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**MRB**

**Metropolitan Redevelopment Bonds**



**Applicant Packet**

**City of Albuquerque  
Office of Economic Development**

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# **NOTES FOR APPLICANT**

OFFICE OF ECONOMIC DEVELOPMENT

INDUSTRIAL REVENUE AND METROPOLITAN REDEVELOPMENT BONDS

NOTES FOR APPLICANT

1. DESCRIPTION OF METROPOLITAN REDEVELOPMENT BONDS

Metropolitan Redevelopment Bonds, while similar in some respects to Industrial Revenue Bonds, have certain differences. These projects are restricted to designated Metropolitan Redevelopment Areas, and are available to a wider variety of projects. The public purpose for these projects is to stimulate redevelopment activities in economically distressed areas.

Metropolitan Redevelopment Bonds provide a limited property tax abatement on the net improvements to the project site (i.e., current property taxes on the existing value of the property are not exempted). The maximum property tax abatement period is for seven years. Also, Metropolitan Redevelopment Bonds do not offer gross receipts or compensating tax exemptions on the purchase of equipment for the facility. However, they are a reasonable option for projects that may not generally qualify for Industrial Revenue Bonds.

As with Industrial Revenue Bonds, the City does not provide the financing nor credit enhancement for the bonds; the applicant is responsible for finding their own financing, based solely on the rates they can negotiate with the purchasers of the bonds. All financing and legal costs are paid by the applicant.

The application process for both types of projects is similar, and is contained in the attached Applicants' Packet.

2. PRE-APPLICATION DISCUSSION.

Staff will review the process and schedule for the bond project and Inducement Resolution and/or Bond Ordinance approval. We will preview the specific project to advise you of areas that could present problems, and will suggest meetings with neighborhood groups, possible competitors, policy makers or City agencies that may be needed.

3. APPLICATION

Four weeks prior to the date that the Albuquerque Development Commission (ADC) will hear your project, the following must be submitted: a project plan (the format is included

in this package); a draft Inducement Resolution or Bond Ordinance information required for the fiscal impact analysis; and the required fee. You may submit additional materials you wish to include or that were requested by us up to a week before the ADC hearing.

#### 4. NOTICE

The Albuquerque Development Commission and City Council meetings on all bond projects shall be legally noticed not less than seven days before the Albuquerque Development Commission meeting. The applicant will be required to insert the notice and pay the charges. Efforts may include placing an advertisement in a major local newspaper (in addition to the legal notice) and/or notifying competitors by certified mail. All property owners within 100 feet of the project site and any neighborhood associations registered with the City located within all or part of the project site's boundaries shall also be notified by certified mail as well as registered neighborhood associations within one mile of the project site. The applicant will also be required to send a notice of the hearings to all property owners and neighborhood associations within the Metropolitan Redevelopment Area unless an overall Metropolitan Redevelopment Plan has been adopted for the Area. When an overall Metropolitan Redevelopment Plan has been adopted, the applicant will be required to notify all property owners within 100 feet of the project site and any neighborhood associations within the Metropolitan Redevelopment Area. Notices shall be mailed not less than 12 days before the Albuquerque Development Commission hearing. Any special advertisement aside from the legal notice shall be published not less than 12 days before the hearing.

#### 5. CHANGES TO PLAN

Minor changes in your submitted plan can be made by letter. The letter must specifically state the changes and, by reference, incorporate them into the plan. Major changes may require submission of a substitute plan; this should be done no later than 10 days before the ADC hearing. Staff may recommend deferral to the ADC if the plan changes are incompatible with the notices on your project.

#### 6. STAFF ANALYSIS

Your project will be analyzed according to the Criteria for Bond Projects, which are included in this packet. The staff analysis, all materials submitted by you, and any comments sent by others will be transmitted to the ADC one week before the hearing. We also will send you a copy of the staff analysis. You may wish to arrange to pick it up rather than have it mailed to you. You may also have it submitted to your bond counsel.

#### 7. FISCAL IMPACT ANALYSIS

A fiscal impact analysis will be conducted on all Metropolitan Redevelopment Bond projects. Applicants will be required to pay for the fiscal impact analysis.

