects and~~  
6 ~~activities will be in accordance with the Cultural Plan for Albuquerque.]~~  
7 [Priority will be given to projects which enhance cultural development in, or  
8 are led by people from historically underserved communities.]  
9 (2) Anti-donation limitations. Trust fund expenditures shall not violate Article  
10 IX, Section 14 of the New Mexico Constitution, which restricts public  
11 donations to private entities.  
12 (B) Two-Year Cycle. Each even-numbered year, [the UETF Board] ~~[to coincide~~  
13 ~~with the development of the Decade Plan, the Mayor]~~ shall develop a proposed  
14 Urban Enhancement Program for use of the trust fund earnings anticipated  
15 during the upcoming two fiscal years. ~~[The cycle shall be reviewed and~~  
16 ~~approved in conjunction with the Decade Plan and the General Obligation~~  
17 ~~Bond program.]~~ Council has final authority to make changes to the Urban  
18 Enhancement Trust Fund Two-Year Cycle as proposed by the Citizens'  
19 Committee [ UETF Board.]  
20 (C) ~~[Citizens' Committee.]~~ [UETF Board.] The Mayor, with the advice and  
21 consent of the Council, shall appoint an 11-member ~~[Citizens' Committee]~~  
22 [UETF Board who have working knowledge or experience in arts and culture].  
23 At least one of these ~~[citizens]~~ [members] shall reside in each of the nine  
24 Council districts, and two shall be members at large. All appointments shall be  
25 for terms of three years, which may be renewed once. If the appointment is to  
26 fill a vacancy, it may be renewed twice. The Council may, individually or as a  
27 whole, recommend committee appointees to the Mayor. The ~~[Citizens'~~  
28 ~~Committee]~~ [UETF Board] shall establish such guidelines as are necessary to  
29 carry out the purpose of the ordinance. The guidelines shall include but not be  
30 limited to goals for selection of projects and procedures for selection. The  
31 guidelines shall be promulgated by the Mayor.  
32 (D) ~~[Public-Private Partnership. In developing the Urban Enhancement two-~~  
33 ~~year cycle of projects, consideration shall be given to promoting a public-~~

1 ~~private partnership designed to enhance the quality of life in Albuquerque.~~  
2 ~~Where feasible and appropriate, Albuquerque businesses, private~~  
3 ~~organizations, and neighborhood associations shall be involved in the~~  
4 ~~planning of urban enhancement projects.] [Reserved.]~~  
5 ('74 Code, § 4-1-3) (Ord. 65-1983; Am. Ord. 20-1984; Am. Ord. 28-1994; Am.  
6 Ord. 12-2000; Am. Ord. 16-2001)

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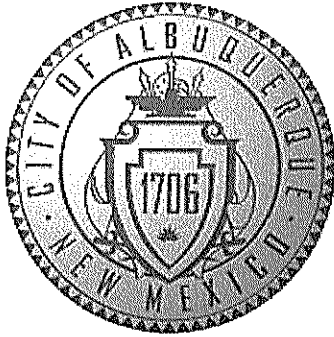
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Mayor Timothy M. Keller

# CITY OF ALBUQUERQUE


## Albuquerque, New Mexico

### Office of the Mayor

#### INTER-OFFICE MEMORANDUM

March 15, 2023

**TO:** Patrick Davis, President, City Council

**FROM:** Timothy M. Keller, Mayor 

**SUBJECT:** Urban Enhancement Trust Fund Ordinance Amendment

The attached update to the Urban Enhancement Trust Fund Ordinance is to provide clarification on applicant eligibility regarding the types of organizations that can serve as fiscal agents for arts and cultural projects and the definition of arts and cultural projects in general, and to address outdated references to the program, division and department that manages the proceeds of the fund for distribution every two years. It also changes the title of the UETF Committee to the UETF Board to be in keeping with the overarching Boards and Commissions Ordinance.

The appointed UETF advisory board worked closely with the division staff during the post-pandemic funding cycles to update the eligibility language. The updates reflect the community suggestions to improve the definition of eligible types of arts and cultural projects, and how smaller organization may utilize fiscal sponsors for submitting and managing funds for projects.

Nearly 15 years ago, the Public Art Urban Enhancement Division was moved out of the DMD/CIP department to what was then the Cultural Services Department. Today the Division resides in the Department of Arts and Culture. These corrections are reflected in the ordinance update.

The original UETF Ordinance adopted 40 years ago this year provides excellent direction for actual management of the trust fund. This ordinance does not change any aspect of that part of the Ordinance.

2023 is the 20<sup>th</sup> two-year cycle of the application process which has positively impacted hundreds of arts and cultural organizations' projects ranging from the internationally recognized Mariachi and Flamenco festivals to supporting classical Latin guitar classes for seniors, and children's literacy projects.

## Urban Enhancement Trust Fund Ordinance Amendment

Approved:



Lawrence Rael      Date  
Chief Administrative Officer


Approved as to Legal Form:

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City Attorney

Recommended:

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Date  
Director

## **Cover Analysis**

- 1. What is it?** Amendment to ARTICLE 2: CITY FUNDS PART 1: URBAN ENHANCEMENT TRUST FUND ORDINANCE
- 2. What will this piece of legislation do?** Provide updates to outdated references to the program, division and department, and clarify applicant eligibility, and fiscal sponsorship for use of funds
- 3. Why is this project needed?** Existing Ordinance has outdated language that no longer reflects the current needed methods for distribution of funds to arts and cultural organizations.
- 4. How much will it cost and what is the funding source?** There will be no change to the current financial impact of the Urban Enhancement Trust Fund.
- 5. Is there a revenue source associated with this contract? If so, what level of income is projected?** No.
- 6. What will happen if the project is not approved?** Confusion about applicant eligibility and fiscal sponsorship will be left to staff to interpret.
- 7. Is this service already provided by another entity?** No.