

**TIDD BOARD**

**MEETING MINUTES (DRAFT)**

**OCTOBER 11, 2011  
(UNAPPROVED)**



**Tax Increment Development District**

**Regular Meeting**

**October 11, 2011**

**1:00 P.M.**

**Council Chambers, City Hall**

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**MEMBERS PRESENT:**

**STAFF:**

12 Chairman Ken Miyagishima  
13 Board Member Miguel Silva, District 1  
14 Board Member Dolores Connor, District 2  
15 Board Member Olga Pedroza, District 3  
16 Board Member Nathan Small, District 4  
17 Board Member Gill Sorg, District 5  
18 Board Member Sharon Thomas, District 6  
19 Board Member Leticia Benavidez (County) **Absent**

Robert Garza, City Manager  
Harry (Pete) Connelly, City Attorney  
Esther Martinez, City Clerk

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**I. Call to Order**

Chairman Miyagishima called the meeting to order.

**II. Action Item(s)**

1. Approval of Minutes from January 10, 2011 Regular Meeting.

Board Member Connor Moved to Approve the Minutes of January 10, 2011 and Board Member Sorg Seconded the motion.

Chairman Miyagishima called for the roll on the Motion to Approve the Minutes of January 10, 2011 and it was Unanimously APPROVED. 7-0

**III. Discussion Items**

- 1
- 2 1. History
- 3 2. TIDD Plan
- 4 3. Finance
- 5 4. Project Status
- 6 5. Main Street
- 7 6. Plaza
- 8 7. What's Next?
- 9

10 Pat Degman, Accounting Manager said the financial resources of the TIDD are based on two tax  
11 streams which are the property tax stream and the GRT tax revenue. One of the underline things  
12 for the TIDD is the ability of the increments to support the projects which are dependent on many  
13 actions within the TIDD District. The build-out and the commercial activity for approximately  
14 the next 25 years will be important in the success and the continuance of the revenue stream in  
15 the TIDD District. If we look at the estimates of the GRT and the actual receipts that we  
16 collected from 2009 to date, the total of GRT collected to date is \$1.45 million. We just began  
17 receiving the State's increment this year and we did receive some from the County so property  
18 taxes collected to date is zero but we are working with the County and they are developing a  
19 process to identify properties in the TIDD and to be able to transfer those funds to the City. We  
20 have \$951,000 in the cash investments and operating fund and approximately \$196,000 in tax  
21 receivables. The balance due to the City is \$500,000 which is from the \$1 million loan the City  
22 made to the TIDD last year and that balance is targeted to be repaid by June. The operating fund  
23 balance is approximately \$647,000 and the GRT is \$909,000. There is a small amount of  
24 investment income being earned on that which is \$4,860. The State does assess a collection fee  
25 anytime they collect taxes so we have a tax collection expense for the TIDD of just under \$8,000.  
26 In the capital project fund there is a cash investment of \$1,878,000. The project we are currently  
27 working on in the TIDD is the North Main roundabout that has a contract amount of about \$3.6  
28 million and there has been about three grants awarded for this project.

29

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31

32 William Sletton, Downtown Development Coordinator gave an overhead presentation and said  
33 the projects that we have identified through the State Board of Finance and that we will be  
34 applying TIDD funds which is a total amount of \$13.2 million, the reopening of North and South  
35 Main Street, Water Street and Church Street conversion to two-way traffic, Las Cruces Avenue  
36 and Griggs Avenue between Church and Alameda, Organ Court, Hadley and May improvements.  
37 Another project that has been mentioned in the plan is a parking structure but we don't have a  
38 cost estimate on it because we haven't determined the location, the size of the structure or any  
39 other details of it.

40

41 Board Member Connor asked has there been any further discussions regarding the downsizing of  
42 the Post Office?

1

2 William Sletton said I'm not aware of any conversations with the Post Office but that would be  
3 an excellent property for us.

4

5 Robert Garza, City Manager said I was involved with some discussions with GSA which is the  
6 Government's Property Management Department and I found out that the Post Office is managed  
7 by the U.S. Post Office and not the GSA. There are only two U.S. Post Offices that deal with this  
8 issue, one is for the East Coast and the other is for the West Coast so I am trying to find out  
9 which section deals with the Post Offices here but I have not yet received a reply.

10

11 Board Member Thomas said so the money we currently have in hand is being used for the  
12 roundabout and also for North Main Street; correct?

13

14 Pat Degman, Accounting Manager said that is correct.

15

16 Robert Garza said the north roundabout is financially covered and the next thing that will need to  
17 be covered is the south end which isn't fully funded yet.

18

19 Mike Johnson, Public Works Director said that is correct. We are taking all of our State grants  
20 and using them toward the north end and then we are going to take our Federal grants and use  
21 them toward the south end but we will need about \$400,000 from the TIDD fund to cover the  
22 cost of the south project.

23

24 Robert Garza said the next piece of the Downtown renovations will be the south end; correct?

25

26 Mike Johnson said that is correct. We are tentatively scheduling the bidding of that project to  
27 start at the conclusion of the north end project which should be around September 2011.

28

29 Board Member Silva asked what was the 1.4 change order for?

30

31 Pat Degman said the \$1.4 million was an error on that page and it should be zero, it's just a  
32 contract for \$3.57 million.

33

34 Board Member Sorg asked is the State and County portion property taxes and GRT?

35

36 Pat Degman said yes.

37

38 Board Member Sorg said so that means that we would have to sell a bond to get some money and  
39 use that money to pay off the bond?

40

41 Pat Degman said that would be the ideal outlook for the TIDD, to actually bond for a certain  
42 amount of money that would pay for a project and then use the revenues for debt services. One of

1 the difficulties would be to establish a revenue source that is consistent and has a history that  
2 bonding agencies or NMFA could look at to determine that revenue could be pledged.

3

4 Board Member Sorg asked how long of a history do we need?

5

6 Pat Degman said I don't have a definitive answer for that because we haven't contacted NMFA  
7 or any other agency for the TIDD since it was so new.

8

9 Board Member Connor said that is the reason we had to borrow the \$1 million from the General  
10 Fund and I believe the history needs to be about 30 or 36 months which we should be getting  
11 close to pretty soon.

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15 **Adjournment**

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17 Meeting Adjourned at 2:55 p.m.

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