## 8. ALBUQUERQUE DEVELOPEMNT COMMISSION HEARING

A representative of the applicant should be at the ADC hearing to present the project. Depending on the nature of the project, you also may wish to have your architect, fiscal officer, lawyer, or leasing agent present. A larger scale version of the conceptual site plan is helpful to the ADC. The City's Bond Counsel attends all ADC bond hearings, and advises the ADC on legal and technical questions. At the meeting staff will briefly summarize the project and the staff analysis. The applicant presents the project and answers Commissioners' questions. All others in attendance are invited to speak for, or against, the project. The ADC makes recommendations to the Council even if the ADC recommendation is negative (unless the Applicant withdraws the request).

## 9. CITY COUNCIL HEARINGS

Projects are usually transmitted to the City Council for introduction at the first Council meeting of the month following the ADC hearing. There is no need for applicants to be present at the introduction. Projects may be reviewed by Council's Finance Committee. The Finance Committee normally meets on the 2<sup>nd</sup> Monday of each month. The Committee asks for the staff analysis and Development Commission action. The applicants present the project; and others at the hearing are invited to speak. Again, the applicant and other project representatives (as at the ADC hearing) should be present. The Committee will vote a recommendation to the full Council (Do Pass, Do Not Pass, or No Recommendation). They will also recommend action for the next Council meeting. At the full Council hearing, a presentation from the staff and applicant should be expected, but is not always required. The applicant should be present and should bring others to answer questions, if necessary.

## 10. BOND ORDINANCE

Once the Council has passed an Inducement Resolution or if it is going directly to ordinance, a bond ordinance can be presented to the Council at any time as soon as you no longer need to be reviewed by the ADC; can present a firm financing commitment; can present evidence that any other contingencies have been satisfied. Be sure to work with your bond counsel on the timing, submission date, etc. Again, your bond counsel will be familiar with this process. Applicants will be required to pay the costs of the City's outside bond review counsel and fiscal impact analysis.

## 11. PERFORMANCE CLAWBACKS AND PAYMENTS IN LIEU OF TAXES

The City has instituted the requirement for Performance Agreements, sometimes referred to as "clawbacks" to be included in the bond documents. Also, agreements as to any Payments in Lieu of Taxes (Pilots) also shall be included. An example is included at the end of this description.

### FACILITY CLOSURE CLAWBACKS

Clawbacks provide for a pro-rata repayment of the abated property tax depending upon the amount of time elapsed from date of issuance to date of closure of the project. Clawback provisions, unless adjusted to account for the unique circumstances of a particular issue are listed below. The staff evaluation team will determine whether unique circumstances exist with respect to clawbacks and will make such recommendations when the project is reported out. Clawbacks are proposed as follows:

Elapsed time from issue	% Abatement repaid
Years 0-3	100%
Year 4	80%
Year 5	60%
Year 6 and thereafter	0%

In addition to the clawback of property tax, the MRB agreement may require the recipient to pay 100% of the remaining unpaid amount of the PILOT payments.

**PERFORMANCE CLAWBACK (Project Specific)**

If employment numbers, sales volumes, or other economic benefits projected in the MRB agreement are not achieved (for example, an applicant may forecast 100 jobs, but only achieve 80) a clawback, in the form of an increased PILOT may be implemented. The contingent PILOT provisions will be outlined in the MRB agreement. Performance will be measured annually and compared to projections and provisions of the MRB agreement by Office of Economic Development, metropolitan redevelopment agency or a third-party independent contractor.

In the event the reviewer determines there is a substantial shortfall of actual versus projected, then the City may exercise a clawback of the taxes abated. In the event the recipient subsequently cures that shortfall, then abatement may be restored on a ratable basis.

Performance Measurement per MRB Agreement	Actual as a % Projected	% of Taxes to be Repaid
Employment (FTE)	90%-100%	0%
Payroll/Weighted Average Wage	80%-90%	10%
Other	70%-80%	20%
	Less Than 70%	100%

Example: Performance Clawbacks. If the number of full-time equivalent employees attributable to the Project is less than 300 (Projected FTE Employees stated in application) on the first December 31 following the Completion Date and every December 31 thereafter, then the Company may be required to pay to the Issuer, no later than the end of the calendar year immediately following the calendar year in question, an amount not exceeding (i) that percentage (shown below corresponding to the applicable date of termination or cessation) of the ad valorem taxes on real and personal Project

Property that the Company would have been required to pay if the Bonds had not been issued by the Issuer and the Project Property had been subject to ad valorem taxation, calculated using mill levies and actual property tax valuations and rates for each tax year, plus.

