

CITY of ALBUQUERQUE

TWENTY-FOURTH COUNCIL

COUNCIL BILL NO. R-21-202 ENACTMENT NO. _____

SPONSORED BY: Isaac Benton, Pat Davis

1 RESOLUTION

2 APPROVING THE PETITION OF THE REGENTS OF THE UNIVERSITY OF NEW
3 MEXICO BY AND THROUGH LOBO DEVELOPMENT CORPORATION, A NEW
4 MEXICO NONPROFIT CORPORATION FORMED UNDER THE RESEARCH PARK
5 AND ECONOMIC DEVELOPMENT ACT, AND THE CITY OF ALBUQUERQUE, NEW
6 MEXICO FOR FORMATION OF THE SOUTH CAMPUS TAX INCREMENT
7 DEVELOPMENT DISTRICT (THE "DISTRICT" OR "TIDD") PURSUANT TO THE TAX
8 INCREMENT FOR DEVELOPMENT ACT, SECTIONS 5-15-1 THROUGH 5-15-28,
9 NMSA 1978 AND CITY ORDINANCE, CHAPTER 4, ARTICLE 10; MAKING
10 FINDINGS IN CONNECTION WITH THE PETITION AND SUPPORTING
11 DOCUMENTATION REQUESTING APPROVAL OF THE FORMATION OF THE
12 TIDD; DETERMINING THE REAL PROPERTY TO BE INCLUDED WITHIN THE
13 TIDD AND THE PURPOSES FOR WHICH THE TIDD IS BEING FORMED;
14 APPROVING THE JOINT APPLICATION, PETITION AND FINANCIAL FEASIBILITY
15 STUDY FOR THE TIDD; RATIFYING THE TAX INCREMENT DEVELOPMENT PLAN
16 APPROVED FOR CONSIDERATION IN CONNECTION WITH THE FORMATION OF
17 THE TIDD; DEDICATING 75% OF THE GROSS RECEIPTS TAX INCREMENT
18 REVENUE AND 75% OF THE PROPERTY TAX INCREMENT REVENUE FOR THE
19 FINANCING OF PUBLIC IMPROVEMENTS FOR THE TIDD, AND RELATED
20 PURPOSES UNDER THE TIDD ACT; APPROVING PARAMETERS FOR THE
21 ISSUANCE OF TAX INCREMENT BONDS BY THE TIDD; PROVIDING FOR
22 GOVERNANCE OF THE TIDD BY THE APPOINTMENT OF MEMBERS OF THE
23 GOVERNING BODY OF THE TIDD; PROVIDING THAT TAX INCREMENT BONDS
24 OF THE TIDD AND OTHER OBLIGATIONS OF THE TIDD SHALL NOT BE
25 OBLIGATIONS OF THE CITY OF ALBUQUERQUE OR THE UNIVERSITY OF NEW
26 MEXICO; RATIFYING CERTAIN ACTIONS HERETOFORE TAKEN; REPEALING
27 ALL ACTIONS INCONSISTENT WITH THIS RESOLUTION.

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1 Capitalized terms in the following preamble shall have the meanings assigned in
2 Section 1 of this Formation Resolution, unless the context clearly requires otherwise.

3 WHEREAS, the TIDD Act provides in part that the owners of real property may
4 petition the governing body of a city in which the real property is located for the
5 formation of a tax increment development district (a "district") to provide gross receipts
6 tax increment financing and property tax increment financing for public infrastructure
7 in order to support economic development and job creation; that the governing body
8 shall hold a hearing to determine whether a district should be formed; and, upon
9 determination that formation of a district is in the interest of the property owners and
10 the citizens of the governing body's jurisdiction, shall order that the district be formed;
11 and that an election for the formation of the district by owners of real property and
12 residents qualified within the district may be waived and the district formed if the
13 petition was submitted by the owner(s) of 100% of the real property proposed to be
14 included within the district; and

