

1 **CITY OF SANTA FE, NEW MEXICO**

2 **BILL NO. 2016-28**

3 **INTRODUCED BY:**

4
5 Councilor Christopher Rivera

6 Councilor Carmichael Dominguez

7 Mayor Javier M. Gonzales

8 Councilor Peter N. Ives

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 THE SANTA FE DISTILLERY, LLC, "SANTA FE**
15 **SPIRITS" FOR EXPANSION TO THE EXISTING MANUFACTURING FACILITY, A**
16 **LOCAL ECONOMIC DEVELOPMENT PROJECT.**

17
18 **BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE:**

19 **Section 1. Short Title.** This Ordinance shall be known as the "Santa Fe Spirits Local
20 Economic Development Project Ordinance."

21 **Section 2. Recitals.**

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

25 B. The City of Santa Fe has complied with the requirements of the Local Economic

1 Development Act by adopting an Economic Development Fund Ordinance (11-14 SFCC (1987)),
2 incorporating within that ordinance its community economic development plan and its economic
3 development strategy for implementation dated May 21, 2008; and

4 C. Santa Fe Distillery, LLC (“Santa Fe Spirits”) is a distillery for the purpose of
5 manufacturing, processing and assembling of agricultural or manufactured products to market under
6 the Economic Development Ordinance that creates economic base jobs.

7 D. State of New Mexico has appropriated \$325,000 to the project to purchase land,
8 design and construct an expansion to the existing manufacturing facility at 7500 Avenger Way in
9 Santa Fe, New Mexico, by adding approximately 4,000 square feet to locate a warehouse, distillery
10 and other manufacturing operations. This project identified as Project _____ will provide
11 expansion and opportunity for manufactured products to market and thus, generate more tax bases,
12 and more gross receipts taxes.

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

14 A. The City of Santa Fe has determined that it is in the interest of the welfare of the
15 citizens of Santa Fe to enter into an Economic Development Project Participation Agreement for the
16 purposes of effectuating its Economic Development Plan and the Project.

17 B. In compliance with the City’s Economic Development Fund Ordinance, 11-14 SFCC
18 (1987), this Project Participation Agreement between Santa Fe Spirits and the City clearly state the
19 following:

- 20 (1) The economic development goals of the project;
- 21 (2) The contributions of the City and Santa Fe Spirits;
- 22 (3) The specific measurable objectives upon which the performance review will
23 be based;
- 24 (4) A schedule for project development and goal attainment;
- 25 (5) The security being offered for the City's investment;

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

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

4 (8) The Santa Fe Distillery, LLC is a qualifying entity; and


5 (8) A "sunset" clause after which the City shall relinquish interest in and
6 oversight of the project.

7 **Section 4. Approval and Adoption of the Project Participation Agreement.** The
8 governing body hereby approves the 2016 PPA (attached as Exhibit A) whereby the City will be the
9 Fiscal Agent for the State Legislative appropriation of \$325,000. The City will pass through the State
10 Legislative appropriation of \$335,000 to the Santa Fe Spirits and the funds will be used purchase
11 land, and to provide expansion and opportunity for manufactured products to market and thus
12 generate more tax base, and more gross receipts taxes.

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

18 **Section 6. Effective Date.** This ordinance shall become effective immediately upon
19 adoption.

20
21 APPROVED AS TO FORM:

22 
23 _____
24 KELLEY A. BRENNAN, CITY ATTORNEY

25 *M/Legislation/Bills 2016//Santa Fe Spirits PPA*