

Commission Meeting Agenda



Mayor

Samuel D. Cobb

City Commission

R. Finn Smith – District 1

Christopher R. Mills – District 2

Larron B. Fields – District 3

Joseph D. Calderón – District 4

Dwayne Penick – District 5

Don R. Gerth – District 6

City Manager

Manny Gomez

June 3, 2024



Hobbs City Commission
Regular Meeting
City Hall, City Commission Chamber
200 E. Broadway, 1st Floor Annex, Hobbs, New Mexico

Monday, June 3, 2024 - 6:00 p.m.

Sam D. Cobb, Mayor

R. Finn Smith
Commissioner – District 1

Christopher R. Mills
Commissioner – District 2

Larron B. Fields
Commissioner – District 3

Joseph D. Calderón
Commissioner – District 4

Dwayne Penick
Commissioner – District 5

Don R. Gerth
Commissioner – District 6

A G E N D A

City Commission Meetings are
Broadcast Live on KHBX FM 99.3 Radio and
Available via Livestream at www.hobbsnm.org

CALL TO ORDER AND ROLL CALL

INVOCATION AND PLEDGE OF ALLEGIANCE

APPROVAL OF MINUTES

1. Minutes of the May 20, 2024, Regular Commission Meeting (*Jan Fletcher, City Clerk*)

PROCLAMATIONS AND AWARDS OF MERIT

None

PUBLIC COMMENTS (*Citizens who wish to speak must sign the Public Comment Registration Form located in the Commission Chamber prior to the beginning of the meeting.*)

CONSENT AGENDA *(The consent agenda is approved by a single motion. Any member of the Commission may request an item to be transferred to the regular agenda from the consent agenda without discussion or vote.)*

2. Resolution No. 7482 – Authorizing the City Manager’s Litigation Authority for FY 24-25 *(Valerie Chacon, City Attorney)*
3. Resolution No. 7483 - Authorizing FY 24-25 Funding Appropriations for Social Service Agencies *(Julie Nymeyer, Executive Assistant)*
4. Resolution No. 7484 - Authorizing FY 24-25 Funding Appropriations for the Economic Development Corporation of Lea County, Hobbs Chamber of Commerce and Hobbs Hispano Chamber of Commerce *(Julie Nymeyer, Executive Assistant)*

DISCUSSION

5. FY 2026-2030 Infrastructure Capital Improvements Plan *(Todd Randall, Assistant City Manager)*

ACTION ITEMS *(Ordinances, Resolutions, Public Hearings)*

6. PUBLIC HEARING: Resolution No. 7485 – Concerning the Issuance of a Restaurant “B” Liquor License to El Bazucazo Restaurant, LLC, 205 West Sanger Street in Hobbs *(Valerie Chacon, City Attorney)*
7. FINAL ADOPTION: Ordinance No. 1157 - Approving a Local Economic Development Act (LEDA) Project and Adopting a Project Participation Agreement with Space Jump, LLC, in the Amount of \$180,000.00 *(Valerie Chacon, City Attorney)*
8. FINAL ADOPTION: Ordinance No. 1158 - Approving a Local Economic Development Act (LEDA) Project and Adopting a Project Participation Agreement with HTEAO/HOLVAY, LLC, in the Amount of \$70,000.00 *(Valerie Chacon, City Attorney)*
9. FINAL ADOPTION: Ordinance No. 1159 - Amending Chapter 5.06 Relating to the Definition of Cannabis Consumption Areas *(Valerie Chacon, City Attorney)*
10. Resolution No. 7486 – Authorizing Submission of a Grant Application to the New Mexico Department of Finance and Administration for the FY 25 Firefighter Recruitment Fund *(Mark Doporto, Fire Chief)*

COMMENTS BY CITY COMMISSIONERS, CITY MANAGER

11. Next Meeting Dates:

- **City Commission Regular Meetings:**
 - Monday, June 17, 2024, at 6:00 p.m.
 - Monday, July 1, 2024, at 6:00 p.m.
 - Monday, July 15, 2024, at 6:00 p.m.

ADJOURNMENT

If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the above meeting, please contact the City Clerk's Office at (575) 397-9200 at least 72 hours prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the City Clerk's Office if a summary or other type of accessible format is needed.



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: June 3, 2024

SUBJECT: City Commission Meeting Minutes

DEPT. OF ORIGIN: City Clerk's Office
DATE SUBMITTED: May 30, 2024
SUBMITTED BY: Jan Fletcher, City Clerk

Summary:

The following minutes are submitted for approval:

- Regular City Commission meeting held on May 20, 2024

Fiscal Impact:

Reviewed By: _____
Finance Department

N/A

Attachments:

Minutes as referenced under "Summary".

Legal Review:

Approved As To Form: _____
City Attorney

Recommendation:

Motion to approve the minutes as presented.

Approved For Submittal By:

Department Director

City Manager

**CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN**

Resolution No. _____
Ordinance No. _____
Approved _____
Other _____

Continued To: _____
Referred To: _____
Denied _____
File No. _____

Minutes of the regular meeting of the Hobbs City Commission held on Monday, May 20, 2024, in the City Commission Chamber, 200 East Broadway, 1st Floor Annex, Hobbs, New Mexico. This meeting was also broadcast via Livestream on the City's website at www.hobbsnm.org.

Call to Order and Roll Call

Mayor Sam Cobb called the meeting to order at 6:00 p.m. and welcomed everyone to the meeting. The City Clerk called the roll and the following answered present:

Mayor Sam D. Cobb
Commissioner Joseph D. Calderón
Commissioner Larron B. Fields
Commissioner Dwayne Penick
Commissioner Don Gerth
Commissioner Finn Smith
Commissioner Chris Mills

Also present:

Manny Gomez, City Manager
Todd Randall, Assistant City Manager
Valerie Chacon, City Attorney
Amber Leija, Assistant City Attorney
Medjine Douyon, Deputy City Attorney
August Fons, Police Chief
Shane Blevins, Deputy Police Chief
Chad Wright, Police Captain
Jessica Silva, Code Enforcement Superintendent
Mark Doporto, Fire Chief
Ryan Herrera, Deputy Fire Chief
Shawn Williams, Fire Marshal
Adam Marinovich, Fire Captain Inspector
Toby Spears, Finance Director
Deborah Corral, Assistant Finance Director
Bobby Arther, Municipal Judge
Tim Woomer, Utilities Director
Anthony Henry, Acting City Engineer
Nicki Lawless, Library Director
Bryan Wagner, Parks and Open Spaces Director
Lou Maldonado, Parks and Open Spaces Superintendent
Matt Hughes, Rockwind Superintendent
Doug McDaniel, Recreation Director
Edward Trevino, General Services Fleet Manager
Tracy South, Assistant HR Director
Selena Estrada, Risk Manager
Julie Nymeyer, Executive Assistant
Christa Belyeu, I. T. Director
Jan Fletcher, City Clerk
Alyxandra Salas, City Clerk Record Specialist
17 citizens

Invocation and Pledge of Allegiance

Commissioner Fields delivered the invocation and Commissioner Smith led the Pledge of Allegiance.

Approval of Minutes

Commissioner Calderón moved the minutes of the regular meeting of May 6, 2024, work session of May 6, 2024, and special meeting of May 13, 2024, be approved as written. Commissioner Fields seconded the motion and roll call vote was recorded as follows: Smith yes, Mills yes, Fields yes, Calderon yes, Penick yes, Gerth yes, Cobb yes. The motion carried.

Proclamations and Awards of Merit

Mr. Manny Gomez, City Manager, recognized the following employees for their Milestone Service Awards for the month of May, 2024:

- 5 years – Bryan Wagner, Parks and Open Spaces Department
- 5 years – Natalie De La Cruz, Recreation Department
- 10 years – Nancy Tovar, Municipal Court
- 10 years – Doug McDaniel, Recreation Department
- 15 years – Ryan Herrera, Hobbs Fire Department
- 20 years – Joseph Hill, Recreation Department

Mr. Gomez thanked the Commission for recognizing the employees. Mr. Gomez reviewed highlights about the work of each employee. He expressed gratitude to each employee for their hard work and also thanked the employees' families for their contributions to the organization

Mayor Cobb proclaimed the week of May 19 – 25, 2024 as "*Emergency Medical Services Week*" with the theme of the 50th Anniversary as "Honoring Our Past, Forging Our Future". Mr. Mark Doporto, Fire Chief, thanked Mayor Cobb, the Commission, and City Staff for the Proclamation. He also thanked the men and women who serve at the Hobbs Fire Department for their dedicated service 365 days per year providing EMS coverage.

Public Comments

None.

Consent Agenda

Mayor Cobb stated Item #6, Resolution No. 7476 – Authorizing Support of Water Reuse Rule by the New Mexico Water Quality Control Commission) be removed from the agenda.

Mayor Cobb explained the process for the consent agenda which is reserved for items which are routine when the agenda is lengthy. He stated any member of the Commission may request an item to be transferred to the regular agenda from the consent agenda without discussion or vote.

Commissioner Calderón moved for approval of the following Consent Agenda item(s):

Consideration of Approval of RFP No. 549-24 to Provide Kennel Cleaning Janitorial Services at the Hobbs Animal Adoption Center and Recommendation to Accept Proposal Submitted by Classi Clean, LLC.

Commissioner Gerth seconded the motion and roll call vote was recorded as follows: Smith yes, Mills yes, Fields yes, Calderón yes, Penick yes, Gerth yes, and Cobb yes. The motion carried. Copies of the supporting documentation are attached and made a part of these minutes.

Discussion

None.

Action Items

Resolution No. 7477 – Approving the FY 2024-2025 Preliminary Budget

Mr. Toby Spears, Finance Director, explained the resolution for approval of the FY 2025 preliminary budget which is the final step before submitting the budget to approval by the New Mexico Department of Finance and Administration which is due June 1, 2024. He stated the preliminary budget includes \$76,811,151.86 in proposed general fund expenditures and \$155,891,451.66 in proposed expenditures for all funds. Revenues in the General Fund are projected at \$73,93,850.00 and total revenue projections for all funds are set at \$140,842,529.00. Current projected general fund cash reserve is set at 50% with a preliminary ending cash balance for all funds of \$77,728,505.60.

In response to Commissioner Smith's summary there will be \$17 million in flowback from the current year budget that will offset the \$15 million deficit from this year if everything is spent that is expected to be spent. Mr. Spears stated that there are some unencumbered projects in FY 2024 that could be re-appropriated in the final budget.

There being no further discussion, Commissioner Penick moved to approve Resolution No. 7477 as presented. Commissioner Smith seconded the motion and roll call vote was recorded as follows: Smith yes, Mills yes, Fields yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried. A copy of the resolution and supporting documentation are attached.

Resolution No. 7478 – Authorizing Approval of a Grant Agreement with the New Mexico Department of Cultural Affairs, State Library Division, in the Amount of \$136,581.60 for the Hobbs Public Library

Ms. Nikki Lawless, Library Director, explained the grant agreement with the New Mexico Department of Cultural Affairs, New Mexico State Library Division in the amount of \$136,581.60 for the Hobbs Public Library. She stated these are supplemental funds available for two years that will be used to purchase materials for library.

There being no discussion, Commissioner Smith moved to approve Resolution No. 7478 as presented. Commissioner Fields seconded the motion and roll call vote was recorded as follows: Smith yes, Mills yes, Fields yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried. A copy of the resolution and agreement are attached.

Resolution No. 7479 – Approving the First Amendment to the Professional Services Agreement Between the City of Hobbs and the Economic Development Corporation of Lea County for FY 2023-2024

Ms. Valerie Chacon, City Attorney, explained the resolution and First Amendment to the Professional Services Agreement between the City of Hobbs and the Economic Development Corporation of Lea County for FY 2023-2024. Ms. Chacon explained the amendment would allow for an additional \$1.1 million for the City's share in the airline subsidy. She stated the airline subsidy is shared in equal parts pursuant to an agreement between the City of Hobbs and Lea County. The City's amended share of the subsidy is \$2,755,364.00 and the additional funds are budgeted in the FY 2024 budget.

Mayor Cobb explained that based on the latest information received by the Airline C Committee, they are under the minimum revenue guarantee that the two entities through EDC have entered into with United Airlines.

Mr. Toby Spears explained a breakdown of the current contract.

Mayor Cobb stated that there will be future changes to the Denver and Houston flights that will provide better connectivity. He stated United is pleased with the partnership and have proposed a full one-year contract which will include schedule changes.

Mayor Cobb stated people within the area are pleased with the job that the staff and county have done.

Commissioner Smith stated there are many improvements being made at the airport and it is a wonderful investment to be made to increase the visibility and accessibility of our community.

Mr. Manny Gomez commented on the new provision in Section 2.4 authorizing the City Manager to amend the agreement to not exceed 10% of the agreed upon obligation. He stated he will keep the Commission up to date with any changes and the MRG is still unknown but is tracking in a favorable condition.

Commissioner Mills and Penick questioned the need for such a new provision in the contract which has not been included in the past. Mayor Cobb, Mr. Gomez, Ms. Chacon and Ms. Spears stated the additional language was included due to the unknown amount and the timing of the billing which could occur at the end of the City's fiscal year.

Following a lengthy discussion, Commissioner Smith moved to approve Resolution No. 7479 as presented. Commissioner Gerth seconded the motion and roll call vote was recorded as follows: Smith yes, Mills yes, Fields yes, Calderón yes, Penick no (later in the meeting changed his vote to yes), Gerth yes, Cobb yes. The motion carried. A copy of the resolution and amendment are attached.

Resolution No. 7480 – Approving a Memorandum of Agreement Between Lea County and the City of Hobbs for Affordable Housing Projects and Housing Infrastructure Programs

Ms. Valerie Chacon, City Attorney, explained the agreement between Lea County and the City of Hobbs for affordable housing projects and housing infrastructure programs. She stated the grant is for \$14 million and, if approved, a board meeting will be held by the County Commission on May 23, 2024, to approve the agreement. The City funds will require expenditure by September 30, 2029.

Mayor Cobb thanked County Manager Mike Gallagher, County Commissioner Sena and County Commissioner Weber for their leadership and stated it will be a great addition for housing incentives. He stated a community is unable to grow if it does not have affordable housing for residents.

Commissioner Smith thanked Commissioner Weber and County Manager Mike Gallagher for their attendance and expressed his excitement in seeing the continued growth in our county and communities. He stated this program is a great investment and has proven to be a wonderful asset to the county in terms of property and growth.

Commissioner Penick thanked the County Commission for all they do for the City of Hobbs and its constituents. He agreed it is a great partnership and that it is important to have the housing before we can grow and develop.

Commissioner Mills stated that the relationship between the City of Hobbs and Lea County is special which benefits the people, taxpayers and residents. He stated he has personally witnessed interactions between other counties and municipalities which does not compare to that of the relationship between the City of Hobbs and Lea County where the entities listen to each other.

Commissioner Fields stated we are fortunate to have the partnership with Lea County, and he thanked the County Commissioners and the County Manager for incentivizing this project. He suggested considering some infilling in certain areas of the City in the near future.

There being no further discussion, Commissioner Smith moved to approve Resolution No. 7480 as presented. Commissioner Mills seconded the motion and roll call vote was recorded as follows: Smith yes, Mills yes, Fields yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried. Copies of the resolution and agreement are attached.

Resolution No. 7481 – Rescinding Condemnation on Certain Properties That Have Previously Been Determined to be Ruined, Damaged, Dilapidated and a Menace to Public Comfort, Health and Safety

Ms. Amber Leija, Assistant City Attorney, and Ms. Jessica Silva, Code Enforcement Superintendent, explained the resolution to rescind condemnation of four properties located at 1200 East Broadway, 306 South McKinley, 712 South Selman, and 1110 South Farquhar which are no longer ruined, damaged, dilapidated, or a menace to public comfort, health, and safety. Ms. Jessica Silva presented before and after photos showing the properties that have either been renovated, demolished or removed which renders the properties in compliance with the Hobbs Municipal Code.

There being no further discussion, Commissioner Calderón moved to approve the Resolution No. 7481 as presented. Commissioner Gerth seconded the motion and roll call vote was recorded as follows: Smith yes, Mills yes, Fields yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried. Copies of the resolution and supporting documentation are attached.

Consideration of Approval of Bid No. 1608-24 to Furnish Labor and Parts for Pump Repair and Recommendation to Accept Bid from WHB Pump Sales, LLC

Mr. Tim Woomer, Utilities Director, requested approve of Bid No. 1608-24 to Furnish Labor and Parts for Pump Repair for the Utilities Department. Mr. Woomer stated that

formal bids were opened on March 14, 2024, to furnish labor, equipment, machine work, and parts for the repair, replacement, and installation of pumps and pump motors for the City of Hobbs water production wells and booster pump stations operating within the City's water production system. He stated there was one qualified bid received from WHB Pump Sales, LLC in Lovington, New Mexico, and the bid amount is for \$12,700.00 which is an indefinite quantity agreement. He stated the annual budget is between \$150,000.00 and \$200,000.00 for preventative maintenance, and is currently budgeted at \$180,000.00 for the next budget period as preliminarily approved by the Commission. He stated the new agreement would be good for one year with the option to renewal for three additional years.

There being no discussion, Commissioner Penick moved to approve Bid No. 1608-24 from WHB Pump Sales, LLC, to Furnish Labor and Parts for Pump Repair. Commissioner Smith seconded the motion and roll call vote was recorded as follows: Smith yes, Mills yes, Fields yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried. Copies of the supporting documentation are attached

Comments by City Commissioners, City Manager

Mr. Gomez thanked staff for the work on rescinding four condemnation properties and structures that were deemed unsafe in the community. He stated revitalization is a must and it shows the success of the program.

Mr. Gomez reminded citizens about the City's water conservation period which is from May 15, 2024, until September 15, 2024. He asked that everyone in the community comply with the requirements and be a part of the difference being made through the program.

Mr. Gomez stated there will be a Memorial Day Ceremony on Monday, May 27, 2024, at 4:00 p.m. at the Hobbs Veterans Memorial Park. He stated approximately 119 brick paver applications were approved to be set to recognize Veterans who have served.

Mr. Gomez stated during the last commission meeting, Waste Management District Manager, Mr. Jordan Davis, presented a review of areas of unsafe alleys that are potentially hazardous for their commercial trucks. Mr. Gomez stated curbside pickup will begin in these noted areas on June 17, 2024, which will affect 427 customers. Curbside pickup will be twice per week at the locations east of north Turner Street, west of north Dal Paso Street, and north of East Sanger Street. He stated anytime there is a concern similar to this one, there is a process for review which will involve a meeting with the respective City Commissioner in that area, City staff, and a presentation will take place and then there will be a decision to move forward.

Mayor Cobb suggested that in the future, there can be a better polycart design created with fold out legs to create better stability to keep the polycarts upright and prevent them from tipping over which creates a mess.

