

BERNALILLO COUNTY

BOARD OF COUNTY COMMISSIONERS

ECONOMIC DEVELOPMENT PLAN

Section 1. Economic Development Goals and Objectives

The goals and objectives set forth in this Economic Development Plan (“Plan”) were developed from various sources including: the State of New Mexico’s Economic Development Department, community input, Bernalillo County’s CDBG’s Economic Development Plan and various documents from New Mexico Counties and Municipalities. The Plan utilizes various studies which serve to form the foundation of this plan. All actions taken under this Plan shall be in conformance with the goals and objectives set forth in the Plan.

Section 2. Economic Development

Bernalillo County is committed to economic development initiatives and strives to be a responsive, community conscious government. The Bernalillo County Commission is strongly committed to protecting and preserving our cultural traditions, pristine resources, and diverse communities. Our administration is dedicated to the health, safety, and welfare of the public we serve and to ensuring the quality of life and preservation of resources for future generations. Citizen involvement is an essential and integral component to the success of Bernalillo County government.

The 1988 Albuquerque/Bernalillo County Comprehensive Plan states a goal “to achieve steady and diversified economic development balanced with other important social, cultural and environmental goals.” Economic development strategies in the plan that are highlighted for Bernalillo County efforts are: to provide a diversified economic base by offering incentives to local employers to help retain and expand employment activities; develop special strategies for connecting problems of disinvestments; and promoting the concentration of employment in activity centers in an effort to balance jobs with housing and population, and reduce the need to travel. As certain areas of Bernalillo County are experiencing the effects of economic disinvestments in their community (South Valley, East Mountain Areas, far North Valley), these policies reinforce the need to build on the unincorporated area’s already unique agricultural and small business environment and provide an opportunity to further enhance their historic centers vital to the cultural and social fabric of Bernalillo County.

Section 3. Mission Statement

Bernalillo County's role is to facilitate a favorable governmental atmosphere for enriching the quality of life of our citizens through a healthy economy.

Section 4 Commitment to Community

Bernalillo County recognizes that the needs of each of its communities may be different. We seek economic development which is supportive of these needs, enriches our community life and promotes our values of self-reliance, individualism and entrepreneurship while taking into account the social needs of our citizens. We seek high quality jobs and economic activity which will enhance salaries and career development. Growth in Bernalillo County will be integrated and balanced to preserve our quality of life economically, environmentally and socially. Economic activity in Bernalillo County will allow our children to remain in our communities and to contribute to community growth.

Additionally, Bernalillo County wishes to protect the common heritage of agriculture, an integral aspect of the cultural identity of area residents. Promoting the economic viability of agriculture and the feasibility of local food production by enhancing value added manufacturing and developing markets is a critical element in promoting long term economic, cultural and physical health of Bernalillo County. Useful strategies to accomplish this include supporting growers (e.g. acequia use, farmers' markets, greenhouses), providing a site for food manufacturing (e.g. commercial kitchen), establishing networks among growers and retailers (e.g. cooperatives), providing technical assistance for business development, and educational initiatives and media campaigns to develop markets for locally grown and produced goods.

The Office of Economic Development in adhering to sections of previous economic development plans ¹, seeks to address the concerns of residents of Bernalillo County. This includes exploring the viability of agricultural production and protection from environmental degradation or contamination. Furthermore, the Office will make every attempt to meet the needs of residents for sustainable economic development, jobs, livable wages, and employment opportunities. Bernalillo County also seeks to strengthen and preserve the small business sector. As a result, the location of large commercial sites will occur in designated areas so as not to "interfere with the integrity and character of the area."

The economic development goals for Bernalillo County include:

- Stop economic leaks in the community

¹ A joint body of Bernalillo Planning Commissioners, City of Albuquerque Environmental Planning Commissioners, and Extra Territorial Land Use Commissioners passed the Southwest Area Plan (SWAP) on April 26, 2001. In a narrative section entitled, "Economic Development within the Southwest Plan Area, the document states, "Residents of the Southwest Area have expressed a desire to maintain the rural character of the area while ensuring an economic base for the community that which allow its residents to reside close to employment centers."

