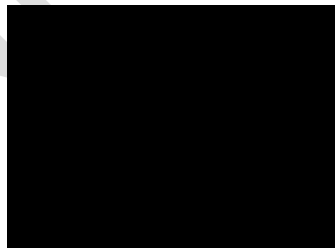


**REQUEST FOR**

**ECONOMIC DEVELOPMENT  
INCENTIVES**



**201 S. Main Ave., Lovington, NM 88260  
575-396-1417**

## **ECONOMIC DEVELOPMENT INCENTIVE OPPORTUNITIES**

The City of Lovington has resources available to assist businesses wishing to relocate or expand in the City of Lovington. The Lovington Economic Development Executive Board, along with its Due Diligence Committee, works through the City of Lovington, to qualify applicants and to negotiate agreements that allow businesses to take advantage of these resources.

### **INCENTIVE OPPORTUNITIES INCLUDE:**

Lease of City of Lovington-owned properties	Industrial park
Property tax abatements	Access to loan funds
Industrial revenue bonds	Job training funds
Infrastructure improvement	Customized incentives

### **Eligibility**

Any existing or proposed corporation, Limited Liability Company, partnership, joint venture, syndicate, association or other person is eligible provided that it meets one or more of the following criteria:

- A. An industry for the manufacturing, processing, or assembling of any agricultural or manufactured products;
- B. A commercial enterprise for storing, warehousing, distributing, or selling products of agriculture, mining or industry, but, other than provided in Paragraph (D) below, not including any enterprise for sale of goods or commodities at retail or for the distribution to the public of electricity, gas, water, or telephone or other services commonly classified as public utilities;
- C. A business in which all or part of the activities of the business involves the supplying of services to the general public or to governmental agencies or to a specific industry or customer, but, other than provided in Paragraph (D) below, not including businesses primarily engaged in the sale of goods or commodities at retail;
- D. A telecommunications sales enterprise that makes the majority of its sales to persons outside of New Mexico.

## Application process

The process for awarding economic development incentives is governed by the City's Economic Development Plan Ordinance (City Ordinance No. 495) and NMSA 1978 Section 5-10-1 through 5-10-13. The basic steps in the process are as follows:

1. Lovington EDC Executive Board, Due Diligence Committee Chair and City Attorney ("Oversight Committee") will meet with the applicant to determine eligibility for incentives offered through the City of Lovington. Through discussion of specific needs the Oversight Committee along with the applicant, will come up with a preliminary plan of action.
2. A formal application for incentives is submitted through the information requested in this packet. The Lovington EDC Executive Board will assign a Due Diligence Committee who will review the information to qualify applicant as a viable business partner, and to determine the economic benefits of the business to the community. All of the information requested is *required by law* before any economic development incentives can be provided.
3. Once an application is received, the Due Diligence Committee will determine the specific incentives to be recommended to the applicant. The amount and type of incentives offered will correlate directly to the positive economic impact that the project will have on the community (Cost/Benefit Analysis).
4. Lovington EDC Executive Board and Due Diligence Committee will prepare and present the Cost/Benefit Analysis and Recommendations to the EDC Board of Directors
5. Upon approval, a closed session presentation of the Cost/Benefit analysis and recommended incentives will be made to the City Commission.
6. Upon approval by the city commission, the Lovington EDC will assist the City of Lovington in the preparation of a formal Project Participation Agreement, outlining the exact responsibilities of each party. This agreement will be in accordance with City of Lovington Ordinance No. 495
7. The City of Lovington's Commission will make a final determination on the Agreement at a public hearing.

## REQUEST FOR ECONOMIC DEVELOPMENT INCENTIVES City of Lovington, NM

### APPLICANT

*\*Denotes Required for Economic Impact/ Cost Benefit Analysis*

Legal name	
Trade name (dba)*	
Address	
City, State, ZIP	
Phone #	
Fax #	
Primary contact person	
Federal Tax ID #	
NM State Tax. and Rev. #	
City Business License #	

This business is organized as a:

C-Corporation    
  S-Corporation    
  LLC    
  Partnership    
  Proprietorship

Principals	Title	Address

Please **attach** copies of:

- Incorporation papers
- By-laws
- Resumes of all principals (owners, partners, directors or officers).

### Propose of the project

Please provide a brief summary of this project including description\*, purpose, time frame, and total costs. Attach any relevant information or documentation.

### REQUEST OF THE CITY

What specific incentives are requested of the City of Lovington (e.g., parcel of land, building lease, waiver of fees, industrial revenue bonds)?

