

CITY OF SANTA FE, NEW MEXICO

BILL NO. 2020-__

INTRODUCED BY:

Mayor Alan Webber

Councilor JoAnne Vigil Coppler

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 SAVANT X, INC. FOR DESIGN, DEVELOPMENT, AND
CONSTRUCTION OF TENANT IMPROVEMENTS; AND FOR LEASE PAYMENTS TO
EXPAND A CORPORATE RESEARCH CENTER, 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 "Savant X 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 (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. Savant X, Inc., ("Qualifying Entity") is a software development research center that
6 serves the public by stimulating and catalyzing the growth of a high-technology industry cluster in
7 Santa Fe, which meets the definition of Qualifying Entity under the Economic Development Ordinance,
8 Section 11-14.4(A) SFCC 1987); and the LEDA, NMSA 1978, Section 5-10-3 (K). The
9 Qualifying Entity creates economic base jobs as a software development facility by creating software
10 for advanced data analytics that provide visualization and understanding of many types of data. The
11 development of quantum computing tools scaled for commercial use will be the top priority of the
12 center located in Santa Fe.

13 D. The State of New Mexico has appropriated Four Hundred and Fifty Thousand Dollars and
14 No Cents (\$450,000.00) from the New Mexico LEDA Fund and the City of Santa Fe will provide Fifty
15 Thousand Dollars and No Cents (\$50,000.00) from the Local Economic Development Fund for the
16 project to pay lease payments and to fund the project build out of the infrastructure and tenant
17 improvements in the facility and its projected second facility expansion, which will occur in the fifth
18 (5) year of operation. The facility is located at 504 Jose Street in Santa Fe, New Mexico. The expansion
19 may include construction costs, materials associated with the interior renovation of its facilities, and
20 improvements or construction of telecommunications, broad band connectivity, and other infrastructure
21 necessary to improve service to the facility. This project identified as the "Project" is a research center
22 that will expand the tax base and generate more taxes, fees, and other revenues for the State of New
23 Mexico and City of Santa Fe.

24 E. The facility will be used to develop software, which causes the company to fall under
25 the definition of a "manufacturer" under LEDA.

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

2 A. The City of Santa Fe has determined that it is in the interest of the welfare of the
3 citizens of Santa Fe to enter into an Economic Development Project Participation Agreement for the
4 purposes of effectuating the City's Economic Development Plan and the Project.

5 B. In compliance with the City's Economic Development Fund Ordinance, 11-14 SFCC
6 (1987), this Project Participation Agreement between Qualifying Entity and the City clearly states the
7 following:

8 (1) Savant X, Inc. is a qualifying entity;

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

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

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

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

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

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

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

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

21 **Section 4. Approval and Adoption of the Project Participation Agreement.** The
22 governing body hereby approves the 2020 PPA (attached as Exhibit A) whereby the City will be the
23 Fiscal Agent for the State legislative appropriation of Four Hundred Fifty Thousand Dollars and No
24 Cents (\$450,000.00) and will designate the Fifty Thousand Dollars and No Cents (\$50,000.00) in City
25 Funds. The City will pass through the State Legislative appropriation of \$450,000.00 and provide the

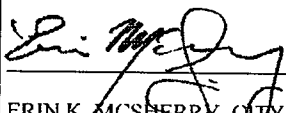
1 City funds of \$50,000.00 to the Qualifying Entity and the funds will be used for lease payments,
2 infrastructure and tenant improvements for the facility, and the Qualifying Entity's projected second
3 facility expansion in the fifth (5) year of operation. The Qualifying Entity will expand the tax base and
4 generate more taxes, fees, and other revenues for the State of New Mexico and City of Santa Fe.

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

10 **Section 6. Effective Date.** This ordinance shall become effective immediately upon
11 adoption.

12 PASSED, APPROVED, and ADOPTED this ____ day of _____, 2020.

13 APPROVED AS TO FORM:

14 
15 _____
16 ERIN K. MCSHERRY, CITY ATTORNEY

17
18
19
20
21
22
23
24
25 *Legislation/2020/Bills/Savant X LEDA PPA*