- Attract high quality, sustainable jobs to Bernalillo County.
- Address the needs of small business and agricultural activity
- Strengthen small business activity
- Assure cultural preservation of the of historic areas
- Meet the local retail and service needs of underserved communities.
- Promote the economic viability of agriculture
- Provide jobs, livable wages and employment opportunities in Bernalillo County
- Assure a net increase flow of dollars within the local economy
- Create local corporate activity

Section 5. Qualifying Economic Activities

In particular, the County may provide to a qualifying entity direct or indirect assistance which could include the purchase, lease, grant, construction, reconstruction, improvement or other acquisition or conveyance of land, buildings or other infrastructure; public works improvements essential to the location or expansion of a qualifying business; and payments for professional services contracts necessary for the County or regional governments to implement any plan or project. However, this consideration by the County shall not establish any obligation on the County’s part to offer any specific type or level of assistance.

Section 6. Qualifying Entities

Bernalillo County will consider all entities that qualify under Section 5 of the Economic Development Act (“Act”). However, merely meeting the definition of a qualifying entity shall not create any obligation on the part of the County or grant any right to a qualifying entity.

The County will give priority to those qualified entities which:

- A. Encourage private companies to expand, build or relocate facilities which support new or expanding businesses;
- B. Assist with business start-ups;
- C. Create new job opportunities;
- D. Assist with development of economic clusters as identified in the economic development plan; and/or
- E. Add value to the knowledge base of the labor force.

Section 7. Eligibility Criteria

In order for a qualifying entity to be determined eligible to participate in an Economic Development Agreement with the County, the qualifying entity must be able to follow the goals and objectives of the Plan. The County will consider each project based upon the suitability of the project conformance with the provisions of the Act and the Plan.

Section 8. Project Requirements for Financial Solvency

Every qualified entity seeking to participate in a project must report or submit information and/or responses to the following:

A. History and Background

1. Does the applicant have a good record with projects of this type?
2. Does the applicant commit to manage, as well as build, the project?
3. Disclosures (explain in writing):
4. Has the applicant or any of its officers ever filed for bankruptcy?
5. Has the applicant or any of its officers ever defaulted on any loans or financial obligations?
6. Does the applicant have any loans or other financial obligations on which payments are not current?

B. Funding Sources for Project

1. Does the bond amount requested reasonable represent the money needed to complete the project?
2. What is the equity investment of applicant?
3. What is the estimated value of assistance requested by the applicant of the County?
4. What are the other funding sources other than the requested assistance of the County? (Show letters of commitment or intent to fund for all additional funding sources)

Application for participation in a project shall also contain the following information:

C. For Established Businesses

1. Financial statements with independent audits if available, or tax returns for the past two years;
2. Federal tax number, New Mexico State Taxation and Revenue number and County business license number (if operating in the State of New Mexico at the time of application);
3. three year projected income statements;
4. Business plans complete with detailed assumptions for business and proposed project. Include pro-forma cash flow analysis; and/or
5. Any other document or record that pertains to the financial solvency of the qualified entity that the County deems necessary.

D. Start-Up Business

All of the above may or may not apply in a start-up business environment. Business plans and personal credit histories will play an important role in determining the feasibility of start-up proposals.

Section 9. Project Requirements for Community Commitment

A. Community Commitment

Every qualified entity seeking to participate in a project must report or submit information and/or responses to the following:

1. What are the entity's infrastructure needs?
2. What are the number and types of jobs to be created by the entity?
3. What is the proposed pay scale and payroll proposed by the entity?
4. Describe efforts made or to be made by the entity to providing employment opportunities to people within the local employment pool.
5. What efforts are being or will be made by the entity to providing employment opportunities to people within the local employment pool.
6. What are the impacts to the local tax base, the school system and the environment?
7. Describe efforts made or to be made by the entity to procure materials and services from local markets.
8. What efforts are being or will be made towards housing in the area?

The County may consider any of the information provided in response to the requests above in determining the feasibility of any proposed project. The requirements described in Section 9, 1-8 will be evaluated separately and on a case-by-case basis for business qualifying as Small Business as defined as such by the U.S. Small Business Administration.

B. Cost Benefit Analysis

All qualified entities seeking to participate in a project will show as a part of their application how the proposed project will benefit Bernalillo County in relation to the relative costs of the project. The County reserves the right to specify the form, format and methodology for any cost benefit analysis for any proposed project. County staff shall be responsible for review and approval of the form, format and methodology used in consideration of any proposed project. Any multiplier effects, including source and rationale, which are used in any analysis must be explained by each applicant.

Section 10. Application Verification

The County may verify any of the information submitted for any application by ordering personal and/or Dun & Bradstreet credit checks. Additionally, an independent analysis of all required financial statements may be conducted at the sole discretion of the County.

Site visits may also be conducted to previously developed projects and or to the applicant's headquarters. The local Chambers of Commerce and any Consumer Protection Agencies may also be contacted for personal references.

