



# AGENDA

REGULAR MEETING OF  
THE QUALITY OF LIFE  
COMMITTEE  
APRIL 20, 2022  
5:00 PM  
ATTEND VIRTUALLY

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## SPECIAL PROCEDURES FOR QUALITY OF LIFE COMMITTEE MEETING

Attendance: In response to the State’s declaration of a Public Health Emergency, the Mayor’s Proclamation of Emergency, and the ban on public gatherings in excess of those permitted in the current Public Health Order, and the need to incorporate technology and practices to re-institute in-person meetings consistent with the limitations established by the Order, the Quality of Life committee meeting will be conducted virtually.

Viewing: Members of the public may stream the meeting live on the City of Santa Fe’s YouTube channel at <https://www.youtube.com/user/cityofsantafe>. The YouTube live stream can be accessed at this address from most smartphones, tablets, or computers.

Internet: To join the Zoom meeting on the internet using a computer, laptop, smartphone, or tablet, use the following link: <https://santafenmgov.zoom.us/j/91023070113?pwd=QTJrQjl3M2c3TFpCRjVaRkJYZU53UT09>.

**Passcode: 141109**

Attendees should use the “Raise Hand” function to be recognized by the Chair to speak at the appropriate time.

Phone: To join the Zoom meeting using a phone, use the following phone numbers and Webinar ID: **US: 1 (346) 248-7799 - Webinar ID: 910 2307 0113 - Passcode: 141109**

Phone attendees should press \*9 to use the “Raise Hand” function to be recognized by the Chair to speak at the appropriate time.

The agenda and packet for the meeting will be posted at <https://santafe.primegov.com/public/portal>.

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **APPROVAL OF AGENDA**
4. **APPROVAL OF CONSENT AGENDA**



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## 5. APPROVAL OF MINUTES

- a. Approval of Minutes from the April 6, 2022 Quality of Life Committee Meeting

## 6. ACTION ITEMS: CONSENT

- a. CONSIDERATION OF BILL NO. 2022-\_\_\_\_. (Councilor Cassutt, Councilor Villarreal)  
An Ordinance Amending Table 14-6.1-1 of the Land Development Code, the Table of Permitted Uses, to Permit Small and Large Preschool and Daycare Facilities in all Zoning Districts Except Industrial Districts. (Daniel Alvarado, Planner Senior: [djalvarado@santafenm.gov](mailto:djalvarado@santafenm.gov), 955-6670; Jesse Guillen, Legislative Liaison: [jbguillen@santafenm.gov](mailto:jbguillen@santafenm.gov), 955-6518)

### **Committee Review:**

Governing Body Public Comment: 03/09/2022

Planning Commission: 03/17/2022

Economic Development Advisory Committee: 04/13/2022

Quality of Life Committee: 04/20/2022

Public Works and Utilities Committee: 04/25/2022

Governing Body Public Hearing: 05/11/2022

- b. Request for the approval of Amendment #5 to the PSA with Vladimir Jones (PRACO) in the Total Amount of \$300,000.00 for Advertising Agency services for TOURISM Santa Fe for FY22; Dept. Contact: Randy Randall, [rrandall@santafenm.gov](mailto:rrandall@santafenm.gov), 505-955-6209.

### **COMMITTEE REVIEW:**

Quality of Life: 4/20/22

Finance Committee: 5/2/22

Governing Body: 5/11/22

- c. CONSIDERATION OF A BILL NO. 2022-\_\_\_. (Mayor Webber, Councilor Romero-Wirth)  
An Ordinance Relating to the City of Santa Fe's Office of Economic Development Plan Ordinance, SFCC 1987, Section 11-11; Approving and Adopting a Local Economic Development Project Participation Agreement Between the City of Santa Fe and Beck & Bulow, LLC for Design,



City of Santa Fe

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Development, and Construction of Tenant Improvements, Lease Payments, and Expansion of a Corporate Research Center, a Local Economic Development Project. (Rich Brown, Community and Economic Development: [rbrown@santafenm.gov](mailto:rbrown@santafenm.gov), 955-6625; Andrea Salazar, Assistant City Attorney: [asalazar@santafenm.gov](mailto:asalazar@santafenm.gov), 955-6303; Casey Dalbor, Business Growth Manager, [cjdalbor@santafenm.gov](mailto:cjdalbor@santafenm.gov), 955-6912)

**Committee Review:**

Re-Introduced: 03/30/2022

Economic Development Committee: 04/13/2022

Governing Body (Public Comment): 04/13/2022

Finance Committee: 04/18/22

Quality of Life Committee: 04/20/2022

Public Works and Utilities: 04/25/2022

Governing Body: 04/27/2022

d. CONSIDERATION OF BILL NO. 2022-6. (Mayor Webber)

An Ordinance Relating to the City of Santa Fe’s Office of Economic Development Plan Ordinance, SFCC 1987, Section 11-11; Approving and Adopting a Local Economic Development Project Participation Agreement Between the City of Santa Fe and Earth Traveler Teardrop Trailers, LLC for Design, Development, and Construction of Tenant Improvements, Lease Payments, and Expansion of a Manufacturing Center and Silicone Vacuum System, a Local Economic Development Project. (Rich Brown, Community and Economic Development Department Director: [rbrown@santafenm.gov](mailto:rbrown@santafenm.gov), 955-6625; Andrea Salazar, Assistant City Attorney: [asalazar@santafenm.gov](mailto:asalazar@santafenm.gov), 955-6303; Casey Dalbor, Business Growth Manager, [cjdalbor@santafenm.gov](mailto:cjdalbor@santafenm.gov), 955-6912)

**Committee Review:**

Re-Introduced: 03/30/2022

Economic Development Committee 4/13/2022

Governing Body (Public Comment) 4/13/2022

Finance Committee 4/18/22

Quality of Life Committee: 04/20/2022

Public Works and Utilities 4/25/2022

Governing Body 4/27/2022

e. CONSIDERATION OF RESOLUTION 2022-\_\_\_\_. (Councilor Rivera, Councilor Villarreal, Councilor Cassutt)



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A Resolution Authorizing the Sale and Consumption of Alcohol at Santa Fe Adult Soccer League's Annual Party on the Pitch Tournament to be Held at the MRC on June 4-5, 2022. The Request is Pursuant to Section 23-6.2 SFCC 1987 which Requires Adoption of a Resolution for Events on Public Property Not Specifically Stated in Paragraph A of that Section. (Kristine Mihelcic, City Clerk: [kmmihelcic@santafenm.gov](mailto:kmmihelcic@santafenm.gov), 505-955-6846)

**Committee Review:**

Introduced: 04/13/2022

Quality of Life: 04/20/2022

Governing Body: 04/28/2022

7. **MATTERS FROM STAFF**
8. **MATTERS FROM THE COMMITTEE**
9. **MATTERS FROM THE CHAIR**
10. **NEXT MEETING: Wednesday, May 4, 2022**
11. **ADJOURN**

**Persons with disabilities in need of accommodations, contact the City Clerk's office at 955-6521, five (5) working days prior to meeting date.**



# MINUTES

REGULAR MEETING OF  
THE QUALITY OF LIFE  
COMMITTEE  
APRIL 06, 2022  
5:00 PM  
VIRTUAL MEETING

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## 1. CALL TO ORDER

The meeting of the Quality of Life Committee was called to order by Councilor Cassutt, Chair, at 5:04 pm, on Wednesday, April 6, 2022, and was attended virtually.

## 2. ROLL CALL

### **Members Present:**

Councilor Jamie Cassutt  
Councilor Michael Garcia  
Councilor Renee Villarreal  
Member Lee Garcia  
Member Amanda Chavez

### **Members Excused:**

None

### **Others Attending:**

Kyra Ochoa, Community Services Department Director  
Loretta Olguin, Clerk  
Elizabeth Martin, Clerk  
Rich Brown, Attendee

## 3. APPROVAL OF AGENDA

**MOTION:** Member Garcia moved, seconded by Councilor Garcia, to approve the as presented.

**VOTE:** The motion was on the following Roll Call vote:

**For:** Councilor Cassutt, Councilor Garcia, Councilor Villarreal, Member Garcia, Member Chavez

**Against:** None

**Abstain:** None



# MINUTES

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**MOTION:** Member Garcia moved, seconded by Councilor Garcia, to approve the as presented.

**VOTE:** The motion was on the following Roll Call vote:

**For:** Councilor Cassutt, Councilor Garcia, Councilor Villarreal, Member Garcia, Member Chavez

**Against:** None

**Abstain:** None

## 4. APPROVAL OF CONSENT AGENDA

**MOTION:** Councilor Villarreal moved, seconded by Councilor Garcia, to approve the as amended.

**VOTE:** The motion was on the following Roll Call vote:

**For:** Councilor Cassutt, Councilor Garcia, Councilor Villarreal, Member Garcia, Member Chavez

**Against:** None

**Abstain:** None

Councilor Villarreal pulled items B, C and E from the Consent Agenda for discussion.

## 5. APPROVAL OF MINUTES

- a. Approval of Minutes from the March 16, 2022 Quality of Life Committee Meeting

**MOTION:** Councilor Garcia moved, seconded by Councilor Villarreal, to approve the minutes as presented.

**VOTE:** The motion was on the following Roll Call vote:



# MINUTES

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**For:** Councilor Cassutt, Councilor Garcia, Councilor Villarreal, Member Garcia, Member Chavez

**Against:** None

**Abstain:** None

## 6. ACTION ITEMS: CONSENT

- a. CONSIDERATION OF RESOLUTION 2022-\_\_\_\_ (Councilor Rivera, Councilor Romero-Wirth) Proclaiming Severe or Extreme Drought Conditions Exist in the City of Santa Fe; Imposing Fire Restrictions From April 10, 2022, to May 11, 2022; Restricting the Sale or Use of Fireworks Within the City of Santa Fe; and Prohibiting Other Fire Hazard Activities. (Geronimo Griego, Fire Marshal: [gggriego@santafenm.gov](mailto:gggriego@santafenm.gov), 955-3317)

**Committee Review:**

Introduced: 03/30/2022

Quality of Life Committee: 04/06/2022

Governing Body: 04/13/2022

**MOTION:** Councilor Villarreal moved, seconded by Councilor Garcia, to approve the resolution as presented.

**VOTE:** The motion was on the following Roll Call vote:

**For:** Councilor Cassutt, Councilor Garcia, Councilor Villarreal, Member Garcia, Member Chavez

**Against:** None

**Abstain:** None

- b. Request for the Approval of Memorandum of Understanding (MOU) between the City of Santa Fe and New Mexico Main Street Urban Neighborhood Commercial Corridor Initiative for Airport Road (Elizabeth Camacho, Economic Development and Communications Administrator: [excamacho@santafenm.gov](mailto:excamacho@santafenm.gov), 505-955-6042)



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**Committee Review:**

Quality of Life Committee: 4/6/2022

Public Works/Utilities Committee: 4/11/2022

Economic Development Advisory Committee: 4/13/2022

Finance Committee: 4/18/2022

Governing Body: 4/27/2022

**MOTION:** Councilor Villarreal moved, seconded by Member Chavez, to approve the memorandum of understanding (MOU) as presented.

**VOTE:** The motion was on the following Roll Call vote:

**For:** Councilor Cassutt, Councilor Garcia, Councilor Villarreal, Member Garcia, Member Chavez

**Against:** None

**Abstain:** None

- c. Request for the Approval of Memorandum of Understanding (MOU) between the City of Santa Fe and New Mexico Main Street Urban Neighborhood Commercial Corridor Initiative for the Siler Rufina Nexus Area (Elizabeth Camacho, Economic Development and Communications Administrator: [excamacho@santafenm.gov](mailto:excamacho@santafenm.gov), 505-955-6042)

**Committee Review:**

Quality of Life Committee: 4/6/2022

Public Works/Utilities Committee: 4/11/2022

Economic Development Advisory Committee: 4/13/2022

Finance Committee: 4/18/2022

Governing Body: 4/27/2022

**MOTION:** Councilor Villarreal moved, seconded by Member Chavez, to approve the memorandum of understanding (MOU) as presented.

**VOTE:** The motion was on the following Roll Call vote:



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**For:** Councilor Cassutt, Councilor Garcia, Councilor Villarreal, Member Garcia, Member Chavez

**Against:** None

**Abstain:** None

- d. Request for Approval of Amendment No. 1 to Memorandum of Agreement (MOA) #22-0030 between the City of Santa Fe and Santa Fe County Transferring \$1,000,000 of County American Rescue Plan Act (ARPA) Funds to the City of Santa Fe for Pandemic Cash Assistance Relief Funds to Clarify the Term End Date Under Article 2 and Correct a Reference in Article 3. (Kyra Ochoa, Community Health and Safety Department Director: krochoa@santafenm.gov, 505- 955-6603 and Julie Sanchez, Youth and Family Services Division Director: jjsanchez@santafenm.gov, 505-955-6678)

**Committee Review:**

Finance Committee: 04/04/2022

Quality of Life Committee: 04/06/2022

Governing Body: 04/13/2022

**MOTION:** Councilor Villarreal moved, seconded by Councilor Garcia, to approve the contract amendment as presented.

**VOTE:** The motion was on the following Roll Call vote:

**For:** Councilor Cassutt, Councilor Garcia, Councilor Villarreal, Member Garcia, Member Chavez

**Against:** None

**Abstain:** None

- e. Request for Approval of the 2021 State Homeland Security Sub-Grant Agreement EMW-2021-SS-00061-S01 in the Total Amount of \$143,028 (One Hundred and Forty-Three Thousand and Twenty Eight Dollars) for Development of Sustainment of Emergency Response and Recovery Capabilities, with a Period of Performance of January 1, 2022



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to June 20, 2023; New Mexico Department of Homeland Security and Emergency Management. (Brian Williams, Director of Emergency Management and Safety: bgwilliams@santafenm.gov, 505-469-1484).

**Committee Review:**

Finance Committee: 04/04/2022

Quality of Life Committee: 04/06/2022

Governing Body: 4/13/2022

**MOTION:** Member Garcia moved, seconded by Member Chavez, to approve the grant as presented.

**VOTE:** The motion was on the following Roll Call vote:

**For:** None

**Against:** None

**Abstain:** Councilor Cassutt, Councilor Garcia, Councilor Villarreal, Member Garcia, Member Chavez

**MOTION:** Member Garcia moved, seconded by Member Chavez, to approve the grant as presented.

**VOTE:** The motion was on the following Roll Call vote:

**For:** Councilor Cassutt, Councilor Garcia, Councilor Villarreal, Member Garcia, Member Chavez

**Against:** None

**Abstain:** None

7. **PRESENTATION**

- a. Presentation from the Office of Affordable Housing – Using a combination of regulation and City housing funds (both local + federal) to leverage capacity, support affordability and increase supply of affordable housing in Santa



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Fe. (Alexandra Ladd, Director, Office of Affordable Housing:  
agladd@santafenm.gov, 505-955-6346)

A Power Point presentation was made by Alexandra Ladd.

8. **MATTERS FROM STAFF**

None.

9. **MATTERS FROM THE COMMITTEE**

None.

10. **MATTERS FROM THE CHAIR**

None.

11. **NEXT MEETING: April 20 2022**

12. **ADJOURN**

There being no further business before the Board the meeting adjourned at 6:50 pm.

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Liaison

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Chair



# City of Santa Fe, New Mexico

## Memorandum



**Date:** February 28, 2022

**To:** Governing Body (Public Comment), Planning Commission, Economic Development Advisory Committee, Quality of Life Committee, Public Works and Utilities Committee, Governing Body (Public Hearing)

**Via:** Richard Brown, Community Development Director *RB*  
Jason M. Kluck, Interim Planning and Land Use Department Director *jmk*

**From:** Daniel Alvarado, Senior Planner

**Re:** An Ordinance Amending SFCC 14-6.1-1 Land Development Code Permitted Use Table to allow Large Daycare Facilities in All Zoning Districts Except Industrial

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### **EXECUTIVE SUMMARY:**

The Bill proposes to reduce regulatory barriers to creating new childcare facilities in Santa Fe. In particular, the Bill proposes to amend the Table of Permitted Uses 14-6.1-1 of the Land Development Code to permit small (under six children) and large (over six children) preschool and daycare facilities by-right in all zoning districts except industrial districts. Currently, large facilities are either allowed by right or require Special Use Permits in all districts except AC and I-2, while small facilities are allowed by-right in all districts except AC and I-2.

### **BACKGROUND:**

According to a 2018 analysis and mapping project by The Center for American Progress, roughly half of Santa Fe is considered a “childcare desert” (a community with more than (3) three children for every licensed childcare slot). That same report found that “childcare deserts are correlated with lower rates of maternal labor force participation” due to the disproportionate amount of women who are child caregivers when adequate child care is not available.

By reducing regulatory barriers to large childcare facilities, the legislation would enable Santa Fe homeowners to participate in the State’s Home Childcare Licensing program, which allows providers to operate in residential homes if they meet state requirements and local zoning and building code requirements. Childcare facilities are currently permitted either by right or with a special use permit in I-1 districts. Due to the Sponsor’s concerns of potential safety and exposure issues due to the types of uses permitted in industrial districts, the Bill proposes removing the possibility of locating childcare facilities in I-1 districts. Examples of other permitted I-1 uses include sexually oriented businesses, outdoor storage yards, indoor cannabis growing, and auto salvage/wrecking yards.

The proposed Bill would remove the need for childcare facilities with more than six children to procure a Special Use Permit. The City of Santa Fe charges a fee of \$1000 to obtain a Special Use Permit, not including ancillary City, legal and consultant fees, which can be considerable. Under normal circumstances, a Special Use permit takes an average of three months to obtain.



# City of Santa Fe, New Mexico

## Memorandum



With the proposed amendments to the Code, any new facility would still be required to meet all local zoning regulations. The proposed changes would still preclude a large, commercial facility in a residential area, for example. In addition, Licensed Home Childcare facilities would require permanent occupancy by a resident, which would help prevent reduction in housing stock by the introduction of new childcare facilities in residential areas.

### **EVALUATION CRITERIA:**

Section 14-3.3, “Amendments to Text of Chapter 14,” outlines the process for amending the text of the Land Use Code. To make a positive recommendation to the Governing Body, the Land Use Director and the Planning Commission must find that a text amendment meets the six criteria set forth in Section 14-3.3(B). The criteria are set forth below.

- (1) compliance with law;*
- (2) consistency with the general plan;*
- (3) consistency with other policies adopted by the governing body;*
- (4) consistency with the purpose and intent of Chapter 14 and of the section being amended;*
- (5) consideration of how the amendment relates to other provisions of the Santa Fe City Code and*  
*the avoidance of unintended consequences; and*
- (6) consistency with any approved neighborhood conservation overlay districts.*

### **RECOMMENDATION:**

Because the proposal meets the above six criteria (where applicable), the Land Use Director recommends that the Planning Commission recommend approval to the Governing Body of the proposed ordinance amendments.

Amending SFCC Section 14-6.1-1 would reduce regulatory barriers to the creation of new childcare facilities by removing the requirement for a Special Use Permit to operate a Large (more than 6 children) Preschool, Daycare for Infants or Children in RR, R-1 – R-6, R-7 – R-9, R-7(I), RC-5 – RC-8, R-10 – R-29, MHP, and RAC zoning categories. With the adoption of the proposed Bill, large Preschool and Daycare for Infants or Children facilities would be allowed by-right in all of the above listed categories.

Amending SFCC Section 14-6.1-1 would also remove both “Small” (six or fewer children) and “Large” (more than six children) from being a permitted use by-right or by Special Use Permit from the I-1 (light industrial) zoning category. This change would align with current zoning for most educational and healthcare uses.

### **ACTION REQUESTED:**

The Planning and Land Use Department requests that the Planning Commission, Economic Development Advisory Committee, and Council Committees consider the proposed text



# City of Santa Fe, New Mexico

## Memorandum



amendment and make a positive recommendation to the Governing Body, and that the Governing Body adopt the proposed legislation as presented.

### ATTACHMENTS:

Proposed Bill

Fiscal Impact Report

**Signature:** *Richard Brown*

**Email:** [rdbrown@ci.santa-fe.nm.us](mailto:rdbrown@ci.santa-fe.nm.us)

**Signature:** *Jason M. Kluck*

**Email:** [jmkluck@ci.santa-fe.nm.us](mailto:jmkluck@ci.santa-fe.nm.us)









# Childcare Zoning Changes (Memo)

Final Audit Report

2022-02-28

Created:	2022-02-28
By:	Jeff Norris (jtnorris@ci.santa-fe.nm.us)
Status:	Signed
Transaction ID:	CBJCHBCAABAA1U6YR27EmRYe_aTD5AnGJde-zAJB_pPx

## "Childcare Zoning Changes (Memo)" History

-  Document created by Jeff Norris (jtnorris@ci.santa-fe.nm.us)  
2022-02-28 - 4:25:37 PM GMT- IP address: 63.232.20.2
-  Document emailed to Richard Brown (rdbrown@ci.santa-fe.nm.us) for signature  
2022-02-28 - 4:26:04 PM GMT
-  Email viewed by Richard Brown (rdbrown@ci.santa-fe.nm.us)  
2022-02-28 - 4:45:43 PM GMT- IP address: 71.228.116.134
-  Document e-signed by Richard Brown (rdbrown@ci.santa-fe.nm.us)  
Signature Date: 2022-02-28 - 4:46:11 PM GMT - Time Source: server- IP address: 71.228.116.134
-  Document emailed to Jason Kluck (jmkluck@ci.santa-fe.nm.us) for signature  
2022-02-28 - 4:46:13 PM GMT
-  Email viewed by Jason Kluck (jmkluck@ci.santa-fe.nm.us)  
2022-02-28 - 6:03:41 PM GMT- IP address: 104.47.64.254
-  Document e-signed by Jason Kluck (jmkluck@ci.santa-fe.nm.us)  
Signature Date: 2022-02-28 - 6:04:20 PM GMT - Time Source: server- IP address: 63.232.20.2
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**CITY OF SANTA FE, NEW MEXICO**

**BILL NO. 2022-\_\_**

**INTRODUCED BY:**

Councilor Jamie Cassutt

Councilor Renee Villarreal

**AN ORDINANCE**

**AMENDING TABLE 14-6.1-1 OF THE LAND DEVELOPMENT CODE, THE TABLE OF PERMITTED USES, TO PERMIT SMALL AND LARGE PRESCHOOL AND DAYCARE FACILITIES IN ALL ZONING DISTRICTS EXCEPT INDUSTRIAL DISTRICTS.**

**BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE:**

**Section 1. Table 14-6.1-1 of the Land Development Code (being Ord. No. 2011-37, § 8, as amended) is amended to read:**

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CATEGORY	Specific Use	RR	R-1 – R-6	R-7 – R-9	R-7(I)	RC-5, RC-8	R-10 – R-29	MHP	RAC	AC**	C-1	C-2	C-4	HZ	BCD	I-1	I-2	BIP	SC-1	SC-2	SC-3	MU ***	Use-Specific Regs 14-6.2
<b>PUBLIC, INSTITUTIONAL AND CIVIC</b>																							
<b>Preschool, Daycare for Infants or Children</b>																							
Small (6 or fewer)	P	P	P	P	P	P	P	P	P	<u>P</u>	P	P	P	P	P	[P]		P	P	P	P	P	
Large (More than 6)	[S] <u>P</u>	[S] <u>P</u>	[S] <u>P</u>	[S] <u>P</u>	[S] <u>P</u>	[S] <u>P</u>	[S] <u>P</u>	[S] <u>P</u>	[S] <u>P</u>	<u>P</u>	P	P	P	P	P	[S]		P	P	P	P	[S] <u>P</u>	

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PASSED, APPROVED, and ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
ALAN WEBBER, MAYOR

ATTEST:

\_\_\_\_\_

KRISTINE MIHELICIC, CITY CLERK

APPROVED AS TO FORM:

  
\_\_\_\_\_

ERIN K. McSHERRY, CITY ATTORNEY

**FISCAL IMPACT REPORT**

**General Information:**

(Check) Bill:  X  Resolution: \_\_\_\_\_


Short Title(s): Childcare Zoning Changes

Sponsor(s): Councilor Cassutt

Reviewing Department(s): Land Use and Planning Department, City Attorney's Office – Legislative Services

Completing FIR: Daniel Alvarado Date: 2/4/22 Phone: 955-6670

Reviewed by City Attorney:  Date: Feb 18, 2022

Reviewed by Finance Director:  Date: Feb 18, 2022  
Alexis Lotero for Mary McCoy (Feb 18, 2022 14:08 MST)

**Summary:**

The proposed bill reduces regulatory barriers to creating new, affordable childcare facilities in Santa Fe. If adopted, the bill would amend Table 14-6.1-1 of the Land Development Code and the Table of Permitted Uses to permit small (under 6 children) and large (over 6 children) preschool and daycare facilities by-right in all zoning districts except industrial districts. While childcare facilities are currently permitted either by right or by a special use permit in I-1 districts, staff is unaware of any childcare facilities in the I-1 district. The sponsor believes that such facilities don't belong in either of the industrial districts because of potential safety and exposure issues due to the types of uses permitted in those districts.

**Departments Affected:**

Planning and Land Use

**Consequences of Not Enacting Legislation:**

If the legislation is not adopted, then large childcare facilities will continue to be required to obtain a Special Use Permit to operate in most zones.

**Conflict, Duplication, Companionship, or Relationship to Other Legislation:**

None identified.

**Performance and Administrative Implications:**

Permitting all childcare facilities by right will reduce overall staff workload.

**Fiscal Implications:**

If the Bill is adopted, staff anticipate there will be fewer Special Use Permit applications, which require significant hours and Planning Commission approval. Such savings are not quantifiable at this time because such calculation is entirely dependent on the number of new permits received.

**Fiscal Impact**

\_\_\_\_\_ Check here if no fiscal impact

**Expenditures**

<b>Expenditure Type</b>	<b>FYE __</b>	<b>FYE __</b>	<b>FYE __</b>	<b>Require BAR (Y/N)</b>	<b>Recurring (R) or Non-recurring (NR)</b>	<b>Fund</b>	<b>3-Year Total Cost</b>
<u>Personnel and</u>	\$ _____	\$ _____	\$ _____	_____	_____	_____	
<u>Benefits*</u>							
<u>Capital Outlay</u>	\$ _____	\$ _____	\$ _____	_____	_____	_____	
<u>Contractual/</u>	\$ _____	\$ _____	\$ _____		_____	_____	
<u>Professional Services</u>							
<u>Operating</u>	\$ _____	\$ _____	\$ _____		_____	_____	\$ _____
<u>Total:</u>	\$ _____	\$ _____	\$ _____				\$ _____

\* This includes all staff time associated with executing the job functions of the proposed legislation.

**Expenditure Narrative:**

Staff time associated with processing special use permits will decrease, though the exact amount is unquantifiable because it is not possible to project how many new facilities would request permits.

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**Revenue**

<b>Revenue Type</b>	<b>FYE __</b>	<b>FYE __</b>	<b>FYE __</b>	<b>Recurring (R) or Non-recurring (NR)</b>	<b>Fund</b>
General Fund	\$ _____	\$ _____	\$ _____	_____	_____
Special Revenue	\$ _____	\$ _____	\$ _____	_____	_____
CIP	\$ _____	\$ _____	\$ _____	_____	_____
Enterprise	\$ _____	\$ _____	\$ _____	_____	_____
Internal Service	\$ _____	\$ _____	\$ _____	_____	_____
Trust and Agency	\$ _____	\$ _____	\$ _____	_____	_____
Federal	\$ _____	\$ _____	\$ _____	_____	_____
Other	\$ _____	\$ _____	\$ _____	_____	_____
Total	\$ _____	\$ _____	\$ _____		

**Revenue Narrative:**

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**Signature:**   
Daniel Alvarado (Feb 18, 2022 11:19 MST)

**Email:** [djalvarado@santafenm.gov](mailto:djalvarado@santafenm.gov)

**Signature:** 

**Email:** [jbguillen@ci.santa-fe.nm.us](mailto:jbguillen@ci.santa-fe.nm.us)

## 16. INTRODUCTION OF LEGISLATION

b. Introduction of an Ordinance Amending Table 14-6.1-1 of the Land Development Code, the Table of Permitted Uses, to Permit Small and Large Preschool and Daycare Facilities in all Zoning Districts Except Industrial Districts. (Councilor Cassutt) (Daniel Alvarado, Planner Senior: [djalvarado@santafenm.gov](mailto:djalvarado@santafenm.gov), 955-6670; Jesse Guillen, Legislative Liaison: [jbg Guillen@santafenm.gov](mailto:jbg Guillen@santafenm.gov), 955-6518)

### **Committee Review:**

Governing Body Public Comment: 03/09/22

Planning Commission: 03/17/22

Economic Development Advisory Committee: 04/13/22

Quality of Life Committee: 04/20/22

Public Works and Utilities Committee: 04/25/22

Governing Body Public Hearing: 05/11/22

**Name:** Stefanie Beninato

**Comment - 02/23/2022 12:56 PM: ( No Vote )**

16B There are/were outdoor play area requirements for day cares. Where is there adequate residential housing in the existing I-1 zone that would warrant this change? I see lots of apartments What type of environmental safeguards concerning location to manufacturing facilities, for example, are in this ordinance now or will be added?



# City of Santa Fe, New Mexico

## Memorandum



**DATE:** March 22, 2022

**TO:** Governing Body  
Finance Committee  
Quality of Life

**VIA:** John W. Bair, City Manager  
Mary McCoy, Finance Department Director  
Fran Dunaway, Chief Procurement Officer  
Richard Brown, Community Development Director *Richard Brown*

**FROM:** Randy Randall, TOURISM Santa Fe Executive Director *Randy Randall*  
Randy Randall (Mar 22, 2022 16:28 MDT)

**ITEM AND ISSUE:**

Request for the approval of Amendment #5 to the PSA with Vladimir Jones (PRACO) in the Total Amount of \$300,000.00 for Advertising Agency services for TOURISM Santa Fe for FY22; Dept. Contact: Randy Randall, [rrandall@santafenm.gov](mailto:rrandall@santafenm.gov), 505-955-6209.

**BACKGROUND AND SUMMARY:**

On January 11, 2019, the City advertised for request for proposals (RFP '19/25/P). This RFP was for professional services for TOURISM Santa Fe's Agency of Record (AOR). Vladimir Jones was selected to the AOR and to provide agency services. Amendment #1 was to extend the term and increase the compensation amount for FY21, Amendment #2 added an additional \$175,000 to the reduced funding in FY21, Amendment 3 was to extend the term for FY22 and increase compensation for FY22 and Amendment #4 was to increase compensation by \$52,700.

On March 9, 2022 the Governing Body approved \$300,000 in additional funding for TSF Advertising, BAR attached. This funding (amendment #5) will be used for additional advertisement to strengthen the visitation to the City as it rebounds from another reduction felt as a result of the Omicron variant in January and February.

**PROCUREMENT METHOD:**

The procurement method was an RFP '19/25/P which resulted in the approval of contract #19-0384.

**CONTRACT NUMBER:**

The Munis contract number is 3200492.

**FUNDING SOURCE:**

Lodger's Tax/Fund 213  
Visit Santa Fe/2130521  
Advertising/561850

**ACTION REQUESTED:**

TOURISM Santa Fe respectfully requests your review and approval of Amendment #5 to the Professional Services Agreement with Vladimir Jones (PRACO).

**CITY OF SANTA FE  
AMENDMENT No. 5 TO  
SERVICE AGREEMENT  
ITEM# 19-0384**

This AMENDMENT No. 5 (the "Amendment") amends the CITY OF SANTA FE SERVICE AGREEMENT, dated May 29, 2019 (the "Agreement"), between the City of Santa Fe (the "City") and VLADIMIR JONES (PRACO). (the "Contractor"). The date of this Amendment shall be the date when it is executed by the City and the Contractor whichever occurs last.

1. COMPENSATION.

Article 2, Compensation of the Agreement is amended to read as follows:

2. Compensation

- A. Under this Agreement, the City shall pay to the Contractor in full payment for services rendered additional compensation at the rate of **Three Hundred Thousand dollars (\$300,000), such compensation not to exceed Three Hundred Thousand dollars (\$300,000) including gross receipts tax.** The New Mexico gross receipts tax levied on the amounts payable under this Agreement shall be paid by the City to the Contractor.

The total amount payable to the Contractor under Agreement #19-0384 and all Amendments to this Agreement, including gross receipts tax and expenses, **shall not exceed Four Million Eight Hundred Seventy Seven Thousand Seven Hundred dollars (\$4,877,700).** This amount is a maximum and not a guarantee that the work assigned to be performed by Contractor under this

Agreement shall equal the amount stated herein. The parties do not intend for the Contractor to continue to provide services without compensation when the total compensation amount is reached. Contractor is responsible for notifying the City when the services provided under this Agreement reach the total compensation amount. In no event will the Contractor be paid for services provided in excess of the total compensation amount without this Agreement being amended in writing prior to those services in excess of the total compensation amount being provided.