Commissioner Gerth stated that Rockwind Golf Course hosted the NJCCA Tournament this weekend and NMJC won the tournament. He congratulated NMJC on a job well done.

Commissioner Mills stated he visited with the community this weekend by going door to door and answering questions that the public had regarding the City. He stated the public had a few concerns, mainly regarding the splash pads, pools, and traffic issues in the area, more specifically speeding and racing.

Commissioner Fields addressed the issues regarding speeding on the streets of Hobbs, especially in residential areas near schools. He stated this is an important safety which needs to be addressed.

Commissioner Penick stated he wished to change his vote on Resolution No. 7479 to "yes" as he does support the contract with the EDC. He stated he does have some concerns with the new provision not allowing the Commission to be involved in the decision.

Commissioner Penick offered his congratulations to all Hobbs High School graduates on their upcoming graduation and commended them for their accomplishment.

ADJOURNMENT

There being no further business or comments, Commissioner Calderón moved that the meeting adjourn. Commissioner Gerth seconded the motion and the vote was recorded as follows: Smith yes, Mills yes, Fields yes, Calderón yes, Penick yes, Gerth yes, Cobb yes. The motion carried and the meeting adjourned at 6:55 p.m.

SAM COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk



CONSENT AGENDA

CITY OF HOBBS

RESOLUTION NO. 7482

A RESOLUTION AUTHORIZING THE CITY MANAGER'S
LITIGATION AUTHORITY FOR FY24-25

WHEREAS, the City of Hobbs Charter Section 6-2(E) states in pertinent part that the City Manager "shall...[b]e the person, or his designated agent, for the purposes of civil process...."; and

WHEREAS, the New Mexico Rules of Professional Conduct Rule 16-102 NMRA requires that the "client" shall authorize the lawyer to carry out the representation of the client and the lawyer shall abide by the client's decisions concerning the objectives of representation, including any decision to settle a matter; and

WHEREAS, the City Manager receives regular briefings from the City Attorney's Office regarding threatened or pending litigation and is otherwise in the best position to make timely and informed decisions on behalf of the organization; and

WHEREAS, to promote accountability and to counterbalance the City Manager's authority as set forth herein, it is in the best interest of the organization that the Mayor provide advice and consent to the City Manager's litigation decisions; and

WHEREAS, it is also in the best interest of the organization that the City Manager consistently inform the City Commission regarding litigation decisions made by the City Manager that may have a fiscal impact on the City of Hobbs; and

WHEREAS, pursuant to the Hobbs Municipal Code Section 3.20.035, contracts and expenditures in connection with court or administrative proceedings are exempt from

the City's procurement policy.

NOW, THEREFORE BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that the City Manager, with the advice and consent of the Mayor, is authorized to make litigation decisions on behalf of the City of Hobbs, as client, concerning the objectives of representation, including any decision to settle a matter. The City Manager shall maintain communication with the City Commission regarding litigation matters.

BE IT FURTHER RESOLVED that this Resolution shall be valid and enforceable from July 1, 2024, through June 30, 2025 (FY24-25), or unless rescinded or replaced by a subsequent resolution on the same subject prior to June 30, 2025, as contemplated by Article II(2)(C)(2)(b) of Section 2.04.060 of the Hobbs Municipal Code.

PASSED, ADOPTED AND APPROVED this 3th day of June, 2024.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk



CITY OF HOBBS

COMMISSION STAFF SUMMARY FORM

MEETING DATE: June 3rd, 2024

SUBJECT: A RESOLUTION AUTHORIZING FY24-25 FUNDING APPROPRIATIONS TO SOCIAL SERVICE AGENCIES AND AUTHORIZING THE MAYOR TO EXECUTE PROFESSIONAL SERVICE AGREEMENTS.

DEPT. OF ORIGIN: Mayor's Office
DATE SUBMITTED: May 23, 2024
SUBMITTED BY: Julie Nymeyer

Summary: Proposed funding for Community Social Service Agencies.

If approved, the City of Hobbs will execute a Professional Services Agreement with the Social Service Agencies that will outline the contractual obligations of each party for the fiscal year.

Fiscal Impact:

Reviewed By: _____

Finance Department

\$400,000 has been approved in the preliminary FY24-25 budget.

Attachments:

Resolution

Legal Review:

Approved As To Form: _____

City Attorney

Recommendation:

Motion to approve Resolution.

Approved For Submittal By:

Department Director

City Manager

CITY CLERK'S USE ONLY COMMISSION ACTION TAKEN

Resolution No. _____ Continued To: _____
Ordinance No. _____ Referred To: _____
Approved _____ Denied _____
Other _____ File No. _____

CITY OF HOBBS

RESOLUTION NO. 7483

A RESOLUTION AUTHORIZING FY 24-25 FUNDING
APPROPRIATIONS TO VARIOUS SOCIAL SERVICE AGENCIES

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS,
NEW MEXICO, that FY 24-25 funding appropriations are approved for various social
service agencies in the following amounts:

CASA	\$20,000
Cavern City Child Advocacy	\$5,000
Community Drug Coalition	\$143,500
Faith in Action	\$13,500
Helen Houston's Justice House	\$7,500
Isaiah's Kitchen	\$20,000
Legacy Pregnancy Resource Ctr	\$7,500
MyPower, Inc.	\$35,000
Option	\$20,000
Opportunity House	\$24,000
Palmer Drug Abuse Program	\$50,000
Senior Bash	\$4,000
Sheri's House of Hope	\$7,500
Southwest Symphony	\$7,000
Unity Recovery Solutions	\$10,250
Weekend Hunger Initiative	\$25,250
	\$400,000

BE IT FURTHER RESOLVED that the Mayor be and is hereby authorized and
directed to execute appropriate Professional Service Agreements with each agency in the

amounts specified above for the provision of social services to the citizens of Hobbs.

PASSED, ADOPTED AND APPROVED this 3rd day of June, 2024.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk



CITY OF HOBBS

COMMISSION STAFF SUMMARY FORM

MEETING DATE: June 3, 2024

SUBJECT: A RESOLUTION AUTHORIZING FY24-25 FUNDING APPROPRIATIONS FOR ECONOMIC DEVELOPMENT CORPORATION, HOBBS CHAMBER OF COMMERCE AND HOBBS HISPANO CHAMBER OF COMMERCE

DEPT. OF ORIGIN: Mayor's Office
DATE SUBMITTED: May 23, 2024
SUBMITTED BY: Julie Nymeyer

Summary: This Resolution appropriates funding to Economic Development Corporation, Hobbs Chamber of Commerce and Hobbs Hispano Chamber of Commerce entities of Lea County which significantly contributes to the economic development of Hobbs, New Mexico. The funding amounts are:

- Economic Development Corporation \$315,000
- Hobbs Chamber of Commerce \$80,000
- Hobbs Hispano Chamber of Commerce \$68,500

If approved, the City of Hobbs will execute a Professional Services Agreement with each agency that will outline the contractual obligations of each party for the fiscal year.

Fiscal Impact:

Reviewed By: _____

Finance Department

\$454,000 has been approved in the preliminary FY25 budget. An additional amount of \$9,500 will need to be adjusted in 2025 Final budget.

Attachments:

Resolution

Legal Review:

Approved As To Form: _____

City Attorney

Recommendation:

Motion to approve Resolution.

Approved For Submittal By:

Department Director

City Manager

CITY CLERK'S USE ONLY COMMISSION ACTION TAKEN

Resolution No. _____
Ordinance No. _____
Approved _____
Other _____

Continued To: _____
Referred To: _____
Denied _____
File No. _____

CITY OF HOBBS

RESOLUTION NO. 7484

A RESOLUTION AUTHORIZING FY 24-25 FUNDING

APPROPRIATIONS FOR ECONOMIC DEVELOPMENT CORPORATION, HOBBS CHAMBER OF COMMERCE AND HOBBS HISPANO CHAMBER OF COMMERCE

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that FY 24-25 funding appropriations are approved for Economic Development, Hobbs Chambers of Commerce and Hispano Chamber of Commerce of Hobbs in the following amounts:

	<u>Amount Requested</u>	<u>Amount Approved</u>
Economic Development Corp	\$315,000	\$315,000
Hobbs Chamber of Commerce	\$ 80,000	\$ 80,000
Hispano Chamber of Commerce	<u>\$ 68,500</u>	<u>\$ 68,500</u>
TOTALS:	\$463,500	\$463,500

BE IT RESOLVED that the Mayor be and is hereby authorized and directed to execute appropriate Professional Service Agreements with each agency in the amounts specified approved above.

PASSED, ADOPTED AND APPROVED this 3rd day of June, 2024.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk



DISCUSSION



Discussion
June 3, 2024

FY 2026-2030
INFRASTRUCTURE CAPITAL
IMPROVEMENT PLAN (ICIP)

Todd Randall
Assistant City Manager

New Rank	Last YR	Project Title	Proposed FY 2026	2027	2028	2029	2030
01	01	Street Improvements / Resurfacing	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
02	02	Drainage Master Plan & Improvements	750,000	250,000	250,000	250,000	250,000
03	03	Joe Harvey Blvd. Improvements	750,000	7,500,000	-	-	-
04	06	West College Lane Realignment	12,000,000	-	-	-	-
05	07	Citywide Fiber Network	6,000,000	-	-	-	-
06	08	Municipal Facility Security Improvements	1,000,000	1,000,000	-	-	-
07	10	West Bender Widening Project & Drainage	2,500,000	11,000,000	-	-	-
08	11	Gateway Corridor Beautification	500,000	500,000	500,000	500,000	500,000
09	14	Aquatic Facility	11,000,000	-	-	-	-
10	-	Dal Paso - Glorietta Traffic Signal	750,000	-	-	-	-
11	09	Comprehensive / Strategic Plan	180,000	-	-	-	-
12	13	All Inclusive Playground	1,500,000	-	-	-	-
13	19	SR 18 - Dal Paso Improvements	3,750,000	3,500,000	3,500,000	-	-
14	-	Potable Ground Water Stroage Tank Liner	800,000	-	-	-	-
15	15	Taylor Ranch Improvements	800,000	10,000,000	-	-	-
16	16	Public Safety Vehicle and Equipment	1,500,000	1,000,000	1,000,000	1,000,000	1,000,000
17	04	Fire / Police Training Facility	5,000	3,500,000	-	-	-
18	27	Animal Care Service Center	1,500,000	-	-	-	-
19	17	Community Broadband Improvements	300,000	300,000	300,000	300,000	300,000
20	18	Mobile Rd Improvements	250,000	1,500,000	-	-	-
21	12	RR Crossing Upgrades and New Crossings	150,000	-	150,000	-	150,000
22	20	East Skelly and Midwest Improvements	250,000	2,500,000	-	-	-
23	21	HPD Mobile Command Post	1,100,000	-	-	-	-
24	22	Pickleball Facilities	2,000,000	-	-	-	-
25	23	Infrastructure / Utility Extensions	750,000	750,000	750,000	750,000	750,000
26	25	Harry McAdams Park Improvements	2,500,000	-	-	-	-
27	-	HIAP Industrial Park Improvement	11,000,000	-	-	-	-
28	05	Water Wells Program	500,000	500,000	500,000	500,000	500,000
29	26	Downtown Improvements	3,000,000	-	-	-	-
30	29	School Zone Traffic Improvements	250,000	250,000	-	-	-
31	30	Municipal Vehicles and Equipment	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000

New Rank	Last YR	Project Title	Proposed FY 2026	2027	2028	2029	2030
32	31	Public Facility Roof Reconstruction	1,000,000	-	500,000	-	500,000
33	32	WWRF - Scada Improvements	7,000,000	-	-	-	-
34	33	Backup Data Center	250,000	1,400,000	-	-	-
36	34	Rockwind Grill Remodel	250,000	-	-	-	-
38	36	Eagle IC Cameras	450,000	-	-	-	-
39	38	HPD Improvements	300,000	2,500,000	-	-	-
40	39	Boone Cemetery Renovation	250,000	-	-	-	-
41	40	Ground Water Remediation - WWRF	1,000,000	1,000,000	300,000	-	-
42	41	Sewer Main Replacement	1,000,000	500,000	500,000	500,000	500,000
44	42	Water Main Replacement	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
45	44	Prairie Haven Improvements	1,000,000	250,000	250,000	250,000	200,000
46	45	Rockwind Golf Course Drainage Improvements	1,000,000	-	-	-	-
47	46	Green Meadows - Annexation & Improvements	600,000	500,000	-	-	-
48	47	AMR - Water Meter Replacement Program	1,250,000	1,250,000	-	-	-
50	48	Heizer Park Renovations	500,000	2,000,000	-	-	-
51	50	Projection of Smith Ln	350,000	-	-	-	-
52	51	Skate/Bike Park	1,600,000	-	-	-	-
53	52	Public Facility HVAC Improvements	500,000	-	500,000	-	500,000
54	53	Water Effluent Improvements	2,500,000	500,000	500,000	0	0
55	55	Manhole Repair Program	60,000	60,000	60,000	60,000	60,000
56	59	Veteran's Memorial - Safety Netting	50,000	-	-	-	-
57	60	Veteran's Memorial - Grandstand	1,500,000	-	-	-	-
58	57	Arterial COOP Project	175,000	175,000	175,000	175,000	175,000
59	58	ADA Intersection Improvement Project	50,000	50,000	50,000	50,000	50,000
60	56	MAP Roadway Rehabilitation Projects	600,000	600,000	600,000	600,000	600,000
01	01	Outdoor Range Phase II	-	450,000	-	-	-
02	02	Retention / Detention Basin Renovations	-	500,000	500,000	500,000	500,000
03	03	Northwest Bypass	-	600,000	500,000	18,400,000	-
04	04	Projection of Central West	-	75,000	750,000	-	-
05	05	Traffic Signal Upgrades on SR 18	-	800,000	250,000	250,000	250,000
06	06	Green Meadows Park Renovation	-	2,000,000	-	-	-

New Rank	Last YR	Project Title	Proposed FY 2026	2027	2028	2029	2030
07	07	Artificial Sportfield Turf	-	4,200,000	-	-	-
08	08	Traffic Study Update	-	350,000	-	-	-
09	09	Ambulance	-	300,000	-	300,000	-
10	10	SR 18 - Sewer Trunk Line Extension	-	3,500,000	-	-	-
11	11	Rockwind Golf Course - Teaching Facility	-	800,000	-	-	-
12	12	Parks and Rec. Master Plan Study	-	180,000	-	-	-
13	13	Install Equipment Wash Bays	-	1,200,000	-	-	-
14	14	Grimes Str Improvements	-	500,000	2,500,000	2,500,000	2,500,000
01	01	Wildland Fire Apparatus	-	-	450,000	-	-
02	02	New Elevated Water storage	-	-	5,000,000	-	-
03	03	Water System Improvements (North Reservoir)	-	-	10,000,000	-	-
04	04	Apache Dr/Fowler St Utilities Extension	-	-	75,000	750,000	-
05	05	Del Norte Park Expansion Area	-	-	4,500,000	-	-
06	-	New Potable Ground Water Storage Tanks	-	-	1,500,000	1,500,000	-
01	01	Millen Projection	-	-	-	3,000,000	-
02	02	Fowler Street Extension	-	-	-	2,500,000	-
03	03	Bender Median Renovations	-	-	-	750,000	-
04	04	Turner Improvements	-	-	500,000	2,500,000	2,500,000
01	01	Southeast Bypass	-	-	-	-	19,000,000
03	03	Bensing South Projection	-	-	-	-	1,750,000
04	-	WWRF - Dryer Replacement	-	-	-	-	6,000,000

Number of projects:

Grand Totals

Year: 1	Year: 2	Year: 3	Year: 4	Year: 5
103,070,000	82,790,000	49,410,000	50,385,000	51,035,000



ACTION ITEMS



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: June 3, 2024

SUBJECT: Resolution Regarding the Application of El Bazucazo Restaurant, LLC, 205 West Sanger Street, Hobbs, New Mexico, for the Sale of Beer, Wine and Spirits

DEPT. OF ORIGIN: City Clerk's Office
DATE SUBMITTED: May 22, 2024
SUBMITTED BY: Jan Fletcher, City Clerk

Summary:

El Bazucazo Restaurant, LLC, has applied to the State of New Mexico Regulation and Licensing Department (NMRLD), Alcoholic Beverage Control Division, and received preliminary approval for the issuance of a Restaurant "B" Liquor License at 205 West Sanger for the sale of beer, wine and spirits. The application was received by the City Clerk's Office on April 29, 2024, and a public hearing must be held by the City within forty-five (45) days from receipt of such notice. NMRLD has granted an extension of time for the public hearing. The City has duly published notice of the hearing in the Hobbs News-Sun and properly notified the applicant of such hearing by email and certified mail.

Fiscal Impact:

Reviewed By: Valerie S. Chacon
Finance Department

The applicant has paid the required \$250.00 administrative fee to the City for processing this application.

Attachments:

Application packet from NMRLD, Alcoholic Beverage Control; Affidavit of Publication; Area Map; and Resolution

Legal Review:

Approved As To Form: Valerie S. Chacon
City Attorney

Recommendation:

Motion to approve or disapprove issuance of the restaurant license; second; vote.

Approved For Submittal By: Jan Fletcher
Department Director
City Manager

CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN

Resolution No.
Ordinance No.
Approved
Other
Continued To:
Referred To:
Denied
File No.

CITY OF HOBBS

RESOLUTION NO. 7485

A RESOLUTION CONCERNING THE ISSUANCE OF A
RESTAURANT "B" LIQUOR LICENSE TO
EL BAZUCAZO RESTAURANT, LLC,
205 WEST SANGER STREET, HOBBS, NEW MEXICO

WHEREAS, the City of Hobbs has received the application of El Bazucazo Restaurant, LLC, for the issuance of a Restaurant "B" Liquor License for the sale of beer, wine and spirits at 205 West Sanger Street, Hobbs, New Mexico, and said application has received preliminary approval from the State of New Mexico, Alcoholic Beverage Control; and

WHEREAS, a public hearing is being held by the governing body of the City of Hobbs on June 3, 2024, on the question of whether or not the proposed Restaurant "B" Liquor License should be granted for the sale of beer, wine and spirits.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that the Restaurant "B" Liquor License application of El Bazucazo Restaurant, LLC, 205 West Sanger Street, Hobbs, New Mexico, be and is hereby _____ (approved or disapproved) for the sale of beer, wine and spirits.