15 WHEREAS, the Regents of the University of New Mexico by and through Lobo
16 Development Corporation, a New Mexico nonprofit corporation formed under the
17 Research Park and Economic Development Act, owned, controlled and established
18 by the Regents, and the City of Albuquerque, New Mexico (collectively, the
19 "Applicant"), have submitted to the City a petition and joint application for the formation
20 of the South Campus Tax Increment Development District, which includes, without
21 limitation, a Tax Increment Development Plan for the District, a map depicting the
22 boundaries of the District, a study of the feasibility, the financing and the estimated
23 costs of improvements, services and benefits to result from the formation of proposed
24 District (the "Financial Feasibility Study") and a proposed Master Development
25 Agreement for the District (the "Master Development Agreement"); and

26 WHEREAS, pursuant to the Application and Master Development Agreement, the
27 purpose of the District is to finance public infrastructure to serve, in part, approximately
28 337 acres of land in the vicinity of the University of New Mexico (the "Project"); and

29 WHEREAS, the Applicant estimates that the initial cost of public infrastructure, in
30 2020 dollars, is \$620 million which may be financed with Tax Increment Revenue and
31 proceeds of Tax Increment Revenue Bonds issued by the District (the "TIDD
32 Improvements"), as provided in the TIDD Act and Ordinance No. F/S O-06-44,
33 Chapter 4, Article 10 (the "TIDD Ordinance"); and

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1 WHEREAS, the TIDD Act authorizes owners, tax increment for development
2 districts, municipalities and counties to enter into development agreements to
3 establish the obligations of the owner or developer, the municipality and the tax
4 increment development district concerning the zoning, subdivision, improvements,
5 impact fees, financial responsibilities, and other matters relating to the development,
6 improvement and use of real property within the TIDD; and

7 WHEREAS, pursuant to the TIDD Ordinance, the City has enacted policy
8 guidelines and application procedures for the establishment of tax increment
9 development districts within the City; and

10 WHEREAS, the Applicant has presented a Petition for formation of the TIDD, and
11 the following documents in support of the Petition, together constituting the Joint
12 Application:

13 (i) a description and boundary map of the proposed TIDD, including a legal
14 description of the TIDD's boundaries, identity and addresses of all persons or
15 entities with any interest in the property, including an analysis of the
16 appropriateness of the TIDD's boundaries;

17 (ii) a District Illustrative Plan, which designates the intended land uses within
18 the District;

19 (iii) evidence of the unanimous consent of owners of real property within the
20 proposed TIDD's boundaries;

21 (iv) a detailed description of the TIDD Improvements financed with proceeds of
22 Tax Increment Bonds to be issued by the TIDD (or other tax increment revenues
23 as authorized by the TIDD Act), including the estimated construction or acquisition
24 costs, projection of working capital needs, including adequate funds for repair and
25 replacement of infrastructure, annual operation and maintenance costs of the TIDD
26 Improvements and the required governmental approvals and licenses;

27 (v) a proposed schedule for commencement and completion of the TIDD
28 Improvements, including the Applicant Improvements;

29 (vi) the Tax Increment Development Plan setting forth the information required
30 by the TIDD Ordinance and the TIDD Act, which has been approved by the City
31 Council pursuant to Section 5-15-4(A), subject to further proceedings and
32 additional necessary approvals of the City Council concerning the formation of the
33 TIDD and which is on file with the City Clerk;

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- 1 (vii) a Financial Feasibility Study for the TIDD setting forth the required
- 2 information required by the TIDD Ordinance;
- 3 (viii) a description of the Applicant's equity contribution toward the initial costs
- 4 of public improvements to serve the real property within the TIDD, and the timing
- 5 and sources of the contribution;
- 6 (ix) a description of Applicant's development experience and financial ability to
- 7 complete the TIDD Improvements and the redevelopment of the Project, including
- 8 the Applicant Improvements;
- 9 (x) an operating plan for the TIDD Improvements and redevelopment of the
- 10 Project, including the Applicant Improvements;
- 11 (xi) a description of the consistency of the TIDD Improvements and the Project
- 12 with the City's development policies and objectives;
- 13 (xii) a proposed Master Development Agreement to be entered into by the
- 14 Applicant, the City, and the TIDD; and
- 15 (xiii) a proposed form of Formation Resolution.