2. AGREEMENT IN FULL FORCE.

Except as specifically provided in this Amendment, the Agreement remains and shall remain in full force and effect, in accordance with its terms.

IN WITNESS WHEREOF, the parties have executed this Amendment No. 5 to the Agreement as of the dates set forth below.

CITY OF SANTA FE:

CONTRACTOR:

\_\_\_\_\_  
ALAN WEBBER, MAYOR

\_\_\_\_\_  
MEREDITH VAUGHN

DATE: \_\_\_\_\_

\_\_\_\_\_  
CEO

DATE: \_\_\_\_\_  
CRS# 03-436229-00-0  
Registration# 227045

ATTEST:

\_\_\_\_\_  
KRISTINE BUSTOS MIHELIC, CITY CLERK

CITY ATTORNEY'S OFFICE:

*Marcos Martinez*

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SENIOR ASSISTANT CITY ATTORNEY

APPROVED FOR FINANCES:

---

MARY MCCOY, FINANCE DIRECTOR  
2130521.561850  
Visit Santa Fe/Advertising *AJH*



# CITY OF SANTA FE PROCUREMENT CHECKLIST

Contractor Name: Vladimir Jones (PRACO)

Procurement Title: Advertising Agency for TSF - Amendment #5 for FY22

Procurement Method: State Price Agreement  Cooperative  Sole Source  Other

Exempt  Request For Proposal (RFP)  Invitation To Bid (ITB)  Contract under 60K  Contract over 60K

Department Requesting TOURISM Santa Fe Staff Name Jordan Guenther

### Procurement Requirements:

A procurement file shall be maintained for all contracts, regardless of the method of procurement. The procurement file shall contain the basis on which the award is made, all submitted bids, all evaluation materials, score sheets, quotations and all other documentation related to or prepared in conjunction with evaluation, negotiation, and the award process. The procurement shall contain a written determination from the Requesting Department, signed by the purchasing officer, setting forth the reasoning for the contract award decision before submitting to the Committees.

### REQUIRED DOCUMENTS FOR APPROVAL BY PURCHASING\*

YES N/A

- Approved Procurement Checklist (by Purchasing)
- Memo addressed to City Manager (under 60K) Committees/City Council (over 60K)
- State Price Agreement
- RFP
- Evaluation Committee Report
- ITB
- Bib Tab
- Quotes (3 valid current quotes)
- Cooperative Agreement
- Sole Source Request and Determination Form
- Contractors Exempt Letter
- Purchasing Officers approval for exempt procurement
- BAR
- FIR
- Executed Contract, Agreement or Amendment
- Current Business Registration and CRS numbers on contract or agreement
- Summary of Contracts and Agreements form
- Certificate of Insurance
- All documentation presented to Committees
- Other:

Jordan Guenther, TSF Marketing Director 3/22/22  
 Department Rep Printed Name (attesting that all information included) Title Date

Fran Doherty  
 Purchasing Officer (attesting that all information is reviewed) Title Date

Include all other substantive documents and records of communication that pertain to the procurement and contract.



# City of Santa Fe

## Real Estate Summary of Contracts, Agreements, Amendments & Leases

### Section to be completed by department

1. Munis Contract # 3200492

Contractor: Vladimir Jones (PRACO)

Description: Advertising Agency Services for TSF Amendment #5, Increasing compensation by \$300,000

Contract  Agreement  Lease / Rent  Amendment

Term Start Date: FY22 Term End Date: June 30, 2022

Approved by Council Date: \_\_\_\_\_

### Contract / Lease: Contract Amendment #5

Amendment # 5 to the Original Contract / Lease # 19-0384

Increase/(Decrease) Amount \$ 300,000

Extend Termination Date to: \_\_\_\_\_

Approved by Council Date: \_\_\_\_\_

### Amendment is for: Advertising - Increasing Compensation by \$300,000

2. **HISTORY** of Contract, Amendments & Lease / Rent - Please Elaborate (option: attach spreadsheet if multiple amendments)

Original #19-0384 began FY20 for \$1,600,000 (\$100,000 began in June 2020).

Amendment #1, #20-0467, increased compensation for FY21 by \$1,300,000 & extended the term to 6/30/2021. Amendment #2, #21-0205, increased compensation for FY21 by \$175,000.

Amendment #3, #21-0324, increased compensation for FY22 by \$1,450,000 and extended the term to 6/30/2022. Amendment #4, #22-0089, increased compensation for FY22 by 52,700

3. Procurement History: RFP 19/25/P

Fran D'Amico (Mar 31, 2022 08:06 MDT)

Mar 31, 2022

Purchasing Officer Review:

Date:

Comment & Exceptions: Amendment # 5 to increase compensation EXP: 6/30/2022 Final year of a 4 yr. contract

4. Funding Source: SFCCC Advertising

Org / Object: 5206600.561850

Andy Hopkins

2130521



Budget Officer Approval:

Date:

Comment & Exceptions: \_\_\_\_\_

Staff Contact who completed this form: Shirley Spencer Phone # 6208

Email: sjspencer@santafenm.gov

To be recorded by City Clerk:

Clerk # \_\_\_\_\_

Date of Execution: \_\_\_\_\_


Log # (Finance use only):	BA002236
Journal # (Finance use only):	Pd 9 FY22 JE 518

## City of Santa Fe, New Mexico BUDGET AMENDMENT RESOLUTION (BAR)

DEPARTMENT / DIVISION NAME Tourism / Visit Santa Fe					DATE 2/25/2022	
ITEM DESCRIPTION	ORG	OBJECT	PROJECT	INCREASE	DECREASE	
<b>EXPENDITURES</b>				<i>(enter as positive #)</i>	<i>(enter as negative #)</i>	
Visit Santa Fe / Advertising	2130521	561850		300,000		
<b>REVENUES</b>				<i>(enter as negative #)</i>	<i>(enter as positive #)</i>	
Lodgers' Tax	2130001	402100		(300,000)		
<b>JUSTIFICATION:</b> <i>(use additional page if needed)</i> -Attach supporting documentation/memo				\$ -	\$ -	

Allocation of FY22 Lodgers' Tax revenue earned over and above budgeted estimates to support additional tourism-related advertising in the Tourism Department/Visit Santa Fe Division. See attached memo.

<i>(Complete section below if BAR results in a net change to ANY Fund)</i>	
Fund(s) Affected	Fund Balance Increase/(Decrease)
<b>TOTAL:</b>	<b>0</b>

Andy Hopkins <small>Prepared By (print name)</small>	2/25/2022 <small>Date</small>	<small>(Use this form for Finance Committee/ City Council agenda items ONLY)</small>  <b>CITY COUNCIL APPROVAL</b>	Alexis Lotero <small>Alexis Lotero (Feb 25, 2022 11:35 MST)</small> Budget Officer
N/A <small>Division Director Signature (optional)</small>	Date	<small>City Council Approval Date</small> <div style="border: 1px solid black; padding: 5px; display: inline-block;">3/9/22</div>	N/A <small>Finance Director (≤ \$5,000)</small>
 <small>Randy Ratdall (Feb 25, 2022 12:32 MST)</small> Department Director Signature	Date	<small>Agenda Item #</small> <div style="border: 1px solid black; padding: 5px; display: inline-block;">9L</div>	N/A <small>City Manager (≤ \$60,000)</small>



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
2/17/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> AssuredPartners Colorado 101 N Cascade Ave #410 Colorado Springs CO 80903	<b>CONTACT NAME:</b> Candi Chuburu	<b>FAX (A/C, No):</b>
	<b>PHONE (A/C, No, Ext):</b>	<b>E-MAIL ADDRESS:</b> candi.chuburu@assuredpartners.com
<b>INSURED</b> Praco LTD DBA Vladimir Jones 2 N Nevada Ave., Suite 1400 Colorado Springs CO 80903	<b>INSURER(S) AFFORDING COVERAGE</b>	<b>NAIC #</b>
	<b>INSURER A :</b> Hanover Insurance Company	22292
	<b>INSURER B :</b> Pinnacol Assurance	41190
	<b>INSURER C :</b> Philadelphia Indemnity Company	18058
	<b>INSURER D :</b> Allmerica Financial Benefit	41840
	<b>INSURER E :</b> AssuredPartners of Colorado, LLC	
	<b>INSURER F :</b>	

**COVERAGES**                      **CERTIFICATE NUMBER:** 685669584                      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b>  <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC <input checked="" type="checkbox"/> OTHER: Priv&Sec, Cyber			ZH4-8824495-11	9/26/2021	9/26/2022	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ Excluded GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ Priv & Sec, Cyber \$ 50,000
D	<input checked="" type="checkbox"/> <b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			AW4-8846920-11	9/26/2021	9/26/2022	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	<input checked="" type="checkbox"/> <b>UMBRELLA LIAB</b> <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ n			UH4-8850592-11	9/26/2021	9/26/2022	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$
B	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N If yes, describe under DESCRIPTION OF OPERATIONS below			1002922	1/1/2022	1/1/2023	PER STATUTE OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
E C C	Cyber Crime Professional			C-4LVN-187727-CYBER-2021 PHSD1652370 PHSD1652348	9/26/2021 9/26/2021 9/26/2021	9/26/2022 9/26/2022 9/26/2022	Cyber Aggregate Limit 1,000,000 Crime Limit 500,000 Prof Aggregate Limit 2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
Certificate Holder is recognized as Additional Insured with respects to liability policies (excluding Worker's Compensation) as required by written contract but only to the extent of such contract.

<b>CERTIFICATE HOLDER</b>	<b>CANCELLATION</b>
TOURISM Santa Fe City of Sante Fe 201 West Marcy St. Santa Fe NM 87501	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE 



**City of Santa Fe**

Treasury Department  
200 Lincoln Ave.  
Santa Fe, New Mexico 87504-0909  
505-955-6551

**BUSINESS REGISTRATION**

**Business Name:** VLADIMIR JONES  
DBA: VLADIMIR JONES

**Business Location:** PO BOX 387  
COLORADO SPRINGS, CO 80901

**Owner:** VLADIMIR JONES

**License Number:** 227045

**Issued Date:** March 25, 2021

**Expiration Date:** March 25, 2022

**CRS Number:** 03-436229-00-0

**License Type:** Business License - Renewable

**Classification:** Out of Jurisdiction Business License

**Fees Paid:** \$10.00

VLADIMIR JONES  
PO BOX 387  
COLORADO SPRINGS, CO 80901

THIS IS NOT A CONSTRUCTION PERMIT OR SIGN PERMIT.  
APPROPRIATE PERMITS MUST BE OBTAINED FROM THE CITY  
OF SANTA FE BUILDING PERMIT DIVISION PRIOR TO  
COMMENCEMENT OF ANY CONSTRUCTION OR THE  
INSTALLATION OF ANY EXTERIOR SIGN.

THIS REGISTRATION/LICENSE IS NOT TRANSFERRABLE TO  
OTHER BUSINESSES OR PREMISES.

**TO BE POSTED IN A CONSPICUOUS PLACE**

CITY OF SANTA FE

Advertising Agency of Record Contract for  
TOURISM Santa Fe

"REQUEST FOR PROPOSALS"

*Advertising*

RFP #'19/25/P

PROPOSAL DUE:

February 18, 2018  
2:00 P.M.  
PURCHASING OFFICE  
CITY OF SANTA FE  
2651 SIRINGO ROAD  
BUILDING "H" SANTA FE,  
NEW MEXICO 87505

**PROPOSAL SCHEDULE**

**RFP # '19/25/P**

- |    |  |   |
|----|--|---|
| 1. | Advertisement                                    | January 18, 2019  |
| 2. | Issuance of RFP'S:                               | January 18, 2019  |
| 3. | Receipt of proposals:                            | February 18, 2019 at 2:00 p.m.<br>local prevailing time.<br>Purchasing Office 2651<br>Siringo Road Bldg., "H"<br>Santa Fe, New Mexico<br>87505 (505) 955-5711 |
| 4. | Evaluation of proposals:                         | February 19-22, 2019  |
| 5. | Notify Finalists:                                | March 1, 2019   |
| 6. | Interviews:                                      | March 26-29, 2019   |
| 7. | Recommendation of<br>award to Finance Committee: | April 29, 2019  |
| 8. | Recommendation of<br>award to City Council:      | May 8, 2019   |

**DATES OF CONSIDERATION BY FINANCE COMMITTEE AND CITY COUNCIL ARE TENTATIVE AND SUBJECT TO CHANGE WITHOUT NOTICE.**

CITY OF SANTA FE

PROFESSIONAL SERVICES CONTRACT

THIS AGREEMENT is made and entered into by and between the City of Santa Fe, New Mexico, hereinafter referred to as the "City," and Vladimir Jones, hereinafter referred to as the "Contractor," and is effective as of the date set forth below upon which it is executed by the Parties.

IT IS AGREED BETWEEN THE PARTIES:

1. Scope of Work.

In collaboration with Tourism Santa Fe (TSF), the Contractor shall perform the following Scope of Work for the purpose of increasing tourism in the city of Santa Fe and building on the success and momentum of The City Different Brand (Brand):

A. Integrated Advertising Campaign and Comprehensive Media:

- 1) Contractor is responsible for the creative development, production, trafficking/distribution, media placement, and ongoing collaboration and account services for TSF to further strengthen the Brand's effectiveness.
- 2) Contractor shall identify target markets including prioritized domestic fly markets, regional drive markets, and in state travelers.
- 3) Contractor shall employ marketing strategies using both traditional and new media elements, including, but not limited to print, television, out of home, digital display, online video, digital native content, paid social media, strategic marketing partnerships, and experiential marketing.

B. Collaboration:

- 1) Contractor shall be available upon reasonable notice to plan and review work in progress under the terms of this Agreement.
- 2) Contractor shall collaborate with TSF and third-party contractors, as appropriate, in the development of strategic plans that integrate advertising activities and other TSF programs including but not limited to web development, social media, public relations, meetings and conferences, and tourism trade.
- 3) Contractor may, in its discretion and at the request of TSF, assist in presenting TSF's advertising objectives, strategic plans and creative direction to industry partners, in legislative meetings, and in public forums. Travel expenses associated with planning or presentations are the responsibility of the Contractor.
- 4) Contractor shall collaborate with TSF and submit a yearly advertising plan that will be a strategic component of the TSF Marketing Plan that designates target markets and is supported by statistics and research required to achieve goals. In

addition, on a yearly basis perform market research to inform and guide the advertising decisions.

C. Contractor Services:

- 1) Contractor shall submit to TSF a budget tracker showing a detailed breakdown of all production and media budgets, amount committed to date, and amount billed to date no later than the tenth business day of the following month. Failure to provide an updated budget tracking may result in the delay of future payments directly related the reports but will not result in a delay in payment of monthly fees. Contractor shall also provide TSF with a production expense estimate, which must be submitted and approved prior to invoicing. Invoices should include line item detail with any variance vs. estimate explained.
- 2) Contractor shall submit a report on the effectiveness of the campaign(s) to TSF Marketing Director on a quarterly basis. The report shall include cost per inquiry, return on the advertising dollar investment, and any/all tracking mechanisms deemed appropriate by TSF.
- 3) The Contractor shall submit periodic reports to the governing body, at least quarterly, listing the expenditures for those periods. Within ten days of receiving the reports, the governing body shall furnish copies of them to the tax advisory board.

D. Production:

- 1) The Contractor shall develop, design and produce advertising copy, layouts, designs and artwork for print, broadcast, radio, outdoor, interactive, audiovisual and on-line media and deliver such material to TSF for approval and then to advertising media, printer, broadcaster, internet provider or producer upon approval on time. Creative design and production include promotions and other projects as deemed necessary by TSF. Before releasing any material, including all forms of advertisement, to the media, the Contractor will obtain approval for all final layouts, copy or artwork from TSF. Final material shall be submitted to TSF for approval at least 24 hours in advance of release date.

E. Advertising and Media Buys:

- 1) Contractor shall arrange for all media to be billed at the net cost of time or space directly to the Contractor, which shall be paid from funds designated for media buys. The Contractor is responsible for placing written orders for time or space in advertising media and maintaining the records of all insertion orders, tear sheets, invoices, and all other billing information for a minimum of three (3) years. Contractor will notify TSF when prepayment of advertisement and/or production is required. TSF will make prompt payment in accordance with Section 2 of this Agreement.

F. The parties understand this is a non-exclusive agreement and Contractor may freely contract with other entities for the performance of service.

G. Standard of Performance; Licenses:

- 1) The Contractor represents that it possesses the experience and knowledge necessary to perform the services described under this Agreement.
- 2) The Contractor agrees to obtain and maintain throughout the Terms of this Agreement, all applicable professional and business licenses required by law, for itself, its employees, agents, representatives, and subcontractors.
- 3) Contractor will use its best efforts to contract with local Santa Fe businesses to serve TSF and build the Brand. Contractor shall notify TSF of its subcontractors and update the City on any subcontractor changes

2. Compensation.

A. The City shall pay to the Contractor in full payment for services satisfactorily performed at the rate of One Million Six-Hundred Thousand dollars (\$1,600,000), such compensation not to exceed One million six-hundred thousand dollars, excluding gross receipts tax.

The total amount payable to the Contractor under this Agreement, excluding gross receipts tax and expenses, shall not exceed One Million Six Hundred Thousand Dollars total contract price for the full term of the contract. This amount is a maximum and not a guarantee that the work assigned to be performed by Contractor under this Agreement shall equal the amount stated herein. The parties do not intend for the Contractor to continue to provide services without compensation when the total compensation amount is reached. Contractor is responsible for notifying the City when the services provided under this Agreement reach the total compensation amount. In no event will the Contractor be paid for services provided in excess of the total compensation amount without this Agreement being amended in writing prior to those services in excess of the total compensation amount being provided.

B. The City shall pay to the Contractor in full payment for services satisfactorily performed pursuant to the Scope of Work at the rate of \$100,000 dollars (\$100,000) in FY19, and \$1,500,000 in FY20. The total amount payable to the Contractor under this Agreement, excluding gross receipts tax and expenses, shall not exceed \$100,000 in FY19. The \$100,000 in FY19 shall be used for Increased Production or Media (net) as approved by Client. The \$1,500,000 in FY20 shall be broken down as follows:

FY19 Increased Production and/or Media (net)	\$100,000
Media (net)	\$1,020,000
Production (net)	\$150,000
Research/Other	\$22,500
Travel	\$5,000
Agency Services Retainer	<u>\$302,500</u>
<b>TOTAL</b>	<b>\$1,600,000</b>

C. Contractor must submit a detailed statement accounting for all services performed and expenses incurred. If the City finds that the services are not acceptable, within thirty days after the date of receipt of written notice from the Contractor that payment is requested, it shall provide the Contractor a letter of exception explaining the defect or objection to the services and outlining steps the Contractor may take to provide remedial action. Upon certification by the

City that the services have been received and accepted, payment shall be tendered to the Contractor within thirty days after the date of acceptance. If payment is made by mail, the payment shall be deemed tendered on the date it is postmarked. However, the City shall not incur late charges, interest, or penalties for failure to make payment within the time specified herein

3. **Term.**

THIS AGREEMENT SHALL NOT BECOME EFFECTIVE UNTIL APPROVED BY THE CITY. This Agreement shall terminate on **June 30, 2020, with the option to renew three additional years** unless terminated pursuant to paragraph 4 (Termination), or paragraph 5 (Appropriations). In accordance with Section 13-1-150 NMSA 1978, no contract term for a professional services contract, including extensions and renewals, shall exceed four years, except as set forth in Section 13-1-150 NMSA 1978.

4. **Termination.**

A. **Termination.** This Agreement may be terminated by either of the parties hereto upon written notice delivered to the other party at least thirty (30) days prior to the intended date of termination. Except as otherwise allowed or provided under this Agreement, the City's sole liability upon such termination shall be to pay for acceptable work performed prior to the Contractor's receipt of the notice of termination, if the City is the terminating party, or the Contractor's sending of the notice of termination, if the Contractor is the terminating party; provided, however, that a notice of termination shall not nullify or otherwise affect either party's liability for pre-termination defaults under or breaches of this Agreement. The Contractor shall submit an invoice for such work within thirty (30) days of receiving or sending the notice of termination. Notwithstanding the foregoing, this Agreement may be terminated immediately upon written notice to the Contractor if the Contractor becomes unable to perform the services contracted for, as determined by the City or if, during the term of this Agreement, the Contractor or any of its officers, employees or agents is indicted for fraud, embezzlement or other crime due to misuse of state funds or due to the Appropriations paragraph herein. **THIS PROVISION IS NOT EXCLUSIVE AND DOES NOT WAIVE THE City's OTHER LEGAL RIGHTS AND REMEDIES CAUSED BY THE CONTRACTOR'S DEFAULT/BREACH OF THIS AGREEMENT.**

B **Termination Management.** Immediately upon receipt by either the City or the Contractor of notice of termination of this Agreement, the Contractor shall: 1) not incur any further obligations for salaries, services or any other expenditure of funds under this Agreement without written approval of the City; 2) comply with all directives issued by the City in the notice of termination as to the performance of work under this Agreement; and 3) take such action as the City shall direct for the protection, preservation, retention or transfer of all property titled to the City and records generated under this Agreement. Any non-expendable personal property or equipment provided to or purchased by the Contractor with contract funds shall become property of the City upon termination and shall be submitted to the City as soon as practicable.

5. **Appropriations.**

The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the City Council for the performance of this Agreement. If sufficient appropriations

and authorization are not made by the City Council, this Agreement shall terminate immediately upon written notice being given by the City to the Contractor. The City's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. If the City proposes an amendment to the Agreement to unilaterally reduce funding, the Contractor shall have the option to terminate the Agreement or to agree to the reduced funding, within thirty (30) days of receipt of the proposed amendment.

6. **Status of Contractor.**

The Contractor and its agents and employees are independent contractors performing professional services for the City and are not employees of the State of New Mexico. The Contractor and its agents and employees shall not accrue leave, retirement, insurance, bonding, use of state vehicles, or any other benefits afforded to employees of the State of New Mexico as a result of this Agreement. The Contractor acknowledges that all sums received hereunder are reportable by the Contractor for tax purposes, including without limitation, self-employment and business income tax. The Contractor agrees not to purport to bind the State of New Mexico unless the Contractor has express written authority to do so, and then only within the strict limits of that authority.

7. **Assignment.**

The Contractor shall not assign or transfer any interest in this Agreement or assign any claims for money due or to become due under this Agreement without the prior written approval of the City.

8. **Subcontracting.**

The Contractor shall not subcontract any portion of the services to be performed under this Agreement without the prior written approval of the City. No such subcontract shall relieve the primary Contractor from its obligations and liabilities under this Agreement, nor shall any subcontract obligate direct payment from the City.

9. **Release.**

Final payment of the amounts due under this Agreement shall operate as a release of the City, its officers and employees, and the State of New Mexico from all liabilities, claims and obligations whatsoever arising from or under this Agreement.

10. **Confidentiality.**

Any confidential information provided to or developed by the Contractor in the performance of this Agreement shall be kept confidential and shall not be made available to any individual or organization by the Contractor without the prior written approval of the City.

11. **Product of Service – Copyright.**

All materials developed or acquired by the Contractor under this Agreement shall become the property of the City and shall be delivered to the City no later than the termination date of this Agreement. Nothing developed or produced, in whole or in part, by the Contractor under this Agreement shall be the subject of an application for copyright or other claim of ownership by or on behalf of the Contractor.

**12. Conflict of Interest; Governmental Conduct Act.**

A. The Contractor represents and warrants that it presently has no interest and, during the term of this Agreement, shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance or services required under the Agreement.

B. The Contractor further represents and warrants that it has complied with, and, during the term of this Agreement, will continue to comply with, and that this Agreement complies with all applicable provisions of the Governmental Conduct Act, Chapter 10, Article 16 NMSA 1978.

C. Contractor's representations and warranties in Paragraphs A and B of this Article 12 are material representations of fact upon which the City relied when this Agreement was entered into by the parties. Contractor shall provide immediate written notice to the City if, at any time during the term of this Agreement, Contractor learns that Contractor's representations and warranties in Paragraphs A and B of this Article 12 were erroneous on the effective date of this Agreement or have become erroneous by reason of new or changed circumstances. If it is later determined that Contractor's representations and warranties in Paragraphs A and B of this Article 12 were erroneous on the effective date of this Agreement or have become erroneous by reason of new or changed circumstances, in addition to other remedies available to the City and notwithstanding anything in the Agreement to the contrary, the City may immediately terminate the Agreement.

D. All terms defined in the Governmental Conduct Act have the same meaning in this section.

**13. Amendment.**

A. This Agreement shall not be altered, changed or amended except by instrument in writing executed by the parties hereto and all other required signatories.

B. If the City proposes an amendment to the Agreement to unilaterally reduce funding due to budget or other considerations, the Contractor shall, within thirty (30) days of receipt of the proposed Amendment, have the option to terminate the Agreement, pursuant to the termination provisions as set forth in Article 4 herein, or to agree to the reduced funding.

**14. Merger.**

This Agreement incorporates all the Agreements, covenants and understandings between the parties hereto concerning the subject matter hereof, and all such covenants, Agreements and understandings have been merged into this written Agreement. No prior Agreement or understanding, oral or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Agreement.

**15. Penalties for violation of law.**

The Procurement Code, Sections 13-1-28 through 13-1-199, NMSA 1978, imposes civil and criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for illegal bribes, gratuities and kickbacks.

16. **Equal Opportunity Compliance.**

The Contractor agrees to abide by all federal and state laws and rules and regulations, and executive orders of the Governor of the State of New Mexico, pertaining to equal employment opportunity. In accordance with all such laws of the State of New Mexico, the Contractor assures that no person in the United States shall, on the grounds of race, religion, color, national origin, ancestry, sex, age, physical or mental handicap, or serious medical condition, spousal affiliation, sexual orientation or gender identity, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Agreement. If Contractor is found not to be in compliance with these requirements during the life of this Agreement, Contractor agrees to take appropriate steps to correct these deficiencies.

17. **Applicable Law.**

The laws of the State of New Mexico shall govern this Agreement, without giving effect to its choice of law provisions. Venue shall be proper only in a New Mexico court of competent jurisdiction in accordance with Section 38-3-1 (G) NMSA 1978. By execution of this Agreement, Contractor acknowledges and agrees to the jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising under or out of any term of this Agreement.

18. **Workers Compensation.**

The Contractor agrees to comply with state laws and rules applicable to workers compensation benefits for its employees. If the Contractor fails to comply with the Workers Compensation Act and applicable rules when required to do so, this Agreement may be terminated by the City.

19. **Professional Liability Insurance.** Contractor shall maintain professional liability insurance throughout the term of this Agreement providing a minimum coverage in the amount required under the New Mexico Tort Claims Act. The Contractor shall furnish the City with proof of insurance of Contractor's compliance with the provisions of this section as a condition prior to performing services under this Agreement.

20. **Other Insurance**

If the services contemplated under this Agreement will be performed on or in City facilities or property, Contractor shall maintain in force during the entire term of this Agreement, the following insurance coverage(s), naming the City as additional insured.

A. Workers Compensation (including accident and disease coverage) at the statutory limit.  
Employers liability: \$100,000.

B. Comprehensive general liability (including endorsements providing broad form property damage, personal injury coverage and contractual assumption of liability for all liability the Contractor has assumed under this contract). Limits shall not be less than the following:

- a. Bodily injury: \$1,000,000 per person /\$1,000,000 per occurrence.
- b. Property damage or combined single limit coverage: \$1,000,000.
- c. Automobile liability (including non-owned automobile coverage): \$1,000,000.

d. Umbrella: \$1,000,000.

C. Contractor shall maintain the above insurance for the term of this Agreement and name the City as an additional insured and provide for 30 days cancellation notice on any Certificate of Insurance form furnished by Contractor. Such certificate shall also specifically state the coverage provided under the policy is primary over any other valid and collectible insurance and provide a waiver of subrogation.

21. **Records and Financial Audit.**

The Contractor shall maintain detailed time and expenditure records that indicate the date; time, nature and cost of services rendered during the Agreement's term and effect and retain them for a period of three (3) years from the date of final payment under this Agreement. The records shall be subject to inspection by the City. The City shall have the right to audit billings both before and after payment. Payment under this Agreement shall not foreclose the right of the City to recover excessive or illegal payments

22. **Indemnification.**

The Contractor shall defend, indemnify and hold harmless the City from all actions, proceeding, claims, demands, costs, damages, attorneys' fees and all other liabilities and expenses of any kind from any source which may arise out of the performance of this Agreement, caused by the negligent act or failure to act of the Contractor, its officers, employees, servants, subcontractors or agents, or if caused by the actions of any client of the Contractor resulting in injury or damage to persons or property during the time when the Contractor or any officer, agent, employee, servant or subcontractor thereof has or is performing services pursuant to this Agreement. In the event that any action, suit or proceeding related to the services performed by the Contractor or any officer, agent, employee, servant or subcontractor under this Agreement is brought against the Contractor, the Contractor shall, as soon as practicable but no later than two (2) days after it receives notice thereof, notify the legal counsel of the City.

23. **New Mexico Tort Claims Act**

Any liability incurred by the City of Santa Fe in connection with this Agreement is subject to the immunities and limitations of the New Mexico Tort Claims Act, Section 41-4-1, et. seq. NMSA 1978, as amended. The City and its "public employees" as defined in the New Mexico Tort Claims Act, do not waive sovereign immunity, do not waive any defense and do not waive any limitation of liability pursuant to law. No provision in this Agreement modifies or waives any provision of the New Mexico Tort Claims Act.

24. **Invalid Term or Condition.**

If any term or condition of this Agreement shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected and shall be valid and enforceable.

25. **Enforcement of Agreement.**

A party's failure to require strict performance of any provision of this Agreement shall not waive or diminish that party's right thereafter to demand strict compliance with that or any other provision. No waiver by a party of any of its rights under this Agreement shall be effective unless

express and in writing, and no effective waiver by a party of any of its rights shall be effective to waive any other rights.

26. **Notices.**

Any notice required to be given to either party by this Agreement shall be in writing and shall be delivered in person, by courier service or by U.S. mail, either first class or certified, return receipt requested, postage prepaid, as follows:

To the City: TOURISM Santa Fe  
Attn: Randy Randall  
201 W. Marcy Street  
Santa Fe, NM 87501

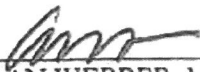
To the Contractor: Vladimir Jones  
Attn: Meredith Vaughn, CEO  
6 North Tejon Street #400  
Colorado Springs, CO. 80903-3928

27. **Authority.**

If Contractor is other than a natural person, the individual(s) signing this Agreement on behalf of Contractor represents and warrants that he or she has the power and authority to bind Contractor, and that no further action, resolution, or approval from Contractor is necessary to enter into a binding contract.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date of the signature by the required approval authorities below.

CITY OF SANTA FE:

  
ALAN WEBBER, MAYOR

DATE: 5/31/19

CONTRACTOR:

Vladimir Jones

  
NAME AND TITLE

DATE: 6/4/19

CRS# 03-436229-00-0

Registration # 19-00157691

ATTEST:

\_\_\_\_\_  
YOLANDA Y. VIGIL  
CITY CLERK  
*cc mtg 5/29/2019*

APPROVED AS TO FORM:

*EM* *4/29/19*  
\_\_\_\_\_  
ERIN MCSHERRY, CITY ATTORNEY

APPROVED:

*Mary McCoy*  
\_\_\_\_\_  
MARY MCCOY, FINANCE/DIRECTOR *pm*

\_\_\_\_\_  
22108.561850

CITY OF SANTA FE  
CONTRACT AMENDMENT No. 1

Contract No.19-0384

THIS AGREEMENT is made and entered into by and between the City of Santa Fe, hereinafter referred to as the "City," and Vladimir Jones (Praco), hereinafter referred to as the "Contractor."

IT IS MUTUALLY AGREED BETWEEN THE PARTIES THAT THE FOLLOWING PROVISIONS OF THE ABOVE-REFERENCED CONTRACT ARE AMENDED AS FOLLOWS:

1. Compensation.

Section 3, Compensation, is hereby amended to read as follows:

- A. Under this Agreement, the City shall pay to the Contractor in full payment for services rendered additional compensation at the rate of one million three hundred thousand dollars (\$1,300,000), such compensation not to exceed \$1,300,000, excluding gross receipts tax. The New Mexico gross receipts tax levied on the amounts payable under this Agreement shall be paid by the City to the Contractor.

The total amount payable to the Contractor under Agreement # 19-0384 and all Amendments to this Agreement, excluding gross receipts tax, shall not exceed two million nine hundred seventy two thousand six hundred and fifty seven dollars (\$2,900,000). This amount is a maximum and not a guarantee that the work assigned to be performed by Contractor under this Agreement shall equal the amount stated herein. The parties do not intend for the Contractor to continue to provide services without compensation when the total compensation amount is reached. Contractor is responsible for notifying the City when the services provided under this Agreement reach the total compensation amount. In no event will the Contractor be paid for services provided in excess of the total compensation amount without this Agreement being amended in writing prior to those services in excess of the total compensation amount being provided.

