



City of Las Cruces[®]

PEOPLE HELPING PEOPLE

Tax Increment Development District Board Action and Executive Summary

Item # 2 TIDD Resolution# 13-001

For Meeting of _____
(Ordinance First Reading Date)

For Meeting of July 10, 2012
(Adoption Date)

Please check box that applies to this item:

QUASI JUDICIAL LEGISLATIVE ADMINISTRATIVE

TITLE: A RESOLUTION ESTABLISHING A POLICY THAT ALL ASSETS CONSTRUCTED, ACQUIRED, OR PURCHASED DURING THE LIFE OF THE LAS CRUCES DOWNTOWN TAX INCREMENT DEVELOPMENT DISTRICT (TIDD) BE DONATED TO THE CITY OF LAS CRUCES.

PURPOSE(S) OF ACTION:

Establish an asset disposition policy for the TIDD.

COUNCIL DISTRICT: 1		
<u>Drafter/Staff Contact:</u> Pat Degman	<u>Department/Section:</u> Finance/Accounting	<u>Phone:</u> 541-2080
<u>City Manager Signature:</u>		

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

The City of Las Cruces established the Tax Increment Development District (TIDD) on October 15, 2007 under Resolution 08-102 for Main Street/Downtown Las Cruces. The TIDD receives an incremental portion of Gross Receipts Tax and Property Tax from the City of Las Cruces and Dona Ana County and a portion of Gross Receipts Tax from the State. TIDD funds are used to construct, acquire or purchase assets within the district for the purposes of continued downtown revitalization and economic development. TIDD funds cannot be used to pay for on-going operational or maintenance costs. In accordance with State Statutes, the use of TIDD funds to create or own the assets results in ownership of the asset by the TIDD and not the City of Las Cruces.

Therefore, the proposed Resolution authorizes that all assets, created to date and in the future, would be automatically transferred upon completion and acceptance by established City procedures, that the assets will be donated by the TIDD to the City of Las Cruces to be capitalized on the City's financial statements and to be maintained as a City-owned asset. Once this Resolution is adopted by the TIDD Board, no further action will be required in order to make the transfer/donation.

SUPPORT INFORMATION:

- Resolution.

SOURCE OF FUNDING:

Is this action already budgeted? N/A			
	Yes	<input type="checkbox"/>	See fund summary below
	No	<input type="checkbox"/>	If No, then check one below:
	<i>Budget Adjustment Attached</i>	<input type="checkbox"/>	Expense reallocated from: _____
		<input 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? N/A			
	Yes	<input type="checkbox"/>	Funds will be deposited into this fund: _____ in the amount of \$ _____ for FY _____.
	No	<input type="checkbox"/>	There is no new revenue generated by this action.

BUDGET NARRATIVE

N/A

FUND EXPENDITURE SUMMARY:

Fund Name(s)	Account Number(s)	Expenditure Proposed	Available Budgeted Funds in Current FY	Remaining Funds	Purpose for Remaining Funds
N/A	N/A	N/A	N/A	N/A	N/A

OPTIONS / ALTERNATIVES:

- Vote "Yes"; to establish the policy that all existing and future TIDD assets be donated to the City of Las Cruces.
- Vote "No"; this will not establish the policy that all existing and future TIDD assets be donated to the City of Las Cruces. The TIDD would then be responsible for maintaining and repairing the assets.
- Vote to "Table"; further direction would be needed from TIDD Board.

REFERENCE INFORMATION:

The resolution(s) and/or ordinance(s) listed below are only for reference and are not included as attachments or exhibits.

1. N/A

TIDD RESOLUTION NO. 13-001

A RESOLUTION ESTABLISHING A POLICY THAT ALL ASSETS CONSTRUCTED, ACQUIRED, OR PURCHASED DURING THE LIFE OF THE LAS CRUCES DOWNTOWN TAX INCREMENT DEVELOPMENT DISTRICT (TIDD) BE DONATED TO THE CITY OF LAS CRUCES.

The Tax Increment Development District Board is informed that:

WHEREAS, the City of Las Cruces City Council established the Tax Increment Development District (TIDD) on October 15, 2007 by Resolution 08-102; and

WHEREAS, Tax Increment revenues have been collected and will be spent to acquire, construct or purchase assets; and

WHEREAS, state statutes require that TIDD revenues be used to create or own an asset; however, the statutes prohibit TIDD revenues from being used for operation and maintenance purposes; and

WHEREAS, it is in the best interest of the Downtown TIDD that all TIDD assets, both created to date and in the future, be donated to the City of Las Cruces to capitalize and maintain.

NOW, THEREFORE, Be it resolved by the Tax Increment Development District Board:

(I)

THAT it is henceforth established as policy that all assets constructed, acquired, purchased or otherwise created during the life of the TIDD, including all assets created prior to the date of this Resolution, are to be donated by the TIDD Board to the City of Las Cruces. The donation of the asset is to be effective as of the date of acceptance by City staff.

(II)

THAT the City, as fiscal agent for the TIDD, is hereby authorized to do all deeds necessary in the accomplishment of the herein above.

DONE AND APPROVED this _____ day of _____, 20__.

APPROVED:

Chair

ATTEST:

City Clerk

(SEAL)

Moved by: _____

Seconded by: _____

APPROVED AS TO FORM:



City Attorney

VOTE:

Chair Miyagishima: _____

Board Member Silva: _____

Board Member Smith: _____

Board Member Pedroza: _____

Board Member Small: _____

Board Member Sorg: _____

Board Member Thomas: _____