

CITY of ALBUQUERQUE

TWENTY THIRD COUNCIL

COUNCIL BILL NO. R-19-212 ENACTMENT NO. _____

SPONSORED BY: Pat Davis, by request

1 RESOLUTION

2 A RESOLUTION RELATING TO THE PROPOSED RELATIONSHIP BETWEEN
3 THE CITY OF ALBUQUERQUE'S DEPARTMENTS OF ECONOMIC
4 DEVELOPMENT AND AVIATION AND THE NEW MEXICO SMALL BUSINESS
5 INVESTMENT CORPORATION FOR THE PURPOSE OF PROMOTING
6 ECONOMIC DEVELOPMENT AT THE ALBUQUERQUE INTERNATIONAL
7 SUNPORT'S AVIATION CENTER FOR EXCELLENCE (ACE) BUSINESS PARK;
8 DECLARING THE INTENT OF THE CITY OF ALBUQUERQUE TO CONSIDER
9 FOR ADOPTION AN ORDINANCE AUTHORIZING THE PLEDGE OF CERTAIN
10 AVIATION DEPARTMENT REVENUES PREVIOUSLY APPROPRIATED FOR
11 LOCAL ECONOMIC DEVELOPMENT PURPOSES TO LEVERAGE A
12 REVOLVING LOAN PROGRAM WITH THE NEW MEXICO SMALL BUSINESS
13 INVESTMENT CORPORATION FOR THE BENEFIT OF ELIGIBLE PRIVATE
14 ENTITIES SEEKING TO LOCATE AT THE ALBUQUERQUE INTERNATIONAL
15 SUNPORT'S ACE BUSINESS PARK.

16 WHEREAS, the City of Albuquerque (the "City") is a legally and regularly
17 created, established, organized, and existing municipal corporation of the
18 State of New Mexico (the "State"); and

19 WHEREAS, pursuant to Sections 5-10-1 through 5-10-13 NMSA 1978, as
20 amended (the "Act"), the City is authorized to provide economic development
21 assistance to eligible entities for certain projects located within the corporate
22 limits of the municipality; and

23 WHEREAS, pursuant to the Act, the City has adopted Ordinance No. F/S 04-
24 10 (the "LEDA Ordinance"), approving an economic development plan for the
25 City and authorizing the City to assist economic development projects in any
26 legally permissible manner, subject to the terms of the LEDA Ordinance; and

1 WHEREAS, the City has previously appropriated \$4,000,000 of Aviation
2 Department revenues to benefit commercial development projects at the
3 Albuquerque International Sunport (the “Sunport”); and

4 WHEREAS, the Aviation Department, with the assistance of the City’s
5 Economic Development Department, has evaluated options to maximize the
6 benefit of the \$4,000,000 of commercial development funds at the Sunport for
7 the benefit of the Sunport; and

8 WHEREAS, the Aviation Department has identified the New Mexico Small
9 Business Investment Corporation (“SBIC”) as a potential partner to facilitate
10 loans with eligible private entities seeking to locate at the Sunport’s ACE
11 Business Park, with the City providing credit support; and

12 WHEREAS, implementation of a potential partnership with SBIC requires
13 the City Council to consider an ordinance authorizing the commitment of
14 Aviation Department commercial development funds (consistent with Federal
15 Aviation Administration regulations and guidelines regarding the use of
16 airport funds for this type of purpose) and to formalize the structure of the
17 relationship between the City’s Aviation and Economic Development
18 Departments with the SBIC; and

19 WHEREAS, the City Council’s adoption of this Resolution will not obligate
20 the City to encumber the Aviation Department’s \$4,000,000 in local economic
21 development funds or enter into a relationship with the SBIC; such
22 commitment to occur only upon full compliance with the terms of an
23 ordinance to be considered for adoption by the City Council authorizing the
24 City’s involvement with the SBIC pursuant to an agreed upon structure and
25 documentation.

26 BE IT RESOLVED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY OF
27 ALBUQUERQUE:

28 Section 1. The Aviation and Economic Development Departments
29 and other appropriate City officials and employees are hereby authorized and
30 empowered to take such steps and to do such things as may be necessary to
31 continue due diligence discussions with the SBIC and develop the
32 documentation and structure related to a legally permissible relationship with
33 the SBIC for the benefit of commercial development at the Sunport. The

1 execution and delivery of any documents to which the City is a party in
2 connection therewith shall be subject to the approval and authorization of the
3 Council pursuant to an ordinance.

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CITY OF ALBUQUERQUE
Albuquerque, New Mexico
Office of the Mayor

Mayor Timothy M. Keller

INTER-OFFICE MEMORANDUM

November 15, 2019

TO: Klarissa J. Peña, President, City Council


FROM: Timothy M. Keller, Mayor 

SUBJECT: A Resolution Relating to the Proposed Relationship between the City of Albuquerque's Departments of Economic Development and Aviation and the New Mexico Small Business Investment Corporation for the Purpose of Promoting Economic Development at The Albuquerque International Sunport's Aviation Center of Excellence (ACE) Business Park.

Attached for Council action is a copy of a resolution declaring the intent of the City to consider a Local Economic Development Act ordinance to allow use of Aviation Department revenue as collateral for New Mexico Small Business Investment Corporation ("SBIC") loans following negotiations by the City of Albuquerque's Economic Development Department and Aviation Department with the SBIC.

Approved:

Approved as to Legal Form:



Sarita Nair
Chief Administrative Officer

11/20/19
Date


Esteban A. Aguilar, Jr.
City Attorney

11-15-19
Date

Recommended:


Nyika A. Allen, C.M.
Director of Aviation

11/15/19
Date

Cover Analysis

1. What is it?

A Resolution Relating to the Proposed Relationship between the City of Albuquerque's Departments of Economic Development and Aviation and the New Mexico Small Business Investment Corporation for the Purpose of Promoting Economic Development at The Albuquerque International Sunport's Aviation Center of Excellence (ACE) Business Park.

2. What will this piece of legislation do?

This Resolution declares the intent of the City to consider a Local Economic Development Act ordinance to allow use of Aviation Department revenue as collateral for New Mexico Small Business Investment Corporation ("SBIC") loans following negotiations by the City of Albuquerque's Economic Development Department and Aviation Department with the SBIC.

3. Why is this project needed?

To incentivize development of the ACE business through LEDA programs and use of SBIC loans.

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

There are no costs associated with passage of this Resolution.

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

No.