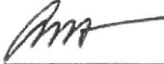
2. Term.

THIS CONTRACT AS AMENDED BY THIS AGREEMENT SHALL NOT BECOME EFFECTIVE UNTIL APPROVED BY THE CITY OR A SPECIFIED DATE WHICHEVER IS LATER. This Contract as amended shall terminate on June 30, 2021, unless terminated pursuant to the Contract. There is an option to renew for one more additional year.

All other articles of this contract remain the same.

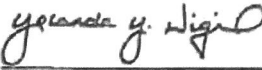
IN WITNESS WHEREOF, the parties have executed this Agreement as of the date of signature by the City and Contractor below, or a specified date, whichever is later.

City of Santa Fe:

By:   
Alan Webber, Mayor

Date: Sep 16, 2020

Attest:


By:   
Yolanda Y. Vigil, City Clerk

Date: Sep 17, 2020

GB Mtg 09/09/20

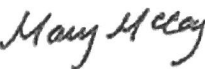
GC  
or

City Attorney's Office:

By:   
Marco Martinez (Jul 8, 2020 10:12 MST)  
Senior Assistant City Attorney

Date: Jul 8, 2020

Approved:

By:   
Mary McCoy, Finance Director

Date: Sep 16, 2020

Contractor:

By: See Attached  
Meredith Vaughn, CEO

Date: \_\_\_\_\_

The records of the Taxation and Revenue Department reflect that the Contractor is registered with the Taxation and Revenue Department of the State of New Mexico to pay gross receipts and compensating taxes.

CRS Number: #03-436229-00-0

Business License Number: #20-00157691

BU/Line Item: 2130521.561850

Contract No. ITEM # 21-0205  
Munis No. 3200492

CITY OF SANTA FE  
CONTRACT AMENDMENT No. 2  
Item#19-0384

THIS AMENDMENT is made and entered into by and between the City of Santa Fe, hereinafter referred to as the "City," and Vladimir Jones (Praco), hereinafter referred to as the "Contractor."

IT IS MUTUALLY AGREED BETWEEN THE PARTIES THAT THE FOLLOWING PROVISIONS OF THE ABOVE-REFERENCED CONTRACT ARE AMENDED AS FOLLOWS:

Section 3, Compensation, is hereby amended to read as follows:

3. Compensation.

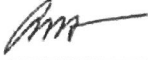
- A. Under this Agreement, the City shall pay to the Contractor in full payment for services rendered additional compensation at the rate of one hundred and seventy five thousand dollars (\$175,000), such compensation not to exceed \$175,000 including gross receipts tax. The New Mexico gross receipts tax levied on the amounts payable under this Agreement shall be paid by the City to the Contractor.

The total amount payable to the Contractor under Agreement # 19-0384 and all Amendments to this Agreement, including gross receipts tax and expenses, shall not exceed three million seventy five thousand dollars (\$3,075,000). This amount is a maximum and not a guarantee that the work assigned to be performed by Contractor under this Agreement shall equal the amount stated herein. The parties do not intend for the Contractor to continue to provide services without compensation when the total compensation amount is reached. Contractor is responsible for notifying the City when the services provided under this Agreement reach the total compensation amount. In no event will the Contractor be paid for services provided in excess of the total compensation amount without this Agreement being amended in writing prior to those services in excess of the total compensation amount being provided.

All other articles of this contract remain the same.



IN WITNESS WHEREOF, the parties have executed this Agreement as of the date of signature by the City and Contractor below, or a specified date, whichever is later.

City of Santa Fe:

By:   
Alan Webber, Mayor

Date: May 13, 2021

Attest:

By:   
Kristine Bustos Mihelcic, City Clerk   
GB MTG 05/12/2021

Date: May 14, 2021

City Attorney's Office:

By:   
Marcos Martinez (Mar 25, 2021 11:44 LMDT)  
Senior Assistant City Attorney

Date: Mar 25, 2021

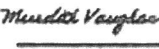
Approved for Finances:

By:   
Alexis Lotero (May 13, 2021 11:06 MDT)  
Mary McCoy, Finance Director

Date: May 13, 2021

Contractor:

Vladimir Jones (Praco)

By:   
Meredith Vaughn, CEO

Date: Mar 30, 2021

The records of the Taxation and Revenue Department reflect that the Contractor is registered with the Taxation and Revenue Department of the State of New Mexico to pay gross receipts and compensating taxes.

CRS Number: #03-436229-00-0

Business License Number: #21-00157691

Object/Org: 2130521.561850 - \$140,000 - (BAR attached) & 5206600.561850 - \$35,000

Contract No. 19-0384  
Munis No. 3200492

CITY OF SANTA FE  
CONTRACT AMENDMENT No. 3

THIS AGREEMENT is made and entered into by and between the City of Santa Fe, hereinafter referred to as the "City," and Vladimir Jones (Praco), hereinafter referred to as the "Contractor."

IT IS MUTUALLY AGREED BETWEEN THE PARTIES THAT THE FOLLOWING PROVISIONS OF THE ABOVE-REFERENCED CONTRACT ARE AMENDED AS FOLLOWS:

Section 3, Compensation, is hereby amended to read as follows:

1. Compensation.

- A. Under this Agreement, the City shall pay to the Contractor in full payment for services rendered additional compensation at the rate of one million four hundred fifty thousand dollars (\$1,450,000) such compensation not to exceed \$1,450,000 including gross receipts tax. The New Mexico gross receipts tax levied on the amounts payable under this Agreement shall be paid by the City to the Contractor.

The total amount payable to the Contractor under Agreement # 19-0384 and all Amendments to this Agreement, including gross receipts tax and expenses, shall not exceed four million five hundred twenty five thousand dollars (\$4,525,000). This amount is a maximum and not a guarantee that the work assigned to be performed by Contractor under this Agreement shall equal the amount stated herein. The parties do not intend for the Contractor to continue to provide services without compensation when the total compensation amount is reached. Contractor is responsible for notifying the City when the services provided under this Agreement reach the total compensation amount. In no event will the Contractor be paid for services provided in excess of the total compensation amount without this Agreement being amended in writing prior to those services in excess of the total compensation amount being provided.

2. Term

THIS CONTRACT AS AMENDED BY THIS AGREEMENT SHALL NOT BECOME EFFECTIVE UNTIL APPROVED BY THE CITY OF SPECIFIED DATE WHICHEVER IS LATER. This Contract as amended shall terminate on June 30, 2022, unless

terminated pursuant to contract. There is an option to renew for one additional year.  
All other articles of this contract remain the same.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date of signature by the City and Contractor below, or a specified date, whichever is later.

City of Santa Fe:  
By: *AW* Date: Jul 23, 2021  
Alan Webber, Mayor

Attest:  
By: *Kristine Mihelcic* Date: Jul 26, 2021  
Kristine Mihelcic (Jul 26, 2021 11:24 MDT)  
Kristine Bustos Mihelcic, City Clerk  
GB MTG 06/30/2021

City Attorney's Office:  
By: *Marcos Martinez* Date: May 13, 2021  
Marcos Martinez (May 13, 2021 10:43 MDT)  
Senior Assistant City Attorney

Approved for Finances:  
By: *Alexis Lotero, Assistant Finance Director* Date: Jul 22, 2021  
Alexis Lotero, Assistant Finance Director (Jul 22, 2021 10:43 MDT)  
Mary McCoy, Finance Director

Contractor:  
By: *Meredith Vaughn* Date: May 14, 2021  
Meredith Vaughn, CEO

The records of the Taxation and Revenue Department reflect that the Contractor is registered with the Taxation and Revenue Department of the State of New Mexico to pay gross receipts and compensating taxes.

CRS Number: #03-436229-00-0  
Business License Number: #21-00157691

Object/Org: 2130521.561850 - \$570,000 & 5206600.561850 - \$880,000 = \$1,450,000 *AJH*

**CITY OF SANTA FE  
AMENDMENT No. 4 TO  
SERVICE AGREEMENT  
ITEM# 19-0384**

This AMENDMENT No. 4 (the "Amendment") amends the CITY OF SANTA FE SERVICE AGREEMENT, dated May 29, 2019 (the "Agreement"), between the City of Santa Fe (the "City") and VLADIMIR JONES (PRACO). (the "Contractor"). The date of this Amendment shall be the date when it is executed by the City and the Contractor whichever occurs last.

1. COMPENSATION.

Article 2, Compensation of the Agreement is amended to read as follows:

2. Compensation

- A. Under this Agreement, the City shall pay to the Contractor in full payment for services rendered additional compensation at the rate of **Fifty Two Thousand Seven Hundred dollars (\$52,700)**, such compensation not to exceed **Fifty Two Thousand Seven Hundred dollars (\$52,700) including gross receipts tax**. The New Mexico gross receipts tax levied on the amounts payable under this Agreement shall be paid by the City to the Contractor.

The total amount payable to the Contractor under Agreement #19-0384 and all Amendments to this Agreement, including gross receipts tax and expenses, shall not exceed **Four Million Five Hundred Seventy Seven Thousand Seven Hundred dollars (\$4,577,700)**. This amount is a maximum and not a guarantee that the work assigned to be performed by Contractor under this Agreement shall

equal the amount stated herein. The parties do not intend for the Contractor to continue to provide services without compensation when the total compensation amount is reached. Contractor is responsible for notifying the City when the services provided under this Agreement reach the total compensation amount. In no event will the Contractor be paid for services provided in excess of the total compensation amount without this Agreement being amended in writing prior to those services in excess of the total compensation amount being provided.

2. AGREEMENT IN FULL FORCE.

Except as specifically provided in this Amendment, the Agreement remains and shall remain in full force and effect, in accordance with its terms.

IN WITNESS WHEREOF, the parties have executed this Amendment No. 4 to the Agreement as of the dates set forth below.

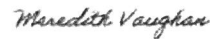
CITY OF SANTA FE:



ALAN WEBBER, MAYOR

DATE: Mar 10, 2022

CONTRACTOR:



MEREDITH VAUGHN

CEO

CEO

DATE: Feb 15, 2022

CRS# 03-436229-00-0

Registration# 227045

ATTEST:



KRISTINE BUSTOS MIHELICIC, CITY CLERK

GB MTG 03/09/2022



CITY ATTORNEY'S OFFICE:

*Marco Martinez*

SENIOR ASSISTANT CITY ATTORNEY

APPROVED FOR FINANCES:

*Mary McCoy*

MARY MCCOY, FINANCE DIRECTOR

5206600.561850

CCC Ops/Advertising

*AH*  
AH



City of Santa Fe New Mexico  
Memorandum



**DATE:** March 15, 2022

**TO:** Economic Development Advisory Committee  
Public Works and Utilities Committee  
Finance Committee  
Governing Body

**FROM:** Rich Brown - Director, Community & Economic Development *RB*

**CC:** Andrea Salazar, Assistant City Attorney  
Casey Dalbor, Economic Development Associate *CJD*  
CJD

**RE:** Beck & Bulow, LLC – LEDA Project PPA:  
MUNIS ORG/OBJ: #2122800.510400

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**BACKGROUND:**

Beck and Bulow reports that it intends to provide a guaranteed supply chain for wholesale meats in New Mexico. Beck and Bulow plans on creating four new jobs per year over the next 10 years, with forty (40) total additional jobs by end the 10-year job creation plan. The company intends its project's operations to support employment and other economic impacts in the state. The forty (40), new workers directly employed by the Project are projected to earn approximately \$37,000 per year initially. This direct employment activity will support 65.1 indirect and induced workers in the state earning \$21,000 on average. The total additional payroll or workers' earnings associated with the Project is estimated to be approximately \$21.7 million over the next 10 years.

Accounting for various taxable sales and purchases, including activity associated with the Project, worker spending, and visitors' spending in the state, it is estimated that the Project will support approximately \$6.5 million in taxable sales over the next 10 years.

**ITEM and ISSUE:**

An Ordinance Relating to the City of Santa Fe's Office of Economic Development Plan Ordinance, Article 11-11 SFCC 1987; Approving and Adopting a Local Economic Development Project Participation Agreement between the City of Santa Fe and Beck & Bulow, LLC, for Design, Development, and Construction of Tenant Improvements; Lease Payments; and Expansion of a Corporate Research Center, a Local Economic Development Project. Fiscal Impact: \$50,000 (LEDA Fund)

The project outcomes align with the objectives and goals of the Economic Development Implementation Strategy adopted by the City Council in 2008 because the project is expected to create high-wage career path employment, diversify Santa Fe's economy, and bolster Santa Fe's innovative entrepreneurial ecosystem.

**ACTION:**

Staff recommends approval of the Ordinance, Project Participation Agreement, Intergovernmental Agreement, and the budget adjustment request for \$300,000 in grant monies from the State of NM LEDA Fund and the City LEDA Fund. Once the Governing Body approves the project participation and intergovernmental agreements, the NM Economic Development Department will transfer \$250,000 to the City of Santa Fe's LEDA fund. The MUNIS ORG/OBJ Number for is 2122800.510400 for this project.

**ATTACHMENTS:**

- Ordinance
- Project Participation Agreement
- Attachment A-Intergovernmental Agreement
- Attachment B- Job Creation Sheet
- Attachment C – Sample Affidavit Quarterly Report
- Attachment D – Economic Impact Report

**Signature:** *Richard Brown*

**Email:** rdbrown@ci.santa-fe.nm.us

**Signature:**

**Email:**

**Signature:**

**Email:**

**Signature:** *Casey Dalbor*  
Casey Dalbor (Mar 25, 2022 16:35 MDT)

**Email:** cjdalbor@santafenm.gov

**Signature:**

**Email:** asalazar@ci.santa-fe.nm.us

1 CITY OF SANTA FE, NEW MEXICO

2 BILL NO. 2022-\_\_\_\_\_

3  
4  
5 Introduced By

6 Mayor Alan Webber

7 Councilor Carol Romero-Wirth

8  
9  
10 AN ORDINANCE

11 RELATING TO THE CITY OF SANTA FE ECONOMIC DEVELOPMENT PLAN  
12 ORDINANCE, ARTICLE 11-11 SFCC 1987; APPROVING AND ADOPTING A LOCAL  
13 ECONOMIC DEVELOPMENT PROJECT PARTICIPATION AGREEMENT BETWEEN  
14 THE CITY OF SANTA FE AND BECK & BULOW BUFFALO, LLC. FOR DESIGN,  
15 DEVELOPMENT, AND CONSTRUCTION OF TENANT IMPROVEMENTS; FOR LEASE  
16 PAYMENTS; AND TO EXPAND A CORPORATE HEADQUARTERS AND  
17 MANUFACTURING FACILITY, A LOCAL ECONOMIC DEVELOPMENT PROJECT.

18  
19 BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE:

20 Section 1. Short Title. This Ordinance shall be known as the “Beck & Bulow Local  
21 Economic Development Project Ordinance.”

22 Section 2. Recitals.

23 A. The Local Economic Development Act, NMSA 1978, Sections 5-10-1 et seq.  
24 (“LEDA”) explicitly permits municipalities to assist qualifying entities with economic development  
25 projects through the use of public resources; and

1           B.       The City of Santa Fe has complied with the requirements of the Local Economic  
2 Development Act by adopting an Economic Development Fund Ordinance, SFCC 1987, Article 11-14  
3 and incorporating within that ordinance its community economic development plan and its economic  
4 development strategy for implementation dated May 21, 2008; and

5           C.       Beck & Bulow Buffalo, LLC, (“Qualifying Entity” or “Beck & Bulow”) is a national,  
6 wholesale meat and fish producer, supplier, and seller, which meets the definition of Qualifying Entity  
7 under the Economic Development Ordinance, Section 11-14.4(A) SFCC 1987; and the LEDA,  
8 NMSA 1978, Section 5-10-3 (L)(1). The Qualifying Entity creates economic-base jobs in the meat  
9 and fish production and selling business for its wholesale butchering and production facility in Santa  
10 Fe.

11           D. The State of New Mexico has appropriated two hundred and fifty thousand dollars and no  
12 cents (\$250,000.00) from the New Mexico LEDA Fund, and the City of Santa Fe will provide fifty  
13 thousand dollars and no cents (\$50,000.00) from the Local Economic Development Fund for the project  
14 lease abatement and to fund the project build-out of the infrastructure and tenant improvements in the  
15 facility and its second facility expansion. The current facility is located at 1934 Cerrillos Road, in Santa  
16 Fe, New Mexico. The second facility expansion may include construction costs, materials associated  
17 with the interior renovation of its facilities, and improvements or construction of communications, and  
18 other infrastructure necessary to improve service to the facility. This project identified as the “Project”  
19 is a new corporate headquarters and manufacturing facility that is planned to expand the tax base and  
20 generate more taxes, fees, and other revenues for the State of New Mexico and City of Santa Fe.

21           E.       The facility will be used as a new corporate headquarters and manufacturing facility to  
22 fall under the definition of a “manufacturer” under LEDA.

23           **Section 3. Findings.** The governing body hereby finds:

24           A.       The City of Santa Fe has determined that it is in the interest of the welfare of the  
25 citizens of Santa Fe to enter into an Economic Development Project Participation Agreement for the

1 purposes of effectuating the City’s Economic Development Plan and the Project.

2 B. In compliance with the City’s Economic Development Fund Ordinance, SFCC 1987,  
3 Article 11-14, this Project Participation Agreement between Qualifying Entity and the City clearly  
4 states the follow

5 (1) Beck & Bulow is a qualifying entity;

6 (2) The contributions of the City, the City as a fiscal agent of the State, and  
7 Qualifying Entity;

8 (3) The specific measurable objectives upon which the performance review will  
9 be based;

10 (4) A schedule for Project development and goal attainment;

11 (5) The security being offered for the City's investment;

12 (6) The procedures by which the Project may be terminated and the City's  
13 investment recovered;

14 (7) The time period for which the City shall retain an interest in the Project;

15 (8) The economic development goals of the project; and

16 (9) A "sunset" clause after which the City shall relinquish interest in and oversight  
17 of the project.

18 **Section 4. Approval and Adoption of the Project Participation Agreement.** The  
19 governing body hereby approves the 2022 PPA (attached as **Exhibit A**) whereby the City will be the  
20 fiscal agent for the State legislative appropriation of two hundred fifty thousand dollars and no cents  
21 (\$250,000.00) and will designate the fifty thousand dollars and no cents (\$50,000.00) in City Funds.  
22 The City will receive and appropriate the state legislative appropriation of \$250,000.00 and provide the  
23 City funds of \$50,000.00 to the Qualifying Entity and the funds will be used for lease payments,  
24 infrastructure and tenant improvements for the facility, and the Qualifying Entity’s projected second  
25 facility expansion. The Qualifying Entity will expand the tax base and generate more taxes, fees, and

1 other revenues for the State of New Mexico and the City of Santa Fe.

2           **Section 5. Severability Clause.** If any section, paragraph, clause, or provision of this  
3 ordinance, or any section, paragraph, clause, or provision of any regulation promulgated hereunder  
4 shall for any reason be held to be invalid, unlawful, or unenforceable, the invalidity, illegality, or  
5 unenforceability of such section, paragraph, clause, or provision shall not affect the validity of the  
6 remaining portions of this ordinance or the regulation so challenged.

7           **Section 6. Effective Date.** This ordinance shall become effective immediately upon  
8 adoption.

9           PASSED, APPROVED, and ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 2022.

10  
11  
12 \_\_\_\_\_  
13 ALAN WEBBER, MAYOR

14 ATTEST:

15  
16 \_\_\_\_\_  
17 KRISTINE BUSTOS MIHELICIC, CITY CLERK

18 APPROVED AS TO FORM:

19   
20 \_\_\_\_\_  
21 ERIN K. McSHERRY, CITY ATTORNEY

22  
23  
24  
25 *Legislation/2022/Bills/Beck and Bulow /LEDA Project*

## FISCAL IMPACT REPORT

**General Information:**

 (Check) Bill:  Resolution: \_\_\_\_\_


 Short Title(s): Beck & Bulow LLC. LEDA Ordinance  
 \_\_\_\_\_

 Sponsor(s): Mayor Alan Webber

 Reviewing Department(s): Economic Development

 Staff Completing FIR: Richard Brown/Casey Dalbor Date: 03/15/2022 Phone: (505) 955-6912

 Reviewed by City Attorney:  Date: Mar 25, 2022

 Reviewed by Finance Director:  Date: Mar 25, 2022
**Summary:**

The project ordinance, project participation agreement (PPA), and intergovernmental agreement (IGA) are proposed to provide Local Economic Development Act (LEDA) grant monies to Beck & Bulow, LLC. for a manufacturing headquarters and retail facility located at 1934 Cerrillos Road. The grant monies would be used for lease abatements for the facility. Under the terms of the proposed bill and agreements, the City would receive \$250,000 in LEDA funds from the New Mexico Economic Development Department (NM EDD), through an Inter-Governmental Agreement (IGA). The City would match the \$250,000 with \$50,000 from the City of Santa Fe Economic Development Fund and be the fiscal agent for the project. The proposed term of the Project Participation Agreement (PPA) between the City and Beck & Bulow would have a term of 10 years. Beck & Bulow has agreed to create 47 jobs at an average hourly wage of \$17.34 per hour for an annual payroll of \$1,950,620; in exchange, Beck & Bulow will be disbursed \$300,000 for the 47 jobs, over a 10-year period. Over the next ten years, Beck & Bulow's fiscal impact to the State, City, County, SF Community College, and SF Public School District is estimated as providing up to \$1,368,566 in net benefits.

**Departments Affected:**
Department of Community and Economic Development
**Consequences of Not Enacting Legislation:**

The consequences of not enacting this bill may be the slower the growth and expansion of Beck & Bulow in Santa Fe. Approximately 47 jobs with an average wage of \$13.00 per hour may not be created. The City's net benefits projected by the expansion of this project in the form of gross receipts taxes, property taxes, lodgers' taxes, utility fees, and other fees may be reduced without the enactment of this bill.

**Conflict, Duplication, Companionship, or Relationship to Other Legislation:**

This bill does not conflict with any introduced bill. It would catalyze the growth of a local business in the agriculture technology industry cluster, which is a stated goal in the Economic Development Implementation Strategy.

**Performance and Administrative Implications:**

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**Fiscal Implications:**

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**Fiscal Impact**

As proposed, the Project's operations would support employment and other economic impacts in the state. The 47 new workers directly employed by the Project would earn approximately \$22,000 per year initially. The direct employment is estimated to support 65.1 indirect and induced workers in the state earning \$21,000 on average. The total additional payroll or workers' earnings associated with the Project is estimated to be approximately \$6,273,280 million over the next 10 years.

Accounting for various taxable sales and purchases, including activity associated with the Project, worker spending, and visitors' spending in the state, the Project is estimated to support approximately \$173,573 in taxable sales over the next 10 years.

\_\_\_\_\_ Check here if no fiscal impact

**Expenditures**

<b>Expenditure Type</b>	<b>FYE _2022_</b>	<b>FYE 2023-2027</b>	<b>FYE __</b>	<b>Require BAR (Y/N)</b>	<b>Recurring (R) or Non-recurring (NR)</b>	<b>Fund</b>	<b>3-Year Total Cost</b>
<u>Personnel and Benefits*</u>	\$ _____	\$ _____	\$ _____	_____	_____	_____	
<u>Capital Outlay</u>	\$ _____	\$ _____	\$ _____	_____	_____	_____	
<u>Contractual/</u>	\$ _____	\$ _____	\$ _____	_____	_____	_____	
<u>Professional Services</u>							
<u>Operating</u>	\$ 0	\$ 50,000	\$ _____		NR	212280	\$50,000
<u>Total:</u>	\$ 0	\$ 50,000	\$ _____				\$50,000

\* This includes all staff time associated with executing the job functions of the proposed legislation.

**Expenditure Narrative:**

**New Mexico LEDA Grant**

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**Revenue**

<b>Revenue Type</b>	<b>FYE 2022</b>	<b>FYE</b>	<b>FYE</b>	<b>Recurring (R) or Non-recurring (NR)</b>	<b>Fund</b>
General Fund	\$ _____	\$ _____	\$ _____	_____	_____
Special Revenue	\$ _____	\$ _____	\$ _____	_____	_____
CIP	\$ _____	\$ _____	\$ _____	_____	_____
Enterprise	\$ _____	\$ _____	\$ _____	_____	_____
Internal Service	\$ _____	\$ _____	\$ _____	_____	_____
Trust and Agency	\$ _____	\$ _____	\$ _____	_____	_____
Federal	\$ _____	\$ _____	\$ _____	_____	_____
Other	\$ 250,000	\$ _____	\$ _____	RN	2122800
<u>Total</u>	\$ 250,000	\$ _____	\$ _____		

**Revenue Narrative:**

The bill and agreements contemplate that the City will receive \$250,000 from the New Mexico LEDA Fund and transferred into the City Economic Development Fund. When that happens, the City would match the LEDA funds with \$50,000 from its Economic Development Fund. The costs of overseeing the PPA and serving as the fiscal agent are tasks already assigned to existing personnel. NM EDD and the City have coordinated the benchmarks and deliverables to disburse the funds to Beck & Bulow. The disbursement schedule of funds will correspond with the LEDA PPA Disbursement Schedule listed in the PPA, which is Attachment E.

## **Attachment A**

### **INTERGOVERNMENTAL AGREEMENT NEW MEXICO ECONOMIC DEVELOPMENT DEPARTMENT AND THE CITY OF SANTA FE, NEW MEXICO**

This Intergovernmental Agreement (“Agreement”) is entered into as of the date of the last signature affixed below by and between the New Mexico Economic Development Department (“EDD”) and the City of Santa Fe, a municipal corporation of the State of New Mexico (“City”), collectively referred to as the “Parties,” with reference to the following facts.

#### **SECTION 1. RECITALS:**

**WHEREAS**, the New Mexico State Legislature enacted Laws 2014, Chapter 63, Section 5, Subsection 33 which appropriated ten million dollars (\$10,000,000) to EDD “[f]or economic development projects pursuant to the Local Economic Development Act” (the “Appropriation”); and

**WHEREAS**, the purpose of the Local Economic Development Act, NMSA 1978, §§ 5-10-1, et seq., (“LEDA”), is to provide “public support for economic development to foster, promote, and enhance local economic development efforts...” Section 5-10-2(B); and

**WHEREAS**, the City has adopted LEDA by Ordinance 2004-42, which established the City’s Economic Development Plan that promotes economic development within the City and Ordinances Nos. 2008-42 and 2018-4 amending the Economic Development Plan Ordinance; and

**WHEREAS**, the City has adopted Ordinance No. \_\_\_\_\_ (“Ordinance”) to approve the economic development project (“Project”) to secure the expansion of Beck & Bulow Buffalo LLC., a New Mexico corporation (“Beck & Bulow”) within the City; and

**WHEREAS**, the City has entered into a Local Economic Development Project Participation Agreement (“PPA”) with Beck & Bulow and, pursuant to the terms of that PPA, Beck & Bulow will provide a substantive contribution in exchange for the public contribution. A copy of the PPA and any amendments are attached hereto as **Exhibit 1**; and

**WHEREAS**, the EDD and the City desire to enter into this Agreement to facilitate disbursement of funds for the Project;

**NOW THEREFORE**, the Parties do hereby agree to the following terms and conditions to accomplish the Project.

## **SECTION 2. PURPOSE OF AGREEMENT:**

The purpose of this Agreement is to place the primary responsibility on the City to oversee and administer the appropriation for the Project. It is the intent of the Parties that the EDD will transfer an amount not to exceed Two Hundred Fifty Thousand Dollars and No Cents (\$250,000.00) (the “State Funds”) from the Appropriation to the City for expenditures made to implement the Project. The Parties agree that any and all State Funds received by the City will be accounted for by the City as the fiscal agent for the EDD in accordance with the procedures the City will use to account for its own funds and property used to implement the Project, or any properties acquired or developed by the City as a result of implementation of the Project will be used by the City for economic development purposes only.

### **SECTION 3. SCOPE OF WORK:**

The City will act as fiscal agent for the appropriation supporting the Project. EDD will transfer an amount not to exceed Two Hundred Fifty Thousand Dollars and No Cents (\$250,000.00) from the Appropriation to the City for expenditures made to implement the Project, pursuant to the LEDA statutes. In exchange for the appropriation, Beck & Bulow will create forty-two (42) new jobs and contribute up to One Million One Hundred Sixty Thousand Six Hundred Dollars and No Cents (\$1,160,000.00) in capital investment within ten years after the execution of this Agreement. On March 31, 2022, Beck & Bulow's starting headcount was 7 full-time jobs, so the starting headcount for this Project is the net jobs above 7 jobs. The EDD expressly agrees that "new" jobs are those jobs created by Beck & Bulow on or after the date of LEDA Ordinance adoption. The City will quarterly review the Project timeline and progress until the ten-year anniversary of this Agreement or until the City certifies to the EDD that the requisite Economic Development Goals have been completed to the City's satisfaction or that the EDD contribution of no greater than \$250,000.00 in Funds has been reimbursed to EDD. In the event that Beck & Bulow falls below the hiring target in any given period, reimbursements will be suspended until hiring target is achieved and sustained for at least ninety (90) days.

The EDD and the City agree that failure of Beck & Bulow to make its required contribution, as defined in the PPA, will result in a violation of the terms and conditions of the PPA. Such violation, after any cure period granted, will require that the City foreclose on the security interest. All the terms, conditions, and requirements set forth under the PPA are incorporated into this Agreement by reference. All State Funds recaptured from Beck & Bulow by the City shall be returned to EDD within 60 days.

#### **SECTION 4. CITY OF SANTA FE RESPONSIBILITIES:**

The City shall:

1. Submit all documentation supporting expenditures made to implement the Project in a format acceptable to the State.
2. Notify the EDD in writing of any default by Beck & Bulow within 60 days of the event of default, as defined in the PPA (“Default”);
2. Serve as fiscal agent for the State Funds transferred to it under this Agreement;
3. Complete all of the following goals identified in this Agreement within the time limits agreed upon by the Parties:
  - a. Account for receipts and disbursements of reimbursed State Funds;
  - b. Provide the EDD with the required financial documentation pertaining to this disbursement; and
  - c. Submit all required and reasonably requested documentation to the EDD, including the endorsed LEDA Ordinance approved by the City Council accepting the Project for Beck & Bulow as a qualifying entity pursuant to LEDA. Such documentation shall include a fully executed copy of the Beck & Bulow security interest, and copies of invoices and other documentation as required by the EDD within the time required; and
4. Not impose any obligations on EDD with respect to the administration of this Project, other than the reimbursement of State Funds described in this Agreement; and

5. Monitor job creation by Beck & Bulow and report the number of jobs created each quarter to EDD for a period of ten (10) years after this Agreement has been fully executed. Quarterly reports shall include a copy of FORM ES-903 (or any form substituted therefore by the State) provided by Beck & Bulow to the City, on file with the New Mexico Department of Workforce Solutions.

The Parties have created a job creation schedule as listed in **Attachment B** of the PPA, which is hereby incorporated into this Agreement and made a part hereof by this reference as though set forth in full.

#### **SECTION 5. CITY CERTIFICATIONS:**

As fiscal agent, the City hereby assures and certifies that:

1. It will comply with all applicable State laws, regulations, policies, guidelines, and requirements with respect to the acceptance and use of State Funds;
2. It has the legal authority to receive and expend the State Funds;
3. It will enforce the provisions of Ordinance No. \_\_\_\_\_ approving the Project;
4. It has exercised due diligence in certifying that the Project is a viable economic development initiative with potential long-term economic development benefits;
5. It will provide the EDD documentation and references to expertise it has relied upon in approving this Project upon receipt thereof or reliance thereupon and copies of reports and documentation it receives from Beck & Bulow;

6. It has entered into a PPA and has obtained all financial documentation necessary to protect the City's and the State's investments in this project;
7. It shall not at any time during the life of this Agreement convert any property acquired or developed pursuant to this Agreement to uses other than those within the Project description as defined in Section 2 - Purpose of Agreement and Section 3 - Scope of Work, stated above;
8. It will notify the EDD of any Default within sixty (60) days of an event of Default. Further, the City shall provide the opportunity for any Default to be cured by Beck & Bulow, in accordance with the PPA prior to termination thereof;
9. No member, officer, or employee of the City or its designees or agents, no member of the governing body of the locality of which the program is situated, and no other public official that exercises any functions or responsibilities with respect to the Project during his/her tenure, or for one (1) year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the process thereof, for work to be performed in connection with the Project that is the subject of this Agreement. The City shall require Beck & Bulow to incorporate in all contracts or subcontracts a provision prohibiting such interest pursuant to this certification; and
10. It has complied with Article IX, Section 14 of the New Mexico Constitution, known as the "anti-donation clause."

**SECTION 6. EDD RESPONSIBILITIES:**

EDD shall:

1. Transfer an amount not to exceed Two Hundred Fifty Thousand Dollars and No Cents (\$250,000.00) from the Appropriation to the City for expenditures made to implement the Project; and
2. At the EDD's discretion, review and audit the Project if it is deemed to be necessary or desirable.