16 WHEREAS, pursuant to the Master Development Agreement, following formation
17 of the TIDD, the Applicant will construct the TIDD Improvements in accordance with
18 the estimated construction schedule included in the Application, the City's rules and
19 regulations and the Master Development Agreement; and

20 WHEREAS, pursuant to the Application and as provided for in the TIDD Act, the
21 Applicant anticipates that the TIDD Improvements will be financed, in part through the
22 issuance by the District of a series of bonds secured by the portion of gross receipts
23 tax increment revenues and property tax increment revenues generated within the
24 District and dedicated by the City, and the City will have no direct responsibility for
25 construction of the TIDD Improvements, payment of the Tax Increment Bonds, or
26 other financial obligations of the District; and

27 WHEREAS, pursuant to the Master Development Agreement, the TIDD
28 Improvements are to be (i) designed and constructed according to all applicable
29 standards, (ii) suitable for dedication to state and local public bodies, including the City
30 and the University of New Mexico upon completion, and (iii) owned and operated by
31 state and local governmental entities, including the City and the University of New
32 Mexico; and

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1 WHEREAS, pursuant to Sections 5-15-15(E) and 5-15-16(H) of the TIDD Act, the
2 Applicant requests the dedication of seventy-five percent (75%) of the City's eligible
3 local option gross receipts tax increment revenues and seventy-five percent (75%) of
4 the City's property tax increment revenues generated within the TIDD; and

5 WHEREAS, the Applicant certifies that it owns or controls 100% of the property
6 located within the District, and that no qualified electors reside on the property located
7 within the District and that, consequently, no formation election is required pursuant
8 to Section 5-15-8 of the TIDD Act; and

9 WHEREAS, the potential TIDD further presents a unique opportunity for the City
10 and the University of New Mexico to enter a symbiotic partnership wherein all TIDD
11 revenue generated will benefit the public interests of both the City and the University
12 of New Mexico; and

13 WHEREAS, the City Council has considered the Joint Application and related
14 submittals by the Applicant, has conducted a public hearing as provided by Sections
15 5-15-6 and 5-15-7 NMSA 1978, and has determined that the formation of the TIDD is
16 consistent with the TIDD Ordinance and promotes the interests, convenience or
17 necessity of the owners and residents of the TIDD and citizens of the City.

18 NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL, THE GOVERNING
19 BODY OF THE CITY OF ALBUQUERQUE:

20 Section 1. Defined Terms. As used in this Formation Resolution, the following
21 terms shall have the meanings specified, unless the context clearly requires otherwise
22 (such meanings to be equally applicable to both the singular and the plural forms of
23 the terms defined):

24 "Applicant" means, collectively, the Regents of the University of New Mexico by
25 and through Lobo Development Corporation, a New Mexico nonprofit corporation
26 formed under the Research Park and Economic Development Act, owned, controlled
27 and established by the Regents and the City of Albuquerque, New Mexico.

28 "Applicant Improvements" means the infrastructure improvements to be
29 constructed by the Applicant, through financing or resources other than the proceeds
30 of TIDD Bonds or Tax Increment Revenue, as described in and according to the
31 construction schedule provided in the Application and as described, and in the
32 approximate locations shown in the Tax Increment Development Plan.

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1 "Bond Resolution" means a resolution authorizing issuance of District Bonds in an
2 aggregate principal amount not to exceed the costs of Public Improvements serving
3 the District, for the purpose of financing the TIDD Improvements and containing
4 certain provisions set forth in Section 6 of this Formation Resolution.

5 "Bonds" or "TIDD Bonds" means Tax Increment Bonds issued by the District,
6 collectively or individually.

7 "City" means the City of Albuquerque, New Mexico.

8 "Clerk" means the City Clerk.

9 "District" or "TIDD" means, the South Campus Tax Increment Development
10 District.

11 "District Boundary Map" means the map attached as Exhibit 1 to the Tax Increment
12 Development Plan.

13 "Financial Feasibility Study" means the study of the estimated costs and financing
14 methods of the TIDD Improvements submitted by the Applicant in connection with its
15 Petition for formation of the District.

16 "Formation Documents" means the Application and such other documents as are
17 required by the TIDD Act and the TIDD Ordinance to be submitted by an applicant in
18 connection with a petition for the formation, implementation and governance of the
19 TIDD.

20 "Formation Resolution" means this resolution adopted by the City in connection
21 with its approval of the formation of the TIDD.

22 "Gross Receipts Tax Increment" means the gross receipts taxes collected within
23 the TIDD in excess of the base gross receipts taxes, collected for the duration of the
24 existence of the TIDD and distributed to the TIDD in the same manner as distributions
25 are made under the provisions of the State Tax Administration Act.

