

# CITY of ALBUQUERQUE

## TWENTY FOURTH COUNCIL

COUNCIL BILL NO. O-20-15 ENACTMENT NO. D-2020-018

SPONSORED BY: Pat Davis and Don Harris

1 ORDINANCE

2 RELATING TO THE LOCAL ECONOMIC DEVELOPMENT ACT PLAN OF THE  
3 CITY OF ALBUQUERQUE; TEMPORARILY SUSPENDING SECTION 2-14-1-9(D)  
4 OF THE ALBUQUERQUE CODE OF ORDINANCES FOR THE LIMITED PURPOSE  
5 OF ASSISTING THE STATE OF NEW MEXICO WITH ITS COVID-19 RELIEF ZERO  
6 INTEREST LOAN PROGRAM.

7 WHEREAS, the City of Albuquerque (the "City") provides public support  
8 of economic development projects to foster, promote and enhance local  
9 economic development efforts within the City pursuant to the Local Economic  
10 Development Act, Sections 5-10-1 through 5-10-13 NMSA 1978, as amended (the  
11 "Act"), and the City's Local Economic Development Act Plan (the "LEDA Plan"),  
12 codified in the City's Code of Ordinances at Sections 2-14-1-1 through 2-14-1-  
13 13; and

14 WHEREAS, the City is permitted under the Act to serve as fiscal agent for  
15 the State of New Mexico (the "State") to oversee and administer State local  
16 economic development funds committed to qualified entities located within the  
17 corporate limits of the City; and

18 WHEREAS, Section 2-14-1-9 provides for public safeguards related to the  
19 expenditure of public funds for eligible local economic development projects,  
20 including annual performance reviews, a form of security to protect the City's  
21 interest in the public funds provided, and a commitment from the qualifying  
22 entity to operate in accordance with a project participation agreement with the  
23 City for a minimum of ten years; and

24 WHEREAS, in response to the COVID-19 pandemic, the State Economic  
25 Development Department created a zero-interest loan program (the "Loan  
26 Program") for qualified entities that meet the requirements of the Act; and

1 WHEREAS, the State's Loan Program is intended to provide short-term  
2 financing for qualified entities with repayment of the loan due within two years  
3 and with the loan amount being fully securitized for the protection of the State  
4 and public funds; and

5 WHEREAS, the City seeks to support to the State's Loan Program and the  
6 related benefit to qualified entities within the corporate limits of the City to help  
7 address the economic conditions resulting from the COVID-19 pandemic; and

8 WHEREAS, given the two year maturity of the State's Loan Program, the  
9 City LEDA Plan requirement of a ten year commitment from the qualifying entity  
10 under Section 2-14-1-9(D) should be temporarily suspended to allow the City to  
11 assist the State and local qualifying entities.

12 BE IT ORDAINED BY THE CITY COUNCIL, THE GOVERNING BODY OF CITY OF  
13 ALBUQUERQUE:

14 Section 1. Section 2-14-1-9(D) of the LEDA Plan is hereby  
15 temporarily suspended for the limited purpose to allow the City to serve as the  
16 State's fiscal agent related to the State Loan Program. The temporary  
17 suspension of Section 2-14-1-9(D) shall be in effect until June 30, 2022 unless  
18 otherwise extended by action of the City Council.

19 Section 2. If any section, paragraph, sentence, clause, word or  
20 phrase of this Ordinance is for any reason held to be invalid or unenforceable  
21 by any court of competent jurisdiction, such decision shall not affect the validity  
22 of the remaining provisions of the Ordinance. The Council hereby declares that  
23 it would have passed this Ordinance and each section, paragraph, sentence,  
24 clause, word or phrase thereof irrespective of any provision being declared  
25 unconstitutional or otherwise invalid.

26 Section 3. This Ordinance shall take effect five days after  
27 publication by title and general summary.  
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1 PASSED AND ADOPTED THIS 1<sup>st</sup> DAY OF June, 2020  
2 BY A VOTE OF: 9 FOR 0 AGAINST.

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8 Patrick Davis, President  
9 City Council

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13 APPROVED THIS 8 DAY OF June, 2020

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17 Bill No. O-20-15

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21 Timothy M. Keller, Mayor  
22 City of Albuquerque

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27 ATTEST:

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30 Ethan Watson, City Clerk