**SECTION 7. TERM OF AGREEMENT:**

This Agreement shall become effective on the date it is fully executed and shall terminate when Beck & Bulow documents to the City's satisfaction that the required Economic and Development Goals, as defined in the PPA, have been satisfied, or until the PPA is otherwise terminated or expires, whichever occurs earlier.

**SECTION 8. LIABILITY:**

No Party shall be responsible for liability incurred as a result of the other Party's acts or omissions. Any liability incurred in connection with this Agreement is subject to the immunities and limitations of the New Mexico Tort Claims Act, NMSA 1978, §§ 41-4-1, *et seq.* The Parties may agree to reimburse one another under these liability provisions, subject to sufficient appropriation by the New Mexico Legislature or sufficient funds being available to the Party, as determined by the Party responsible for payment.

**SECTION 9. DISPOSITION OF PROPERTY; RECORDS; RETURN OF SURPLUS FUNDS:**

1. Property purchased under this Agreement for the Project shall remain with the purchasing party unless otherwise agreed upon.
2. The City Finance Department shall keep such records as will fully disclose the amount and disposition of the total funds from all sources budgeted for

the Project, the purposes for which such funds were used, and such other records as the EDD may require.

3. If, upon the expiration of the Project or the termination date of this Agreement, any surplus State Funds are possessed by the City, the City shall return said State Funds to the EDD for disposition in accordance with law.

**SECTION 10. STRICT ACCOUNTABILITY:**

The City Finance Department shall be strictly accountable for receipts and disbursements relating hereto and shall make all relevant financial records available to EDD and the New Mexico State Auditor quarterly or upon request and shall maintain all such records for a period of six (6) years following completion of all the records and any audits.

**SECTION 11. REPORTS:**

The City shall submit to the EDD the quarterly employment report in the form of an affidavit signed by an officer of Beck & Bulow, which Beck & Bulow is required to submit quarterly to the City. The City Office of Economic Development shall submit to the EDD the quarterly reports that Beck & Bulow is required to submit to the City, including copies of Form ES-903 (or any form substituted therefor by the State), filed by Beck & Bulow with the New Mexico Department of Workforce Solutions. The City Office of Economic Development shall submit to the EDD a final report respecting direct and indirect job creation and retention attributable to the State appropriation on or before the termination of this Agreement. The Final Report shall contain a description of work accomplished, the methods and procedures used, a detailed budget breakdown of

expenditures, a description of any problems or delays encountered and the reasons therefore, and such other information as may be requested by the EDD.

**SECTION 12. NOTICES; REPRESENTATIVES OF THE PARTIES:**

Any notice required to be given to a Party by this Agreement shall be in writing and shall be delivered in person, by courier service, or by U.S. Mail, either first class or certified, return receipt requested, postage prepaid, as follows. The Parties hereby designate the individuals named below as their representative responsible for overall administration of this Agreement.

If to the EDD:

Attn: Mark Roper  
NM Economic Development  
Department  
Economic Development Division  
Director  
Joseph Montoya Building  
1100 St. Francis Drive  
Santa Fe, New Mexico 87505  
*mark.roper@state.nm.us*

If to the City:

Attn: Rich Brown  
Director, Office of Economic  
Development  
500 Market Station, Suite 200  
Santa Fe, New Mexico 87504  
*rdbrown@santafenm.gov*

**SECTION 13. AMENDMENTS:**

This Agreement shall not be altered, changed, or amended, except by instrument in writing executed by all of the Parties hereto.

**SECTION 14. GOVERNING LAW:**

This Agreement shall be governed by the laws of the State of New Mexico.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date of the last signature affixed below.

CITY OF SANTA FE:

\_\_\_\_\_  
Alan M. Webber, Mayor

ATTEST:

\_\_\_\_\_  
Kristine Bustos-Mihelcic, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Andrea Salazar, Assistant City Attorney

Approved:

\_\_\_\_\_  
Mary McCoy, Finance Director

NEW MEXICO ECONOMIC DEVELOPMENT DEPARTMENT

By: \_\_\_\_\_

Alicia J. Keyes, Cabinet Secretary

Date: \_\_\_\_\_

By: \_\_\_\_\_

Jesika Ulibarri

Its: General Counsel, certifying legal sufficiency

## Attachment B

### ***Job Creation Commitment and Schedule (Net New Jobs)\* ❖***

<u>Year</u>	<u>Net New Jobs Hiring Target</u>	<u>Minimum Retained Job Target* *representing 90% of total net new jobs</u>	<u>Minimum Payroll</u>	<u>Job Determination Period</u>		<u>Clawback % on Job Creation Shortfall<sup>^^^</sup></u>
1	7 + 4 = 11	10	\$237,952	Enacted Ordinance Date	31 Dec 2022	100%
2	11 + 4 = 15	14	\$324,480	01 Jan 2023	31 Dec 2023	100%
3	15 + 4 = 19	17	\$411,008	01 Jan 2024	31 Dec 2024	100%
4	19 + 4 = 23	21	\$497,536	01 Jan 2025	31 Dec 2025	100%
5	23 + 4 = 27	24	\$584,064	01 Jan 2026	31 Dec 2026	75%
6	27 + 4 = 31	28	\$670,592	01 Jan 2027	31 Dec 2027	50%
7	31 + 4 = 35	32	\$757,120	01 Jan 2028	31 Dec 2028	50%
8	35 + 4 = 39	35	\$843,648	01 Jan 2029	31 Dec 2029	25%
9	39 + 4 = 43	39	\$930,176	01 Jan 2030	31 Dec 2030	25%
10	43 + 4 = 47	42	\$1,016,704	01 Jan 2031	31 Dec 2031	25%
<b>Total</b>	<b>47</b>					
Add'l Notes: Only New Mexico based employees count towards job creation target. ES903A or its equivalent will be provided for 1 <sup>st</sup> quarter of 2022 to verify starting headcount.						

<i>Starting Headcount (JTIP Eligible)</i>	7	<i>As of:</i>	March 31, 2022
---	---	---------------	----------------

<sup>^^^</sup> Clawback percentage is calculated on job creation shortfall at expiration or termination of the PPA, whichever is earlier. Clawback formula = (Job Creation % Shortfall) x (Cumulative Grant Monies Distributed), where Job Creation % Shortfall is (1 - (actual jobs / cumulative hiring target))\*100%.

❖ Cumulatively, the baseline, retained and new jobs must maintain a minimum average hourly wage of \$13.00, not including additional benefits (“Average Wage”). Wages of jobs retained from prior years must equal or exceed the wage requirements for those jobs as described herein. Only New Mexico-based employees count towards job creation.

**\*Job eligibility:** All jobs must meet Job Incentive Training Program (“JTIP”) eligibility criteria, must be newly created jobs, full-time (minimum of 32 hours/week), and year-round. Eligible positions include those directly related to the creation of the product or service provided by the company to its customers. In addition, other newly created jobs not directly related to production may be eligible. The number of these jobs is limited to twenty percent of the total number of jobs applied for in the JTIP proposal, and may include non-executive, professional support positions (See 5.5.50.6(B) NMAC).

**Attachment D**  
**Beck & Bulow Buffalo, LLC.**  
**Sample Affidavit Quarterly Report**

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Whereas agreed by the Project Participation Agreement (PPA), dated XXX between the City of Santa Fe (City) and Beck & Bulow Buffalo, LLC (QE), the QE will provide quarterly reports in the form of a signed affidavit indicating how the QE has met the Job Creation Schedule in Attachment B. I, John Paul Bulow, CEO, make an oath and say that:

1. As of XXX (date) the QE had fully occupied the facility.
2. See attached schedule of new hires in xxx (quarter). The average annual salary for full-time equivalent employee (FTE) new hires is XXX. Note: an FTE is defined as 32 hours per week in Attachment B of the project participation agreement.
3. As of XXX (date) the QE has a cumulative number of new employees of XXX (number of newly hired employees).
4. As of XXX (date) the QE has retained XXX number of employees for a total head count of XXX (employees).
5. Certification of Conflict of Interest: I, John Paul Bulow, certify to the City that no member, officer or employee of the City or its designees or agents, no member of the governing body of the locality of which the program is situated, and no other public official that exercises any functions or responsibilities with respect to the Project during his/her tenure, or for one year thereafter, shall have any interest (direct or indirect), in the QE or any contract or subcontract, or the process thereof, for work to be performed in conjunction with the Project that is the subject of this agreement.

I SWEAR OR AFFIRM THAT THE ABOVE AND FOREGOING REPRESENTATIONS ARE TRUE AND CORRECT TO THE BEST OF MY INFORMATION, KNOWLEDGE AND BELIEF.

\_\_\_\_\_  
Print Name of Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Representative

SUBSCRIBED AND SWORN TO ME

On the \_\_\_ day of \_\_\_\_\_

Notary Public

My commission expires: \_\_\_\_\_



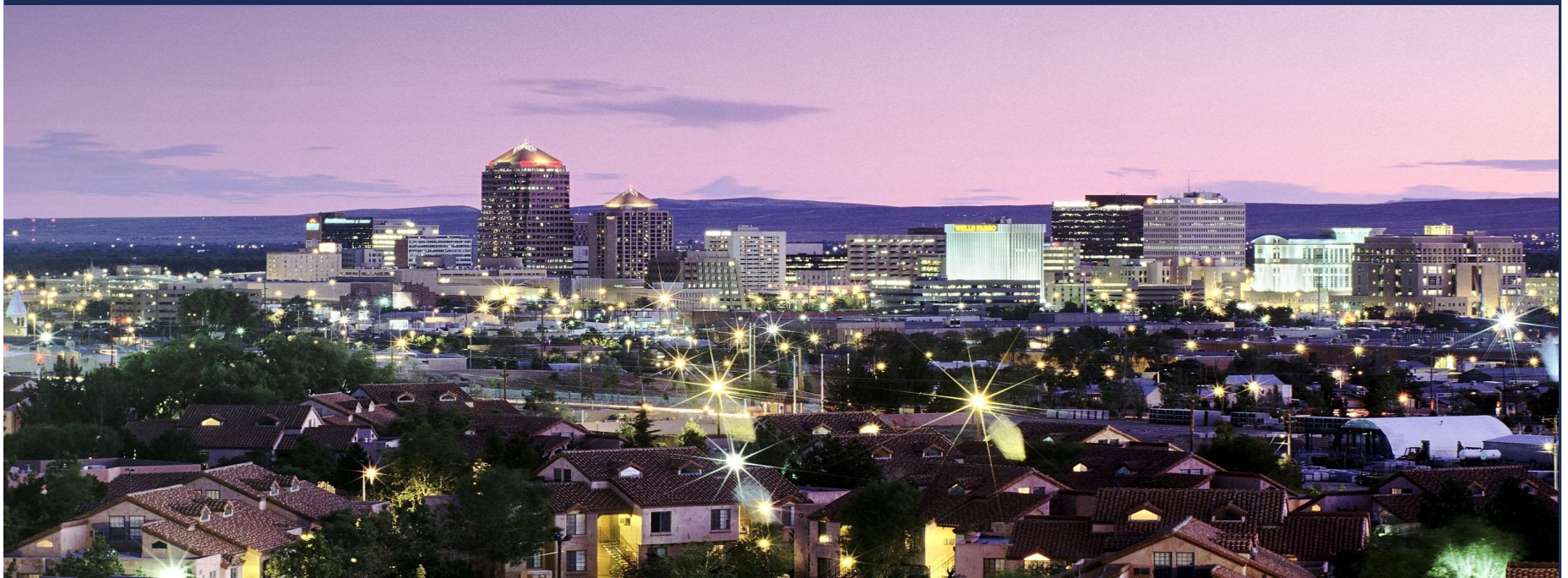
**EDD** ECONOMIC  
DEVELOPMENT  
DEPARTMENT

2/23/2022

## FISCAL IMPACT ANALYSIS AND ECONOMIC IMPACT OF THE EXPANSION OF BECK AND BULOW

Prepared by:

New Mexico Economic Development Department  
Joseph Montoya Building  
1100 S. St. Francis Drive  
Santa Fe, New Mexico 87505





## Purpose and Limitations:

This report and analysis, provided by the New Mexico Economic Development Department, relies on prospective estimates of business activity. These estimates, which are provided by the company, may not be realized due to unforeseen events that are outside the control of the company and unknown to the New Mexico Economic Development Department.

The New Mexico Economic Development Department made reasonable efforts to ensure that the estimates provided by the company, are realistic estimates of future activity.

The model was created by the New Mexico Economic Development Economists and used assumptions to generate the final report. The report and analysis provided by the New Mexico Economic Development Department is not a guarantee that any of the estimates or results contained in this report will actually be achieved.

## Introduction:

This report and analysis presents the results of an economic impact analysis performed using a model developed by the New Mexico Economic Development Department. The report estimates the impact that a potential project may have on the state and local economies and estimates the costs and benefits for the state and local economies over a 10-year period. The report and analysis uses RIMS II Multipliers produced by the U.S. Bureau of Economic Analysis (BEA).

Most projects produce a growth in population and/or a growth in the workforce in a City, County and the State of New Mexico. All growth comes at a cost, the additional economic activity and population growth stimulated by the project will generate additional costs in terms of providing basic infrastructure (roads and utilities) and public services (including public safety and schools). For example, if the applicant hires employees from outside the State, County and City, those workers who end up relocating their residence to within one or all of those areas, the population for which the government must provide services also increases. The costs associated with the expansion are broken down into two categories: 1) New residents to the State, County and City. 2) New Mexican residents hired to work for the company. The analysis assumes that all workers will live in the area of the expansion.

## Description of the Company:

Beck and Bulow supplies New Mexican restaurants with high quality meats. We are expanding our manufacturing and production of wholesale meat products to a new location in Santa Fe. This strategic expansion will secure our company as a local and regional meat source and supply chain for New Mexican restaurants, catering companies, grocery stores, and others in the Southwest. The land we currently raise animals on is being leased. Our plan includes purchase of land to raise livestock. The buildings for our warehouse and offices are also leased. Our 10-yr plan includes the ownership of the buildings for our warehouse, offices, and manufacturing facility. The majority of our butchering and manufacturing is currently done out of state. With the support of LEDA we plan to hire locally and create jobs here in New Mexico.

## Description of the Project:

Beck and Bulow will provide a guaranteed supply chain for wholesale meats in New Mexico. Our focus is to expand our existing role as a wholesaler in New Mexico by integrating our ranch with our production facility. Beck and Bulow will create opportunities for education and training for people who desire to learn useful skills within the meat industry, such as butchering and production of value added meats (sausages, portion controlled steaks, burger patties, jerky, etc). Our plan focuses on expanding our reach in rural regions by purchasing our ranch land, which will create jobs and grow apprenticeship opportunities. Part of this endeavor will include continuing to collaborate with like-minded individuals and groups who have a large capacity for influence on social media and other platforms to attract out of state visitors. The ranch will provide tours and lodging in New Mexico, boosting our tourism economy.



# Total Impacts

## Fiscal Impact of Existing and Expanded Operations Over the Next Ten Years

### Cumulative Net Benefits

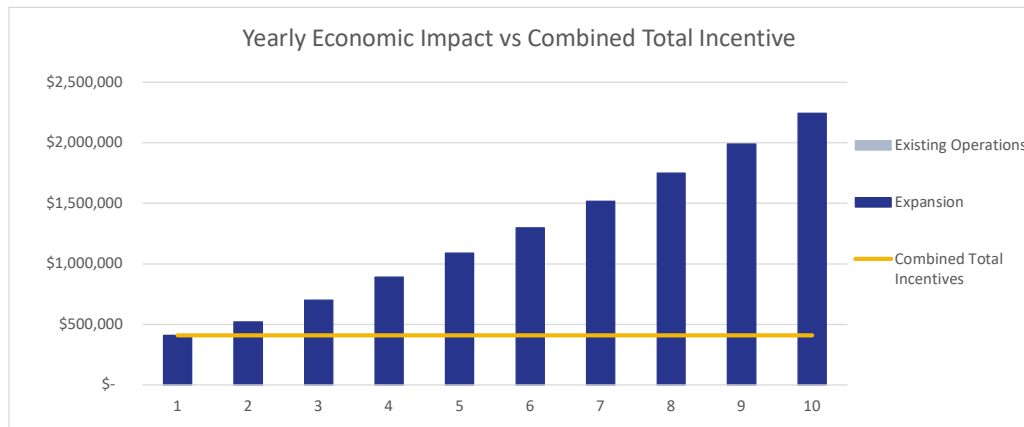
	Existing Operations	Expansion	Existing & Expanded Operations	Present Value of Net Benefits*
State of New Mexico	\$ -	\$ 545,357	\$ 545,357	\$ 408,710
County	\$ -	\$ 113,419	\$ 113,419	\$ 86,819
City	\$ -	\$ 173,573	\$ 173,573	\$ 132,946
School District	\$ -	\$ 20,202	\$ 20,202	\$ 15,354
Special Taxing District	\$ -	\$ 8,207	\$ 8,207	\$ 6,238
<b>Total</b>	<b>\$ -</b>	<b>\$ 860,758</b>	<b>\$ 860,758</b>	<b>\$ 650,067</b>

\* The Present Value of Net Benefits expresses the future stream of net benefits received over several years as a single value in today's dollars. Today's dollar and a dollar to be received at differing times in the future are not comparable because of the time value of money. The time value of money is the interest rate or each taxing entity's discount rate. This analysis uses a discount rate of 5% to make the dollars comparable.

\*\* In the cumulative net benefits of the existing and expanded operations for the State of New Mexico, corporate income tax has been removed from the existing operations total to avoid double counting.

### Total Economic Impact

	Total
Estimated Economic Impact Over 10 Years:	\$ 12,400,395
Combined Total Incentive Over 10 Years:	\$ 410,002
Economic Impact Rate of Return:	2,924%

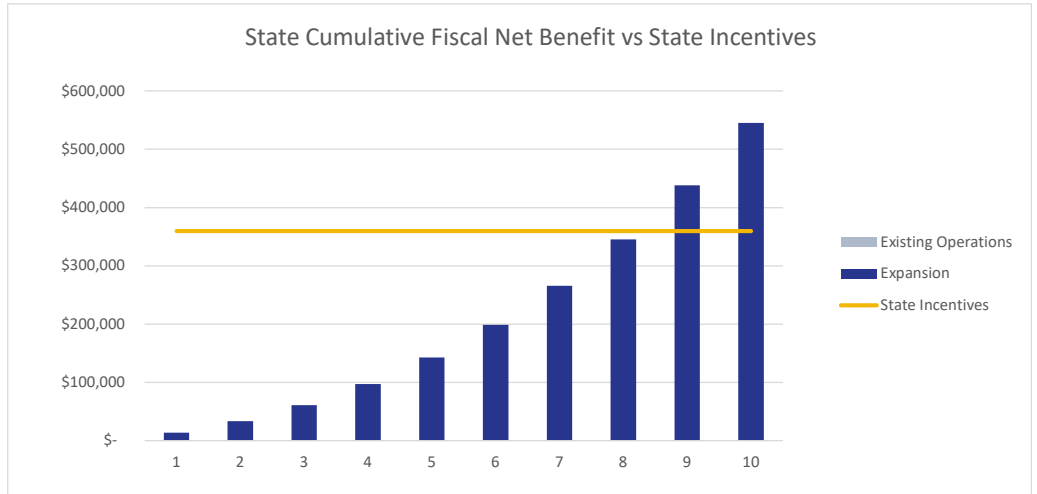


### Workers and New Residents over 10 years

	Direct	Indirect and Induced
Number of Jobs Created:	40	39
Estimated Number of Construction Workers:	4	
Estimated Number of New Residents to the State:	0	
Estimated Number of New Residents to the County:	0	
Estimated Number of New Residents to the City:	0	

# State Impacts





### Incentives

Total State Incentive:	\$	360,002
State Incentive Per Job:	\$	9,000

### Combined Payback and Return

State Payback Period Combined:	8.16 Years
State Rate of Return Combined:	14%

### Expansion Only Payback and Return

State Payback Period Expansion:	8.16 Years
State Rate of Return Expansion:	14%

### State Net Benefits Of Current Operations

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ -	\$ -	\$ -	\$ -
2	\$ -	\$ -	\$ -	\$ -
3	\$ -	\$ -	\$ -	\$ -
4	\$ -	\$ -	\$ -	\$ -
5	\$ -	\$ -	\$ -	\$ -
6	\$ -	\$ -	\$ -	\$ -
7	\$ -	\$ -	\$ -	\$ -
8	\$ -	\$ -	\$ -	\$ -
9	\$ -	\$ -	\$ -	\$ -
10	\$ -	\$ -	\$ -	\$ -

### State Net Benefits Of Expansion

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ 14,166	\$ -	\$ 14,166	\$ 14,166
2	\$ 19,627	\$ -	\$ 19,627	\$ 33,793
3	\$ 27,516	\$ -	\$ 27,516	\$ 61,309
4	\$ 36,156	\$ -	\$ 36,156	\$ 97,465
5	\$ 45,602	\$ -	\$ 45,602	\$ 143,067
6	\$ 55,914	\$ -	\$ 55,914	\$ 198,981
7	\$ 67,154	\$ -	\$ 67,154	\$ 266,136
8	\$ 79,390	\$ -	\$ 79,390	\$ 345,526
9	\$ 92,693	\$ -	\$ 92,693	\$ 438,219
10	\$ 107,139	\$ -	\$ 107,139	\$ 545,357

### State Combined Net Benefits

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ 14,166	\$ -	\$ 14,166	\$ 14,166
2	\$ 19,627	\$ -	\$ 19,627	\$ 33,793
3	\$ 27,516	\$ -	\$ 27,516	\$ 61,309
4	\$ 36,156	\$ -	\$ 36,156	\$ 97,465
5	\$ 45,602	\$ -	\$ 45,602	\$ 143,067
6	\$ 55,914	\$ -	\$ 55,914	\$ 198,981
7	\$ 67,154	\$ -	\$ 67,154	\$ 266,136
8	\$ 79,390	\$ -	\$ 79,390	\$ 345,526
9	\$ 92,693	\$ -	\$ 92,693	\$ 438,219
10	\$ 107,139	\$ -	\$ 107,139	\$ 545,357

### State Breakdown of Combined Benefits, Costs, and Net Benefits Over the Next 10 Years

#### Taxes and Revenue

Gross Receipt Taxes	\$ 198,706
Personal Income Taxes	\$ 346,651
Corporate Income Taxes	\$ -
Misc. Taxes and Revenue	\$ -
<b>Subtotal of Benefits</b>	<b>\$ 545,357</b>

#### Costs

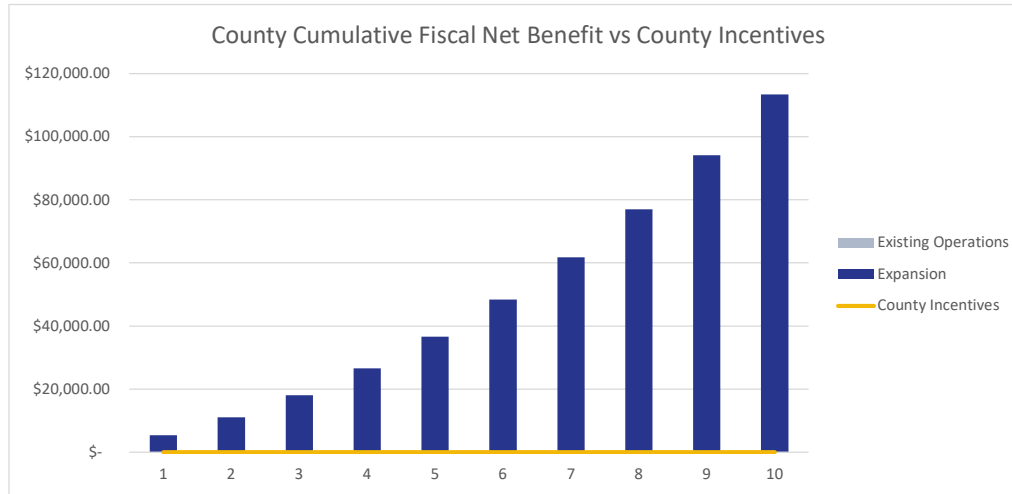
Costs	\$ -
<b>Subtotal of Costs</b>	<b>\$ -</b>

#### Net Benefits

<b>Net Benefits</b>	<b>\$ 545,357</b>
<b>Present Value</b>	<b>\$ 408,710</b>

# County Impacts





#### Incentives

Total County Incentive:	\$	-
County Incentive Per Job:	\$	-

#### Combined Payback and Return

County Payback Period Combined:	-	Years
County Rate of Return Combined:		N/A

#### Expansion Only Payback and Return

County Payback Period Expansion:	-	Years
County Rate of Return Expansion:		N/A

#### County Net Benefits Of Current Operations

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ -	\$ -	\$ -	\$ -
2	\$ -	\$ -	\$ -	\$ -
3	\$ -	\$ -	\$ -	\$ -
4	\$ -	\$ -	\$ -	\$ -
5	\$ -	\$ -	\$ -	\$ -
6	\$ -	\$ -	\$ -	\$ -
7	\$ -	\$ -	\$ -	\$ -
8	\$ -	\$ -	\$ -	\$ -
9	\$ -	\$ -	\$ -	\$ -
10	\$ -	\$ -	\$ -	\$ -

### County Net Benefits Of Expansion

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ 5,375	\$ -	\$ 5,375	\$ 5,375
2	\$ 5,659	\$ -	\$ 5,659	\$ 11,034
3	\$ 7,051	\$ -	\$ 7,051	\$ 18,085
4	\$ 8,516	\$ -	\$ 8,516	\$ 26,601
5	\$ 10,060	\$ -	\$ 10,060	\$ 36,661
6	\$ 11,691	\$ -	\$ 11,691	\$ 48,351
7	\$ 13,416	\$ -	\$ 13,416	\$ 61,767
8	\$ 15,242	\$ -	\$ 15,242	\$ 77,009
9	\$ 17,178	\$ -	\$ 17,178	\$ 94,186
10	\$ 19,232	\$ -	\$ 19,232	\$ 113,419

### County Combined Net Benefits

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ 5,375	\$ -	\$ 5,375	\$ 5,375
2	\$ 5,659	\$ -	\$ 5,659	\$ 11,034
3	\$ 7,051	\$ -	\$ 7,051	\$ 18,085
4	\$ 8,516	\$ -	\$ 8,516	\$ 26,601
5	\$ 10,060	\$ -	\$ 10,060	\$ 36,661
6	\$ 11,691	\$ -	\$ 11,691	\$ 48,351
7	\$ 13,416	\$ -	\$ 13,416	\$ 61,767
8	\$ 15,242	\$ -	\$ 15,242	\$ 77,009
9	\$ 17,178	\$ -	\$ 17,178	\$ 94,186
10	\$ 19,232	\$ -	\$ 19,232	\$ 113,419

### County Breakdown of Combined Benefits, Costs, and Net Benefits Over the Next 10 Years

#### Taxes and Revenue

Gross Receipt Taxes	\$ 76,425
Misc. Taxes and Revenue	\$ 8,214
Property Taxes	\$ 28,779
<b>Subtotal of Benefits</b>	<b>\$ 113,419</b>

#### Costs

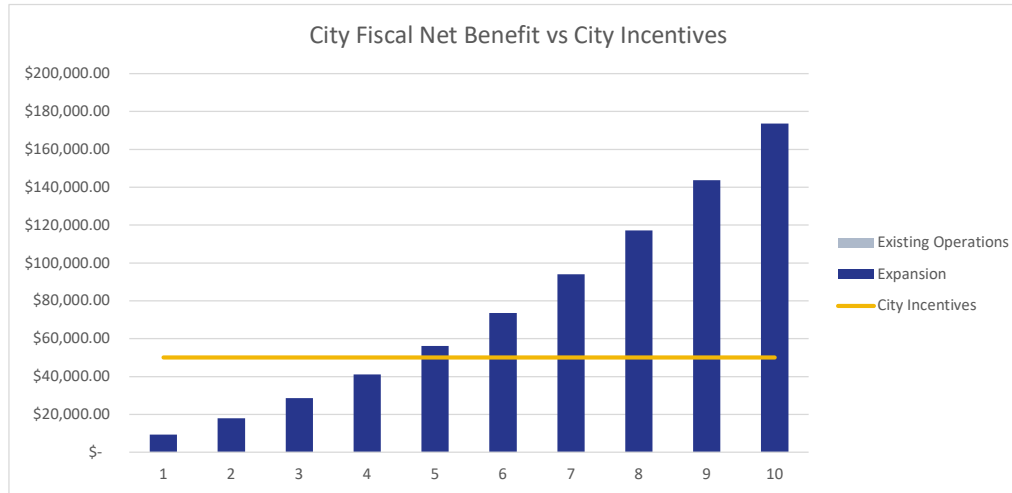
Costs	\$ -
<b>Subtotal of Costs</b>	<b>\$ -</b>

#### Net Benefits

<b>Net Benefits</b>	<b>\$ 113,419</b>
<b>Present Value</b>	<b>\$ 86,819</b>

# City Impacts





#### Incentives

Total City Incentive:	\$	50,000
City Incentive Per Job:	\$	1,250

#### Combined Payback and Return

City Payback Period Combined:	4.59 Years
City Rate of Return Combined:	166%

#### Expansion Only Payback and Return

City Payback Period Expansion:	4.59 Years
City Rate of Return Expansion:	166%

#### City Net Benefits Of Current Operations

Year	Benefits		Costs		Net Benefits	Cumulative Net Benefits
1	\$	-	\$	-	\$	-
2	\$	-	\$	-	\$	-
3	\$	-	\$	-	\$	-
4	\$	-	\$	-	\$	-
5	\$	-	\$	-	\$	-
6	\$	-	\$	-	\$	-
7	\$	-	\$	-	\$	-
8	\$	-	\$	-	\$	-
9	\$	-	\$	-	\$	-
10	\$	-	\$	-	\$	-

### City Net Benefits Of Expansion

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ 9,281	\$ (95)	\$ 9,376	\$ 9,376
2	\$ 8,472	\$ (98)	\$ 8,570	\$ 17,946
3	\$ 10,433	\$ (99)	\$ 10,532	\$ 28,478
4	\$ 12,568	\$ (100)	\$ 12,668	\$ 41,146
5	\$ 14,889	\$ (101)	\$ 14,990	\$ 56,135
6	\$ 17,411	\$ (102)	\$ 17,513	\$ 73,648
7	\$ 20,152	\$ (103)	\$ 20,254	\$ 93,903
8	\$ 23,127	\$ (104)	\$ 23,231	\$ 117,134
9	\$ 26,359	\$ (105)	\$ 26,464	\$ 143,598
10	\$ 29,869	\$ (106)	\$ 29,975	\$ 173,573

### City Combined Net Benefits

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ 9,281	\$ (95)	\$ 9,376	\$ 9,376
2	\$ 8,472	\$ (98)	\$ 8,570	\$ 17,946
3	\$ 10,433	\$ (99)	\$ 10,532	\$ 28,478
4	\$ 12,568	\$ (100)	\$ 12,668	\$ 41,146
5	\$ 14,889	\$ (101)	\$ 14,990	\$ 56,135
6	\$ 17,411	\$ (102)	\$ 17,513	\$ 73,648
7	\$ 20,152	\$ (103)	\$ 20,254	\$ 93,903
8	\$ 23,127	\$ (104)	\$ 23,231	\$ 117,134
9	\$ 26,359	\$ (105)	\$ 26,464	\$ 143,598
10	\$ 29,869	\$ (106)	\$ 29,975	\$ 173,573

### City Breakdown of Combined Benefits, Costs, and Net Benefits Over the Next 10 Years

#### Taxes and Revenue

Gross Receipt Taxes	\$ 155,394
Misc. Taxes and Revenue	\$ 9,892
Property Taxes	\$ 7,276
<b>Subtotal of Benefits</b>	<b>\$ 172,562</b>

