

VILLAGE OF RUIDOSO

ORDINANCE 2009-13

AN ORDINANCE CREATING AN ECONOMIC DEVELOPMENT STRATEGIC PLAN FOR VILLAGE OF RUIDOSO; PROVIDING FOR ECONOMIC DEVELOPMENT GOALS, SELECTION CRITERIA FOR ASSISTANCE TO BUSINESS, INVESTMENT PROTECTION AND COMMUNITY BENEFITS, UNDER THE PROVISIONS OF THE NEW MEXICO LOCAL ECONOMIC DEVELOPMENT ACT OF 1993, NMSA 1978 SECTIONS 5-10-1 THROUGH 5-10-13.

WHEREAS, the Village of Ruidoso has determined that it is important to encourage appropriate types of economic development; and,

WHEREAS, The State of New Mexico has already adopted legislation outlining specific types of economic development strategies; and,

WHEREAS, the Village wishes to create an economic development strategic plan to implement these ideas.

Let it be known that the Village of Ruidoso formally establishes an Economic Development Strategic Plan as shown below:

Section 1. Economic Development Goals:

Having encouraged the support of the community and its leadership through public meetings and interviews, this economic development strategic plan declares the following to be desired goals:

- A. To diversify the local economy by supporting and encouraging local businesses by the creation of additional jobs in existing business and the development of new business.
- B. To support the development of industrial/business park(s) that will be attractive to new and expanding business.
- C. To, when feasible and within the provision of the New Mexico Local Economic Development Act, use public funds to assist in the development of new jobs.
- D. To only assist business that meets all applicable environmental rules and regulations, both state and national.
- E. To encourage cooperation between the public and private sectors as they assist in the creation of new jobs.
- F. To help develop within the community's resources the best possible career and technical education and other skill training to prepare the local populace to enter the work force.
- G. Note: The terms Village of Ruidoso referred to in this Economic Development Strategic Plan refer to the municipal government of that legal entity called the Village of Ruidoso.

Section 2. Types of businesses that meet the community's goals:

Those that fit most or all of these criteria will be selected when considering giving assistance under the Local Economic Development Act. This list is not necessarily all inclusive, and should an industry fall outside this preferred list, individual consideration will be granted. Village of Ruidoso considers the following types of businesses to be those that are preferred or meet the community goals:

- A. Industry that meets all environmental standards both state and federal.
- B. Industry that does not use large amounts of water in its production processes.
- C. Industries that pay a wage that will help improve the local per capita income.
- D. Industry that will help diversify the local labor market and lessen the reliance on low wage employment.

Section 3. Criteria for Community Assistance:

Community assistance will be considered for those Industries that meet the criteria of a "qualifying entity" as defined in the Local Economic Development Act law of 1993, Chapter 297, NMSA 1978 Section 5-10-4.

- A. Information required: For an applicant to be considered for assistance the following may include but is not limited to the following:
 - 1. Company financial history
 - 2. The number of jobs to be created
 - 3. The types of business and jobs including a business plan
 - 4. Compatibility with Village of Ruidoso's economic development goals
 - 5. Other resources available to the borrower
 - 6. Financial and marketing projections
 - 7. Other information deemed pertinent to the City.
- B. Information Verification: Village of Ruidoso will use due diligence to verify all facts about the business seeking assistance including but not limited to:
 - 1. *Requiring financial statements* and appropriate tax records to be made available by the business.
 - 2. *Investigation* to determine the validity of any claims to patent rights, trade secrets, etc.
 - 3. Verification of financial data including requesting data from banks and other financial institutions that may have had previous dealings with the business seeking assistance or its principals.
 - 4. Review of information pertaining to any other borrowing by the business or its principals that might affect the business's ability to repay debt or fulfill other obligations, if any, owed to the Village of Ruidoso.
 - 5. Review of the business's plans and marketing plans proposed by the borrower including, if deemed necessary, outside professional review of technical data.
- C. Investment Protection: The Village of Ruidoso will provide adequate safeguards to insure that its rights and financial commitments are adequately protected and recoverable in the event of default. No investment will be made that is not in compliance with the Local Economic Development Act including loans for working capital and the repayment of previous debts. Protection may include but is not limited to:

1. Security provided the Village of Ruidoso may be in the form of a lien, mortgage or other indenture and the pledge of the qualifying business's financial and material participation and personal cooperation to guarantee the borrower's performance pursuant to the project's goals.
2. Any investment in streets, utilities or other public works will be made in accordance with Village that provides security for any Village investment made pursuant to the attraction of a business under the Local Economic Development Act.
3. Provision for performance review will be established to insure that the business is operating in accordance with its agreement with the Village of Ruidoso. This may include milestones, measurable goals and time limits on project development and completion. Provisions for performance review may include penalties for unsatisfactory performance.
4. The contribution made by each party and its participation in the project will be clearly stated in the agreements.
5. There will be separate accounts for all financial dealings
6. An annual independent audit of the fund/account shall be required.

Section 4. Possible Community Assistance:

Community assistance under the Local Economic Development Act may include:

- A. The sale or lease of Village-owned land or other property in return for pledges to provide new jobs of a value commensurate with discount from market value granted in any land/property sale or lease. Terms of said sale/lease may provide penalties including return of the property for failure to meet goals for the creation of jobs.
- B. The Village of Ruidoso will consider building and leasing or selling a facility in return for new jobs. The terms of such a lease/sale shall be commensurate with the number of new jobs created. This reduced lease/sale shall have provisions for adjustment of the lease/sale price in the event the lessee/borrower fails to meet the previously established employment goals.
- C. The minimum benefit to the community to qualify for assistance is the creation of new jobs that pay an hourly rate at least equal to the federal minimum wage or other standards that may be adopted.
- D. The community will assist the new business in obtaining career and technical educational and training from local sources whenever possible. The community will also assist in obtaining matching funds available under the New Mexico In-Plant Training Program.
- E. When appropriate information is presented and an application is made, the Village of Ruidoso may issue industrial revenue bonds or offer other types of economic assistance in order to assist in the location or expansion of a qualifying business. These bonds may include tax abatement when deemed appropriate.
- F. Under circumstances where the benefit to the community is not clear, an economic impact analysis may be requested by the Village of Ruidoso.
- G. Assistance under this Act shall not exceed the expenditures of monies exceeding five (5%) percent of the Village of Ruidoso's general fund budget in any one year. Other assistance, such as the sale of already owned city land, will be considered on an individual basis.

Section 5. Community Expectations and Benefits:

Village of Ruidoso expects the Economic Development Strategic Plan to help direct the community towards goals of greater economic diversification and increased per capita income as the result of more and better jobs.

Section 6. Project Termination:

The Village of Ruidoso may by ordinance terminate this Economic Development Strategic Plan. It may also terminate projects developed under this plan provided the term of any existing contract must be satisfied. Any monies left in the account or funds for this project(s) shall be transferred to the general fund.

Section 7. Severability:

In the event any section, clause, paragraph or provision of this Ordinance be declared by a Court of competent jurisdiction to be invalid, illegal or unenforceable, then in such event the remainder of the sections, clauses, paragraphs or provisions of this Ordinance shall continue in full force and effect and be interpreted as though such invalid, illegal or unenforceable provision had never been contained herein.

Section 8. Authority and construction/interpretation:

This Ordinance and Economic Development Strategic Plan are adopted pursuant to and shall be construed and interpreted in accordance with the provisions of the Local Economic Development Act NMSA 1978 Sections 5-10-1 through 5-10-13.

PASSED, ADOPTED AND APPROVED on this the 28th day of July, 2009


Lonnie R. Nunley, Mayor

ATTEST:


Irma Devine, Village Clerk

(SEAL)