26 "Master Development Agreement" means the master development agreement by
27 and between the Applicant and the City in accordance with Section 5(L) of the TIDD
28 Ordinance, which Master Development Agreement shall be approved in a subsequent
29 resolution of the City Council and ratified by the TIDD.

30 "Petition" means the petition for formation of the District and documentation
31 incorporated by reference in the Application submitted to the City pursuant to the TIDD
32 Act and the TIDD Ordinance.

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1 "Property Tax Increment" means all property tax collected on real property within
2 a TIDD that is in excess of the base property tax until termination of that TIDD and
3 distributed to that TIDD in the same manner as distributions are made under the
4 provisions of the Property Tax Act.

5 "Real Property" means the real property described in the District Boundary Map.

6 "State" means the State of New Mexico.

7 "Tax Increment Bonds" means bonds issued by a TIDD in accordance with the
8 TIDD Act and secured by up to 75% of the revenues of the Gross Receipts Tax
9 Increment, and/or up to 75% of the revenues of the Property Tax Increment.

10 "Tax Increment Development Plan" means the tax increment development plan for
11 the South Campus Tax Increment Development District, including a map depicting the
12 boundaries of the TIDD, as required by the TIDD Ordinance and Section 5-15-5 of the
13 TIDD Act.

14 "TIDD Act" means the Tax Increment for Development Act, Sections 5-15-1
15 through 5-15-29 NMSA 1978, as supplemented and amended, and all enactments of
16 the City's Governing Body, including the TIDD Ordinance and this Resolution.

17 "TIDD Improvements" means the public infrastructure improvements to be
18 financed with proceeds of TIDD Bonds or other tax increment revenues as authorized
19 by the TIDD Act, as described and in the approximate locations shown in the Tax
20 Increment Development Plan.

21 "TIDD Ordinance" means City Ordinance No. F/S O-06-44, Chapter 4, Article 10.

22 "University of New Mexico" means the Regents of the University of New Mexico
23 by and through Lobo Development Corporation, a New Mexico nonprofit corporation
24 formed under the Research Park and Economic Development Act, owned, controlled
25 and established by the Regents.

26 Section 2. Construction of Formation Resolution. Except as otherwise expressly
27 provided in this Resolution, or unless the context otherwise requires:

- 28 A. The singular includes the plural and the plural includes the singular.
- 29 B. All accounting terms not otherwise defined in this Formation Resolution have
30 the meanings assigned to them in accordance with generally accepted accounting
31 principles in the United States.
- 32 C. All references to Sections shall refer to Sections of this Formation
33 Resolution, unless otherwise stated.

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- 1 D. Words importing any gender include the other gender.
- 2 E. "Herein," "hereby," "hereunder," "hereof," "hereinbefore" and "hereafter"
- 3 refer to this Formation Resolution and not solely to the particular portion of this
- 4 Formation Resolution in which such word is used.
- 5 F. All times will be local time in the City unless otherwise designated in this
- 6 Resolution.
- 7 Section 3. Findings. The City hereby declares that it has considered the Application
- 8 and all other relevant information and data, and hereby makes the following findings:
- 9 A. The Applicant owns 100% of the real property located within the TIDD.
- 10 B. As planned and proposed by the Applicant, the TIDD Improvements will be
- 11 constructed to appropriate governmental specifications, and will be subject to
- 12 inspection, approval and acceptance by governmental entities prior to dedication.
- 13 C. District Bonds proposed to be issued by the TIDD will be the obligations
- 14 solely of the TIDD, and will not be backed by the faith, credit, general funds or
- 15 resources of the City or the University of New Mexico in any manner, and will not
- 16 impair any outstanding obligations of the City or the University of New Mexico.
- 17 D. The Tax Increment Development Plan reasonably protects the interests of
- 18 the City in meeting its goals to support:
 - 19 (i) job creation;
 - 20 (ii) workforce housing; and
 - 21 (iii) economic development
- 22 E. The Tax Increment Development Plan demonstrates elements of innovative
- 23 planning techniques, including mixed-use transit-oriented development, traditional
- 24 neighborhood design or sustainable development techniques that are deemed by the
- 25 City Council to benefit community development.
- 26 F. The Tax Increment Development Plan and the District Illustrative Plan
- 27 incorporate sustainable development considerations.
- 28 G. The Tax Increment Development Plan conforms to general or long-term
- 29 planning of the City and the University.
- 30 H. The financing of the TIDD Improvements is feasible and, based upon the
- 31 Financial Feasibility Study, will not impose an undue burden on the future owners of
- 32 property located within the District or served by the TIDD Improvements.

