

CITY of ALBUQUERQUE

TWENTIETH COUNCIL

COUNCIL BILL NO. R-12-117 ENACTMENT NO. _____

SPONSORED BY: Dan Lewis, Trudy E. Jones and Rey Garduño, by request

1 RESOLUTION
2 ESTABLISHING THE ECONOMIC DEVELOPMENT ACTION ACCOUNT
3 (EDAct Account); ESTABLISHING THE ECONOMIC DEVELOPMENT
4 ACTION COUNCIL; AND APPROPRIATING FUNDS FOR ECONOMIC
5 DEVELOPMENT

6 WHEREAS, the national economic recession has had a serious effect
7 on the economy of Central New Mexico and the Albuquerque metropolitan
8 area, with the loss of more than 28,000 jobs in the past four years; and

9 WHEREAS, potential Federal budget cuts could have a significant
10 negative effect on New Mexico and the Albuquerque region, with the
11 potential loss of numerous Federal jobs as well as substantial Federal
12 contract funding; and

13 WHEREAS, the competition for quality job creation projects is very
14 intense on both the national and international levels; and

15 WHEREAS, the City recognizes that economic base companies,
16 which export the majority of their goods or services out of the region or
17 state (thereby bringing additional money into the community), provide the
18 economic foundation for the entire area economy; and that the viability of
19 all other businesses in the community, small and large, depends on the
20 success and growth of economic base companies, through new locations
21 and relocations of such companies into the Albuquerque region,
22 expansions of existing companies, and new start-ups; and

23 WHEREAS, the lack of resources at the regional and state level over
24 recent years has made it difficult to effectively market the area and
25 compete for economic development projects; and

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1 WHEREAS, the City recognizes that the retention and expansion of
2 existing area economic base companies, and the growth of new
3 entrepreneurial ventures, also are vital to the economic future of our
4 region; and

5 WHEREAS, the Council desires to appropriate certain funds to be
6 used to promote economic development in the Albuquerque area; and

7 WHEREAS, the City has collected \$5,521,686 in termination
8 payments in FY 2013 from companies that had received City incentives to
9 locate in the community (the “2013 Termination Payments”); and

10 WHEREAS, the Council desires to establish an “Economic
11 Development Action Account” (the “EDAct Account”) to enhance the
12 development of economic base companies in expansion and relocation
13 decisions, and to increase the incidence of high quality economic
14 expansion in the Albuquerque metropolitan area of Central New Mexico,
15 and to fund the EDAct Account with the 2013 Termination Payments; and

16 WHEREAS, the appropriation of the 2013 Termination Payments to
17 the City must be approved by the City Council; and

18 WHEREAS, the City Council desires to establish an Economic
19 Development Action Council (“EDAct Council”), and finds that this EDAct
20 Council is the most appropriate entity to review and recommend the use of
21 such funds received by the City, including funding for particular economic
22 development initiatives.

23 BE IT RESOLVED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY
24 OF ALBUQUERQUE:

25 Section 1. That the EDAct Account is created in Fund 305 to
26 enhance the development of economic base companies in expansion and
27 relocation projects, and to increase the incidence of high quality economic
28 expansion in the Albuquerque metropolitan area of Central New Mexico.

29 Section 2. That the EDAct Account shall be funded with the 2013
30 Termination Payments.

31 Section 3. That EDAct Council is hereby created to review and
32 recommend to the Economic Development Department the use and
33 disbursement of funds appropriated to the EDAct Account.

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- 1 **A. Membership**
- 2 i. The EDAct Council shall consist of the Mayor or designee;
- 3 two City Councilors chosen by the President of the
- 4 Albuquerque City Council; and two members of the public,
- 5 appointed by the Mayor, who have expertise in economic
- 6 development programs. A representative from the City’s
- 7 Economic Development Department shall serve as a non-
- 8 voting technical advisor to the EDAct Council. Membership
- 9 of the Mayor shall change with any change in the Mayor’s
- 10 position, and membership of the City Councilors may
- 11 change with any change in the President of the City Council
- 12 or the make-up of the City Council
- 13 **B. Responsibilities, Powers and Duties**
- 14 i. The EDAct Council shall act as the review entity for the
- 15 disbursement of funds appropriated by the Albuquerque
- 16 City Council to the EDAct Account, as specified in Section
- 17 3. The EDAct Council is charged with:
- 18 ii. Reviewing and prioritizing proposed expenditures from the
- 19 EDAct Account;
- 20 iii. Recommending to the Economic Development Department
- 21 expenditures from the EDAct Account.
- 22 **C. The EDAct Council’s recommendations regarding the disbursement**
- 23 of funds shall be guided by the following four key areas:
- 24 i. First: an expanded marketing program promoting the
- 25 Albuquerque area as a positive business location;
- 26 ii. Second: a closing fund to assist significant economic
- 27 development projects through the Local Economic
- 28 Development Act;
- 29 iii. Third: expand the community’s programs for the retention
- 30 and expansion of existing economic base companies, and
- 31 the growth and development of technology-based
- 32 entrepreneurs; and
- 33 iv. Fourth: support for workforce development programs.

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1 D. The EDAct Council shall remain in existence until all funds have
2 been expended.

3 Section 4. That the City’s Economic Development Department, with
4 consultation from the EDAct Council, shall approve expenditures for the
5 EDAct Account. The Economic Development Department shall act as staff
6 to the EDAct Council and shall be responsible for administering any
7 contracts or programs arising out of the EDAct Council’s
8 recommendations, except where otherwise specified. The Economic
9 Development Department shall report to the Albuquerque City Council not
10 less than annually regarding the expenditures and results of activities and
11 programs supported with these funds.

12 Section 5. That the amount of \$5,521,686 received from the 2013
13 Termination Payments along with any future interest earnings shall be
14 used in accordance with Section 3.C., and herewith is appropriated in the
15 Capital Acquisition Fund 305 as follows:

16 Department/Fund	Source	Amount
17 <u>Economic Development/ Fund 305</u>		
18 Economic Development Programs/Projects Fund 820		\$5,260,060
19 Economic Development Programs/Projects Fund 110		\$ 261,626

20 The scope of the project is as follows: to plan, design, build,
21 acquire, and construct projects in support of new company locations
22 and the retention and expansion of existing companies; to market
23 and promote Albuquerque as a business location; to support
24 programs for the retention and expansion of existing economic base
25 companies, and the growth and development of entrepreneurs; to
26 support workforce development programs; and to contract and/or
27 procure services needed in support of the above items. Of the above
28 funds, \$350,000 is designated for the Economic Development
29 Department to administer these programs and projects.

30 Section 6. That the following amount of Local Economic
31 Development Act (LEDA) Termination Payments deposited in the
32 General Fund is hereby appropriated to the following program strategy
33 for operating City government during Fiscal Year 2013:

