



Legislation Details (With Text)

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Title: Relating To The Local Economic Development Act Plan Of The City Of Albuquerque; Temporarily Suspending Section 2-14-1-9(D) Of The Albuquerque Code Of Ordinances For The Limited Purpose Of Assisting The State Of New Mexico With Its COVID-19 Relief Zero Interest Loan Program (Davis, Harris)
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6/8/2020	2	Mayor	Signed by the Mayor	
6/3/2020	2	City Council	Sent to Mayor for Signature	
6/1/2020	1	City Council	Passed	Pass
5/18/2020	1	City Council	Introduced	
5/18/2020	1	President	To be heard at the Council Meeting	

CITY of ALBUQUERQUE TWENTY FOURTH COUNCIL

COUNCIL BILL NO. O-20-15 ENACTMENT NO. _____

SPONSORED BY: Pat Davis and Don Harris

ORDINANCE

Relating To The Local Economic Development Act Plan Of The City Of Albuquerque; Temporarily Suspending Section 2-14-1-9(D) Of The Albuquerque Code Of Ordinances For The Limited Purpose Of Assisting The State Of New Mexico With Its COVID-19 Relief Zero Interest Loan Program (Davis, Harris)

RELATING TO THE LOCAL ECONOMIC DEVELOPMENT ACT PLAN OF THE CITY OF

ALBUQUERQUE; TEMPORARILY SUSPENDING SECTION 2-14-1-9(D) OF THE ALBUQUERQUE CODE OF ORDINANCES FOR THE LIMITED PURPOSE OF ASSISTING THE STATE OF NEW MEXICO WITH ITS COVID-19 RELIEF ZERO INTEREST LOAN PROGRAM.

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

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

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

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

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

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

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

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

Section 1. Section 2-14-1-9(D) of the LEDA Plan is hereby temporarily suspended for the

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

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

Section 3. This Ordinance shall take effect five days after publication by title and general summary.

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