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1 I. The financing of the TIDD Improvements will enable the District to construct
2 or acquire those improvements in a cost-effective manner.

3 J. The formation of the TIDD and the issuance of TIDD Bonds subject to the
4 requirements and limitations specified in this Formation Resolution are consistent with
5 the requirements of the TIDD Ordinance.

6 K. The scope of the projects and obligations contemplated within the TIDD are
7 intended to be used only as consistent with the limitations already in place with respect
8 to tax increment for development districts, and shall not be applied to, or have their
9 availability conditioned upon, City projects or interests not directly related to the
10 District.

11 Section 4. Waiver of Additional Hearing and Election. Based on the information
12 provided by the Applicant in the Application, the Application has been signed by and
13 on behalf of the owners of 100% of the Real Property to be included in the proposed
14 TIDD, and on that basis the City waives the requirements for mailing and owner
15 election concerning the formation of the TIDD, as authorized by Section 5-15-8 of the
16 TIDD Act.

17 Section 5. Approval of Application and Formation Documents; Formation of the
18 District.

19 A. Approval of Petition. The Application is hereby accepted and approved,
20 subject to the provisions of this Formation Resolution.

21 B. Approval of the District pursuant to the Tax Increment Development Plan
22 and Master Development Agreement. The District is hereby ordered, approved and
23 formed to carry out the purposes set forth in, and according to the provisions of, this
24 Formation Resolution.

25 (i) The Tax Increment Development Plan, previously approved for
26 further proceedings, is hereby ratified for formation of the TIDD. The TIDD
27 shall include the Real Property as shown in the District Boundary Map
28 attached as Exhibit 1 to the Tax Increment Development Plan and
29 incorporated by reference in this Formation Resolution.

30 (ii) The District shall have the powers necessary and convenient to
31 finance and construct the TIDD Improvements as provided in the Tax
32 Increment Development Plan, Financial Feasibility Study and Master
33 Development Agreement, as those documents may be amended or

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1 modified with the approval of the City. The Applicant, the District, and the
2 City shall be bound by the terms thereof.

3 C. Purpose of the TIDD. The purpose of the TIDD shall be to provide financing
4 of the TIDD Improvements set forth in the Tax Increment Development Plan and the
5 Master Development Agreement.

6 D. Maximum Authorized Amount of Bond Financing. The maximum aggregate
7 principal amount of Tax Increment Bonds issued by the District shall not exceed 80%
8 of the initial cost of the public improvements serving the District as determined or
9 estimated at each time the District issues a series of bonds.

10 E. TIDD to be self-supporting. The TIDD shall be self-supporting, as provided
11 in Section 3(H) of the TIDD Ordinance.

12 F. Compliance with City Policies. The District shall comply with existing City
13 policies for development, growth management and conservation subject to the land
14 uses of the District Illustrative Plan, as provided in Section 3(K) of the TIDD Ordinance.

15 G. Tax Increment Financing Requirements. The proposed financing of TIDD
16 Improvements described in the Tax Increment Development Plan and Financial
17 Feasibility Study meets the applicable requirements of Section 3 of the TIDD
18 Ordinance.

19 H. Additional Documents. The officers, agents and employees of the City are
20 hereby authorized and empowered to take all actions necessary and to execute and
21 deliver all documents relating to or requested by the District to carry out and comply
22 with the provisions of the Formation Documents.

23 I. District Governing Body Initial Meeting. The governing body of the TIDD shall
24 hold a public meeting within 90 days following the date of adoption of this Formation
25 Resolution. At that meeting, the governing body shall adopt an open meetings policy
26 and by-laws for the TIDD and may take such other action, toward or in connection with
27 the issuance of Bonds by the TIDD, as authorized by this Formation Resolution.