<u>Percentage of Actual vs. Projected FTE Employees</u>	<u>Maximum Percentage of Abated Tax to be Paid</u>
Less than 70%	100%
70% or more but less than 80%	20%
80% or more but less than 90%	10%
90% or more	0

The Company has projected certain wage rates with respect to the various categories of jobs to be attributed to the Project, as follows:

<u>Job Category</u>	<u>Average Starting Wage</u>	<u>Pay Range</u>
Hourly	\$12.50/hr	\$11-20/hr
Salaried Operations	\$60,000/yr	\$50,000-90,000/yr
Other Non-Executive	\$60,000/yr	\$28,000-100,000/yr

If, on the first December 31 after the Completion Date and each December 31 thereafter, the wages actually paid to such employees are less than projected above, in any category, then the Company may be required to pay to the Issuer, no later than the end of the calendar year immediately following the calendar year in question an amount not exceeding (i) that percentage (shown below corresponding to the applicable date of termination or cessation) of the ad valorem taxes on real and personal Project Property that the Company would have been required to pay if the Bonds had not been issued by the Issuer and the Project Property had been subject to ad valorem taxation, calculated using mill levies and actual property tax valuations and rates for each tax year, plus.

<u>Percent of Projected Average Starting Wage Achieved</u>	<u>Maximum Percentage of Abated Tax to be Paid</u>
90% or more	0
80% or more but less than 90%	10%
70% or more but less than 80%	20%
less than 70%	100%

The Issuer acknowledges that the purpose of this condition is not to penalize the Company for business conditions or events that are outside the control of the company. Performance will be measured annually and compared to projections and provisions of this Agreement by the City's Office of Economic Development or a third-party independent contractor. The Company shall be entitled to appeal to the Chief Administrative Officer any decision of the Office of Economic Development.



Example: Payment in Lieu of Tax.

The scored evaluation criteria provide a framework for the suggested abatement amount and term (see section V). A minimum score of 70% is required for the City to issue an MRB. The score will determine the PILOT amount and duration. PILOTs will commence no sooner than two years from date of bond issuance in order to allow the project to be completed and earning income and to allow a reasonable period to collect and report necessary data prior to beginning payments. The term is five years for top scores and is extended for lower scores. As further incentive for small bond issues, the percentage PILOT is less than that for large issues.

SMALL ISSUE (\$0 - \$10,000,000)

Evaluation Score	PILOT (annual property tax abatement % paid back to City)	PILOT Period
90-100%	2.5%	FYE 2- FYE 6
80-90%	3.0%	FYE 2- FYE 8
70-80%	3.5%	FYE 2- FYE 10
LESS than 70% FAIL		

LARGE ISSUE (Greater than \$10,000,000)

Evaluation Score	PILOT (% property tax abated)	PILOT Period
90-100%	3.5%	FYE 2- FYE 6
80-90%	4.0%	FYE 2- FYE 8
70-80%	5.0%	FYE 2- FYE 10
LESS than 70% FAIL		

Example: Small Issue     \$10,000,000  
    Score            100  
    PILOT            2.5% of Property Taxes Otherwise Paid  
    Period            5 years

$$\$10,000,000 \times 0.33 \text{ (Assessed Value)} \times 0.045494 \text{ (Mil Rate)} \times 0.025 =$$

$$\$3,753 \text{ PILOT per year.}$$

In addition to the PILOT period, the total tax abatement period associated with a City MRB has typically been for 7 years. However, the evaluation committee may recommend an alternative schedule as circumstances vary. For example, the purchase of short lived equipment may be associated with a shorter tax abatement period.

The company will pay to the Issuer a payment in lieu of property tax (“PILOT”) equal to 3.5% of the property tax abated. Such payments will be due on the dates the property taxes for such year would have been payable if the Bond had not been issued. The PILOT will be calculated based on the actual mill levy rates for business personal property in the years 2007 through 2011 and the taxable value of the relevant Project Property payable at the times when payments of such tax for such years would be made if such Project Property were not exempt from taxation. This payment is due and payable for the years 2007 through 2011 regardless of whether this lease remains in effect.

#### 11. COMPLIANCE AND PERFORMANCE MONITORING

The Office of Economic Development is responsible for monitoring compliance with the terms of MRB issues. However, OED will report compliance to the CAO and City Council on an annual basis. Actions to claim clawbacks or adjust PILOTS will be reported at that time. Companies are required to submit reports annually to OED. Non-compliance shall constitute a possible violation of the terms of the lease, and a breach of contract.

