

Sandoval County Board of County Commissioners

Agenda Item Summary

AGENDA ITEM # 5-1-14.7

1. REQUESTED MOTION

ACTION REQUESTED:

Adopt Ordinance No. 5-1-14.7 Approving DHF Technical Products Inc.'s Proposal for Economic Development and Recognizing DHF as a "Qualified Entity" to Accept LEDA Funding

WHY ACTION IS NECESSARY (Summary):

In support of a Local Economic Development Project, the County wishes to serve as a local government conduit for an appropriation of \$200,000.00 from the Legislature of the State of New Mexico LEDA Funds (Local Economic Development Act) for tenant improvements which will accommodate DHF as they relocate to Rio Rancho from Los Angeles, CA. A local government must adopt LEDA projects by Ordinance. The commission approved the publishing and posting of the Ordinance and it is now being brought back to the Commission for final approval. Adoption of the ordinance is required to utilize the LEDA Capital Outlay funding.

2. REQUESTOR

COMMISSIONER SPONSORED: YES NO

DISTRICT: DISTRICT 1 DISTRICT 4
 DISTRICT 2 DISTRICT 5
 DISTRICT 3

DIRECTOR / ELECTED: Dianne Maes
 DIVISION: County Development/Grants
 ELECTED OFFICE:

ATTACHMENTS: YES NO

3. MEETING DATE

May 1, 2014

4. AGENDA (To be completed by County Manager)

- PROCLAMATION
- PRESENTATION
- CONSENT
- REGULAR
- APPEAL

5. RECOMMENDATIONS

Recommend Board of County Commission approval.

6. FISCAL IMPACT

The county will act as a pass through agent receiving the NM Economic Developme Dept. funds and reimbursing DHF for work completed by the contractor up to \$200,000 after verification of the work and the contractor's invoices.

7. RECOMMENDED APPROVAL (Initials & Date)

Department Director/Elected Official	Human Resources	Purchasing	Attorney As to Form PFT	Finance Budget CCH	County Manager PPR	Other
DM 4/22/14	_____	_____	4/24/14	4/24/14	4/25/14	_____

8. COMMISSION ACTION

Approved Denied Deferred Other

SANDOVAL COUNTY
ORDINANCE NO. 5-1-14.7

AN ORDINANCE APPROVING THE DHF TECHNICAL PRODUCTS INC.
PROPOSAL FOR AN ECONOMIC DEVELOPMENT PROJECT
AND PROJECT PARTICIPATION AGREEMENT

WHEREAS, the County of Sandoval (the "County"), acting through its Board of County Commissioners, is a political subdivision duly organized and existing under the laws of the State of New Mexico (the "State"); and

WHEREAS, Article 9, Section 14 of the State Constitution permits counties to create new job opportunities by providing land, buildings or infrastructure for facilities to support new or expanding businesses, provided that adequate safeguards are employed to protect public monies and resources; and

WHEREAS, pursuant to the Local Economic Development Act, Sections 5-10-1 through 5-10-13 NMSA 1978 (the "Act"), no public support for economic development may be provided until the governmental entity has adopted, by ordinance, an economic development plan and has approved, by a second ordinance, an application for a project in keeping with such plans; and

WHEREAS, pursuant to Sandoval County Ordinance No. 11-1-13.10 ("hereinafter EDP Ordinance") the County established the Sandoval County Economic Development Plan as required by Section 5-10-6 NMSA 1978; and

WHEREAS, in accordance with the EDP Ordinance, the County considered an application from DHF TECHNICAL PRODUCTS INC. ("DHF") which proposed that the County serve as local government conduit for an appropriation of \$200,000.00 from the Legislature of the State of New Mexico (the "LEDA Funds") to go towards DHF's renovation and expansion of the 22,000 sq. ft. former Xynotech building at 545 Vortex, Rio Rancho, N.M., which will result in a creation of 35 jobs; and

WHEREAS, the County has determined that DHF is a "qualifying entity" and that the Project is an "economic development project" as those terms are defined by the Act.

NOW, THEREFORE, BE IT ORDAINED by the SANDOVAL COUNTY BOARD OF COUNTY COMMISSIONERS:

Section 1. Short Title.

This Ordinance may be cited as the DHF TECHNICAL PRODUCTS INC. Economic Development Project Ordinance.

Section 2. Purpose

This DHF Economic Development Project Ordinance is adopted to approve the Project and the Project Participation Agreement related to and incidental to the Project.

Section 3. The Project

The County hereby approves DHF as a qualifying entity and the Project as an economic development project under the Act and Section 4 of the EDP Ordinance. This approval is conditioned upon those matters set forth in the Project Participation Agreement to be entered into by the County and DHF, and all applicable local, state and federal laws.

Section 4. Project Revenue Fund

The DHF Fund (the "Project Revenue Fund") is hereby established pursuant to the Economic Development Plan Ordinance. All revenue related in any way to the Project shall be deposited into the Project Revenue Fund and any such revenue deposited into the Project Revenue Fund shall be expended only for the Project. Any unexpended and unencumbered balances in the Project Revenue Fund from monies provided by the County shall be transferred to the County general fund upon termination of the Project as set forth in Section 6 herein. Any unexpended and unencumbered balances in the Project Revenue Fund from monies provided by the State shall be returned to the State.

Section 5. Project Participation Agreement

The County hereby authorizes the County Manager to negotiate and enter into and execute a project participation agreement in substantially the form attached to this Ordinance as Exhibit A. The Project Participation Agreement is hereby incorporated into this Ordinance by reference and made a part of this Ordinance.

Section 6. Termination

At any time after approval of an Economic Development Plan, and before full completion of the Project, the Board of County Commissioners may enact an ordinance repealing the plan which ordinance shall provide for satisfying existing contracts and the rights of the parties arising from those contracts.

Section 7. Ratification

The County hereby ratifies and accepts all actions consistent with this Ordinance that the County or its agents may have taken in furtherance of the Project.

Section 8. Severability

If any action, paragraph, sentence, clause or 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 this Ordinance.

Section 9. Effective Date

This Ordinance shall become effective thirty (30) days after it is recorded in the Office of the County Clerk, as provided in Section 4-37-9 NMSA 1978.

ADOPTED this _____ day of _____ 2014.

BOARD OF COUNTY COMMISSIONERS OF
SANDOVAL COUNTY, NEW MEXICO

Darryl F. Madalena, Chair

Orlando J. Lucero, Vice Chair

Nora Scherzinger, Member

APPROVED AS TO FORM:

Patrick F. Trujillo
County Attorney

Don Chapman, Member

Glenn Walters, Member

ATTEST:

Eileen Garbagni
County Clerk