28 J. Master Development Agreement. The Master Development Agreement
29 shall be finalized by the parties to said Agreement and presented to the City Council
30 for review and approval at a subsequent City Council meeting.

31 Section 6. Authorization of TIDD Bonds. The District is hereby authorized to issue
32 Tax Increment Bonds pursuant to Bond Resolutions in the amounts and subject to the
33 requirements set forth in this Formation Resolution.

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1 A. Each Bond Resolution shall be approved by the City's Debt Committee prior
2 to its enactment by the District.

3 B. Each Bond Resolution shall include, at minimum, provisions (i) through (v)
4 stated below for the protection of owners of the Bonds:

5 (i) Reasonably Required Reserve Fund. Each Bond Resolution shall
6 provide for the establishment of a debt service reserve fund in an amount,
7 on the date of issuance of the TIDD Bonds, equal to the least of (i) the
8 maximum annual debt service requirements on all outstanding TIDD Bonds;
9 (ii) 125% of the average annual debt service requirements of the Bonds of
10 the related TIDD; or (iii) 10% of the aggregate principal amount of the Bonds
11 of the related TIDD;

12 (ii) Limited Offering; Minimum Denomination. Each Bond Resolution
13 shall provide that the Bonds issued by the related TIDD shall be sold
14 pursuant to a limited public offering and issued in minimum denominations
15 of at least \$100,000.

16 (iii) Minimum and Maximum Maturity. The minimum maturity of TIDD
17 Bonds shall be at least one day. The final maturity date for Bonds issued by
18 the TIDD shall not be more than 25 years after the date of issuance of the
19 first series of bonds by the TIDD.

20 (iv) Appointment of Trustee. Each Bond Resolution shall include
21 provisions for appointment of a trustee pursuant to an indenture of trust or
22 other similar instrument.

23 (v) Exercise of District Rights and Remedies by Trustee. Each Bond
24 Resolution shall provide that the trustee may exercise the rights and
25 remedies of the related TIDD for the protection of bondholders, including,
26 without limitation, the trustee's appointment of a receiver or other agent to
27 complete the construction of the TIDD Improvements in the event of a
28 default in the payment of debt service on the Bonds issued by that TIDD,
29 which default cannot be cured by either (x) drawing on the debt service
30 reserve fund established for the Bonds issued by that TIDD, (y) through
31 payment pursuant to a letter of credit or other guaranty provided by or on
32 behalf of the Applicant or (z) through direct payment by the Applicant or its

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1 designatee of the amount necessary to pay the debt service on the TIDD
2 Bonds then due.

3 C. Each Bond Resolution shall provide that the issuance of TIDD Bonds, and
4 the dedication of tax increment toward repayment of TIDD Bonds, will not impair any
5 outstanding obligations of the City or the University of New Mexico.

6 Section 7. Dedication of Gross Receipts Tax and Property Tax Increments.
7 Pursuant to Sections 5-15-15(E) and 5-15-16(H) NMSA 1978, the City hereby
8 dedicates 75% of the gross receipts tax increment revenues of the City's eligible local
9 option gross receipts tax revenues and 75% of the property tax revenues (which shall
10 not include any property tax intended to pay debt service but shall include 100% of
11 any operating property tax) generated within the District. The gross receipts tax
12 increments dedicated include the City's local option gross receipts taxes currently
13 imposed at a rate of 1.5625%, 0.9375% of which is TIDD eligible; provided that gross
14 receipts tax increment generated through any voter approved gross receipts tax must
15 be used consistent with the authorized purpose. The TIDD is hereby authorized to
16 impose a property tax within the TIDD at a rate not to exceed 5.000 mills.

17 Section 8. TIDD Governance.

18 A. The TIDD's governing bodies shall be composed of the following five
19 members:

20 (i) a representative of Lobo Development Corporation designated by the
21 Board of Regents in a letter to the District Board;

22 (ii) a representative of the University of New Mexico designated by the
23 Board of Regents in a letter to the District Board;

24 (iii) a representative of the City Council designated by the City Council
25 in a letter to the District Board;

26 (iv) a representative of the City Administration designated by the Mayor
27 in a letter to the District Board; and

28 (v) pursuant to Section 5-11-10 of the TIDD Act, the Secretary of the
29 New Mexico Department of Finance and Administration or the Secretary's
30 designee;

31 B. The representative of the Lobo Development Corporation and the
32 representative of the City Administration shall serve 6-year terms, or for so long as
33 they act in their respective capacities.