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# **MRB PROCESS**

## THE ALBUQUERQUE DEVELOPMENT COMMISSION

### THE PROCESS FOR METROPOLITAN REDEVELOPMENT BOND PROJECTS

#### A. TIMING AND PROCESSING

The deadline for presentation of project plans, draft Inducement Resolutions or Bond Ordinances, fees, and deposit to the Office of Economic Development or the Metropolitan Redevelopment Agency shall be 28 days before the regularly scheduled meeting of the Albuquerque Development Commission (ADC), which is on the 3<sup>rd</sup> Wednesday of every month. Materials shall be presented to designated staff in the Office of Economic Development or Metropolitan Redevelopment Agency. Staff will transmit the materials, along with a staff report, to the ADC no later than one week before the regularly scheduled meeting. The staff report will be transmitted to the applicant or the applicant's agent at that time. The ADC's action, and the project plan and staff analysis approval and Inducement Resolution/Bond Ordinance will normally be introduced to Council at their first full council meeting, following the ADC hearing. Normally the process from the ADC hearing to Council action will take 42-49 days. This may be delayed depending upon a firm financing commitment to purchase or place the bonds.

#### B. ADVERTISEMENT

The Albuquerque Development Commission and City Council meetings on all bond projects shall be legally noticed not less than seven days before the Albuquerque Development Commission meeting. The applicant will be required to insert the notice and pay the charges. Efforts may include placing an advertisement in a major local newspaper (in addition to the legal notice) and/or notifying competitors by certified mail. All property owners within 100 feet of the project site and any neighborhood associations registered with the City that are within approximately one mile of the project site shall also be notified by certified mail. The applicant will also be required to send a notice of the hearings to all property owners and any neighborhood associations within the Metropolitan Redevelopment Area, unless an overall Metropolitan Redevelopment Plan has been adopted for the Area. When an overall Metropolitan Redevelopment Plan has been adopted, the applicant will be required to notify all property owners within 100 feet of the project site and any neighborhood associations within the Metropolitan Redevelopment Area. Notices for Metropolitan Redevelopment Bond projects shall be mailed not less than 12 days before the Albuquerque Development Commission hearing. Any special advertisement, aside from the legal notice, shall be published not less than 12 days before the hearing.

#### C. PLAN FORMAT

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Applicants will be required to follow a project plan format drawn up by the Office of Economic Development or Metropolitan Redevelopment Agency staff to ensure that all plans present the same sequence of information.

D. SUNSET DATE

The Albuquerque Development Commission recommends that the sunset date for bond issuance on a given project be set one year after the Council approves the project.

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# **MRB PROJECT CRITERIA**

## METROPOLITAN REDEVELOPMENT BOND PROJECT CRITERIA

THE OVERRIDING CRITERION FOR ALL METROPOLITAN REDEVELOPMENT BOND PROJECTS IS THE BENEFIT TO THE CITY OF ALBUQUERQUE PROVIDED BY THE PROJECT. THE CRITERIA BELOW ARE INTENDED TO ASSIST THE DEVELOPMENT COMMISSION IN DETERMINING BENEFIT TO THE CITY.

### I. LAND USE, PLAN, AND DESIGN ELEMENTS

1. **PLAN AND ZONING:** Is the present zoning appropriate, or would needed change fit City's zoning policies? Does project fit Area, Sector, Metropolitan Redevelopment, and/or Comprehensive Plan policies?

Projects must conform with all adopted City plans and policies.

2. **LAND USE:** Will the proposed use make a positive contribution to the Albuquerque economy and the immediate neighborhood? Will it generate high levels of air, noise, or waste pollution, or traffic congestion?

Projects must improve the economy without disrupting local areas or creating unacceptable conditions.

3. **INFILL:** Does the project location allow use of existing infrastructure, or will project demand substantial infrastructure extension or replacement?

Projects should not require substantial City costs for infrastructure unless applicants and the City can agree on cost sharing.

4. **DESIGN AND CONSERVATION:** Are the scale and general design of project appropriate to the area? Will the project renovate or expand existing facilities? If in a historic building, will project follow preservation guidelines?

Project design should be appropriate to the area. Project must conform to adopted City plans.

5. **DEMOLITION:** Does the project involve demolition of viable buildings? Does it involve the demolition of identified historic properties?