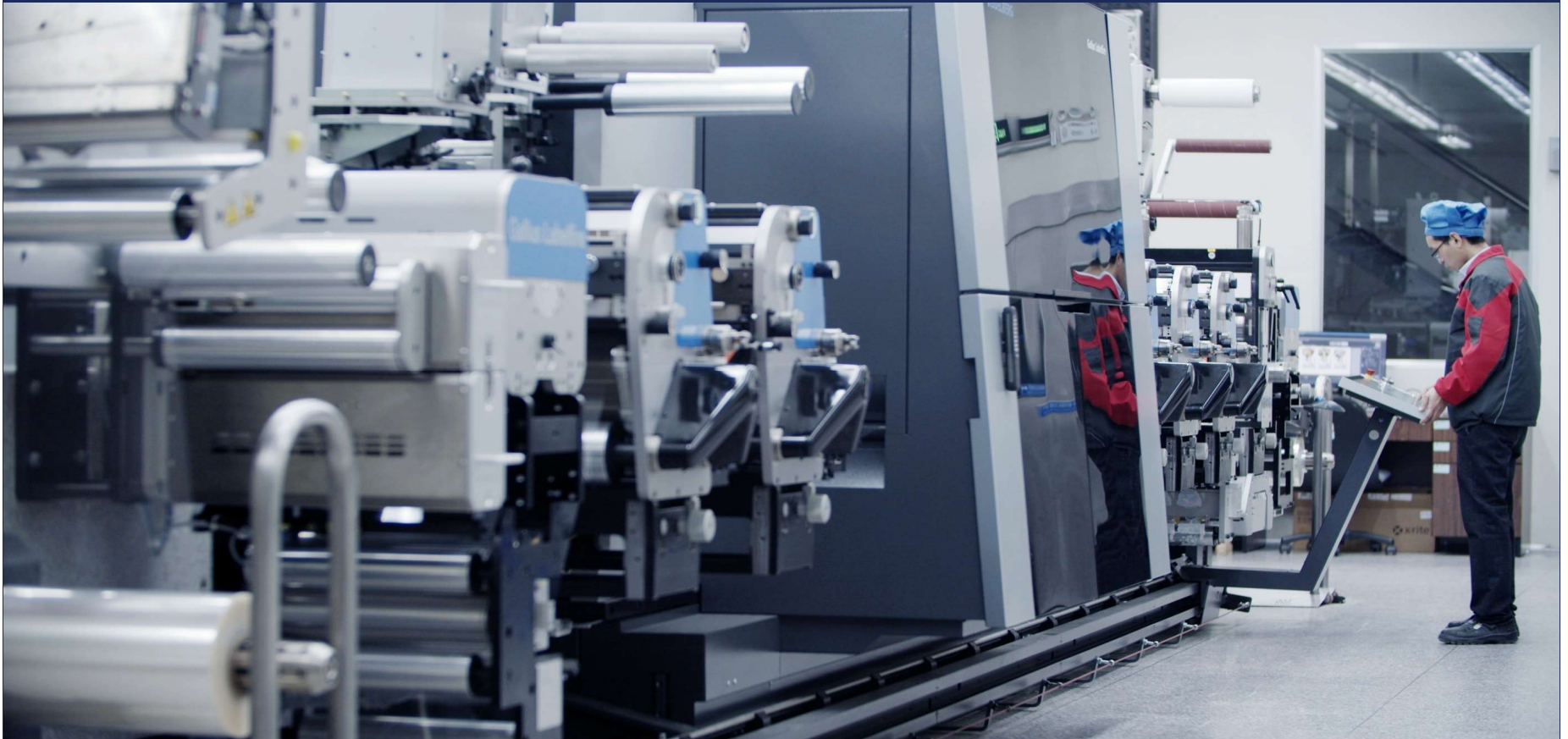
#### Costs

Costs	\$ (1,011)
<b>Subtotal of Costs</b>	<b>\$ (1,011)</b>

#### Net Benefits

<b>Net Benefits</b>	<b>\$ 173,573</b>
<b>Present Value</b>	<b>\$ 132,946</b>

# Special Taxing District and Public Schools



# Special Taxing District

## Special Taxing District Net Benefits of Current Operations

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ -	\$ -	\$ -	\$ -
2	\$ -	\$ -	\$ -	\$ -
3	\$ -	\$ -	\$ -	\$ -
4	\$ -	\$ -	\$ -	\$ -
5	\$ -	\$ -	\$ -	\$ -
6	\$ -	\$ -	\$ -	\$ -
7	\$ -	\$ -	\$ -	\$ -
8	\$ -	\$ -	\$ -	\$ -
9	\$ -	\$ -	\$ -	\$ -
10	\$ -	\$ -	\$ -	\$ -

## Special District Net Benefits of Expansion

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ 226	\$ -	\$ 226	\$ 226
2	\$ 367	\$ -	\$ 367	\$ 593
3	\$ 505	\$ -	\$ 505	\$ 1,097
4	\$ 639	\$ -	\$ 639	\$ 1,736
5	\$ 770	\$ -	\$ 770	\$ 2,506
6	\$ 898	\$ -	\$ 898	\$ 3,404
7	\$ 1,022	\$ -	\$ 1,022	\$ 4,426
8	\$ 1,143	\$ -	\$ 1,143	\$ 5,569
9	\$ 1,262	\$ -	\$ 1,262	\$ 6,831
10	\$ 1,377	\$ -	\$ 1,377	\$ 8,207

## Special District Combined Net Benefits

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ 226	\$ -	\$ 226	\$ 226
2	\$ 367	\$ -	\$ 367	\$ 593
3	\$ 505	\$ -	\$ 505	\$ 1,097
4	\$ 639	\$ -	\$ 639	\$ 1,736
5	\$ 770	\$ -	\$ 770	\$ 2,506
6	\$ 898	\$ -	\$ 898	\$ 3,404
7	\$ 1,022	\$ -	\$ 1,022	\$ 4,426
8	\$ 1,143	\$ -	\$ 1,143	\$ 5,569
9	\$ 1,262	\$ -	\$ 1,262	\$ 6,831
10	\$ 1,377	\$ -	\$ 1,377	\$ 8,207

# Public Schools

## Public Schools Net Benefits of Current Operations

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ -	\$ -	\$ -	\$ -
2	\$ -	\$ -	\$ -	\$ -
3	\$ -	\$ -	\$ -	\$ -
4	\$ -	\$ -	\$ -	\$ -
5	\$ -	\$ -	\$ -	\$ -
6	\$ -	\$ -	\$ -	\$ -
7	\$ -	\$ -	\$ -	\$ -
8	\$ -	\$ -	\$ -	\$ -
9	\$ -	\$ -	\$ -	\$ -
10	\$ -	\$ -	\$ -	\$ -

## Public Schools Net Benefits of Expansion

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ 556	\$ -	\$ 556	\$ 556
2	\$ 903	\$ -	\$ 903	\$ 1,459
3	\$ 1,242	\$ -	\$ 1,242	\$ 2,701
4	\$ 1,573	\$ -	\$ 1,573	\$ 4,273
5	\$ 1,895	\$ -	\$ 1,895	\$ 6,169
6	\$ 2,209	\$ -	\$ 2,209	\$ 8,378
7	\$ 2,516	\$ -	\$ 2,516	\$ 10,894
8	\$ 2,814	\$ -	\$ 2,814	\$ 13,708
9	\$ 3,105	\$ -	\$ 3,105	\$ 16,813
10	\$ 3,388	\$ -	\$ 3,388	\$ 20,202

## Public Schools Combined Net Benefits

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ 556	\$ -	\$ 556	\$ 556
2	\$ 903	\$ -	\$ 903	\$ 1,459
3	\$ 1,242	\$ -	\$ 1,242	\$ 2,701
4	\$ 1,573	\$ -	\$ 1,573	\$ 4,273
5	\$ 1,895	\$ -	\$ 1,895	\$ 6,169
6	\$ 2,209	\$ -	\$ 2,209	\$ 8,378
7	\$ 2,516	\$ -	\$ 2,516	\$ 10,894
8	\$ 2,814	\$ -	\$ 2,814	\$ 13,708
9	\$ 3,105	\$ -	\$ 3,105	\$ 16,813
10	\$ 3,388	\$ -	\$ 3,388	\$ 20,202

# Property Tax Exemptions and Industrial Revenue Bonds



### Property Tax Exemptions and Industrial Revenue Bonds

The City and/or the County is considering abating taxes on the Project's property. Below is a table that identifies the types of property that are under consideration for property tax abatement:

Land:	No
Building and Property Improvements:	No
Furniture, Fixtures and Equipment:	No

### Property Tax Percentage Exemptions On Land and Building

	County	City	Schools	Special Taxing District
	0%	0%	0%	0%

### Property Tax Percentage Exemptions On Furniture, Fixtures and Equipment

	County	City	Schools	Special Taxing District
	0%	0%	0%	0%

Value of Exemption Through 10 Years:	\$ -	\$ -	\$ -	\$ -
*Value of Payment in Lieu of Taxes Through 10 Years:	\$ -	\$ -	\$ -	\$ -

\*The model assumes that the payment in lieu of taxes will be administered to the either the county or city, and the local government will disperse the amounts to the appropriate districts.

### Percentage of Gross Receipt Taxes Foregone on Newly Purchased Furniture, Fixtures and Equipment Over 10 Years

Year	State	County	City
1	0%	0%	0%
2	0%	0%	0%
3	0%	0%	0%
4	0%	0%	0%
5	0%	0%	0%
6	0%	0%	0%
7	0%	0%	0%
8	0%	0%	0%
9	0%	0%	0%
10	0%	0%	0%
Value of Exemption Through 10 Years:	\$ -	\$ -	\$ -

**CITY OF SANTA FE  
ECONOMIC DEVELOPMENT  
PROJECT PARTICIPATION AGREEMENT**

**THIS PROJECT PARTICIPATION AGREEMENT** (“Agreement”) is made and entered into this \_\_\_ day of \_\_\_, 2022, by and between the City of Santa Fe, a municipal corporation (hereinafter referred to as the “City”) and Beck & Bulow Buffalo, LLC, a corporation registered as a for-profit corporation in the State of New Mexico (hereinafter referred to as the “Qualifying Entity”, “Q/E”, or Beck & Bulow).

**WHEREAS**, the State of New Mexico has deemed it in the best interest of the citizens of New Mexico to enact the Local Economic Development Act (LEDA) NMSA 1978, §§ 5-10-1, et seq., to provide public support for economic development to foster, promote and enhance local economic development efforts;

**WHEREAS**, LEDA explicitly permits municipalities to assist qualifying entities with economic development projects through the use of public resources;

**WHEREAS**, the City has complied with LEDA requirements by adopting an economic development plan ordinance incorporating within that ordinance its community economic development plan (SFCC 1987, § 11-11), called the Community Economic Development Plan and Economic Development Strategy for Implementation dated May 21, 2008;

**WHEREAS**, Beck & Bulow, is a “qualifying entity” under LEDA and the Economic Development Ordinance in that it is a wholesale meat seller and producer, which is a “manufacturer, producer and seller” that creates economic base jobs. SFCC 1987, § 11-11.4 (A); NMSA 1978, § 5-10-3 (L)(1);

**WHEREAS**, all requirements under the Economic Development Plan Ordinance to enter into this Agreement have been fulfilled;

**WHEREAS**, the Q/E has submitted an application (“Application”) to the City for assistance under the Economic Development Plan Ordinance (SFCC 1987, §11-11) and for the City to act as fiscal agent for the grant monies (“Grant Monies”) granted by the City through its Office of Economic Development and through the New Mexico Economic Development Department;

**WHEREAS**, in the Application, the Q/E proposed an “economic development project” compliant with LEDA, in that it will use the Grant Monies for lease payments on the facility (the “Project”) located at 1934 Cerrillos Road, Santa Fe, NM 87505;

**WHEREAS**, the City has determined that it is in the interest of the welfare of the citizens of the City to enter into this Agreement for the purposes of effectuating its economic development plan;

**WHEREAS**, the City's total maximum contribution of Grant Monies to the Project is Fifty Thousand Dollars and No Cents (\$50,000.00); the State of New Mexico's maximum contribution to the Project will not exceed Two Hundred Fifty Thousand Dollars and No Cents (\$250,000.00) from the New Mexico LEDA Fund ("NM LEDA Fund") pursuant to an intergovernmental agreement between the City and the State to be executed soon after the execution of this Agreement; and the Q/E shall contribute up to One Million One Hundred Sixty Thousand Dollars (\$1,160,000) to the Project; and

**WHEREAS**, the Q/E intends to spend up to Four Hundred Twenty Thousand Dollars and No Cents (\$420,000.00) in tenant improvements by approximately December 31, 2032;

**WHEREAS**, the Project addresses the following objectives from the Santa Fe Economic Development Implementation Strategy as adopted by City Resolution 2008-42: "Diversify the Santa Fe Economy with an emphasis on high wage jobs and career paths;" "Pursue overall affordability where local wages can support living in Santa Fe (reduce leakage);" and "Bolster Santa Fe's leadership position and/or potential in innovation"; and

**WHEREAS**, this Agreement clearly provides the following as required by LEDA and the Economic Development Plan Ordinance: (1) the economic development goals of the Project; (2) the contributions of the City, State, and the Q/E; (3) the specific measurable objectives upon which the performance review will be based; (4) a schedule for project development and goal attainment; (5) the security being offered for the City's and State's investment; (6) the procedures by which the project may be terminated and the City's investment recovered; (7) the time period for which the City shall retain an interest in the Project; (8) a "sunset" clause after which the City shall relinquish interest in and oversight of the Project; and (9) that the Qualifying Entity is a qualifying entity.

**NOW, THEREFORE**, in consideration of the foregoing, the following, and other good and valuable consideration, the receipt of which is hereby acknowledged the undersigned parties hereby agree as follows.

**1. CONTRIBUTIONS OF THE CITY, THE STATE, AND THE Q/E**

A. Contributions of the State and the City. The maximum Grant Monies that may be disbursed under this Agreement shall be Three Hundred Thousand Dollars and No Cents (\$300,000.00) as described below:

(1) City Contribution. This Agreement governs the City's contribution to the Project. The City shall reimburse the Q/E in the amount of up to Fifty Thousand Dollars and No Cents (\$50,000.00) for LEDA eligible expense reimbursements.

(2) State Contribution: This Agreement governs the State's contribution of up to Two Hundred Fifty Thousand Dollars and No Cents (\$250,000.00) from the NM LEDA Fund by way of the New Mexico Economic Development Department. The City will serve as fiscal agent pursuant to the Intergovernmental Agreement between the City and State, which is in substantial form as **Attachment A**, the terms of which are incorporated into this Agreement.

(3) Disbursement of Grant Monies: Dispersal of the NM LEDA Funds by the State and the City's economic development funds are contingent upon the following:

(a) The City and the New Mexico Economic Development Department shall execute an intergovernmental agreement for the State to grant up to Two Hundred Fifty Thousand Dollars and No Cents (\$250,000.00) to the City as fiscal agent for the Project; and

(b) The Q/E shall submit to the City for review, a cover letter, invoice, proof of payment, as necessary for reimbursement as set forth in Table below. Disbursement shall be made on a reimbursement basis of eligible costs under the LEDA, as further limited to Lease Payments:

<b><i>State of New Mexico and City of Santa Fe LEDA Disbursement Schedule</i></b>		
<u>Tranche</u>	<u>Amount of State and City Contribution Available for Disbursement/Tranche</u>	<u>Disbursement Performance Milestone</u>
1	\$200,000 State of New Mexico	Obtain Lease Agreement for new location, LEDA eligible expenses following execution of ordinance.
2	\$50,000 State of New Mexico \$50,000 City of Santa Fe	Hire 10 additional employees for a total head count of 17 and submit proof of payment for allowable expenditures up to remaining LEDA award.

It is expressly understood that any costs eligible for reimbursement must be incurred after this Agreement is in effect.

(c) The City shall reimburse to the Q/E up to Fifty Thousand Dollars and No Cents (\$50,000.00) in City Grant Monies. The City monies will be available for disbursement as identified in the above table.

**B. Contributions of the Q/E.**

(1) Financial Investment: The Q/E shall contribute up to One Million One Hundred Sixty Thousand Dollars (\$1,160,000) or more in matching funds to complete the Project.

(2) Project Management: Unless otherwise specified in this Agreement, the Q/E shall be responsible for managing all parts of the Project.

(3) Direct Economic Output: The Project is anticipated to generate Six Million Two Hundred Seventy-Three Thousand Two Hundred Eighty Dollars (\$6,273,280) in direct salaries for existing and expanded operations over ten years. See **Attachment B**. The total estimated direct economic output for the expansion of the facility is Eight Hundred Sixty

Thousand Seven Hundred Fifty-Eight Dollars (\$860,758) over ten years, as is further described in the Economic Impact Report. See p. 5 of **Attachment C**.

(4) Expanded Tax Base: As a result of the completion of the Project, the Q/E is expected to generate contributions to the City's tax base, as projected in the Economic Impact Report. Net benefits for the City generated by this Project (including property taxes, gross receipts taxes, utility fees, utility franchise fees, lodger's taxes, and other use taxes) are estimated to be One Hundred Seventy-Three Thousand Five Hundred Seventy-Three Dollars (\$173,573) over ten years. See p. 14 of **Attachment C**.

(5) Proportional Investment: The Q/E at its discretion may decide to not accept the entire Three Hundred Thousand Dollars (\$300,000) in Grant Monies for the Project. If the Q/E does not accept the entire Grant Monies, then the capital investment and job creation requirements would then decrease proportionally to the level of Grant Monies accepted. The Q/E shall notify the City 30 days prior to its decision.

## **2. PERFORMANCE REVIEW AND CRITERIA – ECONOMIC DEVELOPMENT GOALS**

A. Economic Development Goals. The following Economic Development Goals shall be fulfilled by the Q/E:

(1) The Q/E shall hire new employees in accordance with the schedule set forth in the Job Creation Commitment and Schedule. See **Attachment B**. The Q/E presently employs seven full-time workers and by December 31, 2022, the Q/E shall employ at least four (4) new employees in the City of Santa Fe, while retaining the seven (7) current employees for a total of eleven (11) employees. All new employees shall be paid at least an average hourly wage of \$13.00.

(2) By December 31, 2031, the Q/E shall employ no fewer than forty-two (42) new employees, while retaining the prior employment figures, for a total of 47 jobs in the City of Santa Fe. All new employees shall be paid in accordance with the payroll data points in **Attachment B**.

(3) The Q/E's contribution as set forth in Paragraph 1.B herein is incorporated into the Economic and Development Goals.

### **B. Reports; Certifications; Review.**

(1) Quarterly Reports. During the term of this Agreement, the Q/E shall provide to the Office of Economic Development quarterly reports due on January 31st, April 30th, July 31st, and October 31<sup>th</sup> of each year for the preceding quarter's job report filed to the New Mexico Department of Workforce Solutions. The Q/E's quarterly reports shall clearly indicate how the Q/E has met the job creation prerequisites in **Attachment B** (see **Attachment D** for recommended form). Quarterly reports shall be in the form of an affidavit signed by an officer of the Q/E. Quarterly reports shall include a copy of FORM ES-903a,

or an equivalent document as required by the New Mexico Department of workforce Solutions, provided by the Q/E to the City to demonstrate compliance with this Agreement at each review cycle. In the quarterly report, the Q/E shall include number of new jobs created and filed that quarter, the average minimum annual salary of the new jobs, the total number of jobs, total payroll, and the amount of the Q/E's total capital investment, with line items of building improvements and lease payments, to date. The first quarterly report shall certify the number of baseline jobs as of October 1, 2018.

Additionally, Project Party will provide to the State of New Mexico Economic Development Department their most recent quarterly Department of Workforce Solutions 903A Report or its equivalent on a quarterly basis beginning with January 31, 2022, and continuing on April 30, July 31, and October 31 of each year until the completion of this agreement.

(2) Annual Reports. The City may require the Q/E to provide annual reports or a presentation to the City's governing body and the Economic Development Advisory Committee (EDAC). The City will give the Q/E a minimum of 30 days' notice if a report or presentation to the governing body or EDAC is required. City staff shall review these reports to ensure the Q/E's compliance with this Agreement in accordance with the Job Creation Commitment and Schedule.

(3) Expanded Tax Base Report: Within a reasonable time after completion of the construction of the facilities, but in any event by the next quarterly report, the Q/E shall provide to the City a written report on the construction jobs and wages created by the construction portion of the project.

(4) Certification of Non-Interest. The Q/E shall certify to the City that to the Q/E's best information, knowledge and belief and after reasonable inquiry, no member, officer, or employee of the City or its designees or agents, no member of the governing body of the locality of which the program is situated, and no other public official that exercises any functions or responsibilities with respect to the Project during his/her tenure, or for one year thereafter, has any interest, direct or indirect, in the Q/E or any contract or subcontract, or the process thereof, for work to be performed in connection with the Project that is the subject of this Agreement. The Q/E shall certify that such a provision shall be included in all contracts and subcontracts in connection with the Project.

### **3. RECAPTURE PROVISIONS FOR PUBLIC MONIES**

A. If any Economic Development Goal set forth in Paragraph 2.A is not met and documented in a manner deemed satisfactory by the City, the Q/E shall be deemed in default ("Default") and within 60 days of the City receiving the quarterly report with the information of such Default, the City shall send a written Notice of Default to the Q/E informing the Q/E how

many days it has to cure the Default or repay the Grant Monies disbursed in proportion to the Economic Development Goals not yet achieved.

B. If the Q/E remains noncompliant after any applicable cure period, then the City may elect to pursue any and all remedies available in law or equity, including but not limited to initiating foreclosure of the security interest and/or demanding timely repayment by the Q/E of the Grant Monies in proportion to the unmet goals, as the City in its sole discretion may determine subject to reasonable calculations.

C. In the event the Q/E ceases operations and closes its facility before the end of year three of this Agreement, the Q/E shall be deemed in Default and the Q/E shall reimburse 100% of all Grant Monies disbursed to the Q/E to the City of Santa Fe Economic Development Fund as identified in SFCC 1987 11-14.

#### **4. Q/E BUYOUT**

A. The Q/E may, at its election, buyout and thereby terminate this Agreement by repaying in full to the City all Grant Monies. Such repayment by the Q/E shall be without penalty until and unless the City initiates claw back of the Grant Monies, at which point costs, expenses (including City staff time) and attorney's fees will accrue to the repayment amount. The City shall not initiate such a claw back during the period from the time the Q/E sends the notice described in Section 4(c) until the time that the repayment contemplated by the notice is not made in accordance with the notice.

B. The Q/E must send prior written notice to the City of the Q/E's intent to repay in full the Grant Monies at least 45 days prior to the Q/E's repayment. The City's receipt of the Q/E's repayment of all disbursed Grant Monies (including any costs, fees and expenses resulting from claw back proceedings) constitutes satisfaction of the Q/E under this Agreement, upon which the Q/E may request release of the security interest, and the City will release the security interest within a reasonable time after receiving the Q/E's written request.

C. Within 30 days of receiving such notice from the Q/E, the City will notify the New Mexico Economic Development Department of the Q/E's intent to exercise the buyout clause. The City will reimburse the New Mexico Economic Development Department its portion of the repaid Grant Monies within 60 days after the City receives the repaid monies from the buyout.

#### **5. SECURITY FOR CITY'S INVESTMENT; CLAWBACK**

A. This is a grant project only, with the City acting as fiscal agent. The Q/E has no loan obligations for repayment to the City or State, but is obligated to fulfill the Economic Development Goals of this Agreement; however, if the Q/E is found by the City to be in Default, then the City may elect to demand financial reimbursement by the Q/E.

B. The Grant Monies must be secured in a manner that it may be clawed back if the Q/E fails to meet its performance goals under this PPA. As security for fulfilling the Economic

Development Goals, before the City may disburse any appropriations to the Q/E, the amount of Public Monies to be reimbursed shall be securitized in a manner satisfactory to the City.

C. A condition precedent to this PPA is securitization of the Grant Monies which may be if the Q/E fails to meet its performance goals under this PPA. Before the City may distribute any appropriations to the Q/E the amount of Public Monies to be reimbursed shall be securitized in a manner satisfactory to the City. The securitization method is an irrevocable stand-by letter of credit from an issuing financial institution, with the City as beneficiary, from which the City shall have the right to draw down funds upon the City's presentation of a demand for payment and evidence of Q/E's Default ("Irrevocable Letter of Credit"). The Irrevocable Letter of Credit shall have a term that extends to the term of this Agreement (either via the full duration in the base term or via automatic one-year extensions terminable at the sole option and discretion of the City). At any given time, the Irrevocable Letter of Credit must secure an amount, and the City shall be able to draw down an amount, at least equal to the amount of appropriations made to the Q/E for the Project, the maximum being \$300,000. Funds from the Irrevocable Letter of Credit may be drawn in one drawing or from time-to-time in one or more partial drawings on or before the expiration date. Attached hereto and incorporated herein is **Attachment B**, which sets forth the claw back terms.

D. During the term of this Agreement, the Q/E may request a full or partial release of the security interest with the substitution of collateral, repayment of the disbursed appropriation, or proof that the Q/E has met the Economic Development Goals, in part or in whole, under this Agreement. Any full or partial release of the security interest will be proportional to the value of the substitute collateral, repayment, or the portion of Economic Development Goals met which are no longer subject to claw back and according to Attachment A.

E. Acceptance of a method of securitization and of substitute collateral or proof of performance goals shall be within the City's sole and absolute discretion.

## 6. TERM; SUNSET

This Agreement shall remain in force for 10 years from the execution date of the Agreement, or until conditions of the Agreement are performed in full or to the reasonable satisfaction of the City, whichever is earlier. In the event the Q/E performs or exceeds the required performance levels contained in this Agreement, as may be reasonably determined by the City, this Agreement may be terminated at that time in writing by the City pursuant to Paragraph 7, below.

This Agreement will not be deemed terminated and this Agreement will remain in effect unless and until the City reasonably determines that the objectives under this Agreement have been fulfilled, in which case the City will provide a closure letter to the Q/E.

## 7. TERMINATION

This Agreement may be terminated by the City upon written notice delivered to the Q/E at least 45 days prior to the intended date of termination in the event that the Q/E ceases to

operate the Project in accordance with the terms of this Agreement. If the Q/E is found to not be in substantial compliance with the Agreement, the City reserves the right to terminate the Agreement and recall in full the Grant Monies.

The Q/E may terminate the Agreement by pre-paying in full to the City and without penalty any Grant Monies disbursed to the Q/E. The Q/E must send a written letter to the City giving notice of its intent to pre-pay the Grant Monies in full within 45 days prior to the Q/E's intent to repay in full the Grant Monies.

8. **STATUS OF THE Q/E**

The Q/E, and its agents and employees are not employees of the City. The Q/E, and its agents and employees, shall not accrue leave, retirement, insurance, bonding, use of City vehicles or any other benefits afforded to employees of the City as a result of this Agreement. The Q/E shall be solely responsible for payment of wages, salaries, and benefits to any and all employees or subcontractors retained by Contractor in the performance of the services under this Agreement.

9. **ASSIGNMENT AND SUCCESSORS; BINDING EFFECT**

- A. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors in interest by way of merger, acquisition, or otherwise and their permitted assigns.
- B. The Q/E shall not assign or transfer any of its rights, privileges, obligations, or other interest under this Agreement, voluntarily or involuntarily, whether by merger, consolidation, dissolution, operation of law or any other matter, including any claims for money due or to become due under this Agreement, without prior written approval of the City.
- C. Any purported assignment of rights in violation of subsection (B) is void.

10. **INDEMNIFICATION; LIABILITY**

It is expressly understood and agreed by and between the Q/E and the City that the Q/E shall defend, indemnify, and hold harmless the City for all losses, damages, claims or judgments on account of any suit, judgment, execution, claims, actions, or demands whatsoever resulting from the Q/E's actions or inactions as a result of this Agreement, as well as the actions or inactions of Q/E's employees, agents, representatives and subcontractors as a result of this agreement. The Q/E shall maintain adequate insurance in at least the aggregate maximum amounts which the City could be liable consistent with the provisions of the New Mexico Tort Claims Act. It is the sole responsibility of the Q/E to be in compliance with the law.

11. **INSURANCE**

A. The Q/E, at its own cost and expense, shall carry and maintain in full force and effect during the term of this Agreement, comprehensive general liability insurance covering bodily injury and property damage liability with respect to the Project, in a form and with an insurance company acceptable to the City, with limits of coverage in the maximum amount which the City could be held liable under the New Mexico Tort Claims Act for each person injured and for each accident resulting in damage to property. Such insurance shall provide that the City is named as an additional insured and that the City shall be notified no less than 30 days in advance of cancellation for any reason. The Q/E shall furnish the City with a copy of a “Certificate of Insurance” with respect to such coverage as a condition prior to performing under this Agreement.

B. The Q/E shall also obtain and maintain Workers’ Compensation insurance, required by law, to provide coverage for Q/E’s employees throughout the term of this Agreement. The Q/E shall provide the City with evidence of its compliance with such requirement.

12. **NEW MEXICO TORT CLAIMS ACT**

Any liability incurred by the City of Santa Fe in connection with this Agreement is subject to the immunities and limitations of the New Mexico Tort Claims Act, Section 41-4-1, *et seq.* NMSA 1978, as amended. The City and its “public employees” as defined in the New Mexico Tort Claims Act, do not waive sovereign immunity, do not waive any defense, and do not waive any limitation of liability pursuant to law. No provision in this Agreement modifies or waives any provision of the New Mexico Tort Claims Act.

13. **THIRD PARTY BENEFICIARIES**

By entering into this Agreement, the parties do not intend to create any right, title, or interest in or for the benefit of any person other than the City and the Q/E. No person shall claim any right, title or interest under this Agreement or seek to enforce this Agreement as a third-party beneficiary of this Agreement.

14. **RECORDS AND AUDITS**

The Q/E shall maintain and keep in its possession throughout the term of this Agreement and for a period of six years thereafter, all related records, including but not limited to, all financial records, requests for proposals (RFPs), invitations to bid, selection and award criteria, contracts and subcontracts, advertisements, minutes of pertinent meetings, as well as records sufficient to fully account for the amount and disposition of the total funds from all sources budgeted hereunder, the purpose for which such funds were used, and other such records as the City or the State shall proscribe. The Q/E shall be strictly liable for receipts and disbursements related to the Project Grant Monies. These records shall be subject to inspection by the City, the New Mexico Economic Development Department, and the State Auditor upon notice within five business days. The City shall have the right to audit billings both before and after payment; payments under this Agreement shall not foreclose the right of the City to recover excessive illegal payments.

15. **APPROPRIATIONS**

The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the City Governing Body and the New Mexico Economic Development Department on behalf of the Q/E to the City for the performance of this Agreement. If sufficient appropriations and authorization are not made by the City Governing Body and the New Mexico Economic Development Department on behalf of the Q/E to the City, this Agreement shall terminate upon written notice being given by the City to the Q/E.

16. **RELEASE**

The Q/E, upon final fulfillment by the City of its obligations under this Agreement, releases the City, its officers, and employees, from all liabilities, claims, and obligations whatsoever arising from or under this Agreement. The Q/E agrees not to purport to bind the City to any obligation not assumed herein by the City unless the Q/E has express written authority to do so, and then only within the strict limits of that authority.

17. **CONFIDENTIALITY**

Any confidential information provided to or developed by the Q/E in the performance of this Agreement shall be kept confidential and shall not be made available to any individual or organization by the Q/E without the prior written approval of the City.

18. **CONFLICT OF INTEREST**

The Q/E warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance or services required under this Agreement. The Q/E further agrees that in the performance of this Agreement no persons having any such interests shall be employed.

19. **APPLICABLE LAW; CHOICE OF LAW; VENUE**

The Q/E shall abide by all applicable federal and state laws and regulations, and all ordinances, rules, and regulations of the City of Santa Fe. In any action, suit or legal dispute arising from this Agreement, the Q/E agrees that the laws of the State of New Mexico shall govern. The parties agree that any action or suit arising from this Agreement shall be commenced in a federal or state court of competent jurisdiction in New Mexico. Any action or suit commenced in the courts of the State of New Mexico shall be brought in the First Judicial District Court.

20. **AMENDMENT**

This Agreement shall not be altered, changed, or amended except by instrument in writing executed by the parties hereto.

21. **SCOPE OF AGREEMENT**

This Agreement incorporates all the agreements, covenants, and understanding between the parties hereto concerning the subject matter hereof, and all such covenants, agreements, and understandings have been merged into this written Agreement. This Agreement expresses the entire Agreement and understanding between the parties with respect to said performance. No prior agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in the Agreement.

22. **REPRESENTATIONS AND WARRANTIES**

A. The Q/E hereby warrants the Q/E is and will remain in compliance with the Americans with Disabilities Act of 1990 (the “ADA”) and the regulations promulgated thereunder, 29 CFR 1630. The Q/E hereby agrees to defend, indemnify, and hold harmless the City from and against all claims, suits, damages, costs, losses and expenses in any manner arising out of or connected with the failure of the Q/E, its contractors and subcontractors, agents, successors, assigns, officers or employees to comply with provisions of the ADA or the rules and regulations promulgated thereunder.

B. The Q/E agrees to comply with the applicable provisions of local, state, and federal equal employment opportunity statutes and regulations.

C. The Q/E shall comply with City of Santa Fe Minimum Wage, Article 28-1-SFCC 1987, as well as any subsequent changes to such article throughout the term of this Agreement.

23. **APPLICABLE LAW**

This Agreement shall be governed by the ordinances of the City of Santa Fe and the laws of the State of New Mexico.

24. **NON-DISCRIMINATION**

During the term of this Agreement, the Q/E shall not discriminate against any employee or applicant for an employment position to be used in the performance by the Q/E hereunder, on the basis of ethnicity, race, age, religion, creed, color, national origin, ancestry, sex, gender, sexual orientation, physical or mental disability, medical condition, or citizenship status.

25. **SEVERABILITY**

In case any one or more of the provisions contained in this Agreement or any application thereof shall be invalid, illegal or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein, and any other application thereof shall not in any way be affected or impaired thereby.