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1 C. The representative of the University of New Mexico and the representative
2 of the City Council shall serve 4-year terms, or for so long as they act in their
3 respective capacities.

4 D. Pursuant to Section 5-11-6 of the TIDD Act, the representative of the City
5 Administration is appointed to be the clerk of the TIDD and the representative of the
6 Lobo Development Corporation is appointed to be treasurer of the TIDD.

7 E. At the end of the appointed directors' initial terms, the board shall hold an
8 election of new directors by majority vote of owners and qualified resident electors in
9 accordance with the TIDD Act.

10 Section 9. Amendments. This Formation Resolution may be amended or
11 supplemented by ordinance or resolution adopted by the City Council in accordance
12 with the laws of the City and the State.

13 Section 10. Waiver. To the extent that any requirement of the TIDD Ordinance has
14 not been satisfied, and subject to Section 11 below, such requirement of the TIDD
15 Ordinance is hereby waived for the formation of the District.

16 Section 11. Repealer. All ordinances or resolutions, or parts thereof in conflict with
17 the provisions of this Formation Resolution, are hereby repealed to the extent only of
18 such inconsistency. To the extent, if any, that this Formation Resolution conflicts with
19 any provision of the TIDD Ordinance, that provision is waived solely with respect to
20 the formation of and other matters concerning the District, and the TIDD Ordinance
21 shall remain in full force and effect in connection with any other application or project
22 to which the TIDD Ordinance applies or may apply in the future. This repealer shall
23 not be construed to revive any ordinance or resolution, or part thereof, heretofore
24 repealed.

25 Section 12. Severability. If any section, paragraph, clause or provision of this
26 Formation Resolution shall for any reason be held to be invalid or unenforceable, the
27 invalidity or unenforceability of such section, paragraph, clause or provision shall in
28 no manner affect an remaining provisions of this Formation Resolution.

29 Section 13. Publication of Notice of Adoption of Formation Resolution. The Clerk
30 is hereby directed to publish a notice of this Formation Resolution, in substantially the
31 following form:

32 Notice is hereby given of the title and general summary of the subject matter
33 contained in a resolution duly adopted and approved by the City Council of the City of

1 Albuquerque, New Mexico relating to the approval of the South Campus Tax
2 Increment Development District. Complete copies of the resolution are available for
3 public inspection during the regular business hours of the City Clerk, City of
4 Albuquerque, New Mexico.

5 The title of the Formation Resolution is as follows:

6 CITY OF ALBUQUERQUE
7 RESOLUTION

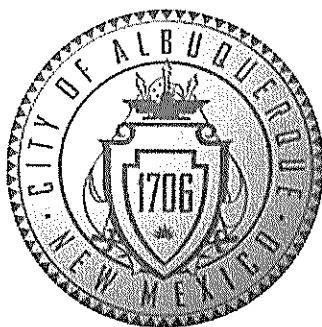
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12 MEXICO FOR FORMATION OF THE SOUTH CAMPUS TAX INCREMENT
13 DEVELOPMENT DISTRICT (THE "DISTRICT" OR "TIDD") PURSUANT TO THE TAX
14 INCREMENT FOR DEVELOPMENT ACT, SECTIONS 5-15-1 THROUGH 5-15-28,
15 NMSA 1978 AND CITY ORDINANCE, CHAPTER 4, ARTICLE 10; MAKING
16 FINDINGS IN CONNECTION WITH THE PETITION AND SUPPORTING
17 DOCUMENTATION REQUESTING APPROVAL OF THE FORMATION OF THE
18 TIDD; DETERMINING THE REAL PROPERTY TO BE INCLUDED WITHIN THE
19 TIDD AND THE PURPOSES FOR WHICH THE TIDD IS BEING FORMED;
20 APPROVING THE JOINT APPLICATION, PETITION AND FINANCIAL FEASIBILITY
21 STUDY FOR THE TIDD; RATIFYING THE TAX INCREMENT DEVELOPMENT PLAN
22 APPROVED FOR CONSIDERATION IN CONNECTION WITH THE FORMATION OF
23 THE TIDD; DEDICATING 75% OF THE GROSS RECEIPTS TAX INCREMENT
24 REVENUE AND 75% OF THE PROPERTY TAX INCREMENT REVENUE FOR THE
25 FINANCING OF PUBLIC IMPROVEMENTS FOR THE TIDD, AND RELATED
26 PURPOSES UNDER THE TIDD ACT; APPROVING PARAMETERS FOR THE
27 ISSUANCE OF TAX INCREMENT BONDS BY THE TIDD; PROVIDING FOR
28 GOVERNANCE OF THE TIDD BY THE APPOINTMENT OF MEMBERS OF THE
29 GOVERNING BODY OF THE TIDD; PROVIDING THAT TAX INCREMENT BONDS
30 OF THE TIDD AND OTHER OBLIGATIONS OF THE TIDD SHALL NOT BE
31 OBLIGATIONS OF THE CITY OF ALBUQUERQUE OR THE UNIVERSITY OF NEW
32 MEXICO; RATIFYING CERTAIN ACTIONS HERETOFORE TAKEN; REPEALING
33 ALL ACTIONS INCONSISTENT WITH THIS RESOLUTION.