PASSED, ADOPTED AND APPROVED this 3rd day of June, 2024.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk



NMRLD
NEW MEXICO
REGULATION &
LICENSING DEPARTMENT

STATE OF NEW MEXICO
MICHELLE LUJAN GRISHAM, GOVERNOR
Clay Bailey, Superintendent
Phillip A. Sanchez, Director

April 8, 2024

Certified Mail No.: 7021 2720 0001 2204 8976

City of Hobbs
% Jan Fletcher
200 East Broadway
Hobbs, NM 88240

RECEIVED

APR 29 2024

Name of Applicant: El Bazucazo Restaurant, LLC
Doing Business As: El Bazucazo Restaurant, LLC
Proposed Location: 205 W Sanger St., Hobbs, NM 88240

**OFFICE OF THE CITY CLERK
HOBBS, NEW MEXICO**

The Director of the Alcoholic Beverage Control Division (ABC) has reviewed the referenced Application and granted **Preliminary Approval**. It is being forwarded to you for Local Option District approval or disapproval of the Liquor License Application.

Notice of the Public Hearing required by the Liquor Control Act shall be given by the governing body by publishing a notice of the date, time, and place of the hearing **twice during the 30 days prior to the hearing** in a newspaper of general circulation within the territorial limits of the governing body. **The first notice must be published at least thirty (30) days before the hearing. Both publications must occur before a hearing can be conducted.** The notice shall include:

- (A) Name and address of the Applicant/Licensee;
- (B) The action proposed to be taken;
- (C) The location of the licensed premises.

In addition, if the Local Option District has a website, **the Notice shall also be published on the website.**

While the law states that "within forty-five (45) days after receipt of a Notice from the Alcoholic Beverage Control, the governing body shall hold a Public Hearing in the question of whether the department should approve the proposed issuance or transfer", we recognize the potential for conflict between the requirement for publication of 30 day notice and the 45 day hearing requirement.

With that in mind, when a local governing body receives a liquor license application from ABC, that governing body has a couple of options:

- 1) Hold a hearing on the license application within the statutory time frame of forty-five (45) days, as required by the Liquor Control Act, and comply with all other statutory and regulatory procedures and notify ABC of your decision within thirty (30) days of the hearing;
- 2) Request from ABC an extension of time, past the forty-five (45) days, designating how much additional time will be needed to conduct the hearing in compliance with all statutory and regulatory procedures. After the extension is granted and the hearing is held, notify ABC of your decision within thirty (30) days of the hearing;

ABC has no preference in the option you choose.

Alcoholic Beverage Control Division | 2550 Cerrillos Road | P.O. Box 25101
Santa Fe, NM 87504 | (505) 476-4875 | rld.nm.gov/abc



The governing body is required to send notice by certified mail to the Applicant of the date, time, and place of the Public Hearing. The governing body may designate a Hearing Officer to conduct the hearing. **A record shall be made of the hearing.**

The Applicant is seeking a Restaurant B Liquor License.

Within thirty (30) days after the Public Hearing, the governing body shall notify ABC of their decision to approve or disapprove the issuance or transfer of the license by signing the enclosed original Page 1 of the Application. The original Page 1 of the Application must be returned together with the notices of publication. **If the Governing Body fails to either approve or disapprove the issuance or transfer of the license within thirty days after the Public Hearing, the Director may issue the license.**

If the Governing Body disapproves the issuance or transfer of the license, it shall notify ABC within thirty (30) days setting forth the reasons for the disapproval. A copy of the Minutes of the Public Hearing shall be submitted to ABC with the Notice of Disapproval (*Page 1 of the Application, noting disapproval*).

Respectfully,

Desirae Griego

Desirae Griego | Admin Law Judge / Hearing Officer
Alcoholic Beverage Control Division
2550 Cerrillos Road | Santa Fe, NM 87505
P.O. Box 25101 | Santa Fe, NM 87504
Desirae.Griego@rld.nm.gov | www.rld.nm.gov/abc/
(505) 476-4552 office (505)-795-4091 work cell

Enclosures:

1. Original Page 1 of the Application (*must be signed and returned w/notices of publication*)
2. Copy of Page 2 of the Application
3. Copy of the Zoning Statement





NMRLD
NEW MEXICO
REGULATION &
LICENSING DEPARTMENT

RECEIVED

JAN 16 2024

ALCOHOLIC BEVERAGE CONTROL

STATE OF NEW MEXICO
MICHELLE LUJAN GRISHAM, GOVERNOR
Linda M. Trujillo, Superintendent
Andrew Vallejos, Director

Restaurant Liquor License Application | \$200.00 Application Fee, non-refundable

ABC USE ONLY: Application Fee \$200.00 Received on: 12-20-2023 Receipt No. _____
License Fee \$ _____ Received on: _____ Receipt No. _____

Application Number: _____ Local Option District: Hobbs

TYPE of APPLICATION: *Check appropriate box*

- Restaurant A | Beer & Wine only | License Fee, pro-rated, due at final: \$1,050.00
 Restaurant B | Beer, Wine & Spirits | License Fee, pro-rated, due at final: \$10,000.00

Applicant is: Individual Limited Liability Company Corporation Partnership (General/Limited)

Applicant /Company Name: El Bazucazo Restaurant, LLC.

D/B/A Name: El Bazucazo Restaurant, LLC per Sergio Polanco 1-16-24

Email: (required) elbazucazo1@gmail.com Business Phone No: 5759422199

Mailing Address: 2401 N Houston St, Hobbs, NM 88240

Physical location, if different: 205 W Sanger St, Hobbs, NM 88240

County: Lea (Include Street number / Hwy number / State Road, City, State, and Zip Code)

Are alcoholic beverages currently being dispensed at the proposed location? Yes No If Yes, License # / Type: _____

As defined in §60-3A-3. V. "Restaurant", means an establishment having a New Mexico resident as a proprietor or manager ... as a place where food is prepared and served primarily for on-premises consumption to the general public in consideration of payment and that has a dining room, a kitchen and the employees necessary for preparing, cooking and serving food; ... does not include establishments as defined in rules promulgated by the director serving only hamburgers, sandwiches, salads and other fast foods;

I qualify as a "Restaurant"? Yes No

Is food service the primary source of revenue and accounts for 60% or more of the total gross receipts at current licensed premises? Yes No

Is Food Service Permit current? Yes, attached No

I have attached photos of the Dining Room and Kitchen and included a copy of the Menu. Yes No

Days and Hours of Operation: Sunday - Monday 8:00am - 9:00pm

I understand that a restaurant license requires that the establishment is not a bar-like setting and the hours for sales and/or service of alcoholic beverages are only from 7:00am to 11:00pm or until food sale and service ceases, whichever is earlier? Yes No

Contact Person: Sandra Rosales-Valtierra Phone #: 5754080219 Email: chicasfresas.sb@gmail.com



RECEIVED

DEC 20 2023

ALCOHOL & GAMING DIVISION

Application No. For: El Bazucazo Restaurant
LLC

You must sign before a Notary Public.

I, (print name) Sandra Rosales-Valtierra, as (Title) Owner
being first duly sworn upon oath deposes and says: that he/she is the applicant or is authorized by the
applicant to make this application; that he/she has read the same; knows the contents therein contained are
true. Applicant(s) agree(s) that if any statements or representations herein are found to be false, the Director
may refuse to issue or renew the license or may cause the license to be revoked at any time.

Signature of Applicant: SANDRA ROSALES Date: 10-24-23

Notary Public Use Only: (State of New Mexico, County of Lea)

SUBSCRIBED AND SWORN TO before me this 24 day of October, 2023

By Affiant: Sandra Rosales-Valtierra

Notary Public: [Signature]

My Commission Expires on: 04-21-2024

SEAL



Local Option District Use Only:

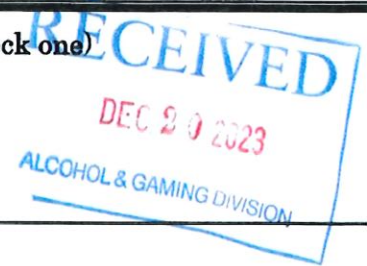
Local Governing Body of _____ City, County, Town, Village

Public Hearing held on _____ 20____ Decision: Approved Disapproved

Signature of Official: _____ Title: _____

ABC USE ONLY:
 APPROVED DISAPPROVED, _____
Done this _____ Day of _____, 20____.
SIGNED BY DIRECTOR: _____
ASSIGNED LICENSE NO. _____ EXPIRES ON: _____
Reviewed, with copy sent to Licensee via Email, Fax, 1st class mail
By: _____ Date: _____





1. The land and building which is proposed to be the licensed premises is: (check one)
- Owned by Applicant, copy of deed/document attached
 - Leased by Applicant, copy of lease/document attached
 - Other (provide details): _____

2. If the land and building are not owned by Applicant, indicate the following:
- A. Owner(s): Henghong Thach
 - B. Date and Term of Lease: August 1, 2023 - 1yr lease and year to year after

3. Premises location is Zoned (example C-1, see Zoning Statement): Zoning letter attached.

Zoning Statement attached, Yes No Must be obtained from the Local Government, listing the proposed location by address, Type of Zone, state whether alcoholic beverages are allowed at proposed location, and if applicable, whether packaged sales, patio service and/or manufacturing is allowable. If there is no zoning in the proposed location, attach Statement from the local government, indicating there is no zoning.

4. Distance* from nearest Church: (Property line of church to closest point of licensed premises—shortest distance)

Name of Church: Temple Baptist Church Miles/feet: 2112 Ft

Address/location of Church: 1113 N Grimes St, Hobbs, NM 88240

5. Distance* from nearest School: (Property line of school to closest point of licensed premises—shortest distance)

Name of School: Will Rogers Elementary School Miles/feet: 4224 Ft

Address/location of School: 300 E Clinton, Hobbs, NM 88240

6. Attach Detailed Floor Plan, must include the Total Square Footage of premises; List nearest cross street; Show which direction is North; Show each level (floor) where alcoholic beverages will be sold or consumed, exterior walls, doors, and interior walls; Patio Area with type of barrier used; Highlight Bonded Areas. The floor plan should be no larger than 8½ x 11 inches and must be labeled with designated areas highlighted, which will reflect the proposed Licensed Premises.

7. Type of Operation:
- | | | | |
|---|--|--|------------------------------------|
| <input type="checkbox"/> Hotel | <input type="checkbox"/> Lounge | <input type="checkbox"/> Package Grocery | <input type="checkbox"/> Racetrack |
| <input checked="" type="checkbox"/> Restaurant | <input type="checkbox"/> Craft Distiller | <input type="checkbox"/> Small Brewer | <input type="checkbox"/> Winery |
| <input type="checkbox"/> Other (specify): _____ | <input type="checkbox"/> Wholesaler | | |

*NOTE: If the distance is beyond 300 feet, but less than 400 feet, and the Applicant does not admit that the location is within 300 feet and requests a waiver from the LOD, a Registered Engineer or Licensed Surveyor must complete a Survey Certificate showing the exact distance.



PLANNING DEPARTMENT

200 E. Broadway Street, Hobbs, NM 88240
Ph. 1-505-397-9232 Fax 1-505-397-9227



November 2, 2023

Mr. Sergio Polanco
205 W. Sanger
Hobbs, NM 88240

RE: Zoning Certifications for a restaurant to be located at 205 W. Sanger, Hobbs, New Mexico.

Mr. Polanco:

Pursuant to your request for a Zoning Certification for properties located within the Municipal Boundaries of Hobbs, NM, please be advised that the City of Hobbs has not adopted a zoning ordinance to regulate land uses and locations of different types of development or specific business uses throughout the City. Consequently, the City of Hobbs has no current regulations that govern zoning districts and/or land uses, use of buildings, or use of vacant land. Therefore, the proposed land use as referred to herein, including a proposed restaurant, on the above-referenced property in Hobbs is considered a use by right as of this date November 2, 2023.

Please note that the City does have a Municipal Code, Major Thoroughfare Plan, Subdivision Regulations, Flood Zone, Fire Zone, Landscaping Regulations, Building Code, Liquor License, and other development regulations that must be followed for development or improvements and changes in building occupancy types, including yard setback requirements. This letter is in reference to real property that exists within the corporate limits of the City of Hobbs, NM on November 2, 2023.

If you have any questions or need further information, please contact me at (575) 397-9232.

Sincerely,

CITY OF HOBBS, NEW MEXICO





Kevin Robinson - Planning Department

Jan Fletcher

From: Lopez, Debra, RLD <Debra.Lopez@rld.nm.gov>
Sent: Tuesday, April 30, 2024 10:04 AM
To: Griego, Desirae, RLD; Jan Fletcher
Subject: EXTERNAL: RE: [EXTERNAL] El Bazucazo Restaurant, 205 W. Sanger, Hobbs, NM

Security Awareness

[Learn more](#)

-  The email came from an external source.
-  The email was sent from a known contact.
-  The email was sent from a top domain.

Good morning,

Your request for extension, as outlined below, is hereby granted. Thank you for all that you do.



Debra Lopez | Deputy Director
New Mexico Regulation and Licensing Department
2550 Cerrillos Road | Santa Fe, NM 87505
PO Box 25101, Santa Fe, NM 87504-5101
Debra.lopez@rld.nm.gov | www.rld.state.nm.us/abc
(505) 476-4551

SERVICE | DEDICATION | INTEGRITY

From: Griego, Desirae, RLD <Desirae.Griego@rld.nm.gov>
Sent: Tuesday, April 30, 2024 10:00 AM
To: Lopez, Debra, RLD <Debra.Lopez@rld.nm.gov>
Subject: RE: [EXTERNAL] El Bazucazo Restaurant, 205 W. Sanger, Hobbs, NM

Debra,

Below is a request for extension of time, past the 45 days from Jan Fletcher, Hobbs City Clerk.

45 days from April 15, 2024, is May 30, 2024.
June 3, 2024, is a 4-day extension request.

Thank you,



Desirae Griego | Admin Law Judge / Hearing Officer
Alcoholic Beverage Control Division
2550 Cerrillos Road | Santa Fe, NM 87505
P.O. Box 25101 | Santa Fe, NM 87504
Desirae.Griego@rld.nm.gov | www.rld.nm.gov/abc/
(505) 476-4552
(505) 795-4091

SERVICE | DEDICATION | INTEGRITY

From: Jan Fletcher <jfletcher@hobbsnm.org>
Sent: Tuesday, April 30, 2024 9:49 AM
To: Griego, Desirae, RLD <Desirae.Griego@rld.nm.gov>
Subject: [EXTERNAL] El Bazucazo Restaurant, 205 W. Sanger, Hobbs, NM

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Good Morning Desirae,

There was a delay in receiving the certified mail notification from your office regarding the above restaurant liquor license application. According to the certified mail tracking, the notice was apparently received by the City Hall Front Desk on April 15, 2024; however, the envelope did not reach my desk until yesterday, April 29, 2024. I am researching to find out what caused the delay. With the 30-day publication requirement, we will be unable to hear this matter until Monday, June 3, 2024.

I am respectfully writing this email to request an extension of time to hold the public hearing before the governing body on June 3, 2024. I apologize for the inconvenience and don't really recall this ever happening before.

Thank you for your consideration to this request.

Jan Fletcher

City Clerk | Public Transportation Director
City of Hobbs | 200 East Broadway | Hobbs, NM 88240
(575) 397-9207 phone



This email has been scanned by Inbound Shield.

NOTICE OF PUBLIC HEARING

NOTICE is hereby given that the City Commission of the City of Hobbs, New Mexico, will hold a public hearing on **Monday, June 3, 2024, at 6:00 p.m.**, in the City Commission Chamber at City Hall, First Floor Annex, 200 East Broadway, Hobbs, New Mexico. The purpose of the hearing will be to consider whether the State of New Mexico Regulation and Licensing Department, Alcohol Beverage Control Division, should approve or disapprove the following liquor license application. Protests and objections may be made by any interested persons at the time, date and place of hearing.

NOTICE TO PERSONS WITH DISABILITIES: If you have a disability and require special assistance to participate in the hearing, please contact Jan Fletcher at least three days before the hearing date at (575) 397-9207.

APPLICATION FOR RESTAURANT "B" LICENSE FOR THE SALE OF BEER, WINE & SPIRITS

Applicant:	El Bazucazo Restaurant, LLC
D/B/A Name:	El Bazucazo Restaurant
Proposed Address:	205 West Sanger Hobbs, NM 88240

DATED this 30th day of April, 2024.



SAM D. COBB, Mayor

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

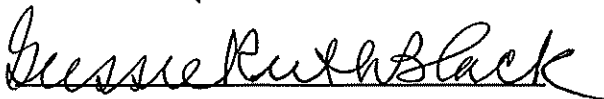
I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 2 issue(s).

Beginning with the issue dated
May 01, 2024
and ending with the issue dated
May 15, 2024.



Publisher

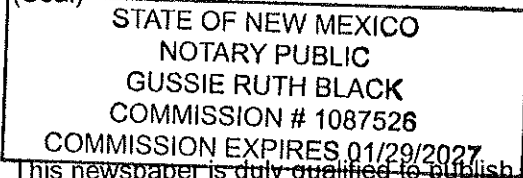
Sworn and subscribed to before me this
15th day of May 2024.



Business Manager

My commission expires
January 29, 2027

(Seal)



This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

LEGAL	LEGAL
LEGAL NOTICE May 1 and 15, 2024	
NOTICE OF PUBLIC HEARING	
NOTICE is hereby given that the City Commission of the City of Hobbs, New Mexico, will hold a public hearing on <i>Monday, June 3, 2024, at 6:00 p.m.</i> , in the City Commission Chamber at City Hall, First Floor Annex, 200 East Broadway, Hobbs, New Mexico. The purpose of the hearing will be to consider whether the State of New Mexico Regulation and Licensing Department, Alcohol Beverage Control Division, should approve or disapprove the following liquor license application. Protests and objections may be made by any interested persons at the time, date and place of hearing.	
NOTICE TO PERSONS WITH DISABILITIES: If you have a disability and require special assistance to participate in the hearing, please contact Jan Fletcher at least three days before the hearing date at (575) 397-9207.	
APPLICATION FOR RESTAURANT "B" LICENSE FOR THE SALE OF BEER, WINE & SPIRITS	
Applicant: El Bazucazo Restaurant, LLC D/B/A Name: El Bazucazo Restaurant Proposed Address: 205 West Sanger Hobbs, NM 88240	
DATED this 30th day of April, 2024.	
/s/ Sam D. Cobb SAM D. COBB, Mayor	
#00289920	

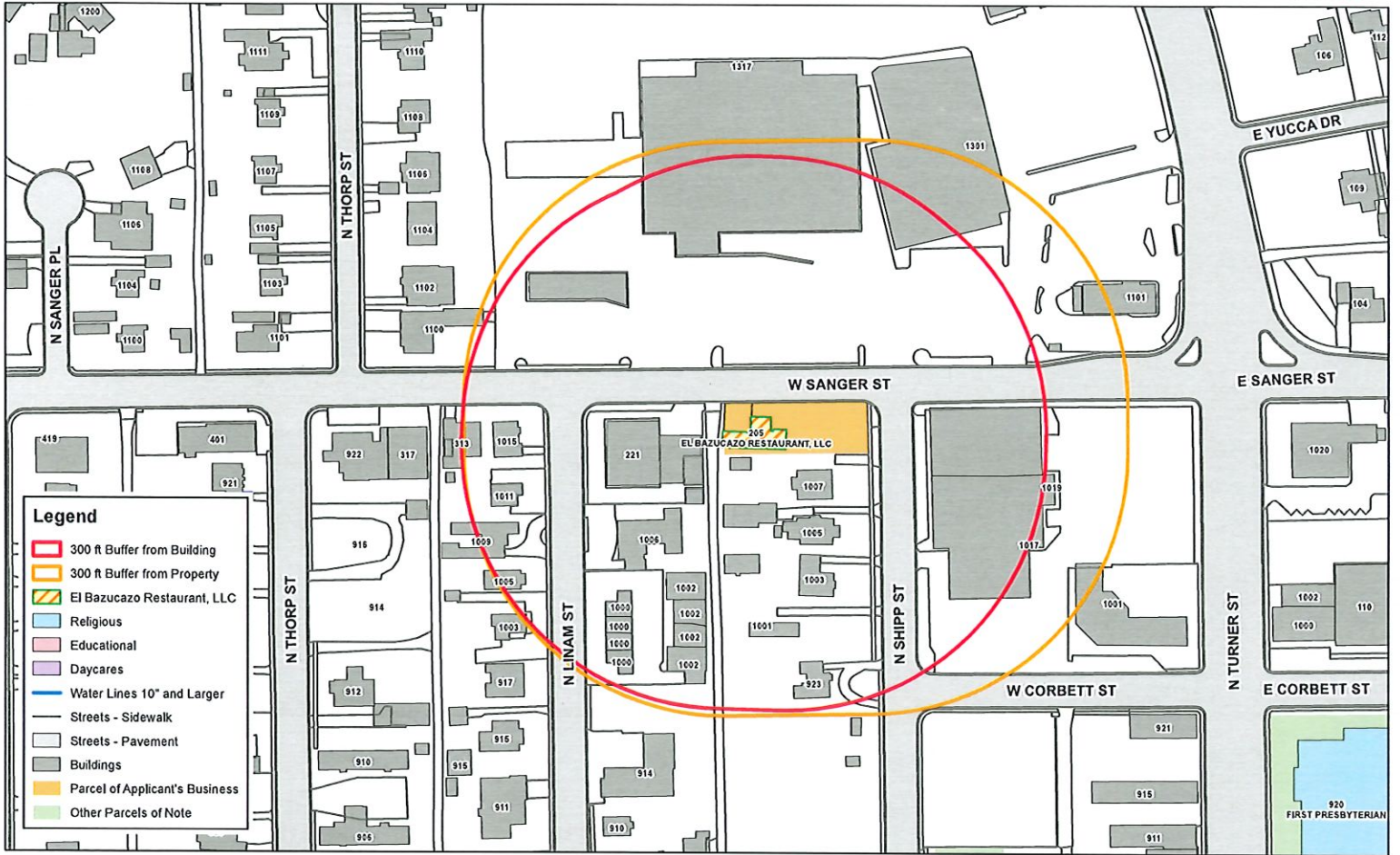
67108146

00289920

CITY OF HOBBS FINANCE DEPT
200 E. BROADWAY ST
HOBBS, NM 88240

El Bazucazo Restaurant, LLC

300 ft Buffer Zone Map for Liquor License for 205 W. Sanger St.



- Legend**
- 300 ft Buffer from Building
 - 300 ft Buffer from Property
 - El Bazucazo Restaurant, LLC
 - Religious
 - Educational
 - Daycares
 - Water Lines 10" and Larger
 - Streets - Sidewalk
 - Streets - Pavement
 - Buildings
 - Parcel of Applicant's Business
 - Other Parcels of Note



City of Hobbs GIS Division

SY

Date: 5/24/2024 1 inch = 150 feet Time: 10:15:55 AM

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CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: June 3, 2024

SUBJECT: ADOPTION OF ORDINANCE ADOPTING A LOCAL ECONOMIC DEVELOPMENT ACT (LEDA) PROJECT APPROVING AND ADOPTING A LOCAL ECONOMIC DEVELOPMENT PROJECT PARTICIPATION AGREEMENT BETWEEN THE CITY OF HOBBS AND SPACE JUMP LLC

DEPT. OF ORIGIN: Legal Department
DATE SUBMITTED: May 23, 2024
SUBMITTED BY: Valerie S. Chacon, City Attorney

Summary:

The City of Hobbs Commission passed a Resolution to support changes to the State of New Mexico's Municipal Local Economic Development Act funding that starts on July 1, 2021, and ends on June 30, 2030. Whereas the LEDA special revenue fund for the fiscal year 2024 has approximately \$3,361,696.00. This proposed ordinance is for the allocation of \$180,000.00 to Space Jump LLC. Space Jump LLC, brings innovative entertainment to the City of Hobbs. This company provides open-space jump trampolines, an obstacle course, a rock-climbing wall, a zip line, and more. This project is an attraction for all ages to enjoy. Pursuant to NMSA 1978, § 3-17-3, the proposed ordinance was previously published in the Hobbs News-Sun on May 12, 2024. If approved, the ordinance will be published once more and become effective five (5) days after final publication.

Fiscal Impact:

LEDA special revenue fund expenditure of 180,000.00.

Reviewed By:

Finance Department

Digitally signed by Valerie S. Chacon...

Attachments:

Ordinance, participation agreement, application and publication

Legal Review:

Approved As To Form:

Valerie S. Chacon

City Attorney

Digitally signed by Valerie S. Chacon...

Recommendation:

The Commission should approve this ordinance.

Approved For Submittal By:

Valerie S. Chacon

Department Director

[Signature]
City Manager

CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN

Resolution No.
Ordinance No.
Approved
Other

Continued To:
Referred To:
Denied
File No.

CITY OF HOBBS

ORDINANCE NO. 1157

AN ORDINANCE ADOPTING A LOCAL ECONOMIC DEVELOPMENT ACT (LEDA)
PROJECT APPROVING AND ADOPTING A LOCAL ECONOMIC DEVELOPMENT
PROJECT PARTICIPATION AGREEMENT BETWEEN THE
CITY OF HOBBS AND SPACE JUMP LLC

WHEREAS, The City of Hobbs Commission passed a Resolution to support changes to the State of New Mexico's Municipal Local Economic Development Act funding that starting on July 1, 2021, and ending on June 30, 2030, providing that all municipalities may use up to twenty-five percent of municipal Local Economic Development Act funding for expansion of existing retail businesses or recruitment of new retail businesses if the economic development project is not funded or financed with state government revenues; provided that no funding shall be provided to an existing retail business to relocate from another location in New Mexico if the business does not remain in its previous location in New Mexico; and

WHEREAS the City of Hobbs City Commissioners adopted the amended LEDA Ordinance on July 1, 2022; and

WHEREAS, Space Jump LLC, brings innovative entertainment to the City of Hobbs. This company provides open-space jump trampolines, an obstacle course, a rock climbing wall, a zip line, and more. This project is an attraction for all ages to enjoy; and

WHEREAS, the City of Hobbs City Commissioners approves the LEDA Funding in the amount of \$180,000.00 and agree to enter into a participation agreement.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF HOBBS, that the Commission approves and adopts Local Economic Development Act funding to Space Jump LLC, in the amount of \$180,000.00.

PASSED, ADOPTED AND APPROVED this 3rd day of June, 2024.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk

**PROJECT PARTICIPATION AGREEMENT
CITY OF HOBBS AND SPACE JUMP, LLC
LOCAL ECONOMIC DEVELOPMENT ACT PROJECT**

This Project Participation Agreement (the "Agreement") is made as of this ___ day of _____, 2024 by and between the CITY OF HOBBS, NEW MEXICO (the "City"), and Space Jump a New Mexico, LLC, with a place of business at 3820 N. Grimes St. Ste. 75, Hobbs, New Mexico, 88240. Together, the City and Space Jump, LLC are called the "Parties," and individually, each a "Party."

WHEREAS, it is the policy of the City to aid and encourage the location of desirable business enterprises in the City and to facilitate a favorable governmental atmosphere for enriching the lives of its citizens by supporting the development of a healthy economy; and

WHEREAS, pursuant to the Local Economic Development Act, Sections 5-10-1 to 5-10-13 NMSA 1978 ("LEDA"), the City has adopted Ordinance No. _____ (the "LEDA Ordinance"), approving an economic development plan for the City and authorizing the City to consider applications for economic development assistance; and

WHEREAS, Space Jump LLC has submitted to the City an application in the form attached to this Agreement as Exhibit A proposing that, in exchange for certain LEDA assistance described below, Space Jump, LLC will undertake and complete a certain project, which is defined to include the following elements (the "Project"):

Project:

Space Jump LLC brings innovative entertainment to the City of Hobbs. This company provides open-space jump trampolines, an obstacle course, a rock-climbing wall, a zip line, and more. This project is an attraction for all ages.

WHEREAS, the Space Jump, LLC Application proposes that in exchange for Space Jump LLC undertaking and completing the Project, the City funds and/or land/infrastructure contribution obtained from the City of Hobbs' LEDA Fund, pursuant to LEDA, will be used to reimburse a portion of Space Jump, LLC's expenses related to the Project, on the terms set forth herein; and

WHEREAS, the Space Jump, LLC Application clearly demonstrates that Space Jump LLC, by completing the Project, will be making a substantive contribution to the community, as required by the LEDA Ordinance; and

WHEREAS, LEDA and the LEDA Ordinance require the parties to enter into a Project Participation Agreement meeting the requirements of LEDA and the LEDA Ordinance; and

WHEREAS, the total amount of public money expended and the value of credit pledged in each fiscal year in which that money is expended by the City for economic development projects pursuant to LEDA does not and will not exceed ten percent of the general fund expenditures of the City in that fiscal year; and

WHEREAS, the City adopted Ordinance No. _____ on _____, 2024 (the “_____ Ordinance”) (i) finding that Space Jump, LLC is a qualifying entity as defined in Section 5-10-3(G) NMSA, (ii) approving Space Jump, LLC’s Application for assistance with the Project pursuant to the LEDA Ordinance, which Application proposed that the City direct up to \$180,000.00 or the amount approved by the City of Hobbs Commission in funds to be committed by the City (the “City Contribution”), all to finance certain statutorily eligible expenses of the Project consisting of reimbursement for the leasing, renovation and improvement of the Facility, and (iii) approving this Agreement.

NOW, THEREFORE, in consideration of these premises and the agreements by the parties set forth herein, Space Jump, LLC, and the City further agree as follows:

1. Goals and Objectives. The goals and objectives of the Project are to create and support an economic development project that fosters, promotes, and enhances local economic development efforts. The goal is that the Project will provide job growth and career opportunities for Hobbs-area residents and otherwise make a substantive contribution to the community as set forth in this Agreement and in the Space Jump, LLC’s Application.

2. The City Contribution. Pursuant to the Project Ordinance and the LEDA Ordinance, the City has committed the amount of \$180,000.00 or the amount approved by the City of Hobbs Commission in connection with the Project. As required by the LEDA Ordinance, the City will deposit the proceeds of the City Contribution into a clearly identified separate account, which account will be subject to an annual independent audit. The term of this agreement is for three (3) years.

City funds will be dispensed in year one: November 10, 2024, upon proper filing for months July through September Gross Receipt Tax, dispensed on February 10, 2025, upon proper filings for months October through December, dispensed on May 10, 2025, upon proper filing for months January through March Gross Receipt Tax and dispensed on August 10, 2025, upon the proper filings for April through June Gross Receipt Tax.

City funds will be dispensed in year two: dispensed on November 10, 2025, upon proper filing for months July through September Gross Receipt Tax, dispensed on February 10, 2026, upon

proper filings for months October through December, dispensed on May 10, 2026, upon proper filing for months January through March Gross Receipt Tax and dispensed on August 10, 2026, upon the proper filings for April through June Gross Receipt Tax.

City funds will be dispensed in year three: November 10, 2026, upon proper filing for months July through September Gross Receipt Tax, dispensed on February 10, 2027, upon proper filing for months October through December, dispensed on May 10, 2027, upon proper filing for months January through March Gross Receipt Tax and dispensed on August 10, 2027, upon the proper filings for April through June Gross Receipt Tax.

3. Annual Revenue.

A. Space Jump LLC, must produce an annual revenue of \$2,253,521.00 a year for three years, starting in July 2024 through June 2027. (year measurement is from July 1st to June 30th)

4. Job Creation and Growth.

A. Job creation and growth. Space Jump, LLC shall create new jobs and grow its workforce annually or, in the alternative, increase salary and benefits annually. The City of Hobbs is invested in new job creation and growth and will monitor Space Jump, LLC on an annual basis. Employee's quarterly wage and contribution report ES903A must be filed and provided to the City 10 days after filing.

5. Performance.

A. On August 10, 2025, if Space Jump, LLC does not meet the requirement of the annual revenue of \$2,253,521.00 in the first year (year measurement is from July 1st to June 30th), the agreement will terminate. If Space Jump LLC does not meet the requirement in the following years, the agreement will terminate in that proposed year. Space Jump LLC must submit its quarterly New Mexico Gross Receipt Tax Return to the City on the first of every month before disbursement.

B. The "Clawback Penalty"; a Clawback Penalty will not be warranted. The City and Space Jump, LLC, are entering into an agreement in which Space Jump, LLC will only receive the portion paid into local gross receipt taxes. At the year mark in August of 2025 (year measurement is from July 1st to June 30th) and on this month every year until 2027, if Space Jump, LLC, does not meet the minimum qualification of the minimum annual revenue of \$2,253,521.00, the agreement will terminate, and the next quarter of Gross Receipt Taxes will not be dispersed to Space Jump, LLC.

If the City determines that Business Climate Changes affect Space Jump, LLC's ability to maintain employment levels, it may waive or modify this agreement, but only

related to the City Contribution, and the City shall determine as to any potential waiver.

6. Security. To secure the performance of its obligations under this Agreement, Space Jump, LLC will not need to submit a security bond to the City, for the City will only disperse and allocate funds to Space Jump, LLC, after local Gross Receipt Taxes have been received.

7. Events of Default and Remedies.

A. Failure to Comply with Obligations. Space Jump, LLC's failure to comply with any obligation under this Agreement, such as failure to meet annual revenue outlined in Section 3, shall be an Event of Default. Notwithstanding the foregoing, failure to meet employee projections or wage and benefit projections shall not be considered an Event of Default.

B. Notice of Event of Default. If any Event of Default occurs, the City Finance Department shall notify Space Jump, LLC in writing, specifying the alleged failure's nature and, where appropriate, how the alleged failure may be cured. Space Jump, LLC shall have thirty (30) days after notice to cure said Default. If the Default is not cured, this agreement shall terminate.

8. Annual Reporting Requirement, Performance Review and Termination. Annually (beginning in 2025), on or before August 10th or other date specified by the City, Space Jump, LLC will provide to the City data for the previous calendar year regarding its workforce and such other information necessary for the City or its independent contractor to determine whether Space Jump, LLC has met its obligations under this Agreement. The Project will be subject to an annual performance review conducted by City staff, which will evaluate whether the Project is attaining the goals and objectives set forth in Section 1, 3 or 5 of this Agreement.

- A. If the performance goals of section 1, 3 or 5 are not being attained, the City Manager is granted the authority by the City Commission to terminate the agreement, as described in Section 7 B of this agreement.
- B. In addition, pursuant to LEDA, the City may enact an ordinance terminating the LEDA Ordinance and dissolving or terminating any or all projects. In the event that the City terminates the LEDA Ordinance or this Agreement, the City will specify the disposition of all assets and obligations of the Project after satisfying this Agreement and all rights of the parties arising under this Agreement through the date of such termination.

9. Dispute Resolution. The parties will work in good faith to resolve any

disputes that arise hereunder. In the event of a dispute between the parties, the Chief Executive Officer of Space Jump, LLC, or his/her designee, and the Director or Deputy Director of the City's Finance Department shall meet and attempt in good faith to resolve the dispute. If they are unable to resolve the dispute, the President of Space Jump, LLC and the City Manager shall meet and attempt in good faith to resolve the dispute. Nothing contained in this Agreement constitutes a waiver of any Party's right to seek judicial relief.

10. Discrimination Prohibited. In performing the Services required hereunder, the parties hereto shall not discriminate against any person on the basis of race, color, religion, gender, sexual preference, sexual orientation, national origin or ancestry, age, physical handicap, or disability as defined in the Americans With Disabilities Act of 1990, as now enacted or hereafter amended.

11. ADA Compliance. In performing the Services required hereunder, Space Jump, LLC agrees to meet all the requirements of the Americans with Disabilities Act of 1990, and all applicable rules and regulations (ADA), which are imposed directly on Space Jump, LLC or which would be imposed on the City as a public entity. Space Jump, LLC agrees to be responsible for knowing all applicable requirements of the ADA and to defend, indemnify and hold harmless the City, its officials, agents and employees from and against any and all claims, actions, suits or proceedings of any kind brought against said parties as a result of any acts or omissions of Space Jump, LLC or its agents in violation of the ADA.

12. Audits and Inspections. At any time during normal business hours and as often as the City may deem necessary, there shall be made available to the City for examination all of Space Jump, LLC's records with respect to all matters covered by this Agreement. Space Jump, LLC shall permit the City to audit, examine, and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Agreement.

13. Indemnity. Space Jump, LLC agrees to defend, indemnify and hold harmless the City and its officials, agents and employees from and against any and all claims, actions, suits or proceedings of any kind brought against said parties because of any injury or damage received or sustained by any person, persons or property arising out of or resulting from the Services performed by Space Jump, LLC or Space Jump, LLC's agents under this Agreement or by reason of any asserted act or omission, neglect or misconduct of Space Jump, LLC or its agents or employees or any subcontractor or its agents or employees. The indemnity required hereunder shall not be limited by reason of the specification of any particular insurance coverage in this Agreement.

14. No Collusion. Space Jump, LLC represents that this Agreement is entered into by Space Jump, LLC without collusion on the part of Space Jump, LLC with any person or firm, without fraud and in good faith. Space Jump, LLC also represents that no gratuities, in the form of entertainment, gifts or otherwise, were, or during the term of this Agreement, will be offered or given by Space Jump, LLC or any agent or representative of Space Jump, LLC to any officer or employee of the City with a view towards securing this Agreement or for securing more favorable treatment with respect to making any determinations with respect to performing this Agreement.

15. Applicable Law and Venue. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New Mexico, and the laws, rules and regulations of the City of Hobbs. The venue for actions arising out of this Agreement is Lea County, New Mexico.

16. Enforcement. Space Jump, LLC, agrees to pay to the City all costs and expenses including reasonable attorney's fees incurred by the City in exercising any of its rights or remedies in connection with the enforcement of this Agreement.

17. Electronic Signatures. Authenticated electronic signatures are legally acceptable pursuant to Section 14-16-7 NMSA 1978. The parties agree that this Agreement may be electronically signed and that the electronic signatures appearing on the Agreement are the same as handwritten signatures for the purposes of validity, enforceability, and admissibility.

18. Further Assurances and Mutual Cooperation. Each Party agrees to deliver and execute any and all notices, certificates, instruments and other such documents and take any and all actions as any Party hereto reasonably may require to carry out this Agreement and such transactions hereby contemplated, and no Party will take any action that may deprive the other Party of the enjoyment of the rights this Agreement secures. Each Party further agrees to select its own legal counsel and to retain such legal counsel at that Party's expense.

19. Severability. If any part or provision of this Agreement is found to be or becomes unenforceable or illegal for any reason, such part or provision may be modified as necessary to render this Agreement enforceable and legal. If such part or provision cannot be modified as such, the part or provision shall be severed from this Agreement, and the remaining parts and provisions of this Agreement shall remain in full force and effect.

20. Force Majeure. Neither Party shall be liable to the other Party for any failure to perform any provisions or obligations of this Agreement if such failure to perform is caused by or results directly or indirectly from Force Majeure. "Force Majeure" means

any cause beyond the reasonable control of a Party affected, including but not limited to, any acts of God, fire, flood, storm, strike, riot or civil disturbance, war, earthquake, lightning, epidemic, labor disturbance, sabotage, or restraint by court or public authority, or any other cause beyond the reasonable control of a Party affected whether similar or dissimilar to the ones listed, which makes it impossible or unreasonably difficult for a Party to perform its obligations under this Agreement. Nothing contained in this paragraph shall be construed to require either Party to prevent or settle a strike against its will. The Party unable to perform its obligations due to Force Majeure will provide notice to the other Party within five (5) days of it becoming aware of the Force Majeure of its inability to perform and its expectations as to when, if ever, it will be able to resume its obligations.

21. Notice. All notices or other written communications, including requests for disbursement, that are required or permitted to be given pursuant to this Agreement must be in writing and delivered personally, by a recognized courier service, by a recognized overnight delivery service, by fax, by electronic mail, or by registered or certified mail, postage prepaid, to the parties at the addresses shown in the signature block of this Agreement. If notice is mailed, it will be deemed received on the earlier of actual receipt or on the third business day following the date of mailing. If a notice is hand-delivered or sent by overnight delivery service, it will be deemed received upon actual delivery. If any written notice is sent by facsimile or electronic mail, it will be deemed received upon printed or written confirmation of the transmission. A party may change its notice address by written notice to the other party to this Agreement.

22. Assignment by Space Jump, LLC. Generally, this Agreement may not be assigned without the prior, written consent of the non-assigning Parties, and the City retains the right to determine whether any assignee is a qualifying entity pursuant to LEDA and the LEDA Ordinance. Regardless of any other provision herein, this Agreement may be assigned by Space Jump, LLC as part of a sale of all, or substantially all, of Space Jump, LLC's assets. (i) the assignee assumes, in writing, Space Jump, LLC's obligations under this Agreement, which will include (a) confirmation that the commitment of Space Jump, LLC remains in place through August 2027 (ii) Space Jump, LLC provides to the City, at least five (5) days prior to such assignment's effective date, a copy of the assignment and such confirmation of Space Jump, LLC's commitment to the City. Notwithstanding any of the foregoing, Space Jump, LLC may terminate this Agreement in the event that Space Jump, LLC sells all, or substantially all, of Space Jump, LLC's assets.

23. Miscellaneous. This Agreement binds and inures to the benefit of the City and Space Jump, LLC and their respective successors and permitted assigns. This Agreement may not be assigned without the written consent of the non-assigning Party. This Agreement, together with the Application, represents the entire agreement of the Parties on the subject hereof and supersedes all prior agreements or understandings between the parties, whether written or verbal. This Agreement may be amended or modified, and the performance by any Party of its obligations under this Agreement may

be waived, only in a written instrument duly executed by both Parties. This Agreement may be executed in any number of counterparts, each of which is an original and all of which taken together constitute one instrument. This Agreement is governed by and is to be construed in accordance with the laws of New Mexico applicable to agreements made and to be performed in New Mexico.

24. Effective Date. This Agreement will be effective on _____ 2024.

[Signature Page Follows]

CITY OF HOBBS:

By: _____
Name: Sam D. Cobb
Title: Mayor
Date: _____

Address for notice:

City of Hobbs
200 E. Broadway
Hobbs, NM 88240
Attention: Toby Spears, Finance Director
Tel: 575-397-9235
Email: tspears@hobbsnm.org

With a copy to:

City Attorney
200 E. Broadway
Tel: (575) 397-9226
Email: vchacon@hobbsnm.org

PROJECT:

By: _____
Name: _____
Title: _____
Date: _____

Address for notice:

Attention: _____
Tel: _____
Email: _____



CITY OF HOBBS
QUALIFYING PROJECT APPLICATION

The purpose of the City of Hobbs Economic Development Strategic Plan Ordinance ("EDSP Ordinance") is to allow public support of economic projects to foster, promote, and enhance local economic development efforts while continuing to protect against unauthorized use of public money and other resources. As such, the City of Hobbs reserves the right to take any and all measures deemed necessary to ensure the contents of this application are accurately stated. Thank you for your interest in contributing to the local economy of Hobbs, New Mexico!

Please Note: Changes to the City of Hobbs' EDSP Ordinance were approved by the voters of Hobbs, New Mexico, during the regular municipal election in March of 2022. To be eligible for consideration, the proposed qualifying project must have started after April 1, 2022. Applicant businesses will have ninety (90) days from start of the qualifying project, or from their first gross receipts tax filing after start of qualifying project, whichever is later, to file their application for public funding of their qualifying project under the City of Hobbs' EDSP Ordinance.

Applicant (name of business/entity): Space Jump, llc.

Section One – Economic Development Goals

Having encouraged the support of the community and its leadership through public meetings and interviews, the City of Hobbs' EDSP Ordinance declares certain desired goals. Please mark all of the City's desired economic development goals that your proposed project meets:

- To diversify the local economy by the creation of additional jobs with the attraction of new business.
- To work with existing businesses to improve the general business climate in order that they may be successful in retaining employees and creating new jobs through expansion.
- To support the development of industrial/business park(s) that will be attractive to new and expanding businesses.
- To, when feasible and within the provisions of the New Mexico Local Economic Development Act, use public funds to assist in the development of new jobs.
- To encourage cooperation between the public and private sectors as they assist in the creation of new jobs.
- To help develop within the community's resources the best possible vocational and other skill training to prepare the local populace to enter the work force.
- To increase gross receipts taxes for the City of Hobbs.

Section Two – General Target Industry

Types of businesses that meet the community's goals: Businesses that fit most or all of these criteria will be given consideration for assistance under the City of Hobbs' EDSP Ordinance. This list is not necessarily all inclusive, and should an industry fall outside of this preferred list, individual consideration may be given.

City of Hobbs considers certain types of businesses to be those that are preferred or meet the community goals. Please mark below all of the criteria specific to Hobbs, New Mexico, that your proposed project will be able to meet.

Industry that is able to take advantage of the following of Hobbs, New Mexico's comparative advantages:

- Availability of natural resources.
- Favorable climate.
- Ample, low-cost land available for development.
- Affordable housing.
- Ample availability of a skilled workforce and access to substantial infrastructure of work force development within the secondary and post-secondary level.
- Significant secondary and post-secondary educational and healthcare institutional resources.
- A positive business climate within the private and public sectors.
- Affordable and readily available energy resources.

Industry that provides exceptional benefits to the workforce of Hobbs, New Mexico:

- Pay comparative wages
- Provide benefits to foster a positive work/life balance
- Help improve the local per capita income (household income)
- Help diversify the local labor market

Section Three – Specifically Identified Target Industries

The City of Hobbs' EDSP Ordinance specifically identifies certain industries that are desirable for potential development. Please mark all of the target industries that your proposed project meets:

- The dairy industry and related businesses
- Value-added agricultural production, dairy processing, or food processing and the manufacturer of food products.

- Service firms or institutions, especially in the educational, health care, information technology, and professional service sectors.
- Relatively labor-intensive processing and assembling businesses in the manufacturing sector.
- The construction trade sector.
- Data, IT, and telecommunications enterprises.
- Nuclear waste, hazardous waste, and related opportunities.
- Energy related industry.
- Retail related industry.
- Cultural facilities.
- Warehousing, logistics, distribution, and transportation.
- Retention and expansion of business and industry.

Section Four – Possible Community Assistance

The City of Hobbs' EDSP Ordinance allows for "public support," as that term is defined by NMSA 1978, § 5-10-3(K), of qualifying projects. Please mark the specific forms of public support your proposed project is seeking at this time:

- land, buildings or other infrastructure.
- the placement of new broadband telecommunications network facilities.
- rights-of-way infrastructure, including trenching and conduit, for the placement of new broadband telecommunications network facilities.
- public works improvements essential to the location or expansion of the proposed project.
- payments for professional services contracts necessary to implement a plan or provide public support for the proposed project.
- direct loans or grants for land, buildings or infrastructure.
- technical assistance to cultural facilities.
- loan guarantees securing the cost of land, buildings or infrastructure in an amount not to exceed the revenue that may be derived from an increment of the municipal gross receipts tax imposed at a rate not to exceed one-fourth percent and dedicated by the ordinance imposing the increment for projects.
- grants for public works infrastructure improvements essential to the location or expansion of the proposed project or subsidies to cultural facilities.

- land for a publicly held industrial park or a publicly owned cultural facility, by purchase.
- the construction of a building for use by the proposed project.

NOTE: The term "public support" does not include the purchase, lease, grant or other acquisition or conveyance of water or mineral rights.

Section Five – Criteria for Community Assistance

In deciding the eligibility for community assistance, the City of Hobbs may enlist the services of an agent, such as the Economic Development Corporation of Lea County or another agent, as needed or recommended to be the City's agent in dealing with projects and formulating recommendations to the City Commission.

For an applicant to be considered for assistance, the application may include, but is not limited to, the information outlined below (check all information that has been included in your application).

Identification information:

- Complete name and address of entity
- Organizational documentation
- List of board of directors and principal officers, with copy of the entity's organizational chart including names and titles of all principals.

Evidence of financial solvency:

- Company financial history
- If the company has a previous business history, audited financial statement (income statement and balance sheet) for the past three years
- Federal tax number, New Mexico State Taxation and Revenue number and City business license
- Projected income statement for at least three years
- The City has previously communicated with me that the following information has been deemed pertinent by the City and is included in my application packet:

Evidence of organizational capacity:

- Brief history of the entity
- Organizational chart of entity

Economic Development Project Plan (Qualifying Project):

- Preliminary description of proposed project

- Preliminary proposal of assistance requested
- The number of jobs to be created
- The types of business and jobs including a business plan
- Job training and career development plan for employees
- Compatibility with City's economic development goals including, but not limited to, gross receipts generation and/or job creation
- List of other funding resources researched by the applicant
- Financial and marketing projections
- The City has previously communicated with me that the following information has been deemed pertinent by the City and is included in my application packet:

Cost benefit analysis (Complete on this form and provide supporting documentation in packet) :

- The number and type of jobs to be created, both temporary construction jobs and permanent jobs (by New Mexico Department of Labor category)
- Pay scale of jobs
- Determination of which jobs are expected to be filled locally and which will be filled by transfer from other facilities or recruited from outside the Hobbs area
- Total payroll expected at start-up and after one year
- Anticipated impact on local tax base
- Anticipated impact on local school systems
- Anticipated impact on infrastructure

Analysis of other benefits to the Community (besides those listed above, what will your project bring to the Community):

Analysis of substantive contributions to the Community. For purposes of this section "substantive contributions" shall be of value and may include money, in-kind services, jobs, expanded tax base, property or other thing or service of value for the expansion or improvement of the economy.

SEE ATTACHED

Section Six – Review Criteria for Applications

- By checking this box, I, the undersigned, acknowledge and agree that the City of Hobbs and/or its agent, will use due diligence to verify all facts about the applicant seeking assistance including but not limited to:
- A. Requiring financial statements and appropriate tax records made available by the business to be reviewed in detail. This review shall be consistent with the review required of Industrial Revenue Bond applications.
 - B. Investigation to determine the validity of any claims to patent rights, trade secrets, etc.
 - C. 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.
 - D. 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 City of Hobbs.
 - E. Review of the business's plans and marketing plans proposed by the applicant including, if deemed necessary, outside professional review of technical data.
 - F. Review of the environmental and community impacts of the proposed project. Special attention will be given to the job training and career advancement programs and policies. Level of commitment of business to provide career opportunities for Hobbs area residents will be reviewed.

- By checking this box, I, the undersigned, acknowledge and agree that I shall at all times be required to cooperate fully with City in City's due diligence verification efforts. I further understand that any failure on my part to cooperate with City's verification efforts may result in my application being summarily denied at the discretion of the City. Failure to cooperate includes, but is not limited to, refusal to sign any authorizations necessary to obtain the referenced material.

Section Seven – Project Participation Agreement

- By checking this box, I, the undersigned, acknowledge and agree that in order to receive public support for my qualifying project, I shall work with the City to prepare a project participation agreement. This agreement is the formal document, which states the contribution and obligation of all parties in the economic development project. The agreement must state the following:

- A. The economic development goals of the project.
- B. The contribution of the City and the qualifying entity.

- C. The specific measurable objectives upon which the performance review will be read.
- D. A schedule for project development and goal attainment.
- E. The security being offered for the City's investment.
- F. The procedures by which a project may be terminated and the City's investment recovered.
- G. The time period for which the City shall retain an interest in the project. Each project agreement shall have a "sunset" clause after which the City shall relinquish interest in and oversight of the project.

By checking this box, I, the undersigned, acknowledge and agree that the project participation agreement and any other pertinent information will be reviewed for formal approval by the City Commission at a public meeting. I understand that I will be required to appear at the public hearing and respond to any inquiries related to my application and/or proposed project.

By checking this box, I, the undersigned, acknowledge and agree that I shall operate in accordance with the project participation agreement for a period of time specified in the project participation agreement.

Section Eight – Investment Protection

By checking this box, I, the undersigned, understand that the City of Hobbs will provide adequate safeguards to ensure that its rights and financial commitments listed in the project participation agreement are adequately protected and recoverable in the event of default.

By checking this box, I, the undersigned, understand and agree that all investments will be made in compliance with the City of Hobbs' EDSP Ordinance and protections may include:

- A. Security provided for the City of Hobbs may be in the form of a lien, mortgage, or other indenture and pledge of the qualifying business's financial and material participation and personal cooperation to guarantee the applicant's performance pursuant to the project's goals.
- B. Any investment in streets, utilities or other public works will be made in accordance with City policy that provides security for any City investment made pursuant to the attraction of a business under the City of Hobbs' EDSP Ordinance.
- C. Provision for performance review will be established to ensure that the business is operating in accordance with its agreements with the City of Hobbs. This may include milestones, measurable goals and time limits on project development and completion. Provisions for performance review may include penalties for unsatisfactory performance.
- D. The contribution made by each party and its participation in the project will be clearly stated in the project participation agreement.
- E. There will be separate accounts for all financial dealings.
- F. An annual independent audit of the fund/account shall be required.
- G. Should a qualifying entity move, sell, lease or transfer a majority interest in the economic development project before the expiration of the project participation agreement, the City retains the right to deny any and all assignments, sales, leases or transfers of any interests in the economic development project until adequate assurances are made that the transferee, assignee or lessee is a qualifying entity and that the terms of the agreement will be satisfied by the transferee, assignee or lessee. At its discretion, the City may choose to deny said assignment, lease or transfer or may negotiate a new agreement with the new operator, or the City may reclaim its investment and enter into an agreement with the new qualifying entity.

Section Nine – Project Termination

- By checking this box, I, the undersigned, acknowledge and agree that the City of Hobbs may by ordinance terminate or revise the City of Hobbs' EDSP Ordinance. The City of Hobbs may also terminate projects developed under this plan provided the terms of any existing project participation agreements are satisfied. Any remaining monies left in the account or funds for a terminated project shall be transferred to the general fund.

[Signature Page on Next Page]

I affirm that all information contained in this City of Hobbs qualifying business application is true and accurate to the best of my knowledge. I voluntarily agree to be bound by the contents of this application along with any other documents completed in anticipation of receiving "public support" for my proposed project. I understand that the provision of "public support" is a discretionary function of the City of Hobbs City Commission and I am not guaranteed any public support for my proposed project.

Space Jump, llc.

PROJECT CLASSIFICATION: _____

Title: _____
Address: _____
Phone: _____
Fax: _____
Email: _____

6/3/2023
Date Submitted

PLEASE BE SURE YOU HAVE ATTACHED ALL DOCUMENTS TO THIS APPLICATION. MISSING OR OMITTED DOCUMENTS MAY RESULT IN A DENIAL OF YOUR APPLICATION. ALL DOCUMENTS SUBMITTED WITH THIS APPLICATION SHALL BE DEEMED PART OF THIS APPLICATION. THANK YOU AGAIN.

*****For use by the City of Hobbs or its agent only*****

Received by: _____ Date: _____ Time: _____
Reviewed by: _____ Date: _____ Time: _____
Approved: _____ Denied: _____ More Information Needed: _____
Project Score: _____

Notes Re Proposed Project:

- _____ Contacted City to place on Commission agenda omitted?
- _____ Received agenda date?
- _____ Informed project manager of agenda date and time?
- _____ Review model project participation agreement with project manager?

Signed: _____ Date: _____

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

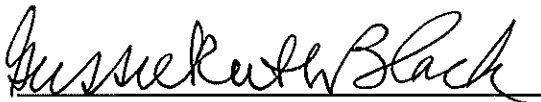
I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
May 12, 2024
and ending with the issue dated
May 12, 2024.



Publisher

Sworn and subscribed to before me this
12th day of May 2024.



Business Manager

My commission expires
January 29, 2027

(Seal) STATE OF NEW MEXICO
NOTARY PUBLIC
GUSSIE RUTH BLACK
COMMISSION # 1087526
COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

LEGAL NOTICE
May 12, 2024

NOTICE OF ORDINANCE

NOTICE IS HEREBY GIVEN that on the 3rd day of June, 2024, at its meeting at 6:00 p.m., in the City Commission Chamber at City Hall, 1st Floor Annex, 200 East Broadway, Hobbs, New Mexico, the governing body of the City of Hobbs proposes to adopt an ordinance related to a Local Economic Development Act (LEDA) Project for Space Jump, LLC. A summary of the ordinance is contained in its title and is described as follows:

AN ORDINANCE ADOPTING A LOCAL ECONOMIC DEVELOPMENT ACT (LEDA) PROJECT APPROVING AND ADOPTING A LOCAL ECONOMIC DEVELOPMENT PROJECT PARTICIPATION AGREEMENT BETWEEN THE CITY OF HOBBS AND SPACE JUMP LLC

WHEREAS, the City of Hobbs Commission passed a Resolution to support changes to the State of New Mexico's Municipal Local Economic Development Act funding that starting on July 1, 2021, and ending on June 30, 2030, providing that all municipalities may use up to twenty-five percent of municipal Local Economic Development Act funding for expansion of existing retail businesses or recruitment of new retail businesses if the economic development project is not funded or financed with state government revenues; provided that no funding shall be provided to an existing retail business to relocate from another location in New Mexico if the business does not remain in its previous location in New Mexico; and

WHEREAS the City of Hobbs City Commissioners adopted the amended LEDA Ordinance on July 1, 2022; and

WHEREAS, Space Jump LLC, brings innovative entertainment to the City of Hobbs. This company provides open-space jump trampolines, an obstacle course, a rock climbing wall, a zip line, and more. This project is an attraction for all ages to enjoy; and

WHEREAS, the City of Hobbs City Commissioners approves the LEDA Funding in the amount of \$180,000.00 and agree to enter into a participation agreement.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF HOBBS, that the Commission approves and adopts Local Economic Development Act funding to Space Jump LLC, in the amount of \$180,000.00.

A full copy of the ordinance is available to interested persons during regular business hours in the Office of the City Clerk, City Hall, 200 East Broadway, Hobbs, New Mexico. The ordinance is also available for viewing online at www.hobbsnm.org.

/s/ Jan Fletcher
Jan Fletcher, City Clerk

#00290229

67108146

00290229

CITY OF HOBBS FINANCE DEPT
200 E. BROADWAY ST
HOBBS, NM 88240



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: June 3, 2024

SUBJECT: ADOPTION OF ORDINANCE ADOPTING A LOCAL ECONOMIC DEVELOPMENT ACT (LEDA) PROJECT APPROVING AND ADOPTING A LOCAL ECONOMIC DEVELOPMENT PROJECT PARTICIPATION AGREEMENT BETWEEN THE CITY OF HOBBS AND HTEAO/HOLVAY LLC

DEPT. OF ORIGIN: Legal Department
DATE SUBMITTED: May 23, 2024
SUBMITTED BY: Valerie S. Chacon, City Attorney

Summary:

The City of Hobbs Commission passed a Resolution to support changes to the State of New Mexico's Municipal Local Economic Development Act funding that starts on July 1, 2021, and ends on June 30, 2030. Whereas the LEDA special revenue fund for the fiscal year 2024 has approximately \$3,361,696.00. This proposed ordinance is for the allocation of \$70,000.00 to HTEAO/ HOLVAY LLC. HTEAO/Holvay LLC brings a franchise drive-thru and walk-in beverage restaurant offering 26 flavors of freshly brewed broad-leaf iced tea, coffee, premium water, and ice, as well as retail products such as branded apparel. Pursuant to NMSA 1978, § 3-17-3, the proposed ordinance was previously published in the Hobbs News-Sun on May 12, 2024. If approved, the ordinance will be published once more and become effective five (5) days after final publication.

Fiscal Impact:

Reviewed By: Finance Department

LEDA special revenue fund expenditure of \$70,000.00.

Attachments:

Ordinance, participation agreement, application and publication

Legal Review:

Approved As To Form: Valerie S. Chacon City Attorney

Recommendation:

The Commission should approve this Ordinance.

Approved For Submittal By:

Valerie S. Chacon

Department Director

City Manager

CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN

Resolution No.
Ordinance No.
Approved
Other
Continued To:
Referred To:
Denied
File No.

CITY OF HOBBS

ORDINANCE NO. 1158

AN ORDINANCE ADOPTING A LOCAL ECONOMIC DEVELOPMENT ACT (LEDA)
PROJECT APPROVING AND ADOPTING A LOCAL ECONOMIC DEVELOPMENT
PROJECT PARTICIPATION AGREEMENT BETWEEN THE CITY OF HOBBS AND
HTEAO/HOLVAY LLC

WHEREAS, The City of Hobbs Commission passed a Resolution to support changes to the State of New Mexico's Municipal Local Economic Development Act funding that starting on July 1, 2021, and ending on June 30, 2030, providing that all municipalities may use up to twenty-five percent of municipal Local Economic Development Act funding for expansion of existing retail businesses or recruitment of new retail businesses if the economic development project is not funded or financed with state government revenues; provided that no funding shall be provided to an existing retail business to relocate from another location in New Mexico if the business does not remain in its previous location in New Mexico; and

WHEREAS the City of Hobbs City Commissioners adopted the amended LEDA Ordinance on July 1, 2022; and

WHEREAS, HTeaO/Holvay LLC brings a franchise drive-thru and walk-in beverage restaurant offering 26 flavors of fresh brewed broad-leaf ice tea, coffee, premium water, and ice, as well as retail products such as branded apparel.; and

WHEREAS, the City of Hobbs City Commissioners approves the LEDA Funding in the amount of \$70,000.00 to HTeaO/Holvay LLC and agree to enter into a participation agreement with HTeaO/Holvay LLC.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF HOBBS, that the Commission approves and adopts Local Economic Development Act funding to HTeaO/Holvay LLC in the amount of \$70,000.00.

PASSED, ADOPTED AND APPROVED this 3rd day of June, 2024.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk

**PROJECT PARTICIPATION AGREEMENT
CITY OF HOBBS AND HTEAO/HOLVAY LLC
LOCAL ECONOMIC DEVELOPMENT ACT PROJECT**

This Project Participation Agreement (the “Agreement”) is made as of this ____ day of _____, 2024 by and between the CITY OF HOBBS, NEW MEXICO (the “City”), and HTeaO/Holvay LLC a New Mexico, LLC, with a place of business at 2319 N. Grimes St., Hobbs, New Mexico, 88240. Together, the City and HTeaO/Holvay LLC are called the “Parties,” and individually, each a “Party.”

WHEREAS, it is the policy of the City to aid and encourage the location of desirable business enterprises in the City and to facilitate a favorable governmental atmosphere for enriching the lives of its citizens by supporting the development of a healthy economy; and

WHEREAS, pursuant to the Local Economic Development Act, Sections 5-10-1 to 5-10-13 NMSA 1978 (“LEDA”), the City has adopted Ordinance No. _____ (the “LEDA Ordinance”), approving an economic development plan for the City and authorizing the City to consider applications for economic development assistance; and

WHEREAS, HTeaO/Holvay LLC has submitted to the City an application in the form attached to this Agreement as Exhibit A proposing that, in exchange for certain LEDA assistance described below, HTeaO/Holvay LLC will undertake and complete a certain project, which is defined to include the following elements (the “Project”):

Project:

HTeaO/Holvay LLC brings a franchise drive-thru and walk-in beverage restaurant offering 26 flavors of fresh brewed broad-leaf ice tea, coffee, premium water, and ice, as well as retail products such as branded apparel.

WHEREAS, the HTeaO/Holvay LLC Application proposes that in exchange for HTeaO/Holvay LLC undertaking and completing the Project, the City funds and/or land/infrastructure contribution obtained from the City of Hobbs’ LEDA Fund, pursuant to LEDA, will be used to reimburse a portion of HTeaO/Holvay LLC’s expenses related to the Project, on the terms set forth herein; and

WHEREAS, the HTeaO/Holvay LLC’s Application clearly demonstrates that HTeaO/Holvay LLC, by completing the Project, will be making a substantive contribution to the community, as required by the LEDA Ordinance; and

WHEREAS, LEDA and the LEDA Ordinance require the parties to enter into a Project Participation Agreement meeting the requirements of LEDA and the LEDA Ordinance; and

WHEREAS, the total amount of public money expended and the value of credit pledged in each fiscal year in which that money is expended by the City for economic development projects pursuant to LEDA does not and will not exceed ten percent of the general fund expenditures of the City in that fiscal year; and

WHEREAS, the City adopted Ordinance No. _____ on _____, 2024 (the “_____ Ordinance”) (i) finding that HTeaO/Holvay LLC is a qualifying entity as defined in Section 5-10-3(G) NMSA, (ii) approving HTeaO/Holvay LLC’s Application for assistance with the Project pursuant to the LEDA Ordinance, which Application proposed that the City direct up to \$70,000.00 or the amount approved by the City of Hobbs Commission in funds to be committed by the City (the “City Contribution”), all to finance certain statutorily eligible expenses of the Project consisting of reimbursement for the leasing, renovation and improvement of the Facility, and (iii) approving this Agreement.

NOW, THEREFORE, in consideration of these premises and the agreements by the parties set forth herein, HTeaO/Holvay LLC, and the City further agree as follows:

1. Goals and Objectives. The goals and objectives of the Project are to create and support an economic development project that fosters, promotes, and enhances local economic development efforts. The goal is that the Project will provide job growth and career opportunities for Hobbs-area residents and otherwise make a substantive contribution to the community as set forth in this Agreement and in the HTeaO/Holvay LLC’s Application.

2. The City Contribution. Pursuant to the Project Ordinance and the LEDA Ordinance, the City has committed the amount of \$70,000.00, or the amount approved by the City of Hobbs Commission in connection with the Project. As required by the LEDA Ordinance, the City will deposit the proceeds of the City Contribution into a clearly identified separate account, which account will be subject to an annual independent audit. The term of this agreement is for two (2) years.

City funds will be dispensed in year one: November 10, 2024, upon proper filing of the months July through September Gross Receipt Tax, dispensed on February 10, 2025, upon proper filing for months October through December Gross Receipt Tax, dispensed on May 10, 2025, upon proper filings for months January through March, dispensed on August 10, 2025, upon proper filing for months April through June Gross Receipt Tax.

City funds will be dispensed in year two: dispensed on November 10, 2025, upon proper filing for months July through September Gross Receipt Tax, dispensed on February 10, 2026, upon

proper filings for months October through December, dispensed on May 10, 2026, upon proper filing for months January through March Gross Receipt Tax and dispensed on August 10, 2026, upon the proper filings for April through June Gross Receipt Tax.

3. Annual Revenue.

A. HTeaO/Holvay LLC, must produce an annual revenue of \$1,314,554.00 a year for two years, starting in July 2024 through June 2026. (year measurement is from July 1st to June 30th)

4. Job Creation and Growth.

A. Job creation and growth. HTeaO/Holvay LLC shall create new jobs and grow its workforce annually or, in the alternative, increase salary and benefits annually. The City of Hobbs is invested in new job creation and growth and will monitor HTeaO/Holvay LLC on an annual basis. Employee's quarterly wage and contribution report ES903A must be filed and provided to the City 10 days after filing.

5. Performance.

A. On August 10, 2025, if HTeaO/Holvay LLC does not meet the requirement of annual revenue of \$1,314,554.00 in the first year (year measurement is from July 1st to June 30th) the agreement will terminate. If HTeaO/Holvay LLC does not meet the requirement in the following years, the agreement will terminate in that proposed year. HTeaO/Holvay LLC must submit its quarterly New Mexico Gross Receipt Tax Return to the City on the first of every month before disbursement.

B. The "Clawback Penalty"; a Clawback Penalty will not be warranted. The City and HTeaO/Holvay LLC, are entering into an agreement in which HTeaO/Holvay LLC will only receive the portion paid into local gross receipt taxes. At the year mark on August 2025 (year measurement is from July 1st to June 30th) and on this month every year until 2026, if HTeaO/Holvay LLC, does not meet the minimum qualification of the minimum annual revenue of \$1,314,554.00, the agreement will terminate, and the next quarter of Gross Receipt Taxes will not be dispersed to HTeaO/Holvay LLC.

If the City determines that Business Climate Changes affect HTeaO/Holvay LLC's ability to maintain employment levels, it may waive or modify this agreement, but only related to the City Contribution, and the City shall determine as to any potential waiver.

6. Security. To secure the performance of its obligations under this Agreement, HTeaO/Holvay LLC will not need to submit a security bond to the City, for the City will only disperse and allocate funds to HTeaO/Holvay LLC, after local Gross Receipt Taxes have been received.

7. Events of Default and Remedies.

A. Failure to Comply with Obligations. HTeaO/Holvay LLC's failure to comply with any obligation under this Agreement, such as failure to meet annual revenue, shall be an Event of Default. Notwithstanding the foregoing, failure to meet employee projections or wage and benefit projections shall not be considered an Event of Default.

B. Notice of Event of Default. If any Event of Default occurs, the City Finance Department shall notify HTeaO/Holvay LLC in writing, specifying the alleged failure's nature and, where appropriate, how the alleged failure may be cured. HTeaO/Holvay LLC shall have thirty (30) days after notice to cure said Default. If the Default is not cured, this agreement shall terminate.

8. Annual Reporting Requirement, Performance Review and Termination.

Annually (beginning in 2025), on or before August 10th or other date specified by the City, HTeaO/Holvay will provide to the City data for the previous calendar year regarding its workforce and such other information necessary for the City or its independent contractor to determine whether HTeaO/Holvay has met its obligations under this Agreement. The Project will be subject to an annual performance review conducted by City staff, which will evaluate whether the Project is attaining the goals and objectives set forth in section 1, 3 or 5 of this Agreement.

A. If the performance goals of section 1, 3 or 5 are not being attained, the City Manager is granted the authority by the City Commission to terminate the agreement, as described in Section 7 B of this agreement.

B. In addition, pursuant to LEDA, the City may enact an ordinance terminating the LEDA Ordinance and dissolving or terminating any or all projects. In the event that the City terminates the LEDA Ordinance or this Agreement, the City will specify the disposition of all assets and obligations of the Project after satisfying this Agreement and all rights of the parties arising under this Agreement through the date of such termination.

9. Dispute Resolution. The parties will work in good faith to resolve any disputes that arise hereunder. In the event of a dispute between the parties, the Chief Executive Officer of HTeaO/Holvay LLC, or his/her designee, and the Director or Deputy Director of the City's Finance Department shall meet and attempt in good faith to resolve the dispute. If they are unable to resolve the dispute, the President of HTeaO/Holvay LLC and the City Manager shall meet and attempt in good faith to resolve the dispute. Nothing contained in this Agreement constitutes a waiver of any Party's right to seek judicial relief.

10. Discrimination Prohibited. In performing the Services required hereunder, the parties hereto shall not discriminate against any person on the basis of race, color, religion, gender, sexual preference, sexual orientation, national origin or ancestry, age,

physical handicap, or disability as defined in the Americans With Disabilities Act of 1990, as now enacted or hereafter amended.

11. ADA Compliance. In performing the Services required hereunder, HTeaO/Holvay LLC agrees to meet all the requirements of the Americans with Disabilities Act of 1990, and all applicable rules and regulations (ADA), which are imposed directly on HTeaO/Holvay LLC or which would be imposed on the City as a public entity. HTeaO/Holvay LLC agrees to be responsible for knowing all applicable requirements of the ADA and to defend, indemnify and hold harmless the City, its officials, agents and employees from and against any and all claims, actions, suits or proceedings of any kind brought against said parties as a result of any acts or omissions of HTeaO/Holvay LLC or its agents in violation of the ADA.

12. Audits and Inspections. At any time during normal business hours and as often as the City may deem necessary, there shall be made available to the City for examination all of HTeaO/Holvay LLC's records with respect to all matters covered by this Agreement. HTeaO/Holvay LLC shall permit the City to audit, examine, and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Agreement.

13. Indemnity. HTeaO/Holvay LLC agrees to defend, indemnify and hold harmless the City and its officials, agents and employees from and against any and all claims, actions, suits or proceedings of any kind brought against said parties because of any injury or damage received or sustained by any person, persons or property arising out of or resulting from the Services performed by HTeaO/Holvay LLC or HTeaO/Holvay LLC's agents under this Agreement or by reason of any asserted act or omission, neglect or misconduct of HTeaO/Holvay LLC or its agents or employees or any subcontractor or its agents or employees. The indemnity required hereunder shall not be limited by reason of the specification of any particular insurance coverage in this Agreement.

14. No Collusion. HTeaO/Holvay LLC represents that this Agreement is entered into by HTeaO/Holvay LLC without collusion on the part of HTeaO/Holvay LLC with any person or firm, without fraud and in good faith. HTeaO/Holvay LLC also represents that no gratuities, in the form of entertainment, gifts or otherwise, were, or during the term of this Agreement, will be offered or given by HTeaO/Holvay LLC or any agent or representative of HTeaO/Holvay LLC to any officer or employee of the City with a view towards securing this Agreement or for securing more favorable treatment with respect to making any determinations with respect to performing this Agreement.

15. Applicable Law and Venue. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New Mexico, and the laws, rules and regulations of the City of Hobbs. The venue for actions arising out of this

Agreement is Lea County, New Mexico.

16. Enforcement. HTeaO/Holvay LLC, agrees to pay to the City all costs and expenses including reasonable attorney's fees incurred by the City in exercising any of its rights or remedies in connection with the enforcement of this Agreement.

17. Electronic Signatures. Authenticated electronic signatures are legally acceptable pursuant to Section 14-16-7 NMSA 1978. The parties agree that this Agreement may be electronically signed and that the electronic signatures appearing on the Agreement are the same as handwritten signatures for the purposes of validity, enforceability, and admissibility.

18. Further Assurances and Mutual Cooperation. Each Party agrees to deliver and execute any and all notices, certificates, instruments and other such documents and take any and all actions as any Party hereto reasonably may require to carry out this Agreement and such transactions hereby contemplated, and no Party will take any action that may deprive the other Party of the enjoyment of the rights this Agreement secures. Each Party further agrees to select its own legal counsel and to retain such legal counsel at that Party's expense.

19. Severability. If any part or provision of this Agreement is found to be or becomes unenforceable or illegal for any reason, such part or provision may be modified as necessary to render this Agreement enforceable and legal. If such part or provision cannot be modified as such, the part or provision shall be severed from this Agreement, and the remaining parts and provisions of this Agreement shall remain in full force and effect.

20. Force Majeure. Neither Party shall be liable to the other Party for any failure to perform any provisions or obligations of this Agreement if such failure to perform is caused by or results directly or indirectly from Force Majeure. "Force Majeure" means any cause beyond the reasonable control of a Party affected, including but not limited to, any acts of God, fire, flood, storm, strike, riot or civil disturbance, war, earthquake, lightning, epidemic, labor disturbance, sabotage, or restraint by court or public authority, or any other cause beyond the reasonable control of a Party affected whether similar or dissimilar to the ones listed, which makes it impossible or unreasonably difficult for a Party to perform its obligations under this Agreement. Nothing contained in this paragraph shall be construed to require either Party to prevent or settle a strike against its will. The Party unable to perform its obligations due to Force Majeure will provide notice to the other Party within five (5) days of it becoming aware of the Force Majeure of its inability to perform and its expectations as to when, if ever, it will be able to resume its obligations.

21. Notice. All notices or other written communications, including requests for disbursement, that are required or permitted to be given pursuant to this Agreement must be

in writing and delivered personally, by a recognized courier service, by a recognized overnight delivery service, by fax, by electronic mail, or by registered or certified mail, postage prepaid, to the parties at the addresses shown in the signature block of this Agreement. If notice is mailed, it will be deemed received on the earlier of actual receipt or on the third business day following the date of mailing. If a notice is hand-delivered or sent by overnight delivery service, it will be deemed received upon actual delivery. If any written notice is sent by facsimile or electronic mail, it will be deemed received upon printed or written confirmation of the transmission. A party may change its notice address by written notice to the other party to this Agreement.

22. Assignment by HTeaO/Holvay LLC. Generally, this Agreement may not be assigned without the prior, written consent of the non-assigning Parties, and the City retains the right to determine whether any assignee is a qualifying entity pursuant to LEDA and the LEDA Ordinance. Regardless of any other provision herein, this Agreement may be assigned by HTeaO/Holvay LLC as part of a sale of all, or substantially all, of HTeaO/Holvay LLC's assets. (i) the assignee assumes, in writing, HTeaO/Holvay LLC's obligations under this Agreement, which will include (a) confirmation that the commitment of HTeaO/Holvay LLC remains in place through August 2027 (ii) HTeaO/Holvay LLC provides to the City, at least five (5) days prior to such assignment's effective date, a copy of the assignment and such confirmation of HTeaO/Holvay LLC's commitment to the City. Notwithstanding any of the foregoing, HTeaO/Holvay LLC may terminate this Agreement in the event that HTeaO/Holvay LLC sells all, or substantially all, of HTeaO/Holvay LLC's assets.

23. Miscellaneous. This Agreement binds and inures to the benefit of the City and HTeaO/Holvay LLC and their respective successors and permitted assigns. This Agreement may not be assigned without the written consent of the non-assigning Party. This Agreement, together with the Application, represents the entire agreement of the Parties on the subject hereof and supersedes all prior agreements or understandings between the parties, whether written or verbal. This Agreement may be amended or modified, and the performance by any Party of its obligations under this Agreement may be waived, only in a written instrument duly executed by both Parties. This Agreement may be executed in any number of counterparts, each of which is an original and all of which taken together constitute one instrument. This Agreement is governed by and is to be construed in accordance with the laws of New Mexico applicable to agreements made and to be performed in New Mexico.

24. Effective Date. This Agreement will be effective on _____ 2024. (the "Effective Date").

[Signature Page Follows]

CITY OF HOBBS:

By: _____
Name: _____
Title: _____
Date: _____

Address for notice:

City of Hobbs
200 E. Broadway
Hobbs, NM 88240
Attention: _____
Tel: _____
Email: _____

With a copy to:

City Attorney
200 E. Broadway
Tel: (575) 397-9226
Email: vchacon@hobbsnm.org

PROJECT:

By: _____
Name: _____
Title: _____
Date: _____

Address for notice:

Attention: _____
Tel: _____
Email _____



CITY OF HOBBS

QUALIFYING PROJECT APPLICATION

The purpose of the City of Hobbs Economic Development Strategic Plan Ordinance (“EDSP Ordinance”) is to allow public support of economic projects to foster, promote, and enhance local economic development efforts while continuing to protect against unauthorized use of public money and other resources. As such, the City of Hobbs reserves the right to take any and all measures deemed necessary to ensure the contents of this application are accurately stated. Thank you for your interest in contributing to the local economy of Hobbs, New Mexico!

Please Note: Changes to the City of Hobbs’ EDSP Ordinance were approved by the voters of Hobbs, New Mexico, during the regular municipal election in March of 2022. To be eligible for consideration, the proposed qualifying project must have started after April 1, 2022. Applicant businesses will have ninety (90) days from start of the qualifying project, or from their first gross receipts tax filing after start of qualifying project, whichever is later, to file their application for public funding of their qualifying project under the City of Hobbs’ EDSP Ordinance.

Applicant (name of business/entity): Holvay LLC

Section One – Economic Development Goals

Having encouraged the support of the community and its leadership through public meetings and interviews, the City of Hobbs’ EDSP Ordinance declares certain desired goals. Please mark all of the City’s desired economic development goals that your proposed project meets:

- To diversify the local economy by the creation of additional jobs with the attraction of new business.
- To work with existing businesses to improve the general business climate in order that they may be successful in retaining employees and creating new jobs through expansion.
- To support the development of industrial/business park(s) that will be attractive to new and expanding businesses.
- To, when feasible and within the provisions of the New Mexico Local Economic Development Act, use public funds to assist in the development of new jobs.
- To encourage cooperation between the public and private sectors as they assist in the creation of new jobs.
- To help develop within the community’s resources the best possible vocational and other skill training to prepare the local populace to enter the work force.
- To increase gross receipts taxes for the City of Hobbs.

Section Two – General Target Industry

Types of businesses that meet the community's goals: Businesses that fit most or all of these criteria will be given consideration for assistance under the City of Hobbs' EDSP Ordinance. This list is not necessarily all inclusive, and should an industry fall outside of this preferred list, individual consideration may be given.

City of Hobbs considers certain types of businesses to be those that are preferred or meet the community goals. Please mark below all of the criteria specific to Hobbs, New Mexico, that your proposed project will be able to meet.

Industry that is able to take advantage of the following of Hobbs, New Mexico's comparative advantages:

- Availability of natural resources.
- Favorable climate.
- Ample, low-cost land available for development.
- Affordable housing.
- Ample availability of a skilled workforce and access to substantial infrastructure of work force development within the secondary and post-secondary level.
- Significant secondary and post-secondary educational and healthcare institutional resources.
- A positive business climate within the private and public sectors.
- Affordable and readily available energy resources.

Industry that provides exceptional benefits to the workforce of Hobbs, New Mexico:

- Pay comparative wages
- Provide benefits to foster a positive work/life balance
- Help improve the local per capita income (household income)
- Help diversify the local labor market

Section Three – Specifically Identified Target Industries

The City of Hobbs' EDSP Ordinance specifically identifies certain industries that are desirable for potential development. Please mark all of the target industries that your proposed project meets:

- The dairy industry and related businesses
- Value-added agricultural production, dairy processing, or food processing and the manufacturer of food products.

- Service firms or institutions, especially in the educational, health care, information technology, and professional service sectors.
- Relatively labor-intensive processing and assembling businesses in the manufacturing sector.
- The construction trade sector.
- Data, IT, and telecommunications enterprises.
- Nuclear waste, hazardous waste, and related opportunities.
- Energy related industry.
- Retail related industry.
- Cultural facilities.
- Warehousing, logistics, distribution, and transportation.
- Retention and expansion of business and industry.

Section Four – Possible Community Assistance

The City of Hobbs' EDSP Ordinance allows for "public support," as that term is defined by NMSA 1978, § 5-10-3(K), of qualifying projects. Please mark the specific forms of public support your proposed project is seeking at this time:

- land, buildings or other infrastructure.
- the placement of new broadband telecommunications network facilities.
- rights-of-way infrastructure, including trenching and conduit, for the placement of new broadband telecommunications network facilities.
- public works improvements essential to the location or expansion of the proposed project.
- payments for professional services contracts necessary to implement a plan or provide public support for the proposed project.
- direct loans or grants for land, buildings or infrastructure.
- technical assistance to cultural facilities.
- loan guarantees securing the cost of land, buildings or infrastructure in an amount not to exceed the revenue that may be derived from an increment of the municipal gross receipts tax imposed at a rate not to exceed one-fourth percent and dedicated by the ordinance imposing the increment for projects.
- grants for public works infrastructure improvements essential to the location or expansion of the proposed project or subsidies to cultural facilities.

- land for a publicly held industrial park or a publicly owned cultural facility, by purchase.
- the construction of a building for use by the proposed project.

NOTE: The term “public support” does not include the purchase, lease, grant or other acquisition or conveyance of water or mineral rights.

Section Five – Criteria for Community Assistance

In deciding the eligibility for community assistance, the City of Hobbs may enlist the services of an agent, such as the Economic Development Corporation of Lea County or another agent, as needed or recommended to be the City’s agent in dealing with projects and formulating recommendations to the City Commission.

For an applicant to be considered for assistance, the application may include, but is not limited to, the information outlined below (check all information that has been included in your application).

Identification information:

- Complete name and address of entity
- Organizational documentation
- List of board of directors and principal officers, with copy of the entity’s organizational chart including names and titles of all principals.

Evidence of financial solvency:

- Company financial history
- If the company has a previous business history, audited financial statement (income statement and balance sheet) for the past three years
- Federal tax number, New Mexico State Taxation and Revenue number and City business license
- Projected income statement for at least three years
- The City has previously communicated with me that the following information has been deemed pertinent by the City and is included in my application packet:

Evidence of organizational capacity:

- Brief history of the entity
- Organizational chart of entity

Economic Development Project Plan (Qualifying Project):

- Preliminary description of proposed project

- Preliminary proposal of assistance requested
- The number of jobs to be created
- The types of business and jobs including a business plan
- Job training and career development plan for employees
- Compatibility with City's economic development goals including, but not limited to, gross receipts generation and/or job creation
- List of other funding resources researched by the applicant
- Financial and marketing projections
- The City has previously communicated with me that the following information has been deemed pertinent by the City and is included in my application packet:

Cost benefit analysis (Complete on this form and provide supporting documentation in packet) :

- The number and type of jobs to be created, both temporary construction jobs and permanent jobs (by New Mexico Department of Labor category)
- Pay scale of jobs
- Determination of which jobs are expected to be filled locally and which will be filled by transfer from other facilities or recruited from outside the Hobbs area
- Total payroll expected at start-up and after one year
- Anticipated impact on local tax base
- Anticipated impact on local school systems
- Anticipated impact on infrastructure

Analysis of other benefits to the Community (besides those listed above, what will your project bring to the Community):

To provide healthy, tea related products in a fun and clean environment while developing and empowering people for a greater purpose

Analysis of substantive contributions to the Community. For purposes of this section "substantive contributions" shall be of value and may include money, in-kind services, jobs, expanded tax base, property or other thing or service of value for the expansion or improvement of the economy.

Providing job opportunities, 2% of gross receipts to local charities, 2% of gross receipts to local advertising firm

Section Six – Review Criteria for Applications

- By checking this box, I, the undersigned, acknowledge and agree that the City of Hobbs and/or its agent, will use due diligence to verify all facts about the applicant seeking assistance including but not limited to:
- A. Requiring financial statements and appropriate tax records made available by the business to be reviewed in detail. This review shall be consistent with the review required of Industrial Revenue Bond applications.
 - B. Investigation to determine the validity of any claims to patent rights, trade secrets, etc.
 - C. 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.
 - D. 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 City of Hobbs.
 - E. Review of the business's plans and marketing plans proposed by the applicant including, if deemed necessary, outside professional review of technical data.
 - F. Review of the environmental and community impacts of the proposed project. Special attention will be given to the job training and career advancement programs and policies. Level of commitment of business to provide career opportunities for Hobbs area residents will be reviewed.

- By checking this box, I, the undersigned, acknowledge and agree that I shall at all times be required to cooperate fully with City in City's due diligence verification efforts. I further understand that any failure on my part to cooperate with City's verification efforts may result in my application being summarily denied at the discretion of the City. Failure to cooperate includes, but is not limited to, refusal to sign any authorizations necessary to obtain the referenced material.

Section Seven – Project Participation Agreement

- By checking this box, I, the undersigned, acknowledge and agree that in order to receive public support for my qualifying project, I shall work with the City to prepare a project participation agreement. This agreement is the formal document, which states the contribution and obligation of all parties in the economic development project. The agreement must state the following:
- A. The economic development goals of the project.
 - B. The contribution of the City and the qualifying entity.

- C. The specific measurable objectives upon which the performance review will be read.
- D. A schedule for project development and goal attainment.
- E. The security being offered for the City's investment.
- F. The procedures by which a project may be terminated and the City's investment recovered.
- G. The time period for which the City shall retain an interest in the project. Each project agreement shall have a "sunset" clause after which the City shall relinquish interest in and oversight of the project.

By checking this box, I, the undersigned, acknowledge and agree that the project participation agreement and any other pertinent information will be reviewed for formal approval by the City Commission at a public meeting. I understand that I will be required to appear at the public hearing and respond to any inquiries related to my application and/or proposed project.

By checking this box, I, the undersigned, acknowledge and agree that I shall operate in accordance with the project participation agreement for a period of time specified in the project participation agreement.

Section Eight – Investment Protection

By checking this box, I, the undersigned, understand that the City of Hobbs will provide adequate safeguards to ensure that its rights and financial commitments listed in the project participation agreement are adequately protected and recoverable in the event of default.

By checking this box, I, the undersigned, understand and agree that all investments will be made in compliance with the City of Hobbs' EDSP Ordinance and protections may include:

- A. Security provided for the City of Hobbs may be in the form of a lien, mortgage, or other indenture and pledge of the qualifying business's financial and material participation and personal cooperation to guarantee the applicant's performance pursuant to the project's goals.
- B. Any investment in streets, utilities or other public works will be made in accordance with City policy that provides security for any City investment made pursuant to the attraction of a business under the City of Hobbs' EDSP Ordinance.
- C. Provision for performance review will be established to ensure that the business is operating in accordance with its agreements with the City of Hobbs. This may include milestones, measurable goals and time limits on project development and completion. Provisions for performance review may include penalties for unsatisfactory performance.
- D. The contribution made by each party and its participation in the project will be clearly stated in the project participation agreement.
- E. There will be separate accounts for all financial dealings.
- F. An annual independent audit of the fund/account shall be required.
- G. Should a qualifying entity move, sell, lease or transfer a majority interest in the economic development project before the expiration of the project participation agreement, the City retains the right to deny any and all assignments, sales, leases or transfers of any interests in the economic development project until adequate assurances are made that the transferee, assignee or lessee is a qualifying entity and that the terms of the agreement will be satisfied by the transferee, assignee or lessee. At its discretion, the City may choose to deny said assignment, lease or transfer or may negotiate a new agreement with the new operator, or the City may reclaim its investment and enter into an agreement with the new qualifying entity.

Section Nine – Project Termination

- By checking this box, I, the undersigned, acknowledge and agree that the City of Hobbs may by ordinance terminate or revise the City of Hobbs' EDSP Ordinance. The City of Hobbs may also terminate projects developed under this plan provided the terms of any existing project participation agreements are satisfied. Any remaining monies left in the account or funds for a terminated project shall be transferred to the general fund.

[Signature Page on Next Page]

I affirm that all information contained in this City of Hobbs qualifying business application is true and accurate to the best of my knowledge. I voluntarily agree to be bound by the contents of this application along with any other documents completed in anticipation of receiving "public support" for my proposed project. I understand that the provision of "public support" is a discretionary function of the City of Hobbs City Commission and I am not guaranteed any public support for my proposed project.

Holvay LLC

10/12/23

Date Submitted

Title: Holvay LLC
Address: PO box 2185
Phone: 506-730-3083
Fax:
Email: store309@hteao.com

PLEASE BE SURE YOU HAVE ATTACHED ALL DOCUMENTS TO THIS APPLICATION. MISSING OR OMITTED DOCUMENTS MAY RESULT IN A DENIAL OF YOUR APPLICATION. ALL DOCUMENTS SUBMITTED WITH THIS APPLICATION SHALL BE DEEMED PART OF THIS APPLICATION. THANK YOU AGAIN.

*****For use by the City of Hobbs or its agent only*****

Received by: _____ Date: _____ Time: _____

Reviewed by: _____ Date: _____ Time: _____

Approved: _____ Denied: _____ More Information Needed: _____

Project Score: _____

Notes Re Proposed Project:

- _____ Contacted City to place on Commission agenda omitted?
- _____ Received agenda date?
- _____ Informed project manager of agenda date and time?
- _____ Review model project participation agreement with project manager?

Signed: _____ Date: _____

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
May 12, 2024
and ending with the issue dated
May 12, 2024.



Publisher

Sworn and subscribed to before me this
12th day of May 2024.



Business Manager

My commission expires
January 29, 2027

(Seal)
STATE OF NEW MEXICO
NOTARY PUBLIC
GUSSIE RUTH BLACK
COMMISSION # 1087526
COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

LEGAL

LEGAL

LEGAL

LEGAL NOTICE
May 12, 2024

NOTICE OF ORDINANCE

NOTICE IS HEREBY GIVEN that on the 3rd day of June, 2024, at its meeting at 6:00 p.m., in the City Commission Chamber at City Hall, 1st Floor Annex, 200 East Broadway, Hobbs, New Mexico, the governing body of the City of Hobbs proposes to adopt an ordinance related to a Local Economic Development Act (LEDA) Project for HTeaO/Holvay, LLC. A summary of the ordinance is contained in its title and is described as follows:

AN ORDINANCE ADOPTING A LOCAL ECONOMIC DEVELOPMENT ACT (LEDA) PROJECT APPROVING AND ADOPTING A LOCAL ECONOMIC DEVELOPMENT PROJECT PARTICIPATION AGREEMENT BETWEEN THE CITY OF HOBBS AND HTEAO/HOLVAY LLC

WHEREAS, the City of Hobbs Commission passed a Resolution to support changes to the State of New Mexico's Municipal Local Economic Development Act funding that starting on July 1, 2021, and ending on June 30, 2030, providing that all municipalities may use up to twenty-five percent of municipal Local Economic Development Act funding for expansion of existing retail businesses or recruitment of new retail businesses if the economic development project is not funded or financed with state government revenues; provided that no funding shall be provided to an existing retail business to relocate from another location in New Mexico if the business does not remain in its previous location in New Mexico; and

WHEREAS, the City of Hobbs City Commissioners adopted the amended LEDA Ordinance on July 1, 2022; and

WHEREAS, HTeaO/Holvay LLC brings a franchise drive-thru and walk-in beverage restaurant offering 26 flavors of fresh brewed broad-leaf ice tea, coffee, premium water, and ice, as well as retail products such as branded apparel; and

WHEREAS, the City of Hobbs City Commissioners approves the LEDA Funding in the amount of \$70,000.00 to HTeaO/Holvay LLC and agree to enter into a participation agreement with HTeaO/Holvay LLC.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF HOBBS, that the Commission approves and adopts Local Economic Development Act funding to HTeaO/Holvay LLC in the amount of \$70,000.00.

A full copy of the ordinance is available to interested persons during regular business hours in the Office of the City Clerk, City Hall, 200 East Broadway, Hobbs, New Mexico. The ordinance is also available for viewing online at www.hobbsnm.org.