26. **NOTICES**

Any notices required to be given under this Agreement shall be in writing and served by personal delivery or by mail, postage prepaid, to the parties at the following addresses:

If to the CITY OF SANTA FE:

City of Santa Fe

Attn: Rich Brown – Director, Office of Economic Development

P.O. Box 909

Santa Fe, NM 87504

If to QUALIFYING ENTITY:

Attn: Chief Executive Officer

Beck & Bulow Buffalo LLC

1934 Cerrillos Road

Santa Fe, NM 87505

26. **HEADINGS**

The section headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

27. **ATTACHMENTS**

All attachments are fully incorporated herein and made a part of this Agreement.

28. **COUNTERPARTS**

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

29. **REPRESENTATION ON AUTHORITY OF SIGNATORIES**

The signatory for the Q/E represents and warrants that he or she is duly authorized and has legal capacity to execute and deliver this Agreement. The Q/E represents and warrants that the execution and delivery of the Agreement and the performance of the Q/E's obligations hereunder have been duly authorized, and that the Agreement is a valid and legal agreement binding on such party and enforceable in accordance with its terms.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

CITY OF SANTA FE:

\_\_\_\_\_  
Alan M. Webber, Mayor

ATTEST:

\_\_\_\_\_  
Kristine Bustos-Mihelcic, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
\_\_\_\_\_  
Andréa Salazar, Assistant City Attorney

APPROVED AS TO FINANCE:

\_\_\_\_\_  
Mary McCoy, Finance Director

\_\_\_\_\_  
Business Unit Line Item



## 15. INTRODUCTION OF LEGISLATION

c. INTRODUCTION OF BILL NO. 2022-\_\_\_. (Mayor Webber)

An Ordinance Relating to the City of Santa Fe's Office of Economic Development Plan Ordinance, SFCC 1987, Section 11-11; Approving and Adopting a Local Economic Development Project Participation Agreement Between the City of Santa Fe and Beck & Bulow, LLC for Design, Development, and Construction of Tenant Improvements, Lease Payments, and Expansion of a Corporate Research Center, a Local Economic Development Project. (Rich Brown, Community and Economic Development: rdbrown@santafenm.gov, 955-6625; Andrea Salazar, Assistant City Attorney: asalazar@santafenm.gov, 955-6303)

### **Committee Review:**

Re-Introduced: 03/30/2022

Economic Development Committee 4/13/2022

Governing Body (Public Comment) 4/13/2022

Public Works and Utilities 4/25/2022

Finance Committee 5/2/2022

Governing Body (Public Hearing) 5/11/2022

**Name:** Stefanie Beninato

**Comment - 03/30/2022 12:51 PM: ( No Vote )**

I hope that a condition will be that this company cannot unlawfully advertise its services off its property. I cannot tell you the number of signs around town for this company I have seen in the past year. Time to have a level playing field for all businesses.

## Attachment C

<b><i>Job Creation Commitment and Schedule (Net New Jobs)* ❖</i></b>						
<u>Year</u>	<u>Net New Jobs Hiring Target</u>	<u>Min new Job target*</u> <small>*representing 90% of total net new jobs</small>	<u>Payroll for New Jobs</u>	<u>Job Determination Period</u>		<u>Clawback % on Job Creation Shortfall<sup>^^^</sup></u>
1	3	2	\$183,840	Ordinance Date	1/31/22	100%
2	3+3=6	2+3=5	\$375,034	01/01/22	1/31/23	100%
3	6+3=9	5+3=8	\$573,801	01/01/23	1/31/24	100%
4	9+3=12	8+3=11	\$780,370	01/01/24	1/31/25	100%
5	12+2=14	11+2=13	\$915,374	01/01/25	1/31/26	75%
6	14+2=16	13+2=15	\$933,681	01/01/26	1/31/27	50%
7	16+2=18	15+2=17	\$952,355	01/01/27	1/31/28	50%
8	18+2=20	17+1=18	\$971,402	01/01/28	1/31/29	25%
9	20	18	\$990,830	01/01/29	1/31/30	25%
10	20	18	\$1,010,647	01/01/30	1/31/31	25%
Add'l Notes:						
<ol style="list-style-type: none"> <li>1.</li> <li>2. Clawback is the shortfall of jobs created below the minimum against the amount of money received – see sample calculation below.</li> </ol>						
Starting Headcount: 0 as of February 2022						

<sup>^^^</sup> Clawback percentage is calculated on job creation shortfall at expiration or termination of the PPA, whichever is earlier. Clawback formula = (Job Creation % Shortfall) x (Cumulative Grant Monies Distributed), where Job Creation % Shortfall is  $(1 - (\text{actual jobs} / \text{cumulative hiring target})) * 100\%$ .

❖ Cumulatively, the retained and new jobs must maintain a minimum average wage of \$24.29 per hour not including additional benefits (“Average Wage”). Wages of jobs retained from prior years must equal or exceed the wage requirements for those jobs as described herein. Only New Mexico-based employees (only employees paying New Mexico income taxes) count towards job creation.

**ATTACHMENT A**

**INTERGOVERNMENTAL AGREEMENT  
NEW MEXICO ECONOMIC DEVELOPMENT DEPARTMENT AND  
THE CITY OF SANTA FE, NEW MEXICO**

This Intergovernmental Agreement (“Agreement”) is entered into as of the date of the last signature affixed below by and between the New Mexico Economic Development Department (“EDD”) and the City of Santa Fe, a municipal corporation of the State of New Mexico (“City”), collectively referred to as the “Parties,” with reference to the following facts.

**SECTION 1. RECITALS:**

**WHEREAS**, the New Mexico State Legislature enacted Laws 2014, Chapter 63, Section 5, Subsection 33 which appropriated ten million dollars (\$10,000,000) to EDD “[f]or economic development projects pursuant to the Local Economic Development Act” (the “Appropriation”); and

**WHEREAS**, the purpose of the Local Economic Development Act, NMSA 1978 §§ 5-10-1, et seq., (“LEDA”), is to provide “public support for economic development to foster, promote, and enhance local economic development efforts...” Section 5-10-2(B); and

**WHEREAS**, the City has adopted LEDA by Ordinance 2004-42, which established the City’s Economic Development Plan that promotes economic development within the City and Ordinances Nos. 2008-42 and 2018-4 amending the Economic Development Plan Ordinance; and

**WHEREAS**, the City has adopted Ordinance No. \_\_\_\_\_ (“Ordinance”) to approve the economic development project (“Project”) to secure the expansion of

Earth Traveler Teardrop Trailers, LLC., a New Mexico corporation ("Earth Traveler") within the City; and

**WHEREAS**, the City has entered into a Local Economic Development Project Participation Agreement ("PPA") with Earth Traveler and, pursuant to the terms of that PPA, Earth Traveler will provide a substantive contribution in exchange for the public contribution. A copy of the PPA and any amendments are attached hereto as **Exhibit 1**; and

**WHEREAS**, the EDD and the City desire to enter into this Agreement to facilitate disbursement of funds for the Project;

**NOW THEREFORE**, the Parties do hereby agree to the following terms and conditions to accomplish the Project.

**SECTION 2. PURPOSE OF AGREEMENT:**

The purpose of this Agreement is to place the primary responsibility on the City to oversee and administer the appropriation for the Project. It is the intent of the Parties that the EDD will transfer an amount not to exceed One Hundred Thousand Dollars and No Cents (\$100,000.00) (the "State Funds") from the Appropriation to the City for expenditures made to implement the Project. The Parties agree that any and all State Funds received by the City will be accounted for by the City as the fiscal agent for the EDD in accordance with the procedures the City will use to account for its own funds and property used to implement the Project, or any properties acquired or developed by the City as a result of implementation of the Project will be used by the City for economic development purposes only.

**SECTION 3. SCOPE OF WORK:**

The City will act as fiscal agent for the appropriation supporting the Project. EDD will transfer an amount not to exceed One Hundred Thousand Dollars and No Cents (\$100,000.00) from the Appropriation to the City for expenditures made to implement the Project, pursuant to the LEDA statutes. In exchange for the appropriation, Earth Traveler will create twenty (20) new jobs and contribute up to One Million Three Hundred Seventy One Thousand Six Hundred Nineteen Dollars (\$1,371,619) in capital investment within ten (10) years after the execution of this Agreement. In February, 2022, Earth Traveler's starting headcount was 0 full-time jobs, so the starting headcount for this Project is the net jobs above 0 jobs. The EDD expressly agrees that "new" jobs are those jobs created by Earth Traveler on or after the date of LEDA Ordinance adoption. The City will quarterly review the Project timeline and progress until the ten-year anniversary of this Agreement or until the City certifies to the EDD that the requisite Economic Development Goals have been completed to the City's satisfaction or that the EDD contribution of no greater than \$100,000.00 in Funds has been reimbursed to EDD. In the event that Earth Traveler falls below the hiring target in any given period, reimbursements will be suspended until hiring target is achieved and sustained for at least ninety (90) days.

The EDD and the City agree that failure of Earth Traveler to make its required contribution, as defined in the PPA, will result in a violation of the terms and conditions of the PPA. Such violation, after any cure period granted, will require that the City foreclose on the security interest. All the terms, conditions, and requirements set forth under the PPA are incorporated into this Agreement by reference. All State funds recaptured from Earth Traveler by the City shall be returned to EDD within 60 days.

**SECTION 4. CITY OF SANTA FE RESPONSIBILITIES:**

The City shall:

1. Submit all documentation supporting expenditures made to implement the Project in a format acceptable to the State.
2. Notify the EDD in writing of any default by Earth Traveler within 60 days of the event of default, as defined in the PPA (“Default”);
2. Serve as fiscal agent for the State Funds transferred to it under this Agreement;
3. Complete all of the following goals identified in this Agreement within the time limits agreed upon by the Parties:
  - a. Account for receipts and disbursements of reimbursed State Funds;
  - b. Provide the EDD with the required financial documentation pertaining to this disbursement; and
  - c. Submit all required and reasonably requested documentation to the EDD, including the endorsed LEDA Ordinance approved by the City Council accepting the Project for Earth Traveler as a qualifying entity pursuant to LEDA. Such documentation shall include a fully executed copy of the Earth Traveler security interest, and copies of invoices and other documentation as required by the EDD within the time required; and
4. Not impose any obligations on EDD with respect to the administration of this Project, other than the reimbursement of State Funds described in this Agreement; and

5. Monitor job creation by Earth Traveler and report the number of jobs created each quarter to EDD for a period of ten (10) years after this Agreement has been fully executed. Quarterly reports shall include a copy of FORM ES-903 (or any form substituted therefore by the State) provided by Earth Traveler to the City, on file with the New Mexico Department of Workforce Solutions.

The Parties have created a disbursement schedule in the PPA and listed as Exhibit 1, which is hereby incorporated into this Agreement and made a part hereof by this reference as though set forth in full.

**SECTION 5. CITY CERTIFICATIONS:**

As fiscal agent, the City hereby assures and certifies that:

1. It will comply with all applicable State laws, regulations, policies, guidelines, and requirements with respect to the acceptance and use of State Funds;
2. It has the legal authority to receive and expend the State Funds;
3. It will enforce the provisions of Ordinance No. \_\_\_\_\_ approving the Project;
4. It has exercised due diligence in certifying that the Project is a viable economic development initiative with potential long-term economic development benefits;
5. It will provide the EDD documentation and references to expertise it has relied upon in approving this Project upon receipt thereof or reliance thereupon and copies of reports and documentation it receives from Earth Traveler;

6. It has entered into a PPA and has obtained all financial documentation necessary to protect the City's and the State's investments in this project;
7. It shall not at any time during the life of this Agreement convert any property acquired or developed pursuant to this Agreement to uses other than those within the Project description as defined in Section 2 - Purpose of Agreement and Section 3 - Scope of Work, stated above;
8.     -It will notify the EDD of any Default within sixty (60) days of an event of Default. Further, the City shall provide the opportunity for any Default to be cured by Earth Traveler, in accordance with the PPA prior to termination thereof;
9. No member, officer, or employee of the City or its designees or agents, no member of the governing body of the locality of which the program is situated, and no other public official that exercises any functions or responsibilities with respect to the Project during his/her tenure, or for one (1) year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the process thereof, for work to be performed in connection with the Project that is the subject of this Agreement. The City shall require Earth Traveler to incorporate in all contracts or subcontracts a provision prohibiting such interest pursuant to this certification; and
10. It has complied with Article IX, Section 14 of the New Mexico Constitution, known as the "anti-donation clause."

**SECTION 6. EDD RESPONSIBILITIES:**

EDD shall:

1. Transfer an amount not to exceed One Hundred Thousand Dollars and No Cents (\$100,000.00) from the Appropriation to the City for expenditures made to implement the Project; and
2. At the EDD's discretion, review and audit the Project if it is deemed to be necessary or desirable.

**SECTION 7. TERM OF AGREEMENT:**

This Agreement shall become effective on the date it is fully executed and shall terminate when Earth Traveler documents to the City's satisfaction that the required Economic and Development Goals, as defined in the PPA, have been satisfied, or until the PPA is otherwise terminated or expires, whichever occurs earlier.

**SECTION 8. LIABILITY:**

No Party shall be responsible for liability incurred as a result of the other Party's acts or omissions. Any liability incurred in connection with this Agreement is subject to the immunities and limitations of the New Mexico Tort Claims Act, NMSA 1978, §§ 41-4-1, *et seq.* The Parties may agree to reimburse one another under these liability provisions, subject to sufficient appropriation by the New Mexico Legislature or sufficient funds being available to the Party, as determined by the Party responsible for payment.

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**SECTION 9. DISPOSITION OF PROPERTY; RECORDS; RETURN OF SURPLUS FUNDS:**

1. Property purchased under this Agreement for the Project shall remain with the purchasing party unless otherwise agreed upon.
2. The City Finance Department shall keep such records as will fully disclose the amount and disposition of the total funds from all sources budgeted for

the Project, the purposes for which such funds were used, and such other records as the EDD may require.

3. If, upon the expiration of the Project or the termination date of this Agreement, any surplus Funds are possessed by the City, the City shall return said Funds to the EDD for disposition in accordance with law.

**SECTION 10. STRICT ACCOUNTABILITY:**

The City Finance Department shall be strictly accountable for receipts and disbursements relating hereto and shall make all relevant financial records available to EDD and the New Mexico State Auditor quarterly or upon request, and shall maintain all such records for a period of six (6) years following completion of all the records and any audits.

**SECTION 11. REPORTS:**

The City shall submit to the EDD the quarterly employment report in the form of an affidavit signed by an officer of Earth Traveler, which Earth Traveler is required to submit quarterly to the City. The City Office of Economic Development shall submit to the EDD the quarterly reports that Earth Traveler is required to submit to the City, including copies of Form ES-903 (or any form substituted therefor by the State), filed by Earth Traveler with the New Mexico Department of Workforce Solutions. The City Office of Economic Development shall submit to the EDD a final report respecting direct and indirect job creation and retention attributable to the State appropriation on or before the termination of this Agreement. The Final Report shall contain a description of work accomplished, the methods and procedures used, a detailed budget breakdown of

expenditures, a description of any problems or delays encountered and the reasons therefore, and such other information as may be requested by the EDD.

**SECTION 12. NOTICES; REPRESENTATIVES OF THE PARTIES:**

Any notice required to be given to a Party by this Agreement shall be in writing and shall be delivered in person, by courier service, or by U.S. Mail, either first class or certified, return receipt requested, postage prepaid, as follows. The Parties hereby designate the individuals named below as their representative responsible for overall administration of this Agreement.

If to the EDD:

Attn: Mark Roper  
NM Economic Development  
Department, Division Director  
Joseph Montoya Building  
1100 St. Francis Drive  
Santa Fe, New Mexico 87505  
*Mark.Roper@state.nm.us*

If to the City:

Attn: Rich Brown  
Director, Office of Economic  
Development  
500 Market Station, Suite 200  
Santa Fe, New Mexico 87504  
*rdbrown@ci.santafenm.gov*

**SECTION 13. AMENDMENTS:**

This Agreement shall not be altered, changed, or amended, except by instrument in writing executed by all of the Parties hereto.

**SECTION 14. GOVERNING LAW:**

This Agreement shall be governed by the laws of the State of New Mexico.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date of the last signature affixed below.

CITY OF SANTA FE:

\_\_\_\_\_  
Alan M. Webber, Mayor

ATTEST:

\_\_\_\_\_  
Kristine Bustos-Mihelcic, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Andrea Salazar, Assistant City Attorney

APPROVED AS TO FINANCE:

\_\_\_\_\_  
Mary McCoy, Finance Director

NEW MEXICO ECONOMIC DEVELOPMENT DEPARTMENT

By: \_\_\_\_\_

Alicia J. Keyes, Cabinet Secretary

Date: \_\_\_\_\_

By: \_\_\_\_\_

Jesika Ulibarri

Its: General Counsel, certifying legal sufficiency



# City of Santa Fe New Mexico

## Memorandum



**DATE:** March 9, 2022

**TO:** EDAC:  
Governing Body  
Quality of Life Committee  
Finance Committee  
Governing Body

**FROM:** Rich Brown - Director, Community & Economic Development *RB*

**CC:** Andrea Salazar, Assistant City Attorney  
Casey Dalbor, Economic Development Associate *CJD*  
CJD

**RE:** Earth Traveler Teardrop Trailers, LLC – LEDA Project PPA:  
MUNIS ORG/OBJ: #2122800.510400

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### **BACKGROUND:**

Earth Traveler Teardrop Trailers, a Santa Fe-based manufacturer of the world's lightest outdoor campers, is a fast-growing outdoor recreation business with huge potential to expand. In 2021, Earth Traveler invested in a new 5,000-square-foot manufacturing space. The company successfully applied to Job Training Incentive Program (JTIP) in August to bring on six trainees. Earth Traveler seeks outside investment to buy a Silicon Vacuum System that will accelerate their teardrop trailer production by 90 percent and help them meet demand. The company is currently almost a year behind on orders due to the massive interest in its product. The homegrown New Mexico outdoor recreation manufacturer is on a clear trajectory toward expansion, bringing well-paying outdoor economy jobs to Santa Fe. The company aims to hire 17 people within the next ten (10) years.

Earth Travel Teardrop Trailers has now moved into a larger, 4,718 sq. ft. manufacturing space located at 27 Ridgeline Road with the purpose of accelerating its productions to keep up with the current RV industry and high demand. Earth Traveler is currently conducting forward-looking research and development to become a full-board additive company (Advanced Manufacturing Company). Due to international demand and request for its product, the company also is investing on a software configurator to be able to automate a global sales process. The company estimates a sales target of \$4.5M in the next 18 months, if it secures a larger manufacturing facility, more advance equipment, and a larger workforce. These changes would enable the company to establish a more efficient manufacturing procedure.

### **ITEM & ISSUE:**

Consideration of Bill No. 2022-\_: An Ordinance Relating to the City of Santa Fe's Office of Economic Development Plan Ordinance, Article 11-11 SFCC 1987; Approving and Adopting a Local Economic Development Project Participation Agreement between the City of Santa Fe and Earth Traveler Teardrop Trailers, LLC for Design, Development and Construction of Tenant

Improvements, Lease Payments, Expansion of a Manufacturing Center and Silicon Vacuum System, a Local Economic Development Project.

The project aligns with the objectives and goals of the Economic Development Implementation Strategy adopted by the City Council in 2008. The project is anticipated to create high-wage career path employment, diversify Santa Fe's economy, and bolster Santa Fe's innovative entrepreneurial ecosystem.

**ACTION:**

Staff recommends approval of the ordinance and budget adjustment request for \$125,000 in grant monies from the State of NM LEDA Fund and the City LEDA Fund. Once the project participation and intergovernmental agreements are approved and executed, the New Mexico Economic Development Department will transfer \$100,000 to the City of Santa Fe's LEDA fund. The MUNIS ORG/OBJ Number is 2122800.510400 for this project.

**ATTACHMENTS:**

- **Ordinance**
- **Project Participation Agreement**
- **Attachment A-Intergovernmental Agreement**
- **Attachment B- Job Creation Sheet**
- **Attachment C – Sample Affidavit Quarterly Report**
- **Attachment D – Economic Impact Report**

**Signature:** *Richard Brown*

**Email:** rdbrown@ci.santa-fe.nm.us

**Signature:** *Casey Dalbor*  
Casey Dalbor (Mar 24, 2022 16:24 MDT)

**Email:** cjdalbor@santafenm.gov

**Signature:**

**Email:** asalazar@ci.santa-fe.nm.us

**Attachment D**  
**Earth Traveler Teardrop Trailers, LLC**  
**Sample Affidavit Quarterly Report**

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**Exhibit D – Example Affidavit**

Whereas agreed by the Project Participation Agreement (PPA), dated XXX between the City of Santa Fe (City) and Earth Traveler Teardrop Trailers, LLC (QE), the QE will provide quarterly reports in the form of a signed affidavit indicating how the QE has met the Job Creation Schedule in **Attachment C**. I, Laura Esteves de Irlanda, Co-Founder, make an oath and say that:

1. As of XXX (date) the QE had fully occupied the facility.
2. See attached schedule of new hires in xxx (quarter). The average annual salary for full-time equivalent employee (FTE) new hires is XXX. Note: an FTE is defined as 32 hours per week in **Attachment C** of the project participation agreement.
3. As of XXX (date) the QE has a cumulative number of new employees of XXX (number of newly hired employees).
4. As of XXX (date) the QE has retained XXX number of employees for a total head count of XXX (employees).
5. Certification of Conflict of Interest: I, Laura Esteves de Irlanda, certify to the City that no member, officer or employee of the City or its designees or agents, no member of the governing body of the locality of which the program is situated, and no other public official that exercises any functions or responsibilities with respect to the Project during his/her tenure, or for one year thereafter, shall have any interest (direct or indirect), in the QE or any contract or subcontract, or the process thereof, for work to be performed in conjunction with the Project that is the subject of this agreement.

I SWEAR OR AFFIRM THAT THE ABOVE AND FOREGOING REPRESENTATIONS ARE TRUE AND CORRECT TO THE BEST OF MY INFORMATION, KNOWLEDGE AND BELIEF.

\_\_\_\_\_  
Print Name of Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Representative

SUBSCRIBED AND SWORN TO ME

On the \_\_\_ day of \_\_\_\_\_

Notary Public

**Attachment D**  
**Earth Traveler Teardrop Trailers, LLC**  
**Sample Affidavit Quarterly Report**

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My commission expires: \_\_\_\_\_

**CITY OF SANTA FE  
ECONOMIC DEVELOPMENT  
PROJECT PARTICIPATION AGREEMENT**

**THIS PROJECT PARTICIPATION AGREEMENT** (“Agreement”) is made and entered into this \_\_\_ day of \_\_\_, 2022, by and between the City of Santa Fe, a municipal corporation (hereinafter referred to as the “City”) and Earth Traveler Teardrop Trailers, LLC, a corporation registered as a for-profit corporation in the State of New Mexico (hereinafter referred to as the “Qualifying Entity”, “Q/E”, or Earth Traveler).

**WHEREAS**, the State of New Mexico has deemed it in the best interest of the citizens of New Mexico to enact the Local Economic Development Act (LEDA), NMSA 1978, §§ 5-10-1, et seq., to provide public support for economic development to foster, promote and enhance local economic development efforts;

**WHEREAS**, LEDA explicitly permits municipalities to assist qualifying entities with economic development projects through the use of public resources;

**WHEREAS**, the City has complied with LEDA requirements by adopting an economic development plan ordinance incorporating within that ordinance its community economic development plan (SFCC 1987, § 11-11), called the Community Economic Development Plan and Economic Development Strategy for Implementation dated May 21, 2008;

**WHEREAS**, Earth Traveler, is a “qualifying entity” under LEDA and the Economic Development Ordinance in that it is an outdoor recreational products developer which is a “manufacturer” of products that creates economic base jobs. SFCC (1987), § 11-11.4 (A) ; NMSA 1978, § 5-10-3 (L)(1);

**WHEREAS**, all requirements under the Economic Development Plan Ordinance to enter into this Agreement have been fulfilled;

**WHEREAS**, the Q/E has submitted an application (“Application”) to the City for assistance under the Economic Development Plan Ordinance (SFCC 1987 §11-11) and for the City to act as fiscal agent for the grant monies (“Grant Monies”) granted by the City through its Office of Economic Development and through the New Mexico Economic Development Department;

**WHEREAS**, in the Application, the Q/E proposed an “economic development project” compliant with LEDA, in that it will use the Grant Monies for qualified reimbursable LEDA expenses on the facility (the “Project”) located at, 3217 Richards Lane, Unit B, Santa Fe, NM 87507;

**WHEREAS**, the City has determined that it is in the interest of the welfare of the citizens of the City to enter into this Agreement for the purposes of effectuating its economic development plan;

**WHEREAS**, the City's total maximum contribution of Grant Monies to the Project is Twenty Five Thousand Dollars and No Cents (\$25,000.00); the State of New Mexico's maximum contribution to the Project will not exceed One Hundred Thousand Dollars and No Cents (\$100,000.00) from the New Mexico LEDA Fund ("NM LEDA Fund") pursuant to an intergovernmental agreement between the City and the State to be executed soon after the execution of this Agreement; and the Q/E shall contribute up to One Million Three Hundred Seventy-One Thousand Six Hundred Nineteen Dollars (\$1,371,619) to the Project; and

**WHEREAS**, the Q/E will spend up to Eight Hundred Thirty Eight Thousand Three Hundred Seventy-Two Dollars and No Cents (\$838,372.00) in tenant improvements and lease payments by approximately January 31, 2032;

**WHEREAS**, the Project addresses the following objectives from the Santa Fe Economic Development Implementation Strategy as adopted by City Resolution 2008-42: "Diversify the Santa Fe Economy with an emphasis on high wage jobs and career paths;" "Pursue overall affordability where local wages can support living in Santa Fe (reduce leakage);" and "Bolster Santa Fe's leadership position and/or potential in innovation."

**WHEREAS**, this Agreement clearly provides the following as required by LEDA and the Economic Development Plan Ordinance: (1) the economic development goals of the Project; (2) the contributions of the City, State and the Q/E; (3) the specific measurable objectives upon which the performance review will be based; (4) a schedule for project development and goal attainment; (5) the security being offered for the City's and State's investment; (6) the procedures by which the project may be terminated and the City's investment recovered; (7) the time period for which the City shall retain an interest in the Project; (8) a "sunset" clause after which the City shall relinquish interest in and oversight of the Project; and (9) that the Qualifying Entity is a qualifying entity.

**NOW THEREFORE**, in consideration of the foregoing, the following and other good and valuable consideration, the receipt of which is hereby acknowledged the undersigned parties hereby agree as follows.

**1. CONTRIBUTIONS OF THE CITY, THE STATE AND THE Q/E**

A. Contributions of the State and the City. The maximum Grant Monies that may be disbursed under this Agreement shall be One Hundred Twenty Five Thousand Dollars and No Cents (\$125,000.00) as described below:

(1) City Contribution. This Agreement governs the City's contribution to the Project. The City shall reimburse the Q/E in the amount of up to Twenty Five Thousand Dollars and No Cents (\$25,000.00) for LEDA eligible expense reimbursements.

(2) State Contribution: This Agreement governs the State's contribution of up to One Hundred Thousand Dollars and No Cents (\$100,000.00) from the NM LEDA Fund by way of the New Mexico Economic Development Department. The City will serve as fiscal agent pursuant to the Intergovernmental Agreement between the City and State, which is in substantial form as **Attachment A**, the terms of which are incorporated into this Agreement.

(3) Disbursement of Grant Monies: Dispersal of the NM LEDA Funds by the State and the City's economic development funds are contingent upon the following:

(a) The City and the New Mexico Economic Development Department shall execute an intergovernmental agreement for the State to grant up to One Hundred Thousand Dollars and No Cents (\$100,000.00) to the City as fiscal agent for the Project; and

(b) The Q/E shall submit to the City for review, a cover letter, invoice, proof of payment, as necessary for reimbursement as set forth in Table below. Disbursement shall be made on a reimbursement basis of eligible costs under the LEDA, as further limited to Lease Payments:

<b><i>State of New Mexico and City of Santa Fe LEDA Disbursement Schedule</i></b>		
<u>Tranche</u>	<u>Amount of State and City Contribution Available for Disbursement/Tranche</u>	<u>Disbursement Performance Milestone</u>
1	\$75,000 State of New Mexico	Hire and maintain one FTE for three months, LEDA eligible expenses following execution of ordinance.
2	\$25,000 State of New Mexico \$25,000 City of Santa Fe	By December 31, 2023, hire and retain three (3) additional employees hired between January 1, 2022 and December 31, 2023 for a total employee count of six (6) and submit proof of payment invoice for LEDA-eligible expenses up to remaining LEDA Award.

It is expressly understood that any costs eligible for reimbursement must be incurred after this Agreement is in effect.

(c) The City shall reimburse to the Q/E up to Twenty-Five Thousand Dollars and No Cents (\$25,000.00) in City Grant Monies. The City monies will be available for disbursement as identified in the table above.

B. Contributions of the Q/E.

(1) Financial Investment: The Q/E shall contribute up to One Million Three Hundred Seventy-One Thousand Six Hundred Nineteen Dollars and No Cents (\$1,371,619.00) or more in matching funds to complete the Project.

(2) Project Management: Unless otherwise specified in this Agreement, the Q/E shall be responsible for managing all parts of the Project.

(3) Direct Economic Output: The Project is anticipated to generate Seven Million Six Hundred Eighty Seven Thousand Three Hundred Thirty-Four Dollars (\$7,687,334) in direct salaries for existing and expanded operations over ten years (See **Attachment B**). The total estimated direct economic output for the expansion of the facility is Three Million One Hundred Fifty-Seven Thousand Six Hundred Forty-Six Dollars (\$3,157,646) over ten years, as is further described in the Fiscal Impact Analysis. (See p. 5 of **Attachment B**).

(4) Expanded Tax Base: As a result of the completion of the Project, the Q/E is expected to generate contributions to the City's tax base, as projected in the Fiscal Impact Analysis. Net benefits for the City generated by the project (including property taxes, gross receipts taxes, utility fees, utility franchise fees, lodger's taxes, and other use taxes) are estimated to be Nine Hundred Seventy Three Thousand, Three Hundred Eighty-Three Dollars (\$973,383) over ten years. (See p. 14 of **Attachment B**.)

(5) Proportional Investment: The Q/E at its discretion may decide to not accept the entire One Hundred Twenty Five Thousand Dollars (\$125,000) in Grant Monies for the Project. If the Q/E does not accept the entire Grant Monies, then the Q/E's required capital investment and job creation requirements would then decrease proportionally to the level of Grant Monies accepted. The Q/E shall notify the City 30 days prior to its decision.

## **2. PERFORMANCE REVIEW AND CRITERIA – ECONOMIC DEVELOPMENT GOALS**

A. Economic Development Goals. The following Economic Development Goals shall be fulfilled by the Q/E:

(1) The Q/E shall hire new employees in accordance with the schedule set forth in the Job Creation Commitment and Schedule. See **Attachment C**. The Q/E presently employs zero full-time workers and by January 31, 2023, the Q/E shall employ at least three (3) new employees in the City of Santa Fe, for a total of 3 employees. All new employees shall be paid at least an average hourly wage of \$17.00.

(2) By January 31, 2031, the Q/E shall employ no fewer than twenty (20) new employees, while retaining the prior employment figures, for a total of 20 jobs in the City of Santa Fe. All new employees shall be paid in accordance with the payroll data points in **Attachment C**.

(3) The Q/E's contribution as set forth in Paragraph 1.B herein is incorporated into the Economic and Development Goals.

B. Reports; Certifications; Review.

(1) Quarterly Reports. During the term of this Agreement, the Q/E shall provide to the Office of Economic Development quarterly reports due on January 31st, April 30th, July 31st, and October 31<sup>th</sup> of each year for the preceding quarter's job report filed to the New Mexico Department of Workforce Solutions. The Q/E's quarterly reports shall clearly indicate how the Q/E has met the job creation prerequisites in **Attachment A**. Quarterly reports shall be in the form of an affidavit signed by an officer of the Q/E, see example **Attachment D**. Quarterly reports shall include a copy of FORM ES-903a, or an equivalent document as required by the New Mexico Department of Workforce Solutions, provided by the Q/E to the City to demonstrate compliance with this Agreement at each review cycle. In the quarterly report, the Q/E shall include number of new jobs created and filed that quarter, the average minimum annual salary of the new jobs, the total number of jobs, total payroll, and the amount of the Q/E's total capital investment, with line items of building improvements and lease payments, to date. The first quarterly report shall certify the number of baseline jobs as of January 31, 2022.

Additionally, Project Party will provide to the State of New Mexico Economic Development Department their most recent quarterly Department of Workforce Solutions 903A Report or its equivalent on a quarterly basis beginning with January 31, 2022 and continuing on April 30, July 31, and October 31 of each year until the completion of this agreement.