Section 11. Application Process

The following steps shall be followed by every qualifying entity for any project:

- A. Each applicant will meet with the Office of Economic Development or designate to discuss the criteria which County will look at in evaluating each application.
- B. Each applicant will be required to complete a project application form and make all submittals required under this Plan.
- C. Each application will be reviewed by a staff review team consisting of representatives from the county Manager Office and the Finance, Legal, Planning & Zoning and Public Works Departments.
- D. The staff review team shall determine whether the applicant and the proposed project qualify under the Act and this Plan.
- E. County staff shall then coordinate with the applicant to develop a project as set forth in the below.
- F. The application along with all recommendations, the project, and any other pertinent information shall be noticed and held for a public hearing before the Board of County Commissioners for final consideration of any aspect of the project.
- G. The Board of County Commissioners, at the same or any subsequent public hearing, shall consider the adoption of an ordinance approving the project.
- H. If the project is approved by ordinance, the County and the applicant shall execute and enter into an Economic Development Agreement. A Economic Development Agreement shall be, in all respects, a economic development agreement as defined and set forth in the Act.
- I. After execution of an Economic Development Agreement, and only if it is determined by the County that an application requires land use approval(s), the qualifying entity shall proceed through the land use process. The County agrees that it shall cooperate with the qualifying entity in the Economic Development Agreement to expedite and shorten the land use process where applicable and lawful.

At any point in the application process and after consultation with the County staff, the application may be advised to meet with neighborhood groups, other governmental agencies, or other persons or groups.

Section 12. The Economic Development Agreement

The Economic Development Agreement shall, at a minimum, set out the following:

- A. Any and all contributions to be made by each party;

- B. The security provided to Bernalillo County by the applicant in the form of a lien, mortgage, or other indenture and the pledge of the qualifying applicant's financial or material participation and cooperation to guarantee the applicant's performance pursuant to the Economic Development Agreement;
- C. A schedule for project development and completion, including measurable goals and time limits for those goals;
- D. Provisions for performance review and actions to be taken upon a determination that project performance is unsatisfactory; and
- E. Specific procedures to determine success and methods for recouping investment in the event an economic development project is determined to be unsuccessful, or if a qualifying entity seeks to leave the area.

Section 13. Safeguarding of Public Funds

Financial controls, which provide for the safekeeping of public funds, will be documented in writing with each request for assistance and be contained in the economic development agreement.

To protect against potential losses if the business quits or leaves the area or otherwise fails to live up to contractual or implied obligations, each Economic Development Agreement will be required to detail a pro-rata reimbursement for workforce reduction or closure. Bernalillo County will also place a lien on buildings and assets to secure its investment. Bernalillo County may require that a business place a surety in a form acceptable to the County such as an irrevocable line of credit, performance bond cash or a certificate of deposit, to secure its long term commitment. Bernalillo County retains all rights to hold any subsequent operators to the terms of the original Economic Development Agreement until its terms are satisfied. The County also may negotiate new agreements, or reclaim the facility. Bernalillo County will also retain a security interest and it will be written as part of the Economic Development Agreement.

Section 14. Project Funds

Revenues from each and every project shall be kept in a separate fund and be expended only for that project. Revenues from any project may be used for payment of professional services. For every separate fund established for every project, the County shall provide an annual independent audit of each special fund in accordance with the Audit Act (NMSA 1978 12-6-14). Any such audit constitutes a public record open to inspection under the Inspection of Public Records Act, NMSA 1978, 14-2-1, as amended.

At any time after approval of this Plan, the County may enact any ordinance terminating the Plan or any or all projects. This Plan will provide for satisfying existing Economic Development Agreements and the rights of the parties arising from those Economic Development Agreements. Any unexpended and encumbered balances in any project fund will be transferred to the general fund.

Section 15. Regional Projects

Bernalillo County remains open and committed to developing any regional opportunities with any other county or municipality, and in so doing, shall comply with all requirements of the Act.

Section 16. Severability

Should any provision of this Plan be found invalid or illegal for whatever reason, all other terms and provisions of this Plan shall remain in full force and effect.

Section 17. Termination

The County may terminate this Plan and/or any or all Economic Development Agreements undertaken and approved under this Plan. Termination of this Plan shall be done pursuant to and in accordance with state law. Termination shall occur and be by ordinance and after a public hearing.

Section 18. Effective Date

This Plan shall become effective thirty (30) days after the adoption of an ordinance approving this Plan.