



City of Las Cruces®

PEOPLE HELPING PEOPLE

Council Action and Executive Summary

Item # 4 Ordinance/Resolution# 12-115

For Meeting of _____
(Ordinance First Reading Date)

For Meeting of January 17, 2012
(Adoption Date)

TITLE: A RESOLUTION TO ACCEPT A GRANT AWARD FROM THE NEW MEXICO FINANCE AUTHORITY IN AN AMOUNT NOT TO EXCEED \$50,000.00 FOR THE ADVANCEMENT OF AN ECONOMIC DEVELOPMENT PLAN BETWEEN THE CITY AND PRIVATE ENTERPRISE FOR DESIGNATED PUBLIC PROJECTS AND TO ADJUST THE FY 2012 BUDGET.

PURPOSE(S) OF ACTION:

To accept funding from the New Mexico Finance Authority and adjust the FY 2012 budget.

COUNCIL DISTRICT: 1		
Drafter/Staff Contact: Auguie Henry III	Department/Section: Finance/GAO	Phone: 541-2281
City Manager Signature:		

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

This is the first program for an Economic Development grant offered by the New Mexico Finance Authority (NMFA). After a review of the City's budget and financial statements, NMFA has awarded the City an amount not to exceed \$50,000.00.

Funding will be used to produce an Economic Development Feasibility Study to assess the viability of the City partnering with private organizations to produce cost effective projects in the Mainstreet Downtown area. Said partnerships should focus on providing improved/needed services to the public. The project to be the subject of the study is a downtown multi-use parking structure.

SUPPORT INFORMATION:

1. Resolution.
2. Exhibit "A", New Mexico Finance Authority award letter.
3. Exhibit "B", Notes regarding the specifics of the loan from NMFA.
4. Exhibit "C", Budget Adjustment.

(Continue on additional sheets as required)

SOURCE OF FUNDING:

Is this action already budgeted?	Yes	<input type="checkbox"/>	See fund summary below
	No	<input checked="" type="checkbox"/>	If No, then check one below:
	<i>Budget Adjustment Attached</i>	<input type="checkbox"/>	Expense reallocated from:
		<input checked="" type="checkbox"/>	Proposed funding is from a new revenue source (i.e. grant; see details below)
		<input type="checkbox"/>	Proposed funding is from fund balance in the ___ Fund.
Does this action create any revenue?	Yes	<input checked="" type="checkbox"/>	Funds will be deposited into this fund: <u>2760 State Operating Grant</u> in the amount of <u>\$50,000.00</u> for <u>FY 2012</u> .
	No	<input type="checkbox"/>	There is no new revenue generated by this action.

BUDGET NARRATIVE

NMFA has completed their evaluation which determined the award of \$50,000.00 to the City. Under the terms of NMFA, there will be a one-time reimbursement at the completion of the project for an amount not-to-exceed \$50,000.00.

FUND EXPENDITURE SUMMARY:

Fund Name(s)	Account Number(s)	Expenditure Proposed	Available Budgeted Funds in Current FY	Remaining Funds	Purpose for Remaining Funds
State Operating Grant	27184020-722190-20407	\$50,000.00	\$50,000.00*	\$0.00	N/A

*pending adjustment

OPTIONS / ALTERNATIVES:

1. Vote "Yes"; this will accept the New Mexico Finance Authority award for an Economic Development Feasibility Study in the Mainstreet Downtown area, specifically in regard to a parking structure.
2. Vote "No"; this will refuse the award and the City will notify the New Mexico Finance Authority.
3. Vote to "Amend"; this is not an option at this time.
4. Vote to "Table"; this again is not an option at this time.

(Continue on additional sheets as required)

REFERENCE INFORMATION:

N/A

RESOLUTION NO. 12-115

A RESOLUTION TO ACCEPT A GRANT AWARD FROM THE NEW MEXICO FINANCE AUTHORITY IN AN AMOUNT NOT TO EXCEED \$50,000.00 FOR THE ADVANCEMENT OF AN ECONOMIC DEVELOPMENT PLAN BETWEEN THE CITY AND PRIVATE ENTERPRISE FOR DESIGNATED PUBLIC PROJECTS AND TO ADJUST THE FY 2012 BUDGET.

The City Council is informed that:

WHEREAS, the City of Las Cruces is a qualified entity under the New Mexico Finance Authority Act, Sections 6-21-1 through 6-21-31, NMSA 1978 ("Act"), and the City of Las Cruces Council is authorized to borrow funds and/or issue bonds for financing on public projects for benefit of the City of Las Cruces; and

WHEREAS, the New Mexico Finance Authority has instituted a program for financing of projects from the public project revolving fund created under the Act; and

WHEREAS, the City of Las Cruces intends to undertake acquisition, construction and improvement of Mainstreet Downtown for the benefit of the City of Las Cruces and its citizens; and

WHEREAS, the New Mexico Authority has awarded the City of Las Cruces an amount not to exceed \$50,000.00 for the production of an Economic Development Feasibility Study in the Mainstreet Downtown area and the viability of the City partnering with private organizations.

NOW, THEREFORE, be it resolved by the governing body of the City of Las Cruces:

(I)

THAT the City of Las Cruces accepts the award of up to \$50,000.00 from the New Mexico Finance Authority for the express use of economic development within the TIDD area.

(II)

THAT the City of Las Cruces FY 2012 Budget is hereby adjusted as designated in Exhibit "C", attached hereto and made part of this resolution.