(2) Annual Reports. The City may require the Q/E to provide annual reports or a presentation to the City's governing body and the Economic Development Advisory Committee (EDAC). The City will give the Q/E a minimum of 30 days' notice if a report or presentation to the governing body or EDAC is required. City staff shall review these reports to ensure the Q/E's compliance with this Agreement in accordance with the Job Creation Commitment and Schedule.

(3) Expanded Tax Base Report: Within a reasonable time after completion of the construction of the facilities, but in any event by the next quarterly report, the Q/E shall provide to the City a written report on the construction jobs and wages created by the construction portion of the project..

(4) Certification of Non-Interest. The Q/E shall certify to the City that to the Q/E's best information, knowledge and belief and after reasonable inquiry, no member, officer, or employee of the City or its designees or agents, no member of the governing body of the locality of which the program is situated, and no other public official that exercises any functions or responsibilities with respect to the Project during his/her tenure, or for one year thereafter, has any interest, direct or indirect, in the Q/E or any contract or subcontract, or the process thereof, for work to be performed in connection with the Project that is the subject of this Agreement. The Q/E shall certify that such a provision shall be included in all contracts and subcontracts in connection with the Project.

### **3. RECAPTURE PROVISIONS FOR PUBLIC MONIES**

A. If any Economic Development Goal set forth in Paragraph 2.A is not met and documented in a manner deemed satisfactory by the City, the Q/E shall be deemed in default (“Default”) and within 60 days of the City receiving the quarterly report with the information of such Default, the City shall send a written Notice of Default to the Q/E informing the Q/E how many days it has to cure the Default or repay the Grant Monies disbursed in proportion to the Economic Development Goals not yet achieved.

B. If the Q/E remains noncompliant after any applicable cure period, then the City may elect to pursue any and all remedies available in law or equity, including but not limited to initiating foreclosure of the security interest and/or demanding timely repayment by the Q/E of the Grant Monies in proportion to the unmet goals, as the City in its sole discretion may determine subject to reasonable calculations.

C. In the event the Q/E ceases operations and closes its facility before the end of year three of this Agreement, the Q/E shall be deemed in Default and the Q/E shall reimburse 100% of all Grant Monies disbursed to the Q/E to the City of Santa Fe Economic Development Fund as identified in SFCC 1987 11-14.

### **4. Q/E BUYOUT**

A. The Q/E may, at its election, buyout and thereby terminate this Agreement by repaying in full to the City all Grant Monies. Such repayment by the Q/E shall be without penalty until and unless the City initiates claw back of the Grant Monies, at which point costs, expenses (including City staff time) and attorney’s fees will accrue to the repayment amount. The City shall not initiate such a claw back during the period from the time the Q/E sends the notice described in Section 4(c) until the time that the repayment contemplated by the notice is not made in accordance with the notice.

B. The Q/E must send prior written notice to the City of the Q/E’s intent to repay in full the Grant Monies at least 45 days prior to the Q/E’s repayment. The City’s receipt of the Q/E’s repayment of all disbursed Grant Monies (including any costs, fees and expenses resulting from claw back proceedings) constitutes satisfaction of the Q/E under this Agreement, upon which the Q/E may request release of the security interest, and the City will release the security interest within a reasonable time after receiving the Q/E’s written request.

C. Within 30 days of receiving such notice from the Q/E, the City will notify the New Mexico Economic Development Department of the Q/E’s intent to exercise the buyout clause. The City will reimburse the New Mexico Economic Development Department its portion of the repaid Grant Monies within 60 days after the City receives the repaid monies from the buyout.

### **5. SECURITY FOR CITY’S INVESTMENT; CLAWBACK**

A. This is a grant project only, with the City acting as fiscal agent. The Q/E has no loan obligations for repayment to the City or State, but is obligated to fulfill the Economic Development Goals of this Agreement; however, if the Q/E is found by the City to be in Default, then the City may elect to demand financial reimbursement by the Q/E.

B. The Grant Monies must be secured in a manner that it may be clawed back if the Q/E fails to meet its performance goals under this PPA. As security for fulfilling the Economic Development Goals, before the City may disburse any appropriations to the Q/E, the amount of Public Monies to be reimbursed shall be securitized in a manner satisfactory to the City.

C. A condition precedent to this PPA is securitization of the Grant Monies which may be if the Q/E fails to meet its performance goals under this PPA. Before the City may distribute any appropriations to the Q/E the amount of Public Monies to be reimbursed shall be securitized in a manner satisfactory to the City. The securitization method is an irrevocable stand-by letter of credit from an issuing financial institution, with the City as beneficiary, from which the City shall have the right to draw down funds upon the City's presentation of a demand for payment and evidence of Q/E's Default ("Irrevocable Letter of Credit"). The Irrevocable Letter of Credit shall have a term that extends to the term of this Agreement (either via the full duration in the base term or via automatic one-year extensions terminable at the sole option and discretion of the City). At any given time, the Irrevocable Letter of Credit must secure an amount, and the City shall be able to draw down an amount, at least equal to the amount of appropriations made to the Q/E for the Project, the maximum being \$125,000. Funds from the Irrevocable Letter of Credit may be drawn in one drawing or from time-to-time in one or more partial drawings on or before the expiration date. Attached hereto and incorporated herein is **Attachment C**, which sets forth the claw back terms.

D. During the term of this Agreement, the Q/E may request a full or partial release of the security interest with the substitution of collateral, repayment of the disbursed appropriation, or proof that the Q/E has met the Economic Development Goals, in part or in whole, under this Agreement. Any full or partial release of the security interest will be proportional to the value of the substitute collateral, repayment, or the portion of Economic Development Goals met which are no longer subject to claw back and according to Attachment A.

E. Acceptance of a method of securitization and of substitute collateral or proof of performance goals shall be within the City's sole and absolute discretion.

## 6. **TERM; SUNSET**

This Agreement shall remain in force for 10 years from the execution date of the Agreement, or until conditions of the Agreement are performed in full or to the reasonable satisfaction of the City, whichever is earlier. In the event the Q/E performs or exceeds the required performance levels contained in this Agreement, as may be reasonably determined by the City, this Agreement may be terminated at that time in writing by the City pursuant to Paragraph 7, below.

This Agreement will not be deemed terminated and this Agreement will remain in effect unless and until the City reasonably determines that the objectives under this Agreement have been fulfilled, in which case the City will provide a closure letter to the Q/E.

7. **TERMINATION**

This Agreement may be terminated by the City upon written notice delivered to the Q/E at least 45 days prior to the intended date of termination in the event that the Q/E ceases to operate the Project in accordance with the terms of this Agreement. If the Q/E is found to not be in substantial compliance with the Agreement, the City reserves the right to terminate the Agreement and recall in full the Grant Monies.

The Q/E may terminate the Agreement by pre-paying in full to the City and without penalty any Grant Monies disbursed to the Q/E. The Q/E must send a written letter to the City giving notice of its intent to pre-pay the Grant Monies in full within 45 days prior to the Q/E's intent to repay in full the Grant Monies.

8. **STATUS OF THE Q/E**

The Q/E, and its agents and employees are not employees of the City. The Q/E, and its agents and employees, shall not accrue leave, retirement, insurance, bonding, use of City vehicles or any other benefits afforded to employees of the City as a result of this Agreement. The Q/E shall be solely responsible for payment of wages, salaries, and benefits to any and all employees or subcontractors retained by Contractor in the performance of the services under this Agreement.

9. **ASSIGNMENT AND SUCCESSORS; BINDING EFFECT**

A. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors in interest by way of merger, acquisition, or otherwise and their permitted assigns.

B. The Q/E shall not assign or transfer any of its rights, privileges, obligations or other interest under this Agreement, voluntarily or involuntarily, whether by merger, consolidation, dissolution, operation of law or any other matter, including any claims for money due or to become due under this Agreement, without prior written approval of the City.

C. Any purported assignment of rights in violation of subsection (B) is void.

10. **INDEMNIFICATION; LIABILITY**

It is expressly understood and agreed by and between the Q/E and the City that the Q/E shall defend, indemnify, and hold harmless the City for all losses, damages, claims or judgments on account of any suit, judgment, execution, claims, actions, or demands whatsoever resulting from the Q/E's actions or inactions as a result of this Agreement, as well as the actions or

inactions of Q/E's employees, agents, representatives and subcontractors as a result of this agreement. The Q/E shall maintain adequate insurance in at least the aggregate maximum amounts which the City could be liable consistent with the provisions of the New Mexico Tort Claims Act. It is the sole responsibility of the Q/E to be in compliance with the law.

11. **INSURANCE**

A. The Q/E, at its own cost and expense, shall carry and maintain in full force and effect during the term of this Agreement, comprehensive general liability insurance covering bodily injury and property damage liability with respect to the Project, in a form and with an insurance company reasonably acceptable to the City, with limits of coverage in the maximum amount which the City could be held liable under the New Mexico Tort Claims Act for each person injured and for each accident resulting in damage to property. Such insurance shall provide that the City is named as an additional insured and that the City shall be notified no less than 30 days in advance of cancellation for any reason. The Q/E shall furnish the City with a copy of a "Certificate of Insurance" with respect to such coverage as a condition prior to performing under this Agreement.

B. The Q/E shall also obtain and maintain Workers' Compensation insurance, required by law, to provide coverage for Q/E's employees throughout the term of this Agreement. The Q/E shall provide the City with evidence of its compliance with such requirement.

12. **NEW MEXICO TORT CLAIMS ACT**

Any liability incurred by the City of Santa Fe in connection with this Agreement is subject to the immunities and limitations of the New Mexico Tort Claims Act, Sections 41-4-1, *et seq.* NMSA 1978, as amended. The City and its "public employees" as defined in the New Mexico Tort Claims Act, do not waive sovereign immunity, do not waive any defense and do not waive any limitation of liability pursuant to law. No provision in this Agreement modifies or waives any provision of the New Mexico Tort Claims Act.

13. **THIRD PARTY BENEFICIARIES**

By entering into this Agreement, the parties do not intend to create any right, title, or interest in or for the benefit of any person other than the City and the Q/E. No person shall claim any right, title or interest under this Agreement or seek to enforce this Agreement as a third party beneficiary of this Agreement.

14. **RECORDS AND AUDITS**

The Q/E shall maintain and keep in its possession throughout the term of this Agreement and for a period of six years thereafter, all related records, including but not limited to, all financial records, requests for proposals (RFPs), invitations to bid, selection and award criteria, contracts and subcontracts, advertisements, minutes of pertinent meetings, as well as records sufficient to fully account for the amount and disposition of the total funds from all sources

budgeted hereunder, the purpose for which such funds were used, and other such records as the City or the State shall proscribe. The Q/E shall be strictly liable for receipts and disbursements related to the Project Grant Monies. These records shall be subject to inspection by the City, the New Mexico Economic Development Department, and the State Auditor upon notice within five business days. The City shall have the right to audit billings both before and after payment; payments under this Agreement shall not foreclose the right of the City to recover excessive illegal payments.

15. **APPROPRIATIONS**

The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the City Governing Body and the New Mexico Economic Development Department on behalf of the Q/E to the City for the performance of this Agreement. If sufficient appropriations and authorization are not made by the City Governing Body and the New Mexico Economic Development Department on behalf of the Q/E to the City, this Agreement shall terminate upon written notice being given by the City to the Q/E.

16. **RELEASE**

The Q/E, upon final fulfillment by the City of its obligations under this Agreement, releases the City, its officers and employees, from all liabilities, claims, and obligations whatsoever arising from or under this Agreement. The Q/E agrees not to purport to bind the City to any obligation not assumed herein by the City unless the Q/E has express written authority to do so, and then only within the strict limits of that authority.

17. **CONFIDENTIALITY**

Any confidential information provided to or developed by the Q/E in the performance of this Agreement shall be kept confidential and shall not be made available to any individual or organization by the Q/E without the prior written approval of the City.

18. **CONFLICT OF INTEREST**

The Q/E warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance or services required under this Agreement. The Q/E further agrees that in the performance of this Agreement no persons having any such interests shall be employed.

19. **APPLICABLE LAW; CHOICE OF LAW; VENUE**

The Q/E shall abide by all applicable federal and state laws and regulations, and all ordinances, rules and regulations of the City of Santa Fe. In any action, suit or legal dispute arising from this Agreement, the Q/E agrees that the laws of the State of New Mexico shall govern. The parties agree that any action or suit arising from this Agreement shall be commenced in a federal or state court of competent jurisdiction in New Mexico. Any action or

suit commenced in the courts of the State of New Mexico shall be brought in the First Judicial District Court.

20. **AMENDMENT**

This Agreement shall not be altered, changed or amended except by instrument in writing executed by the parties hereto.

21. **SCOPE OF AGREEMENT**

This Agreement incorporates all the agreements, covenants, and understanding between the parties hereto concerning the subject matter hereof, and all such covenants, agreements, and understandings have been merged into this written Agreement. This Agreement expresses the entire Agreement and understanding between the parties with respect to said performance. No prior agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in the Agreement.

22. **REPRESENTATIONS AND WARRANTIES**

A. The Q/E hereby warrants the Q/E is and will remain in compliance with the Americans with Disabilities Act of 1990 (the “ADA”) and the regulations promulgated thereunder, 29 CFR 1630. The Q/E hereby agrees to defend, indemnify and hold harmless the City from and against all claims, suits, damages, costs, losses and expenses in any manner arising out of or connected with the failure of the Q/E, its contractors and subcontractors, agents, successors, assigns, officers or employees to comply with provisions of the ADA or the rules and regulations promulgated thereunder.

B. The Q/E agrees to comply with the applicable provisions of local, state and federal equal employment opportunity statutes and regulations.

C. The Q/E shall comply with City of Santa Fe Minimum Wage, Article 28-1-SFCC 1987, as well as any subsequent changes to such article throughout the term of this Agreement.

23. **APPLICABLE LAW**

This Agreement shall be governed by the ordinances of the City of Santa Fe and the laws of the State of New Mexico.

24. **NON-DISCRIMINATION**

During the term of this Agreement, the Q/E shall not discriminate against any employee or applicant for an employment position to be used in the performance by the Q/E hereunder, on the basis of ethnicity, race, age, religion, creed, color, national origin, ancestry, sex, gender, sexual orientation, physical or mental disability, medical condition, or citizenship status.

25. **SEVERABILITY**

In case any one or more of the provisions contained in this Agreement or any application thereof shall be invalid, illegal or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein and any other application thereof shall not in any way be affected or impaired thereby.

26. **NOTICES**

Any notices required to be given under this Agreement shall be in writing and served by personal delivery or by mail, postage prepaid, to the parties at the following addresses:

If to the CITY OF SANTA FE:  
City of Santa Fe  
Attn: Director of Office of Economic Development  
P.O. Box 909  
Santa Fe, NM 87504

If to QUALIFYING ENTITY:  
Attn: Laura Esteves De Irlanda  
Earth Traveler Teardrop Trailers LLC  
3217 Richards Lane, Unit B  
Santa Fe, NM 87507

26. **HEADINGS**

The section headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

27. **ATTACHMENTS**

All attachments are fully incorporated herein and made a part of this Agreement.

28. **COUNTERPARTS**

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

29. **REPRESENTATION ON AUTHORITY OF SIGNATORIES**

The signatory for the Q/E represents and warrants that he or she is duly authorized and has legal capacity to execute and deliver this Agreement. The Q/E represents and warrants that the execution and delivery of the Agreement and the performance of the Q/E's obligations hereunder have been duly authorized and that the Agreement is a valid and legal agreement binding on such party and enforceable in accordance with its terms.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

CITY OF SANTA FE:

\_\_\_\_\_  
Alan M. Webber, Mayor

ATTEST:

\_\_\_\_\_  
Kristine Bustos-Mihelcic, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Andrea Salazar, Assistant City Attorney

APPROVED AS TO FINANCE:

\_\_\_\_\_  
Mary McCoy, Finance Director

\_\_\_\_\_  
Business Unit Line Item



## FISCAL IMPACT REPORT

**General Information:**

 (Check) Bill:  Resolution: \_\_\_\_\_

 Short Title(s): Earth Traveler Teardrop Trailers LLC. LEDA Ordinance

 Sponsor(s): Mayor Alan Webber

 Reviewing Department(s): Economic Development

 Staff Completing FIR: Casey Dalbor Date: 3/16/2022 Phone: (505) 955-6912

 Reviewed by City Attorney: *Eric McGray* Date: Mar 24, 2022

 Reviewed by Finance Director: *Mary McCay* Date: Mar 30, 2022
**Summary:**

The project ordinance, project participation agreement (PPA), and intergovernmental agreement (IGA) will be used to provide grant monies to Earth Traveler Teardrop Trailers LLC, for a manufacturing headquarters and retail facility located at 27 Ridgeline Road. The grant monies will be used for lease payments for the facility. The City will receive \$100,000 in New Mexico Local Economic Development Act (LEDA) funds from the New Mexico Economic Development Department, pursuant to the terms of an IGA. If the Bill is approved, then the City will match the \$100,000 with \$25,000 from the City of Santa Fe Economic Development Fund. The IGA provides that the City will be the fiscal agent for the project. The PPA between the City and Earth Traveler Teardrop Trailers LLC., has a term of 10 years. Earth Traveler Teardrop Trailers, LLC., has agreed to create 20 jobs, at an average hourly wage of \$24.29 per hour, for an average annual payroll of \$1,010,647. Under the Santa Fe Economic Development Plan Ordinance, Article 11-11 SFCC 1987, the LEDA funds may be predominantly dedicated to lease abatement. Over the next ten years, Earth Traveler Teardrop Trailers LLC.'s fiscal impact to the State, City, County, SF Community College, and SF Public School District is estimated as \$2,513,553 in net benefits.

**Departments Affected:**
Department of Economic Development
**Consequences of Not Enacting Legislation:**

The consequences of not enacting this bill may be the slower the growth and expansion of Earth Traveler Teardrop Trailers LLC in Santa Fe. With the adoption of the bill and associated agreements, approximately 20 jobs with an average wage of \$24.29 per hour are anticipated to be created. The City's net benefits projected by the expansion of this project in the form of gross receipts taxes, property taxes, lodgers' taxes, utility fees, and other fees, may be reduced without the enactment of this bill.

**Conflict, Duplication, Companionship, or Relationship to Other Legislation:**

This bill does not conflict with any introduced bill. It would catalyze the growth of a local business, which is a stated goal in the Economic Development Implementation Strategy.

**Performance and Administrative Implications:**

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**Fiscal Implications:**

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**Fiscal Impact**

Earth Traveler Teardrop Trailers, a Santa Fe-based manufacturer of the world's lightest outdoor campers, is a fast-growing outdoor recreation business with huge potential to expand. In 2021, Earth Traveler invested in a new 5,000-square-foot manufacturing space. The company successfully applied to Job Training Incentive Program in August to bring on six trainees. Earth Traveler seeks outside investment to buy a Silicon Vacuum System that will accelerate the company's teardrop trailer production by 90 percent and help the company meet demand. The company is currently almost a year behind on orders due to the massive interest in its product. The homegrown New Mexico outdoor recreation manufacturer is on a clear trajectory toward expansion, bringing well-paying outdoor economy jobs to Santa Fe. The company aims to hire 20 people within the next ten years.

Earth Traveler is currently researching and developing to become a full-board additive company (Advanced Manufacturing Company). Due to international demand and request for its product, the company also is investing on a software configurator to be able to automate a global sales process. The company estimates sales of \$4.5M in the next 18 months, if it secures a larger manufacturing facility, more advance equipment, and a larger workforce. This strategy would enable the company to establish a more efficient manufacturing procedure, which Earth Traveler is currently pursuing.

\_\_\_\_\_ Check here if no fiscal impact

**Expenditures**

<b>Expenditure Type</b>	<b>FYE 2022</b>	<b>FYE __</b>	<b>FYE 2026-2031</b>	<b>Require BAR (Y/N)</b>	<b>Recurring (R) or Non-recurring (NR)</b>	<b>Fund</b>	<b>3-Year Total Cost</b>
<u>Personnel and Benefits*</u>	\$ _____	\$ _____	\$ _____	_____	_____	_____	
<u>Capital Outlay</u>	\$ _____	\$ _____	\$ _____	_____	_____	_____	
<u>Contractual/</u>	\$ _____	\$ _____	\$ _____		_____	_____	
<u>Professional Services</u>							
<u>Operating</u>	\$ 0	\$ _____	\$ 25,000		_____	2122800	\$25,000
<u>Total:</u>	\$ 0	\$ _____	\$ 25,000				\$25,000

\* This includes all staff time associated with executing the job functions of the proposed legislation.

**Expenditure Narrative:**

**New Mexico LEDA Grant**

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**Revenue**

<b>Revenue Type</b>	<b>FYE 2022</b>	<b>FYE</b>	<b>FYE</b>	<b>Recurring (R) or Non-recurring (NR)</b>	<b>Fund</b>
General Fund	\$ _____	\$ _____	\$ _____	_____	_____
Special Revenue	\$ _____	\$ _____	\$ _____	_____	_____
CIP	\$ _____	\$ _____	\$ _____	_____	_____
Enterprise	\$ _____	\$ _____	\$ _____	_____	_____
Internal Service	\$ _____	\$ _____	\$ _____	_____	_____
Trust and Agency	\$ _____	\$ _____	\$ _____	_____	_____
Federal	\$ _____	\$ _____	\$ _____	_____	_____
Other	\$100,000	\$ _____	\$ _____	RN	2122800
<u>Total</u>	\$100,000	\$ _____	\$ _____		

**Revenue Narrative:**

After the Governing Body approves the IGA Agreement the City will receive \$100,000 from the New Mexico Economic Development Department (NMEDD) LEDA Fund. The NM LEDA Funds will be deposited in the City Economic Development Fund. The City will match the NM LEDA funds with \$25,000 from its Economic Development Fund. These funds will be utilized for lease abatement payments. The costs of overseeing the Project Participation Agreement and serving as the fiscal agent will be absorbed by existing personnel. NMEDD and the City have negotiated the benchmarks and deliverables to disburse the funds to Earth Traveler Teardrop Trailers LLC. The City's disbursement schedule of monies is described in the LEDA PPA Disbursement Schedule, Attachment E.

## Attachment B



**EDD** ECONOMIC  
DEVELOPMENT  
DEPARTMENT

11/2/2021

# FISCAL IMPACT ANALYSIS AND ECONOMIC IMPACT OF THE CURRENT OPERATIONS AND EXPANSION OF EARTH TRAVELER

Prepared by:

New Mexico Economic Development Department  
Joseph Montoya Building  
1100 S. St. Francis Drive  
Santa Fe, New Mexico 87505





## Purpose and Limitations:

This report and analysis, provided by the New Mexico Economic Development Department, relies on prospective estimates of business activity. These estimates, which are provided by the company, may not be realized due to unforeseen events that are outside the control of the company and unknown to the New Mexico Economic Development Department.

The New Mexico Economic Development Department made reasonable efforts to ensure that the estimates provided by the company, are realistic estimates of future activity.

The model was created by the New Mexico Economic Development Economists and used assumptions to generate the final report. The report and analysis provided by the New Mexico Economic Development Department is not a guarantee that any of the estimates or results contained in this report will actually be achieved.

## Introduction:

This report and analysis presents the results of an economic impact analysis performed using a model developed by the New Mexico Economic Development Department. The report estimates the impact that a potential project may have on the state and local economies and estimates the costs and benefits for the state and local economies over a 10-year period. The report and analysis uses RIMS II Multipliers produced by the U.S. Bureau of Economic Analysis (BEA).

Most projects produce a growth in population and/or a growth in the workforce in a City, County and the State of New Mexico. All growth comes at a cost, the additional economic activity and population growth stimulated by the project will generate additional costs in terms of providing basic infrastructure (roads and utilities) and public services (including public safety and schools). For example, if the applicant hires employees from outside the State, County and City, those workers who end up relocating their residence to within one or all of those areas, the population for which the government must provide services also increases. The costs associated with the expansion are broken down into two categories: 1) New residents to the State, County and City. 2) New Mexican residents hired to work for the company. The analysis assumes that all workers will live in the area of the expansion.

## Description of the Company:

Earth Traveler Teardrop Trailers -- a Santa Fe-based manufacturer of the world's lightest outdoor campers -- is a fast-growing outdoor recreation business with huge potential to expand. In 2021, Earth Traveler invested in a new 5,000-square-foot manufacturing space. The company successfully applied to JTIP in August to bring on six trainees. Earth Traveler seeks outside investment to buy a Silicon Vacuum System that will accelerate their teardrop trailer production by 90 percent and help them meet demand. They are currently almost a year behind on orders due to the massive interest in their product. The homegrown New Mexico outdoor recreation manufacturer is on a clear trajectory toward expansion, bringing well-paying outdoor economy jobs to Santa Fe. They aim to hire 23 people within the next five years.

## Description of the Project:

Earth Travel Teardrop Trailers has now moved into larger manufacturing space 4,718 sqft with the purpose of accelerating its productions to keep up with the current RV industry and high demand of their product. Earth Traveler is currently in research and development to look forward to be become a full board additive company (Advance Manufacturing Company). Due to the international demand and request for their product, the company also is investing on a software configurator to be able to automate a selling process overseas. We understand the possible estimated potential sales could have reach 4.5 m in the past 18 months, if we would have had larger manufacturing facility, more advance equipment, and a larger workforce, which would have enable us to established more efficient manufacturing procedures, which we are all currently pursuing.



# Total Impacts

## Fiscal Impact of Existing and Expanded Operations Over the Next Ten Years

### Cumulative Net Benefits

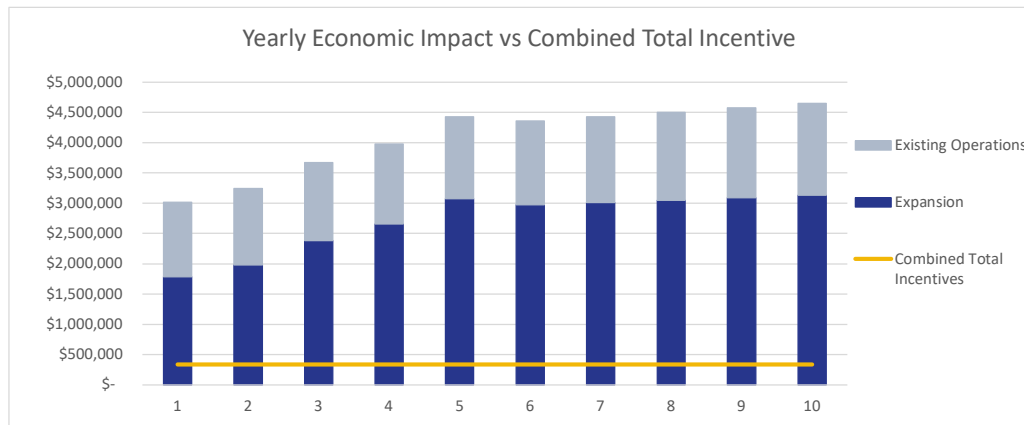
	Existing Operations	Expansion	Existing & Expanded Operations	Present Value of Net Benefits*
State of New Mexico	\$ 565,661	\$ 1,078,770	\$ 1,644,431	\$ 1,305,505
County	\$ 206,864	\$ 300,478	\$ 507,343	\$ 404,444
City	\$ 416,812	\$ 556,572	\$ 973,383	\$ 778,779
School District	\$ 827	\$ 22,276	\$ 23,103	\$ 17,653
Special Taxing District	\$ 336	\$ 9,050	\$ 9,386	\$ 7,172
<b>Total</b>	<b>\$ 1,190,500</b>	<b>\$ 1,967,146</b>	<b>\$ 3,157,646</b>	<b>\$ 2,513,553</b>

\* The Present Value of Net Benefits expresses the future stream of net benefits received over several years as a single value in today's dollars. Today's dollar and a dollar to be received at differing times in the future are not comparable because of the time value of money. The time value of money is the interest rate or each taxing entity's discount rate. This analysis uses a discount rate of 5% to make the dollars comparable.

\*\* In the cumulative net benefits of the existing and expanded operations for the State of New Mexico, corporate income tax has been removed from the existing operations total to avoid double counting.

### Total Economic Impact

	Total
Combined Estimated Economic Impact Over 10 Years:	\$ 40,848,761
Combined Total Incentive Over 10 Years:	\$ 335,476
Economic Impact Rate of Return:	12,076%

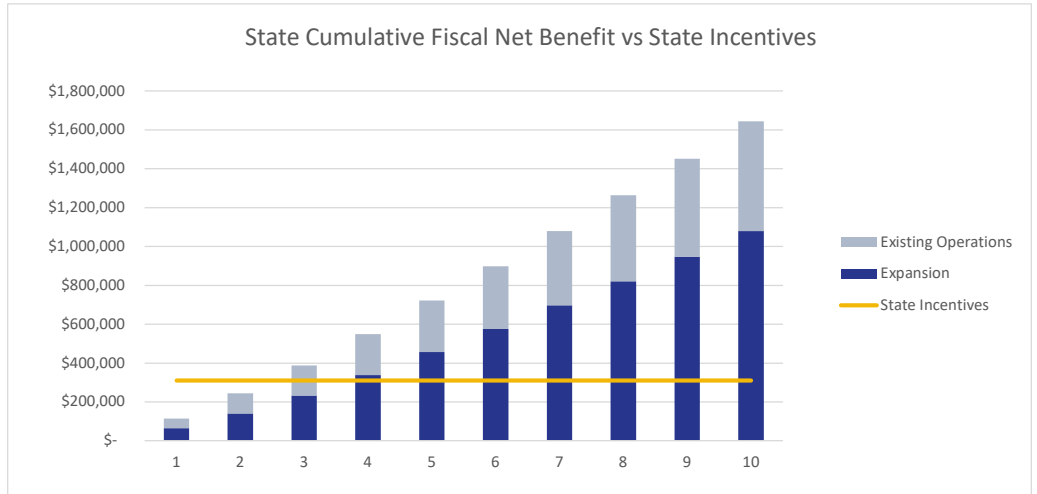


### Workers and New Residents over 10 years

	Direct	Indirect and Induced
Number of Jobs Created:	23	17
Estimated Number of Construction Workers:	0	
Estimated Number of New Residents to the State:	0	
Estimated Number of New Residents to the County:	0	
Estimated Number of New Residents to the City:	0	

# State Impacts





### Incentives

Total State Incentive:	\$	310,476
State Incentive Per Job:	\$	13,499

### Combined Payback and Return

State Payback Period Combined:	2.46	Years
State Rate of Return Combined:	320%	

### Expansion Only Payback and Return

State Payback Period Expansion:	3.73	Years
State Rate of Return Expansion:	174%	

### State Net Benefits Of Current Operations

Year	Benefits		Costs		Net Benefits		Cumulative Net Benefits
1	\$	50,790	\$	-	\$	50,790	\$ 50,790
2	\$	51,981	\$	-	\$	51,981	\$ 102,771
3	\$	53,205	\$	-	\$	53,205	\$ 155,977
4	\$	54,463	\$	-	\$	54,463	\$ 210,439
5	\$	55,755	\$	-	\$	55,755	\$ 266,195
6	\$	57,084	\$	-	\$	57,084	\$ 323,278
7	\$	58,449	\$	-	\$	58,449	\$ 381,727
8	\$	59,853	\$	-	\$	59,853	\$ 441,581
9	\$	61,297	\$	-	\$	61,297	\$ 502,878
10	\$	62,783	\$	-	\$	62,783	\$ 565,661

### State Net Benefits Of Expansion

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ 63,451	\$ -	\$ 63,451	\$ 63,451
2	\$ 77,276	\$ -	\$ 77,276	\$ 140,726
3	\$ 91,626	\$ -	\$ 91,626	\$ 232,352
4	\$ 106,526	\$ -	\$ 106,526	\$ 338,878
5	\$ 116,738	\$ -	\$ 116,738	\$ 455,616
6	\$ 119,285	\$ -	\$ 119,285	\$ 574,900
7	\$ 121,894	\$ -	\$ 121,894	\$ 696,794
8	\$ 124,566	\$ -	\$ 124,566	\$ 821,360
9	\$ 127,303	\$ -	\$ 127,303	\$ 948,663
10	\$ 130,108	\$ -	\$ 130,108	\$ 1,078,770

### State Combined Net Benefits

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ 114,241	\$ -	\$ 114,241	\$ 114,241
2	\$ 129,257	\$ -	\$ 129,257	\$ 243,497
3	\$ 144,831	\$ -	\$ 144,831	\$ 388,329
4	\$ 160,988	\$ -	\$ 160,988	\$ 549,317
5	\$ 172,493	\$ -	\$ 172,493	\$ 721,810
6	\$ 176,368	\$ -	\$ 176,368	\$ 898,178
7	\$ 180,343	\$ -	\$ 180,343	\$ 1,078,521
8	\$ 184,419	\$ -	\$ 184,419	\$ 1,262,941
9	\$ 188,601	\$ -	\$ 188,601	\$ 1,451,541
10	\$ 192,890	\$ -	\$ 192,890	\$ 1,644,431