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## Financial History

- Yes No Has the business or any of its officers ever been involved in a bankruptcy?
- Yes No Has the business or any of its officers ever defaulted on any loans or other financial obligations?
- Yes No Does the business or any of its officers have any loans or other financial obligations on which payments are not current?
- Yes No Has the business applied for incentive applications elsewhere?

If the answer to any of the above questions is yes, please **attach** a brief explanation.

Please **attach** copies of:

- Financial statements for the past three years (income statements and balance sheets)
- Projected income and cash flow statements for at least three years
- Completed credit check authorization

## PROJECT Funding SOURCES

Funding Type	Source	Amount
Equity Investment		
City Funding		
Bank Loans		
Other Loans		
Other Sources		
	<b>TOTAL</b>	

Please **attach** evidence of funding sources, such as letters of commitment or intent to fund.

## PROJECT Plan

Please **attach** your business plan for the entity and/or the proposed project, to include:

- Executive summary
- Business description and history
- Product or service description
- Market analysis and strategy
- Summary of competition
- Operations plan
- Organizational chart
- Description of previously completed projects
- Resumes of key staff involved with this project

## Affect ON the Local Economy

How many and what type of jobs will this project **create**?\*

		New Employees to be hired each year									
Job Title or Type	Estimated Pay Scale	Year									
		1	2	3	4	5	6	7	8	9	10
Total No. of Jobs Created											
Total Estimated Payroll											

Please indicate in the above chart which jobs will you:

- Fill locally (**L**)
- Fill by transfer from other facilities or recruit from outside the Lovington, NM area (**O**)

How many and what type of jobs will this project **retain or impact**?\* (For Expansion Projects)

		Employees retained/New Employees to be hired each year									
Job Title or Type	Estimated Pay Scale	Year									
		1	2	3	4	5	6	7	8	9	10
Total No. of Jobs Created											
Total Estimated Payroll											

**Affect ON the Local Economy (cont.)**

What is the market value of the firm’s new or additional property purchased or constructed each year at its local facility that will be on local property tax rolls on January 1:\*

Year	Land	Buildings and Other Real Property Improvements	Furniture, Fixtures and Equipment
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			

Are building and improvement costs above for new construction?\*

What are the firm’s annual estimated taxable purchases of materials, supplies and services in the community and the firm’s estimated gross receipts that will be subject to gross receipt taxes in the city?\*

What is the anticipated impact of this project on the local school system?

Please answer the following questions regarding out-of-town visitors to your firm:

- How many out-of-town visitors are expected to visit the firm in the first year
- What is the percent of annual increase/decrease in the number of visitors
- What is the average number of days that a visitor will stay in the city

Please answer the following questions regarding out-of-town truckers loading or unloading at your firm:

- How many out-of-town truckers are expected to load or unload at the firm in the first year
- What is the percent of annual increase in the number of out-of-town truckers
- Estimated percent of truckers that will stay one night in a local hotel or motel

**REQUEST FOR ECONOMIC DEVELOPMENT INCENTIVES  
AUTHORIZATION for CREDIT CHECK**

As part of due diligence in processing this request for economic development incentives, the City of Lovington and/or Lovington EDC may elect to obtain credit reports in relation to this business and/or its principals.

I hereby authorize the City of Lovington and/or Lovington EDC to obtain such personal or business credit reports.

\_\_\_\_\_  
Applicant Name

\_\_\_\_\_  
Social Security #

\_\_\_\_\_  
Business Name

\_\_\_\_\_  
Federal Tax ID #

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Date



## REQUEST FOR ECONOMIC DEVELOPMENT INCENTIVES Administrative Handling Record

Date received: \_\_\_\_\_ Date reviewed: \_\_\_\_\_

Reviewed by: \_\_\_\_\_

Review Item	Yes	No	Incomplete	N/A
Incorporation papers				
Bylaws				
Resumes of principals				
Financial statements (3 yrs)				
Pro-forma statements (3 yrs)				
Credit check authorization				
Credit check complete				
Evidence of funding				
Business plan				
Economic impact				

Date presented to Lovington EDC Executive Board: \_\_\_\_\_

Board recommendation: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Date presented to Due Diligence Committee: \_\_\_\_\_

Board recommendation: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**REQUEST FOR ECONOMIC DEVELOPMENT INCENTIVES  
Administrative Handling Record  
(cont.)**

Date presented to City Commission: \_\_\_\_\_

Action by City Commission: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

CONFIDENTIAL