

PROGRAM: NMFA Public Project Revolving Fund

AGENCY: The New Mexico Finance Authority

DESCRIPTION: This approval for “small loans” (public projects not to exceed \$1,000,000) without specific authorization by law streamlines the process providing interim financing for such projects and then adjusting interest rates when the project is granted final approval following legislative authorization; borrowers could benefit from lower financing costs in an environment of rising interest rates.

ELIGIBILITY:

- Exhausted in House Bill 233 (2006), the following is a list of a few of the qualified entities authorized by the 2006 legislature to be financed by the NMFA for equipment, building, refinancing, and infrastructure projects: the city of Alamogordo, the city of Albuquerque, the Farmington public improvement district, the New Mexico school for the blind and visually impaired, and Taos County.
- Exhausted in House Bill 275 (2006), the following is a list of a few of the authorized standard projects: an alternative energy project in Bernalillo County, an agricultural products manufacturing project in Valencia County, and equipment manufacturing project in San Juan County, and a high-tech manufacturing project in Doña Ana County.

STRUCTURE:

- Money in the public project revolving fund is appropriated to the authority to pay the reasonably necessary costs of originating and servicing loans, grants, or securities funded by the fund and to make loans or grants and to purchase/sell securities to assist qualified entities in financing public projects.
- Money on deposit in this fund may be used to make interim loans for a term for up to two years to qualified entities to provide interim financing for any project approved or funded by the legislature.
- Money on deposit may be used to acquire securities or to make loans to qualified entities in connection with the small loan program.
- Money in the revolving fund may also be used to capitalize other financing programs of the authorities as authorized by law.

QUALIFICATIONS/CRITERIA

- Small loan programs are defined as a program of the authority designed to provide financing for public projects up to one million dollars per project. A project funded in such a way does not require specific authorization by law. **HBs 289, 233, 275 2006**
- Also visit www.nmfa.net or call (505) 984-1454.