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(End of Form of Summary of Resolution for Publication)

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Mayor Tim Keller

CITY OF ALBUQUERQUE
Albuquerque, New Mexico
Office of the Mayor

INTER-OFFICE MEMORANDUM September 14, 2021

TO: Cynthia D. Borrego, President - City Council

FROM: Tim Keller, Mayor *[Signature]*

SUBJECT: TIDD Formation Resolution: South Campus Tax Increment Development District

The attached Resolution approves the Petition and Application of The Regents of the University of New Mexico by and through Lobo Development Corporation, a New Mexico nonprofit corporation formed under the Research Park and Economic Development Act, and the City of Albuquerque, New Mexico for formation of the South Campus Tax Increment Development District ("TIDD")

The Resolution will approve the formation of the TIDD and authorizes the dedication of a specific percentage increment, up to 75% of the gross receipts tax increment revenue and up to 75% of the property tax increment revenue for financing public infrastructure for the District. The project is estimated at \$620,000,000 for the TIDD which will be financed with tax increment revenues within the District in the amount of \$260,000,000 and privately funded improvements in the amount of \$360,000,000. The City will dedicate revenues from the City Increment Dedication in an amount sufficient to fund \$127,000,000, in 2020 dollars, of the cost of the TIDD Infrastructure Improvements, which improvements would be essential for the economic development within the TIDD.

The attached proposed resolution is hereby forwarded to the Council for its consideration and action.

Cover Analysis

1. What is it?

The attached is a resolution approving the Petition and Application of The Regents of the University of New Mexico by and through Lobo Development Corporation, a New Mexico nonprofit corporation formed under the Research Park and Economic Development Act, and the City of Albuquerque, New Mexico for formation of the South Campus Tax Increment Development District (“TIDD”).

2. What will this piece of legislation do?

The Resolution will approve the formation of the South Campus Tax Increment District and authorizes the dedication of a specific percentage increment, up to 75% of the gross receipts tax increment revenue and up to 75% of the property tax increment revenue for financing public infrastructure for the TIDD.

3. Why is the project needed?

The proposed TIDD is for the purpose of financing public infrastructure to serve the TIDD, including, without limitation, the estimated construction or acquisition costs, projection of working capital needs, including adequate funds for repair and replacement infrastructure, annual operation and maintenance cost of the TIDD infrastructure improvements, including road improvements, water systems, sanitary sewer systems, drainage and flood control, parks and plazas, pedestrian and bicycle trails, and open landscaped areas.

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

The project is estimated at \$620,000,000 for the TIDD which will be financed with tax increment revenues within the District in the amount of \$260,000,000 and privately funded improvements in the amount of \$360,000,000. The City will dedicate revenues from the City Increment Dedication in an amount sufficient to fund \$127,000,000, in 2020 dollars, of the cost of the TIDD Infrastructure Improvements, which improvements would be essential for the economic development within the TIDD.

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

The revenue source utilized to pay off the bonds associated with the District will be the tax increment revenues generated within the District.

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

If the Resolution is not adopted, the TIDD will not be formed.

7. Is this service already provided by another entity?

N/A