/s/ Jan Fletcher
Jan Fletcher, City Clerk

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CITY OF HOBBS FINANCE DEPT
200 E. BROADWAY ST
HOBBS, NM 88240



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: June 3, 2024

SUBJECT: ADOPTION OF AN ORDINANCE AMENDING CHAPTER 5.06 OF THE HOBBS MUNICIPAL CODE FOR THE POSSESSION, CULTIVATION, MANUFACTURE AND SALE OF CANNABIS

DEPT. OF ORIGIN: Legal Department
DATE SUBMITTED: May 23, 2024
SUBMITTED BY: Valerie S. Chacon, City Attorney

Summary: On October 4, 2021, the City Commission adopted Ordinance No. 1133 (Cannabis Regulation Ordinance), which set forth the time, place, and manner rules for cannabis establishments in Hobbs, New Mexico. The Cannabis Regulation Ordinance complies with House Bill (HB) 2, now codified as NMSA 1978, Section 26-2C-1, et seq. Along with the time, place, and manner rules, the local jurisdiction may allow for in section 12 subsection (2) the smoking, vaporizing, and ingesting of cannabis products within indoor or outdoor cannabis consumption areas. The local municipality has the authority to define "consumption area." This proposed amendment clarifies the definition of cannabis consumption areas as only indoor consumption areas. Pursuant to NMSA 1978, § 3-17-3, the proposed ordinance was previously published in the Hobbs News-Sun on May 12, 2024. If approved, the ordinance will be published once more and become effective five (5) days after final publication.

Fiscal Impact:

Reviewed By: Finance Department

There is no direct fiscal impact for this ordinance. Any gross receipts taxes (GRT) derived from the production, manufacture and sale of cannabis shall be distributed to the City of Hobbs pursuant to NMSA 1978, Section 7-1-6.4.

Attachments:

Ordinance and Publication

Legal Review:

Approved As To Form: Valerie S. Chacon City Attorney

Recommendation:

The Commission should consider this Ordinance.

Approved For Submittal By:

Valerie S. Chacon

Department Director

City Manager

CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN

Resolution No.
Ordinance No.
Approved
Other
Continued To:
Referred To:
Denied
File No.

CITY OF HOBBS

ORDINANCE NO. 1159

AN ORDINANCE AMENDING CHAPTER 5.06 OF THE HOBBS MUNICIPAL CODE FOR THE POSSESSION, CULTIVATION, MANUFACTURE AND SALE OF CANNABIS

WHEREAS, on October 4, 2021, the City Commission adopted Ordinance No. 1133, the City of Hobbs Cannabis Regulation Ordinance, which authorized the City of Hobbs to exercise the authority granted to it by the Cannabis Regulation Act (NMSA 1978, §§ 26-2C-1 through 26-2C-42), to control and restrict the cultivation, manufacture and sale of cannabis and cannabis-derived products in Hobbs, New Mexico; and

WHEREAS, in NMSA 1978, §§ 26-2C-12, a local jurisdiction has the authority to define cannabis consumption area where smoking, vaporizing, and ingesting of cannabis products may occur; and

WHEREAS, the City Commission intends to clearly define cannabis consumption area in Chapter 5.06.020 as "Cannabis consumption area" means an indoor area where cannabis products may be served and consumed; and

NOW THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that Chapter 5.06, is hereby amended as more specifically described as follows:

Chapter 5.06 POSSESSION, CULTIVATION, MANUFACTURE AND SALE OF CANNABIS

5.06.020 Definitions.

Unless otherwise defined below, terms used in the Cannabis Regulation Ordinance shall have the same meanings as set forth in the Cannabis Regulation Act (NMSA 1978, Section 26-2C-1, et seq.) and the Lynn and Erin Compassionate Use Act. The following terms shall have the meanings respectively ascribed to them by this subsection:

"Applicant" means any person who is seeking to become licensed pursuant to the Cannabis Regulation Act, the Lynn and Erin Compassionate Use Act, or rules adopted by the New Mexico Regulation and Licensing Department and who is seeking to establish a cannabis establishment within the municipal boundaries of Hobbs, New Mexico.

"Cannabis" means all parts of the plant genus Cannabis containing delta-9-tetrahydrocannabinol concentration of more than three-tenths (3/10) percent on a dry weight basis, whether growing or not; the seeds of the plant; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture or preparation of the plant, its seeds or its resin; and does not include:

1. The mature stalks of the plant; fiber produced from the stalks; oil or cake made from the seeds of the plant; any other compound, manufacture, salt, derivative, mixture or preparation of the mature stalks, fiber, oil or cake; or the sterilized seed of the plant that is incapable of germination; or
2. The weight of any other ingredient combined with cannabis to prepare topical or oral administrations, food, drink or another product.

"Cannabis consumption area" means an [indoor](#) area where cannabis products may be served and consumed.

"Cannabis establishment" means:

1. A cannabis testing laboratory;
2. A cannabis manufacturer;
3. A cannabis producer;
4. A cannabis retailer;
5. A cannabis research laboratory;
6. A vertically integrated cannabis establishment;
7. A cannabis producer microbusiness; or
8. An integrated cannabis microbusiness.

"Cannabis extract" means a product obtained by separating resins, tetrahydrocannabinols or other substances from cannabis by extraction methods approved by the division and does not include the weight of any other ingredient combined with cannabis extract to prepare topical or oral administrations, food, drink or another product.

"Cannabis manufacturer" means a person that:

1. Manufactures cannabis products;
2. Packages cannabis products; and
3. Has cannabis products tested by a cannabis testing laboratory; or
4. Purchases, acquires, sells or transports wholesale cannabis products to other cannabis establishments.

"Cannabis producer" means a person that:

1. Cultivates cannabis plants;
2. Has unprocessed cannabis products tested by a cannabis testing laboratory;
3. Transports unprocessed cannabis products only to other cannabis establishments; or
4. Sells cannabis products wholesale.

"Cannabis producer microbusiness" means a cannabis producer at a single licensed premises that possesses no more than two hundred (200) total mature cannabis plants at any one time.

"Cannabis product" means a product that contains cannabis or cannabis extract, including edible or topical products that may also contain other ingredients.

"Cannabis research laboratory" means a facility that produces or possesses cannabis products and all parts of the plant genus Cannabis for the purpose of studying cannabis cultivation, characteristics or uses.

"Cannabis retailer" means a person that sells cannabis products to qualified patients, primary caregivers or reciprocal participants or directly to consumers.

"Cannabis testing laboratory" means a person that samples, collects and tests cannabis products and transports cannabis products for the purpose of testing.

"Cannabis waste" means all parts of the genus Cannabis which may or may not contain delta-9-tetrahydrocannabinol concentration of more than three-tenths (3/10) percent on a dry weight basis, whether growing or not; the seeds of the plant; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture or preparation of the plant, its seeds or its resin; and the mature stalks of the plant; fiber produced from the stalks; oil or cake made from the seeds of the plant; any other compound, manufacture, salt derivative, mixture or preparation of the mature stalks, fiber, oil or cake; or the sterilized seed of the plant that is incapable of germination which has been designated as no longer usable cannabis.

"Commercial cannabis activity" means the cultivation, production, possession, manufacture, storage, testing, researching, labeling, transportation, couriering, purchase for resale, and sale or consignment of cannabis products and does not include activities related only to the medical cannabis program.

"Consumer" means a person twenty-one (21) years of age or older who purchases, acquires, owns, possesses or uses a cannabis product for a purpose other than resale.

"Cultivation" means any activity involving the planting, growing, harvesting, drying, curing, grading or trimming of cannabis.

"Department" means the regulation and licensing department of the State of New Mexico.

"Director" means the executive director of the cannabis control division.

"Division" means the cannabis control division of the department.

"Facility" means a building, space or grounds licensed for the production, possession, testing, manufacturing or distribution of cannabis, cannabis extracts or cannabis products.

"Integrated cannabis microbusiness" means a person that is authorized to conduct one or more of the following:

1. Production of cannabis at a single licensed premises; provided that the person shall not possess more than two hundred (200) total mature cannabis plants at any one time;
2. Manufacture of cannabis products at a single licensed premises;
3. Sales and transportation of only cannabis products produced or manufactured by that person;
4. Operation of only one (1) retail establishment; and
5. Couriers of cannabis products to qualified patients, primary caregivers or reciprocal participants or directly to customers.

"Law enforcement" means the Hobbs Police Department, the divisions of the Hobbs Police Department, and the individual officers and enforcement personnel of the Hobbs Police Department.

"Licensed premises" means a location that is licensed pursuant to the Cannabis Regulation Act and includes:

1. All enclosed public and private areas at the location that are used in the business and includes offices, kitchens, restrooms and storerooms;
2. All areas outside of a building specifically included in the license for the production, manufacturing, wholesale or retail sale of cannabis products; and
3. With respect to a location specifically licensed for the production of cannabis outside of a building, the entire unit of land that is created by subsection or partition of land that the licensee owns, leases or has a right to occupy.

"Licensee" means any person who holds a license issued by the division pursuant to the Cannabis Regulation Act, the Lynn and Erin Compassionate Use Act, or division rules.

"Limited-access area" means an indoor or outdoor area on the premises of a licensed cannabis establishment where cannabis products are cultivated, stored or held, weighed, packaged, manufactured, disposed or wasted, all point-of-sale (POS) areas, and any room or area storing a digital video surveillance system storage device.

"Manufacture" means to compound, blend, extract, infuse, package or otherwise prepare a cannabis product.

"Person" means an individual, corporation, business trust, estate, trust, partnership, limited liability company, association, joint venture, or any other legal or commercial entity.

"Produce" means to engage in any activity related to the planting or cultivation of cannabis.

"Public place" means a place to which the general public has access and includes hallways, lobbies and other parts of apartment houses and hotels that do not constitute rooms or apartments designed for actual residence; highways; streets; schools; places of amusement; parks; playgrounds; and places used in connection with public passenger transportation.

"Retail establishment" means a location at which cannabis products are sold to qualified patients, primary caregivers and reciprocal participants and directly to consumers.

"Security alarm system" means any device or series of devices capable of alerting law enforcement, including, but not limited to, a signal system interconnected with a radio frequency method such as cellular, private radio signals, or other mechanical or electronic device used to detect or report an emergency or unauthorized intrusion.

"Vertically integrated cannabis establishment" means a person that is authorized to act as any of the following:

1. A cannabis courier;
2. A cannabis manufacturer;
3. A cannabis producer; and
4. A cannabis retailer.

"Waste" or "wastage" means the process of rendering cannabis or cannabis products unusable and unrecognizable, including the destruction of cannabis or cannabis products.

(Ord. No. 1133 , 10-4-2021)

PASSED, ADOPTED AND APPROVED this 3rd day of June, 2024.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
May 12, 2024
and ending with the issue dated
May 12, 2024.



Publisher

Sworn and subscribed to before me this
12th day of May 2024.



Business Manager

My commission expires

January 2027
(Seal) **STATE OF NEW MEXICO**
NOTARY PUBLIC
GUSSIE RUTH BLACK
COMMISSION # 1087526
COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

LEGAL

LEGAL

LEGAL

LEGAL NOTICE
May 12, 2024

NOTICE OF ORDINANCE

NOTICE IS HEREBY GIVEN that on the 3rd day of June, 2024, at its meeting at 6:00 p.m., in the City Commission Chamber at City Hall, 1st Floor Annex, 200 East Broadway, Hobbs, New Mexico, the governing body of the City of Hobbs proposes to adopt an ordinance amending Chapter 5.06 of the Hobbs Municipal Code related to the definition of "Cannabis consumption area". A summary of the ordinance is contained in its title and is described as follows:

AN ORDINANCE AMENDING CHAPTER 5.06 OF THE HOBBS MUNICIPAL CODE FOR THE POSSESSION, CULTIVATION, MANUFACTURE AND SALE OF CANNABIS

WHEREAS, on October 4, 2021, the City Commission adopted Ordinance No. 1133, the City of Hobbs Cannabis Regulation Ordinance, which authorized the City of Hobbs to exercise the authority granted to it by the Cannabis Regulation Act (NMSA 1978, §§ 26-2C-1 through 26-2C-42), to control and restrict the cultivation, manufacture and sale of cannabis and cannabis-derived products in Hobbs, New Mexico; and

WHEREAS, in NMSA 1978, §§ 26-2C-12, a local jurisdiction has the authority to define cannabis consumption area where smoking, vaporizing, and ingesting of cannabis products may occur; and

WHEREAS, the City Commission intends to clearly define cannabis consumption area in Chapter 5.06.020 as "Cannabis consumption area" means an indoor area where cannabis products may be served and consumed; and

NOW THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that Chapter 5.06, is hereby amended to clarify the definition of "Cannabis consumption area" as more specifically described as follows:

Chapter 5.06 POSSESSION, CULTIVATION, MANUFACTURE AND SALE OF CANNABIS

5.06.020 Definitions.

Unless otherwise defined below, terms used in the Cannabis Regulation Ordinance shall have the same meanings as set forth in the Cannabis Regulation Act (NMSA 1978, Section 26-2C-1, et seq.) and the Lynn and Erin Compassionate Use Act. The following terms shall have the meanings respectively ascribed to them by this subsection:

"Cannabis consumption area" means an indoor area where cannabis products may be served and consumed.

A full copy of the ordinance is available to interested persons during regular business hours in the Office of the City Clerk, City Hall, 200 East Broadway, Hobbs, New Mexico. The ordinance is also available for viewing online at www.hobbsnm.org.

/s/ Jan Fletcher
Jan Fletcher, City Clerk

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CITY OF HOBBS FINANCE DEPT
200 E. BROADWAY ST
HOBBS, NM 88240



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: June 3, 2024

SUBJECT: FY25 Firefighter Recruitment Fund

DEPT. OF ORIGIN: Fire Department
DATE SUBMITTED: May 24, 2024
SUBMITTED BY: Mark Doporto, Fire Chief

Summary:

The Department of Finance and Administration is responsible for the implementation and administration of the Firefighter Recruitment Fund. The Hobbs Fire Department is eligible for funding to supplement the salaries and benefits of vacant positions. This grant will help departments offset the cost of new firefighters and EMT recruits and help to improve response times, improve ISO ratings, and supplement existing paid and /or volunteer organizations with additional trained responders. The Firefighter Recruitment Fund provides three years of assistance to fire departments by paying the salaries and benefits of recruitment-funded positions. The grant pays for 100% of salaries and benefits for the first year of allocation, 50% for the second year of allocation, and 25% for the third year of allocation. The Hobbs Fire Department wishes to apply for the funding of six (6) firefighter positions to be funded through the Firefighter Recruitment Fund.

Fiscal Impact:

Reviewed By: [Signature]
Finance Department

Funding will provide salary and benefits costs at 100% for the first year of allocation, 50% for the second year of allocation, and 25% third year of allocation. The total amount of funding if awarded would be \$1,066,900.80. After three years, the City will re-assume all costs associated with the positions.

Attachments:

- 1. Resolution
2. Notice of Funding Opportunity

Legal Review:

Approved As To Form: [Signature]
City Attorney

Recommendation:

Approval to submit the application for the FY25 Firefighter Recruitment Fund.

Approved For Submittal By:

[Signature]
Department Director

[Signature]
City Manager

CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN

Resolution No. _____ Continued To: _____
Ordinance No. _____ Referred To: _____
Approved _____ Denied _____
Other _____ File No. _____

CITY OF HOBBS

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE SUBMISSION OF A GRANT APPLICATION
WITH THE DEPARTMENT OF FINANCE AND ADMINISTRATION FOR THE
FIREFIGHTER RECRUITMENT FUND

WHEREAS, the Department of Finance and Administration is responsible for the implementation and administration of the Firefighter Recruitment Fund; and

WHEREAS, the Hobbs Fire Department is eligible for funding to help offset the cost of new firefighters and EMT recruits and help to improve response times, improve ISO ratings, and supplement existing paid and/or volunteer organizations with additional trained responders; and

WHEREAS, the Firefighter Recruitment Fund provides first-year allocation at 100%, second-year allocation at 50%, and third-year allocation at 25% for awarded positions; and

WHEREAS, the Hobbs Fire Department wishes to apply for the funding of six (6) firefighter positions to be funded through the Firefighter Recruitment Fund;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that the Mayor be and hereby authorizes the submission of the Firefighter Recruitment Fund application through the Department of Homeland Security and the Federal Emergency Management Agency.

PASSED, APPROVED AND ADOPTED this 3rd day of June, 2024.

SAM D. COBB, Mayor

ATTEST:

JAN FLETCHER, City Clerk



FY25 Firefighter Recruitment Fund

DFA invites NM state and local fire departments, including volunteer departments, to apply for funding to recruit firefighters and emergency medical technicians (EMTs) to improve the personnel capacity of fire departments.

When?

Fire departments must apply for funding from May 15, 2024, through June 15, 2024, at 5 PM.

How and Where?

Fully completed application must be submitted by June 15th, 2024 at 5 PM.

Application: <https://forms.office.com/g/A0HvfwBqag>

FAQ

What are the intentions of this fund?

This grant will help departments offset the cost of new firefighters and EMT recruits and help to improve response times, improve ISO ratings, and supplement existing paid and/or volunteer organizations with additional trained responders.

Can we recruit volunteer firefighters who would like to become full-time?

Yes. This fund will cover salaries and benefits for newly recruited full-time firefighters and EMTs. Current volunteers or outside recruit applicants are eligible. Please note that it's a structured allocation that decreases each year and the organization is required to match the funding sustain the totality of the costs year 4 and beyond.

Are benefits for their salaries covered with these funds?

Yes. You may use the funds to cover salaries and benefits up to the amount you are allocated for salaried firefighters and EMTs.

Can these funds be used for retention?

No. These funds are for recruiting and paying for salaries of full-time firefighters or EMTs for state and local departments.

Can we do recruitment bonuses/incentives to attract people?

No. These funds are to be used for salaries and benefits only.

Will the funds go directly to the applying agency?

No. By law, DFA must allocate funds to the local governing body or state agency, but the allocated money will be identified in the grant agreement for each agency.

Can volunteer firefighters be paid a salary under this fund?

No, volunteer firefighters cannot be paid a salary (*Fair Labor Standards Act of 1938, 29 U.S.C. § 203(e)(4)(A) (2019)*). However, eligible volunteers can apply for an opening within the department and become a full-time employee under this grant.

Can different departments apply under one application?

No. Each requesting local governing body or state agency should complete their own application and shall have the support of the local governing body.

Allocation Disbursement

1st Year Allocation - 100%
2nd Year Allocation - 50%
3rd Year Allocation - 25%

Recruitment Positions

Salaried Local and State Agency funds can be used:

To recruit firefighters and emergency medical technicians

Type of allowable positions:

- Uncertified Fire Fighters
- Certified Fire Fighters
- Uncertified EMT's
- Certified EMT's