

Council Meeting Staff Report

March 20, 2018

Agenda No.: A.

Indexes (Council Goals):

Presenters: Joanie Ahlers

Legislative File: OR0804-18b

Title

Incorporated County of Los Alamos Ordinance No. 675 An Ordinance Adopting An Economic Development Project For Public Support From The State of New Mexico For The Benefit Of UbiQD, Inc. A New Mexico Corporation

Recommended Action

I move that Council adopt Incorporated County of Los Alamos Ordinance No. 675 An Ordinance Adopting An Economic Development Project For Public Support Of UbiQD, Inc. A New Mexico Corporation. I further move that the Ordinance be published in summary form.

County Manager's Recommendation

The County Manager recommends that Council adopt this Ordinance.

Body

UbiQD, LLC is a local startup that is a result of the Tech Transfer program at LANL. They are currently headquartered at 134 East Gate Drive in Los Alamos County. On July 25, 2017, County adopted Ordinance No. 671, acknowledging County's commitment to support the expansion of UbiQD in the amount of Three Hundred Twenty-Five Thousand Dollars (\$325,000.00), subject to certain terms and conditions as set forth in that Ordinance, in a Project Participation Agreement (PPA) and Secured Promissory Note. That action enabled UbiQD to purchase their building at 134 East Gate. UbiQD would like to construct improvements to the building as part of an overall expansion plan to include manufacturing on site.

The company has been preparing to move from R&D into full manufacturing mode and will be making a significant investment in buildout and fixed equipment into their building. In order to complete the construction they have approached New Mexico Economic Development Department (NMEDD) for a LEDA Grant to assist with the cost of construction buildout.

NMEDD has approved the Grant of One Hundred Twenty Five Thousand Dollars (\$125,000), however, for UbiQD to access the funds the State requires the local municipal jurisdiction to act as "fiscal agent". The County's responsibilities as fiscal agent are clearly addressed in the attached intergovernmental agreement which is authorized within the proposed ordinance.

The benefit for LAC will be the opportunity to retain a young company that is producing world changing science and products. The increase in high paying jobs within the County and the increase of sales of products produced here in Los Alamos and exported is most desirable. As fiscal agent LAC Economic Development Staff will be charged with oversight on behalf of NMEDD. The reporting criteria and timeline for NMEDD are similar to the LAC LEDA Loan Agreement that the County entered into on July 25, 2017 under Ordinance 671.

Fiscal and Staff Impact/Planned Item

There will be minimal staff impact. In addition, the security from UbiQD for this new obligation will have parity with UbiQD's existing security to the County under Ordinance 671.

Attachments

A - Ordinance 675 NMEDD LEDA_UbiQD
B - Participation Agreement_UbiQD
C - Intergovernmental Agreement_NMEDD
D- Notice of Publication