### State Breakdown of Combined Benefits, Costs, and Net Benefits Over the Next 10 Years

#### Taxes and Revenue

Gross Receipt Taxes	\$ 1,224,138
Personal Income Taxes	\$ 420,294
Corporate Income Taxes	\$ -
Misc. Taxes and Revenue	\$ -
<b>Subtotal of Benefits</b>	<b>\$ 1,644,431</b>

#### Costs

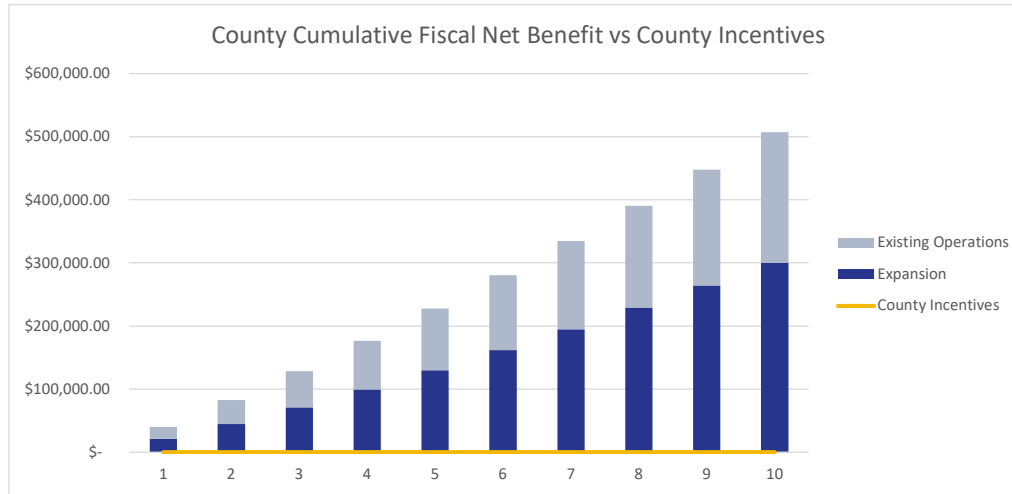
Costs	\$ -
<b>Subtotal of Costs</b>	<b>\$ -</b>

#### Net Benefits

<b>Net Benefits</b>	<b>\$ 1,644,431</b>
<b>Present Value</b>	<b>\$ 1,305,505</b>

# County Impacts





### Incentives

Total County Incentive:	\$	-
County Incentive Per Job:	\$	-

### Combined Payback and Return

County Payback Period Combined:	-	Years
County Rate of Return Combined:		N/A

### Expansion Only Payback and Return

County Payback Period Expansion:	-	Years
County Rate of Return Expansion:		N/A

### County Net Benefits Of Current Operations

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ 18,664	\$ -	\$ 18,664	\$ 18,664
2	\$ 19,079	\$ -	\$ 19,079	\$ 37,744
3	\$ 19,507	\$ -	\$ 19,507	\$ 57,250
4	\$ 19,946	\$ -	\$ 19,946	\$ 77,196
5	\$ 20,399	\$ -	\$ 20,399	\$ 97,595
6	\$ 20,865	\$ -	\$ 20,865	\$ 118,460
7	\$ 21,345	\$ -	\$ 21,345	\$ 139,805
8	\$ 21,839	\$ -	\$ 21,839	\$ 161,644
9	\$ 22,348	\$ -	\$ 22,348	\$ 183,992
10	\$ 22,872	\$ -	\$ 22,872	\$ 206,864

### County Net Benefits Of Expansion

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ 21,382	\$ -	\$ 21,382	\$ 21,382
2	\$ 23,584	\$ -	\$ 23,584	\$ 44,967
3	\$ 26,101	\$ -	\$ 26,101	\$ 71,068
4	\$ 28,289	\$ -	\$ 28,289	\$ 99,357
5	\$ 30,824	\$ -	\$ 30,824	\$ 130,182
6	\$ 31,842	\$ -	\$ 31,842	\$ 162,023
7	\$ 32,904	\$ -	\$ 32,904	\$ 194,927
8	\$ 34,012	\$ -	\$ 34,012	\$ 228,939
9	\$ 35,167	\$ -	\$ 35,167	\$ 264,106
10	\$ 36,372	\$ -	\$ 36,372	\$ 300,478

### County Combined Net Benefits

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ 40,047	\$ -	\$ 40,047	\$ 40,047
2	\$ 42,664	\$ -	\$ 42,664	\$ 82,710
3	\$ 45,608	\$ -	\$ 45,608	\$ 128,318
4	\$ 48,236	\$ -	\$ 48,236	\$ 176,554
5	\$ 51,223	\$ -	\$ 51,223	\$ 227,777
6	\$ 52,707	\$ -	\$ 52,707	\$ 280,483
7	\$ 54,248	\$ -	\$ 54,248	\$ 334,732
8	\$ 55,851	\$ -	\$ 55,851	\$ 390,582
9	\$ 57,515	\$ -	\$ 57,515	\$ 448,098
10	\$ 59,245	\$ -	\$ 59,245	\$ 507,343

### County Breakdown of Combined Benefits, Costs, and Net Benefits Over the Next 10 Years

#### Taxes and Revenue

Gross Receipt Taxes	\$ 470,822
Misc. Taxes and Revenue	\$ 3,607
Property Taxes	\$ 32,913
<b>Subtotal of Benefits</b>	<b>\$ 507,343</b>

#### Costs

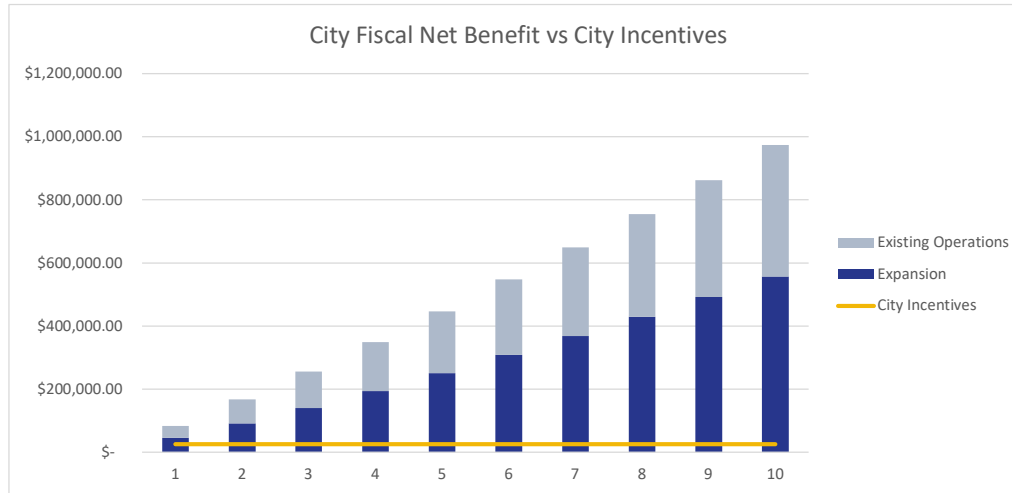
Costs	\$ -
<b>Subtotal of Costs</b>	<b>\$ -</b>

#### Net Benefits

<b>Net Benefits</b>	<b>\$ 507,343</b>
<b>Present Value</b>	<b>\$ 404,444</b>

# City Impacts





### Incentives

Total City Incentive:	\$	25,000
City Incentive Per Job:	\$	1,087

### Combined Payback and Return

City Payback Period Combined:	0.30 Years
City Rate of Return Combined:	3015%

### Expansion Only Payback and Return

City Payback Period Expansion:	0.54 Years
City Rate of Return Expansion:	1676%

### City Net Benefits Of Current Operations

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ 37,415	\$ -	\$ 37,415	\$ 37,415
2	\$ 38,294	\$ -	\$ 38,294	\$ 75,709
3	\$ 39,197	\$ -	\$ 39,197	\$ 114,906
4	\$ 40,125	\$ -	\$ 40,125	\$ 155,032
5	\$ 41,080	\$ -	\$ 41,080	\$ 196,111
6	\$ 42,062	\$ -	\$ 42,062	\$ 238,173
7	\$ 43,071	\$ -	\$ 43,071	\$ 281,244
8	\$ 44,110	\$ -	\$ 44,110	\$ 325,354
9	\$ 45,179	\$ -	\$ 45,179	\$ 370,533
10	\$ 46,279	\$ -	\$ 46,279	\$ 416,812

### City Net Benefits Of Expansion

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ 46,207	\$ (90)	\$ 46,297	\$ 46,297
2	\$ 45,084	\$ (93)	\$ 45,177	\$ 91,474
3	\$ 49,158	\$ (94)	\$ 49,252	\$ 140,726
4	\$ 53,281	\$ (95)	\$ 53,376	\$ 194,103
5	\$ 56,581	\$ (96)	\$ 56,677	\$ 250,779
6	\$ 57,993	\$ (97)	\$ 58,090	\$ 308,869
7	\$ 59,460	\$ (98)	\$ 59,558	\$ 368,427
8	\$ 60,989	\$ (99)	\$ 61,088	\$ 429,515
9	\$ 62,588	\$ (100)	\$ 62,688	\$ 492,203
10	\$ 64,268	\$ (101)	\$ 64,369	\$ 556,572

### City Combined Net Benefits

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ 83,622	\$ (90)	\$ 83,713	\$ 83,713
2	\$ 83,378	\$ (93)	\$ 83,471	\$ 167,184
3	\$ 88,355	\$ (94)	\$ 88,449	\$ 255,632
4	\$ 93,407	\$ (95)	\$ 93,502	\$ 349,134
5	\$ 97,661	\$ (96)	\$ 97,757	\$ 446,891
6	\$ 100,054	\$ (97)	\$ 100,151	\$ 547,042
7	\$ 102,531	\$ (98)	\$ 102,629	\$ 649,671
8	\$ 105,099	\$ (99)	\$ 105,198	\$ 754,869
9	\$ 107,767	\$ (100)	\$ 107,866	\$ 862,736
10	\$ 110,547	\$ (101)	\$ 110,647	\$ 973,383

### City Breakdown of Combined Benefits, Costs, and Net Benefits Over the Next 10 Years

#### Taxes and Revenue

Gross Receipt Taxes	\$ 954,590
Misc. Taxes and Revenue	\$ 9,509
Property Taxes	\$ 8,321
<b>Subtotal of Benefits</b>	<b>\$ 972,420</b>

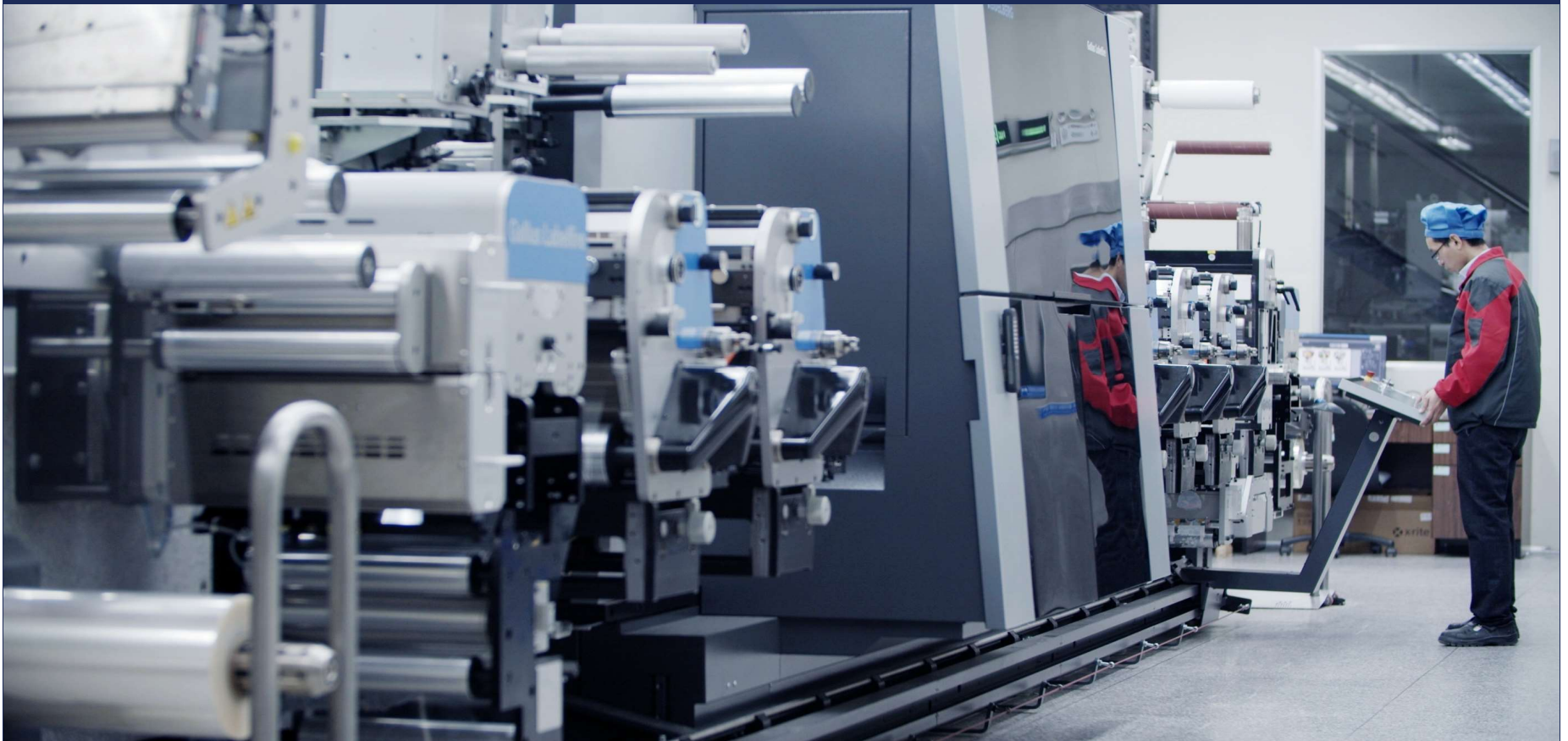
#### Costs

Costs	\$ (963)
<b>Subtotal of Costs</b>	<b>\$ (963)</b>

#### Net Benefits

<b>Net Benefits</b>	<b>\$ 973,383</b>
<b>Present Value</b>	<b>\$ 778,779</b>

# Special Taxing District and Public Schools



# Special Taxing District

## Special Taxing District Net Benefits of Current Operations

Year	Benefits		Costs		Net Benefits		Cumulative Net Benefits
1	\$	61	\$	-	\$	61	\$ 61
2	\$	55	\$	-	\$	55	\$ 116
3	\$	49	\$	-	\$	49	\$ 165
4	\$	43	\$	-	\$	43	\$ 208
5	\$	37	\$	-	\$	37	\$ 244
6	\$	31	\$	-	\$	31	\$ 275
7	\$	24	\$	-	\$	24	\$ 299
8	\$	18	\$	-	\$	18	\$ 318
9	\$	12	\$	-	\$	12	\$ 330
10	\$	6	\$	-	\$	6	\$ 336

## Special District Net Benefits of Expansion

Year	Benefits		Costs		Net Benefits		Cumulative Net Benefits
1	\$	297	\$	-	\$	297	\$ 297
2	\$	389	\$	-	\$	389	\$ 686
3	\$	554	\$	-	\$	554	\$ 1,239
4	\$	604	\$	-	\$	604	\$ 1,843
5	\$	902	\$	-	\$	902	\$ 2,745
6	\$	1,011	\$	-	\$	1,011	\$ 3,756
7	\$	1,128	\$	-	\$	1,128	\$ 4,884
8	\$	1,252	\$	-	\$	1,252	\$ 6,136
9	\$	1,386	\$	-	\$	1,386	\$ 7,522
10	\$	1,528	\$	-	\$	1,528	\$ 9,050

## Special District Combined Net Benefits

Year	Benefits		Costs		Net Benefits		Cumulative Net Benefits
1	\$	358	\$	-	\$	358	\$ 358
2	\$	444	\$	-	\$	444	\$ 802
3	\$	602	\$	-	\$	602	\$ 1,404
4	\$	647	\$	-	\$	647	\$ 2,051
5	\$	939	\$	-	\$	939	\$ 2,990
6	\$	1,041	\$	-	\$	1,041	\$ 4,031
7	\$	1,152	\$	-	\$	1,152	\$ 5,183
8	\$	1,271	\$	-	\$	1,271	\$ 6,454
9	\$	1,398	\$	-	\$	1,398	\$ 7,852
10	\$	1,534	\$	-	\$	1,534	\$ 9,386

# Public Schools

## Public Schools Net Benefits of Current Operations

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ 150	\$ -	\$ 150	150
2	\$ 135	\$ -	\$ 135	286
3	\$ 120	\$ -	\$ 120	406
4	\$ 105	\$ -	\$ 105	511
5	\$ 90	\$ -	\$ 90	602
6	\$ 75	\$ -	\$ 75	677
7	\$ 60	\$ -	\$ 60	737
8	\$ 45	\$ -	\$ 45	782
9	\$ 30	\$ -	\$ 30	812
10	\$ 15	\$ -	\$ 15	827

## Public Schools Net Benefits of Expansion

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ 731	\$ -	\$ 731	731
2	\$ 957	\$ -	\$ 957	1,687
3	\$ 1,362	\$ -	\$ 1,362	3,050
4	\$ 1,487	\$ -	\$ 1,487	4,537
5	\$ 2,220	\$ -	\$ 2,220	6,757
6	\$ 2,488	\$ -	\$ 2,488	9,245
7	\$ 2,775	\$ -	\$ 2,775	12,021
8	\$ 3,083	\$ -	\$ 3,083	15,104
9	\$ 3,411	\$ -	\$ 3,411	18,515
10	\$ 3,761	\$ -	\$ 3,761	22,276

## Public Schools Combined Net Benefits

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$ 881	\$ -	\$ 881	881
2	\$ 1,092	\$ -	\$ 1,092	1,973
3	\$ 1,483	\$ -	\$ 1,483	3,456
4	\$ 1,593	\$ -	\$ 1,593	5,049
5	\$ 2,310	\$ -	\$ 2,310	7,359
6	\$ 2,563	\$ -	\$ 2,563	9,922
7	\$ 2,836	\$ -	\$ 2,836	12,758
8	\$ 3,128	\$ -	\$ 3,128	15,886
9	\$ 3,441	\$ -	\$ 3,441	19,327
10	\$ 3,776	\$ -	\$ 3,776	23,103

# Property Tax Exemptions and Industrial Revenue Bonds



## Property Tax Exemptions and Industrial Revenue Bonds

The City and/or the County is considering abating taxes on the Project's property. Below is a table that identifies the types of property that are under consideration for property tax abatement:

Land:	No
Building and Property Improvements:	No
Furniture, Fixtures and Equipment:	No

### Property Tax Percentage Exemptions On Land and Building

County	City	Schools	Special Taxing District
0%	0%	0%	0%

### Property Tax Percentage Exemptions On Furniture, Fixtures and Equipment

County	City	Schools	Special Taxing District
0%	0%	0%	0%

Value of Exemption Through 10 Years:	\$ -	\$ -	\$ -
*Value of Payment in Lieu of Taxes Through 10 Years:	\$ -	\$ -	\$ -

\*The model assumes that the payment in lieu of taxes will be administered to the either the county or city, and the local government will disperse the amounts to the appropriate districts.

### Percentage of Gross Receipt Taxes Foregone on Newly Purchased Furniture, Fixtures and Equipment Over 10 Years

Year	State	County	City
1	0%	0%	0%
2	0%	0%	0%
3	0%	0%	0%
4	0%	0%	0%
5	0%	0%	0%
6	0%	0%	0%
7	0%	0%	0%
8	0%	0%	0%
9	0%	0%	0%
10	0%	0%	0%
Value of Exemption Through 10 Years:	\$ -	\$ -	\$ -

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**CITY OF SANTA FE, NEW MEXICO**

**BILL NO. 2022-\_\_\_\_\_**

Introduced By

Mayor Alan Webber

**AN ORDINANCE**

**RELATING TO THE CITY OF SANTA FE ECONOMIC DEVELOPMENT PLAN  
ORDINANCE, ARTICLE 11-11 SFCC 1987; APPROVING AND ADOPTING A LOCAL  
ECONOMIC DEVELOPMENT PROJECT PARTICIPATION AGREEMENT BETWEEN  
THE CITY OF SANTA FE AND EARTH TRAVELER TEARDROP TRAILERS, LLC, FOR  
DESIGN, DEVELOPMENT, AND CONSTRUCTION OF TENANT IMPROVEMENTS;  
LEASE PAYMENTS; AND TO EXPAND A MANUFACTURING CENTER AND SILICON  
VACUUM SYSTEM, A LOCAL ECONOMIC DEVELOPMENT PROJECT.**

**BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE:**

**Section 1. Short Title.** This Ordinance shall be known as the “Earth Traveler Local  
Economic Development Project Ordinance.”

**Section 2. Recitals.**

A. The Local Economic Development Act, NMSA 1978, Sections 5-10-1, *et seq.*  
 (“LEDA”) explicitly permits municipalities to assist qualifying entities with economic development  
 projects through the use of public resources; and

1           B.       The City of Santa Fe has complied with the requirements of the Local Economic  
2 Development Act by adopting an Economic Development Fund Ordinance, Section 11-14 SFCC 1987,  
3 incorporating within that ordinance its community economic development plan and its economic  
4 development strategy for implementation dated May 21, 2008; and

5           C.       Earth Traveler Teardrop Trailers, Inc., (“Qualifying Entity” or “Earth Traveler”) is a  
6 Santa Fe-based manufacturer of the world’s lightest outdoor camper, which meets the definition of  
7 Qualifying Entity under the Economic Development Ordinance, Section 11-14.4(A) SFCC 1987;  
8 and LEDA, NMSA 1978, Section 5-10-3 (J). The Qualifying Entity creates economic base jobs in  
9 the outdoor recreation business by manufacturing the world’s lightest camper located in Santa Fe.

10           D. The State of New Mexico has appropriated One Hundred Thousand Dollars and No Cents  
11 (\$100,000.00) from the New Mexico LEDA Fund and the City of Santa Fe will provide Twenty-Five  
12 Thousand Dollars and No Cents (\$25,000.00) from the Local Economic Development Fund for the  
13 project to pay for design, developments, construction of tenant improvements, lease payments,  
14 expansion of a manufacturing center, and Silicon Vacuum System. The facility is located at 3217  
15 Richards Lane, Suite B, and the expansion will be located at 27 Ridgeline Road both in Santa Fe, New  
16 Mexico. The expansion may include construction costs, materials associated with the interior  
17 renovation of its facilities, and improvements or construction of telecommunications, broadband  
18 connectivity, and other infrastructure necessary to improve service to the facility. This project  
19 identified as the “Project” will expand the manufacturing center and the tax base, generating more taxes,  
20 fees, and other revenues for the State of New Mexico and City of Santa Fe.

21           E.       The facility will be used to design, develop, and manufacture campers, which causes  
22 the company to fall under the definition of a “manufacturer” under LEDA.

23           **Section 3. Findings.** The governing body hereby finds:

24           A.       The City of Santa Fe has determined that it is in the interest of the welfare of the  
25 citizens of Santa Fe to enter into an Economic Development Project Participation Agreement for the

1 purposes of effectuating the City's Economic Development Plan and the Project.

2 B. In compliance with the City's Economic Development Fund Ordinance, Section 11-14  
3 SFCC (1987), the Project Participation Agreement between Qualifying Entity and the City clearly states  
4 the following:

5 (1) Earth Traveler is a qualifying entity;

6 (2) The contributions of the City, the City as a fiscal agent of the State, and the  
7 Qualifying Entity;

8 (3) The specific measurable objectives upon which the performance review will  
9 be based;

10 (4) A schedule for Project development and goal attainment;

11 (5) The security being offered for the City's investment;

12 (6) The procedures by which the Project may be terminated and the City's  
13 investment recovered;

14 (7) The time period for which the City shall retain an interest in the Project;

15 (8) The economic development goals of the project; and

16 (9) A "sunset" clause after which the City shall relinquish interest in and oversight  
17 of the project.

18 **Section 4. Approval and Adoption of the Project Participation Agreement.** The  
19 governing body hereby approves the 2022 PPA (attached as **Exhibit A**) whereby the City will be the  
20 Fiscal Agent for the State legislative appropriation of One Hundred Thousand Dollars and No Cents  
21 (\$100,000.00) and will designate the Twenty-Five Thousand Dollars and No Cents (\$25,000.00) in City  
22 Funds. The City will pass the State Legislative appropriation of \$100,000.00 to the Qualifying Entity  
23 and provide the City funds of \$25,000.00 to the Qualifying Entity and the funds will be used for design,  
24 developments, and construction of tenant improvements, lease payments, expansion of a manufacturing  
25 center, Silicon Vacuum System, and infrastructure. In exchange, the Qualifying Entity will expand the

1 tax base and generate more taxes, fees, and other revenues for the State of New Mexico and City of  
2 Santa Fe.

3 **Section 5. Severability Clause.** If any section, paragraph, clause, or provision of this  
4 ordinance, or any section, paragraph, clause, or provision of any regulation promulgated hereunder  
5 shall for any reason be held to be invalid, unlawful, or unenforceable, the invalidity, illegality, or  
6 unenforceability of such section, paragraph, clause, or provision shall not affect the validity of the  
7 remaining portions of this ordinance or the regulation so challenged.

8 **Section 6. Effective Date.** This ordinance shall become effective immediately upon  
9 adoption.

10 PASSED, APPROVED, and ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 2022.

11  
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13 \_\_\_\_\_  
14 ALAN WEBBER, MAYOR

15 ATTEST:

16  
17 \_\_\_\_\_  
18 KRISTINE BUSTOS MIHELICIC, CITY CLERK

19  
20 APPROVED AS TO FORM:

21   
22 \_\_\_\_\_  
23 ERIN K. McSHERRY, CITY ATTORNEY

24  
25 *Legislation/2022/Bills/Earth Traveler Teardrop Trailers LEDA Project*



# City of Santa Fe, New Mexico

## Memorandum



**Date:** April 7, 2022

**To:** Quality of Life and Governing Body

**From:** Kristine Mihelcic, City Clerk *KM*,

**RE:** Party on the Pitch alcohol approval

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### **EXECUTIVE SUMMARY:**

Santa Fe Adult Soccer League is requesting approval to serve beer at its annual Party on the Pitch soccer tournament on Saturday and Sunday June 4-5, 2022, at the Municipal Recreation Center ("MRC") soccer fields.

### **BACKGROUND:**

Section 23-6.2 SFCC 1987 requires the adoption of a Resolution for the sale and consumption of alcohol for locations on City property that are not specifically stated in 23-6.2(A). The proposed Resolution states the event, date, hours, location, number of expected attendees, type of alcohol to be served, required permits, and insurance as required by City Code.

### **ACTION REQUESTED:**

Approve the Resolution as requested.

### **ATTACHMENTS:**

Resolution  
Fiscal Impact Report

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**CITY OF SANTA FE, NEW MEXICO**

**RESOLUTION NO. 2022-\_\_**

**INTRODUCED BY:**

Councilor Chris Rivera

Councilor Renee Villarreal

Councilor Jamie Cassutt

**A RESOLUTION**

**AUTHORIZING THE SALE AND CONSUMPTION OF BEER DURING THE PARTY ON THE PITCH SOCCER TOURNAMENT ON JUNE 4-5, 2022, PURSUANT TO SECTION 23-6.2(b) SFCC 1987.**

**WHEREAS**, the Governing Body adopted Ordinance No. 2017-3 on March 8, 2017, which created a new process for approving the consumption of alcohol on city property which is codified as Section 23-6.2; and

**WHEREAS**, for service of alcohol at events located in locations not specifically mentioned in SFCC 1987, Section 23-6.2(A) , the Governing Body must approve a resolution that specifies the event, date, hours, location, number of expected attendees, type of alcohol to be served, permits, and insurance, at least thirty days prior to the event; and

**WHEREAS**, the Santa Fe Adult Soccer League (“SFASL”) has held a Party on the Pitch tournament at the MRC in past years and scheduled the event for 2020 before having to cancel it due to the COVID-19 pandemic; and

**WHEREAS**, in the past, SFASL has partnered with Santa Fe Brewing to provide a beer

1 garden for players and fans to enjoy during and after games held over the two-day Party on the  
2 Pitch tournament; and

3 **WHEREAS**, the Party on the Pitch tournament will capitalize on the ongoing  
4 improvements at the MRC and the SFASL hopes to attract increasing numbers of out-of-city and  
5 out-of-state teams to participate in the Party on the Pitch tournament.

6 **NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE**  
7 **CITY OF SANTA FE** that alcohol service during the Party on the Pitch soccer tournament is  
8 hereby approved.

9 Event: Party on the Pitch Soccer Tournament.

10 Dates: June 4-5, 2022.

11 Hours: 10:00 a.m. to 9:00 p.m. on Saturday, June 4 and 12:00 p.m. (noon) to 5:00 p.m. on  
12 Sunday, June 5, 2022.

13 Location: Municipal Recreation Center soccer fields.

14 Number of expected attendees: No more than 50 at a time in the beer garden.

15 Type of alcohol to be served: Beer

16 Required permits: Special dispenser permit

17 Required insurance: Liquor liability insurance in the amount of \$1,050,000.00.

18 PASSED, APPROVED, and ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

19  
20 \_\_\_\_\_  
21 ALAN WEBBER, MAYOR

22 ATTEST:

23  
24 \_\_\_\_\_  
25 KRISTINE MIHELIC, CITY CLERK

1 APPROVED AS TO FORM:

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4 ERIN K. McSHERRY, CITY ATTORNEY

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*Legislation/2022/Resolutions/Party on the Pitch Alcohol Approval*

## FISCAL IMPACT REPORT

**General Information:**

(Check) Bill: \_\_\_\_\_ Resolution:   X  

Short Title(s): Party on the Pitch Alcohol Approval

Sponsor(s): \_\_\_\_\_

Reviewing Department(s): City Clerk's Office

Staff Completing FIR: Kristine Mihelcic Date: 4/1/22 Phone: 955-6846

Reviewed by City Attorney: *Eric McElroy* Date: Apr 7, 2022

Reviewed by Finance Director: *Mary McElroy* Date: Apr 10, 2022

**Summary:**

The proposed Resolution authorizes the sale and consumption of alcohol at the Santa Fe Adult Soccer League's annual Party on the Pitch Tournament to be held at the MRC on June 4-5, 2022. The request is pursuant to SFCC 1987, Section 23-6.2, which requires adoption of a Resolution for events on public property that is not specifically listed in Paragraph A of that Section.

**Departments Affected:**

City Clerk's Office

**Consequences of Not Enacting Legislation:**

Santa Fe Adult Soccer League will not be able to have a beer garden as part of the Party on the Pitch Tournament.

**Conflict, Duplication, Companionship, or Relationship to Other Legislation:**

The Governing Body previously approved the sale and consumption of beer at this event pursuant to a resolution. Section 23-6.2(C) requires the proposed Resolution.

**Performance and Administrative Implications:**

SFASL is required to obtain a public celebration permit for the event.

**Fiscal Implications:**

None identified.

**Fiscal Impact**

  X   Check here if no fiscal impact

**Expenditures**

<b>Expenditure Type</b>	<b>FYE __</b>	<b>FYE __</b>	<b>FYE __</b>	<b>Require BAR (Y/N)</b>	<b>Recurring (R) or Non-recurring (NR)</b>	<b>Fund</b>	<b>3-Year Total Cost</b>
<u>Personnel and</u>	\$ _____	\$ _____	\$ _____	_____	_____	_____	
<u>Benefits*</u>							
<u>Capital Outlay</u>	\$ _____	\$ _____	\$ _____	_____	_____	_____	
<u>Contractual/</u>	\$ _____	\$ _____	\$ _____		_____	_____	
<u>Professional Services</u>							
<u>Operating</u>	\$ _____	\$ _____	\$ _____		_____	_____	\$ _____
<u>Total:</u>	\$ _____	\$ _____	\$ _____				\$ _____

\* This includes all staff time associated with executing the job functions of the proposed legislation.

**Expenditure Narrative:**

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**Revenue**

<b>Revenue Type</b>	<b>FYE</b>	<b>FYE</b>	<b>FYE</b>	<b>Recurring (R) or Non-recurring (NR)</b>	<b>Fund</b>
General Fund	\$ _____	\$ _____	\$ _____	_____	_____
Special Revenue	\$ _____	\$ _____	\$ _____	_____	_____
CIP	\$ _____	\$ _____	\$ _____	_____	_____
Enterprise	\$ _____	\$ _____	\$ _____	_____	_____
Internal Service	\$ _____	\$ _____	\$ _____	_____	_____
Trust and Agency	\$ _____	\$ _____	\$ _____	_____	_____
Federal	\$ _____	\$ _____	\$ _____	_____	_____
Other	\$ _____	\$ _____	\$ _____	_____	_____
Total	\$ _____	\$ _____	\$ _____		

**Revenue Narrative:**

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**Signature:** *Kristin Miller*

**Email:** [kmmihelcic@ci.santa-fe.nm.us](mailto:kmmihelcic@ci.santa-fe.nm.us)