(III)

THAT all acts and resolutions in conflict with this resolution are hereby rescinded, annulled and repealed with this resolution taking effect immediately upon its adoption.

(IV)

THAT City staff is authorized to do all deeds necessary in the accomplishment of the herein above.

DONE AND APPROVED this _____ day of _____, 2012.

APPROVED:

Mayor

ATTEST:

City Clerk

(SEAL)

Moved by: _____

Seconded by: _____

APPROVED AS TO FORM:

VOTE:

Mayor Miyagishima:	_____
Councillor Silva:	_____
Councillor Smith:	_____
Councillor Pedroza:	_____
Councillor Small:	_____
Councillor Sorg:	_____
Councillor Thomas:	_____



City Attorney



NEW MEXICO
FINANCE AUTHORITY

December 19, 2011

Mayor Ken Miyagishima
City of Las Cruces
700 N. Main Street
Las Cruces, NM 88001

RE: City of Las Cruces
NMFA Project #2673-PG

Dear Mayor Miyagishima:

The Board of Directors of the New Mexico Finance Authority ("NMFA") met on December 16, 2011 to review City of Las Cruces' application. The City of Las Cruces received conditional approval by the Board for a Local Government Planning Grant Fund in the amount of \$50,000.

The loan is conditional upon the completion of the following Readiness to Proceed items:

1. Executed engineering contract acceptable to the NMFA;
2. Submission of a planning document acceptable to the NMFA;
3. Any additional information requested by the NMFA; and
4. Loan documents shall conform to NMFA standard forms and policies.

If you have any questions or need further assistance, please contact me at our toll free number (877) 275-6632. I look forward to working with you.

Sincerely,

Leandro Cordova
Financial Advisor

LC/gc

Cc: Auguie Henry III
Grants Administrator

Mark Winson
Chief Administrative Officer

Conversation with Leandro Cordova, Financial Advisor, NMFA – December 28, 2011**Re: NMFA \$50,000 TIDD award**

1. Executed engineering contract acceptable to the NMFA
 - a. N/A
 2. Submission of a planning document acceptable to the NMFA
 - a. State Economic Developp will contact and assist with developing the planning and demographic information.
 - b. Marcos Gonzales, Economic Development Grant Administrator 505-827-0264
 3. Any additional information requested by the NMFA
 - a. Any issue that may arise , i.e. anti-donation, legal, etc.
 4. Loan documents shall conform to NMFA standard forms and policies
 - a. Leandro Cordova will get back to us on the form
-

Terms of the grant per Leandro Cordova, Financial Advisor, NMFA

1. The grant is for an amount up-to \$50,000. If the project cost is less than the awarded amount, only that amount will be paid by NMFA. Should the project exceed \$50,000, the City will be liable for those costs.
2. The City will work closely with NMFA and the NM Economic Development Department to prepare the plan leading to a working RFP between the City and private enterprise for the development of a downtown parking structure.
3. Funding will be on a one-time reimbursement basis. NMFA will only reimburse the City at the conclusion of the project with all supporting documents for their review.



Anguie Henry III, Grants Administrator

**CITY OF LAS CRUCES
ADOPTED BUDGET FY 2011/2012**

FUND	DIVISION		FUND TYPE	
State Operating Grants Fund 2760	Various		Special Revenue	
	FY 2010/11 Preliminary*	FY 2011/12 Adopted	Adjustment	FY 2011/12 Adjusted
RESOURCES				
Beginning Balance	\$ 48,603	13,600		13,600
REVENUES				
17001 NM Dept. of Transportation	\$ 5,696	0		0
20407 NMFA Econ Dev Feasibility Study	0	0	50,000	50,000
21002 NM State Library Aid 2008	\$ 7,116	0		0
21006 NM State Library Aid 2011	7,120	2,401		2,401
21009 Grants -In-Aid Program FY12	0	8,966		8,966
22004 Museum of Art 2010	0	0		0
22005 NM Dept of Humanities	1,230	0		0
22006 NM Dept. of Cultural Affairs	6,740	0		0
22009 NM Museum of Art	0	6,394		6,394
22011 100 Years of Art	0	0		0
23003 NM Dept of Health Summer Food	74,546	0		0
30705 Jardin de los Ninos 2010	0	0		0
60306 Water Trust Board	0	100,620		100,620
Total Revenues	\$ 102,448	118,381	50,000	168,381
Total Resources	\$ 151,051	131,981	50,000	181,981
EXPENDITURES				
17001 Rideshare Program	\$ 5,696	0		0
20407 NMFA Econ Dev Feasibility Study	0	0	50,000	50,000
21002 Branigan Library State Aid	7,116	0		0
21006 Branigan Library State Aid	7,120	2,401		2,401
21009 Grants -In-Aid Program FY12	0	8,966		8,966
22004 Museum of Art 2010	0	0		0
22005 NM Humanities 2009	1,230	0		0
22006 New Mexico Arts	6,740	0		0
22009 NM Museum of Art	0	6,394		6,394
22011 100 Years of Art	0	0		0
23003 NM Dept of Health Summer Food	109,549	0		0
23004 NM Diabetes 2008	0	0		0
30705 Jardin de los Ninos 2010	0	0		0
60306 Water Trust Board	0	100,620		100,620
Total Expenditures	\$ 137,451	118,381	50,000	168,381
ENDING BALANCE	\$ 13,600	13,600	0	13,600

*Preliminary actual as of November 10, 2011