Demolition of viable buildings should be avoided unless there is significant public benefit and agreements have been reached with the owners; demolition of historic properties should be avoided unless the project can show no alternatives, and exceptional long-range benefits to the community.

6. RELOCATION: Does the project require the relocation of individuals or businesses?

Relocation should be avoided. If relocation is necessary, the applicant should assist in finding new housing or business locations.

7. FOR METROPOLITAN REDEVELOPMENT PROJECTS ONLY-REDEVELOPMENT; Is the project designed and sited to make a substantial contribution to eliminating blight and/or promoting desired redevelopment?

Projects must show substantial contribution to area redevelopment.

8. FOR MULTI-FAMILY HOUSING PROJECTS ONLY – REDEVELOPMENT: Does the project further the City’s redevelopment policies? Is it an infill project? Is it located in a Metropolitan Redevelopment Area?

Multi-family housing projects must be sited in areas where they will make a substantial contribution to redevelopment.

9. FOR MULTI-FAMILY HOUSING PROJECTS ONLY – NON-DISCRIMINATION: Has the applicant agreed that all tenants will be offered comparable services without discrimination as to tenant income?

Housing projects must not discriminate in tenant services.

## II. ECONOMIC BENEFITS

10. COMPETITION: Would the project be in competition with existing business or development?

In Metropolitan Redevelopment Areas, showing that a project would substantially contribute to eliminating blight and/or promoting desired redevelopment in a designated area may outweigh concerns about overbuilding this type of development in the city as a whole.

11. JOBS: Will the project create a substantial number of new jobs? Are the job categories and phasing clearly given? If the project is primarily a vehicle for retention of an existing company, how many and what kind of jobs the company commit to retain? Will jobs created benefit a variety of residents of different income levels? Will contractors and other construction industry firms and individuals from the local area be retained?

The applicant should demonstrate a genuine effort to hire from the local job pool. Contact with T-VI, the University of New Mexico, the New Mexico Department



of Labor, and city-recognized job training programs (as relevant to the job offerings) will be regarded as an initial demonstration. In the case of jobs available for low and moderate income residents, the applicant will make a commitment to work with city-recognized job training programs in order to give those programs the opportunity to discuss the possibilities of establishing a relationship that would provide job candidates.

12. **FOR MULTI-FAMILY HOUSING PROJECTS ONLY – HOUSING NEEDS:** Are low or moderate income family housing needs already being met in the immediate area of the project?

Housing projects must not adversely affect existing multi-family housing in the area.

13. **FOR MULTI-FAMILY HOUSING PROJECTS ONLY – ELDERLY:** If this is an elderly housing project, are elderly housing needs already being met in the immediate area of the project?

Elderly housing must not adversely affect existing elderly housing in the area.

### III. PROJECT FEASIBILITY

14. **FEASIBILITY/FINANCING:** Has the applicant presented convincing evidence that the project will generate sufficient cash flow to pay debt service? Alternatively, does the applicant have a firm financing commitment?

Projects must show the ability to retire bonds, or evidence that financing has been obtained.

15. **COST:** Does the bond amount requested reasonably represent the money required to complete the project?

Bond amounts should be no more than that required to complete the project. The project will not be induced for an authorized maximum bond amount larger than the expected bond issue. Be sure to describe the sources of capital that will be used to finance the project.

16. **APPLICANT’S RECORD:** Does the applicant have a good record of completing projects of this or similar type? If an industry company is the applicant, does the company have strong financial backing and experience relevant to this project?

The applicant should have a good record with projects of this type, or present convincing evidence that the project will be completed. Substantiation of the

applicant’s background from financial institutions and local firms is especially useful in establishing the record.

17. **EQUITY:** Will the applicants make an equity investment in the project?

An equity investment is generally desirable; the Development Commission recognizes that a loan commitment for 100% bond financing may be made based on an applicant’s total holdings. In such cases, the Commission will accept a letter of commitment to finance the total project.

18. **MANAGEMENT:** Do the applicants commit to manage, as well as build, the project?

Long-range commitment to a project is desirable.

**METROPOLITAN REVENUE BOND INITIAL QUALIFYING TEST; PASS/FAIL CRITERIA**

	<b>PASS/FAIL</b>
1. Company meets statutory requirements	
2. Satisfactory initial demonstration of ability to service debt or self-fund purchase of the bonds, or evidence of an acceptable financing commitment.	
3. Conforms to City planning and zoning policies.	
4. Firm has no outstanding substantive federal, state or local tax issues.	
5. Proposed project complies with all federal, state, and local environmental laws, regulations, and rules	
6. Jobs created by the project meet or exceed the median wage for similar jobs in the community	
7. The firm offers health insurance for employees.	
8. Other additional factors.	
<b>RESULT</b>	

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Name of Project: \_\_\_\_\_

Location of Project: \_\_\_\_\_

Applicant: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Bond Counsel or Lawyer: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Type of Bonds: IRB \_\_\_\_\_ MRB \_\_\_\_\_ Other \_\_\_\_\_

If MRB,  
Metropolitan Redevelopment Area: \_\_\_\_\_

Bond Amount Requested: \_\_\_\_\_ Fee Submitted: \_\_\_\_\_

**FOR STAFF USE**

Staff Assigned: \_\_\_\_\_

Case Number: \_\_\_\_\_

Fee Received (note amount) \_\_\_\_\_

ADC Hearing Date: \_\_\_\_\_

Council Dates (Tentative): Introduction \_\_\_\_\_

Committee \_\_\_\_\_ Council Hearing \_\_\_\_\_

MRB-2004- (project number)  
(Name of project) Plan

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# **APPLICATION DESCRIPTION**

Please prepare the MRB application according to the following outline. Headings must be present and visible and all required information included. Please prepare the information needed for the fiscal impact analysis in the same manner but attached separately from the following outline.

## I. GENERAL DESCRIPTION

Give a brief overview of the project, including general location, proposed development, use, and total bond amount requested. Include a statement of the benefit to be gained by the Albuquerque community from this development. The General Description should explain what will be done with the MRB if approved.

## II. SITE AND EXISTING CONDITIONS

### A. Legal Description

Give both the precise and complete legal description and address or identification of location. (For example: The proposed project is located at 5300 2<sup>nd</sup> Street N.W. The site is more particularly described as Tracts B-1 and C of the Plan of Division of Lands of Mel Sanchez and Lath & Plaster Supply Company, as the same is shown and designated on the plat of said land filed in the office of the County Clerk on April 27, 1979 in Bernalillo County, New Mexico, containing approximately 11.15 acres.)

### B. Prevailing Site Conditions

Describe the present use and development of the site, including any improvements, vacant land, etc.

### C. Present Assessed Value

Give the present assessed value according to the Bernalillo County Assessor's office. You may also list a current appraised value if you feel it will make the post-development value clearer.

### D. Present and Proposed Zoning

Give the current zoning of the property. If any change in zoning is required for the proposed use, give the proposed new zone. We recommend that zoning changes required be requested before the project plan reaches the Development Commission.

### III. THE PROJECT PLAN

#### A. Information Concerning Applicant

Describe the development entity – corporation, syndicate, individual, etc., and give information about the experience of the company or of significant individuals involved in the type of development or industry proposed. Include as an attachment resumes of main principles, or other information which will bear on the experience and credibility of the development entity.

#### Tax Issues

Please provide a statement declaring that the applicant has no outstanding substantive federal, state or local tax issues. If, however, there are pending issues, thoroughly describe all issues and their status.

#### B. Information Concerning Products and Process

Identify the products and/or processes involved with this project. Specifically address the question of whether the proposed development will generate air, noise, or waste pollution or traffic congestion. Include any plans for the reduction and disposal of waste and/or project emissions.

#### C. Competition

Please describe any competition in the same area of commerce or industry existing in the City. This statement is very important.

#### D. Effect on Existing Industry and Commerce during and after Construction

Describe the predicted effects of the project including construction jobs generated, increased employment, increased sales, new industrial base, possible spin-off business, etc.

#### E. Land Acquisition

Say whether MRB proceeds are to be used to acquire land, and whether land is presently owned by the applicant, or is under option.

#### F. Description of Proposed Development

Describe the construction to be undertaken in the project, including square footage, construction type, and location of construction on the project site. Indicate whether existing buildings on the site will be rehabilitated or incorporated in the construction. Detail any demolition which will be required

by the project, and indicate whether demolition involves any identified historic properties. If possible, attach a conceptual site plan and elevation (alternately, these may be presented at the Development Commission hearing).

G. Infrastructure

Say whether project will require any extension or relocation of utility or road systems. If additional infrastructure is required, what cost sharing agreements have been reached between the applicant and the city or other parties?

B. Area Enhancement

Describe how project design and placement will enhance the area.

C. Local Purchasing

Please provide an estimated annual expenditure of goods and services locally procured that are subject to the New Mexico gross receipts tax, and an estimated annual increase in such an expenditure.

D. Water Conservation Plans

Estimate average daily and monthly water consumption and include any plans for the reduction or re-use of water.

E. Relocation of Individuals or Businesses

No individuals, families or businesses should be displaced by the activities outlined in this plan. If any relocation is required, detail the assistance the applicant will give in relocation.

F. Number and Types of Jobs Created

Identify the number and type (i.e., professional, clerical, assembly line, customer service, etc.) of permanent jobs and part time/seasonal which will be created in the project. If any existing jobs are to be retained to the project site, describe separately. Please include the wages of all positions to be created.

The following questions must also be answered:

- 1) What percentage of the permanent new jobs is expected to be filled by current Albuquerque area residents, as opposed to people relocated from elsewhere?
- 2) Will jobs benefit low and moderate income residents?
- 3) Will the jobs meet or exceed median wages for the industry within the community?
- 4) Will the jobs match skills of current city residents?

- 5) Will new employees be trained to fill the positions?
- 6) Are there stated advancement opportunities?
- 7) Will “Job Training Incentive Program” or other job training programs be used?
- 8) Will health insurance be offered for employees and what percentage will be covered by the employer?

G. Corporate Citizenship Policy/Plan

List any company policies/plans regarding the promotion of donations and volunteerism policy.

H. Positive Contributions

List all positive contributions that the project will make to the neighborhood.

I. Management

Who will manage the project? If the project will be managed by someone other than the applicant, does the applicant have any long-range involvement?

IV. PROJECT FINANCING

A. Cost of Improvements, Bond Amount and Private Financing

Give the total cost of the improvements to be constructed. Give the amount of bonds requested. The amount requested should be no more than that needed to complete the project in addition to equity or conventional financing. Also give the amount of private financing (equity or conventional financing) involved in this project; this may include the value of land and existing facilities, if relevant.

B. Estimated Value After Completion

Give the estimated appraised value of the project after completion.

C. Feasibility

Present information to show that the project can reasonably be expected to generate sufficient revenue to liquidate the debt. This information may be an attached pro forma, and should be sufficiently detailed to show the assumptions on which the projections are based. However, a firm commitment to provide financing for the project will be considered sufficient evidence of feasibility, and no pro forma will be needed in such cases.



D. Construction Schedule

Give the date of anticipated beginning and completion of construction.

E. Issuance of Bonds

Give the anticipated date of bond issuance.

Attachments: Attach to the plan a map location of the project (you may use the base maps from the City Zone Atlas if you wish), and any other information as desired to supplement the plan. If you are attaching glossy or colored printed material, please submit 25 copies.

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# **FISCAL IMPACT ANALYSIS**

V Please complete the following Fiscal Impact Analysis and attach separately.  
(Information may be repetitive)

## **INFORMATION REQUIRED FOR FISCAL IMPACT ANALYSIS**

1. Type or nature of project operations.
2. A total number of new employees to be created as a result of the proposed Metropolitan Redevelopment Bond project, a total net payroll and an estimated annual pay increase in future years.
3. A number of new employees by title or job classification and respective salary.
4. Optional employee benefits and an estimated value of such benefits and an estimated value of such benefits, either by amount or percentage of net pay. If employees contribute to such benefits, indicate their contributions in amount or percentage.
5. An estimated total annual expenditure of goods and services locally procured, identification of such goods and services (only those over \$10,000 per year), and an estimated annual increase in total expenditure.
6. An estimated annual expenditure of goods and services locally procured that are subject to the New Mexico gross receipts tax, and an estimated annual increase in such an expenditure.
7. An estimated total annual expenditure of goods procured out-of-state and subject to the New Mexico compensating tax, and an estimated annual increase in total expenditure.
8. An estimated annual local sale of goods and services that are subject to the New Mexico gross receipts.
9. Costs of land, site improvement, and building, respectively.
10. Total costs of equipment, fixtures, and furnishings to be purchased with the proceeds of the bond, and an amount of such purchases in New Mexico and out-of-state, respectively.
11. An estimated incremental New Mexico corporate income tax as a result of the proposed Metropolitan Redevelopment Bond project, and an estimated annual increase.
12. An estimated amount of capital expenditures to be qualified for the New Mexico investment tax credit.