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3 The following are summary minutes for the meeting of the **City of Las Cruces –**
4 **Economic Development Policy Review Committee** on June 17, 2020 at 10:00 am.
5 The meeting was held via Zoom.

6
7 **Members Present:**

8 Yvonne Flores, Councilor, Chair
9 Cassandra Gandara, Mayor Pro-Tem, Vice-Chair
10 Gil Sorg, Councilor

11
12 **Members Absent:**

13
14 **Others Present:**

15 David Maestas, Interim City Manager
16 Barbara DeLeon, Interim Assistant City Manager
17 Griselda Martinez, Economic Development Director
18 Francisco Pallares, Economic Development Deputy Director
19 Mandy Guss, Business Development Administrator
20 Cilicia Villegas, Real Estate Services Specialist Senior
21 Liz Vega, Event Manager for Visit Las Cruces
22 Lisa Larocque, Sustainability Officer

- 23
24 **1. Call to Order:** Councilor Flores called the meeting to order at approximately
25 10:00am.
26
27 **2. Conflict of Interest:** None.
28
29 **3. Acceptance of the Agenda:** Councilor Sorg motioned to accept the agenda;
30 seconded by Councilor Gandara. Motion passed unanimously.
31
32 **4. Minutes for Approval:**
33 **a. Economic Development PRC Meeting of May 6, 2020:**
34 **b. Economic Development PRC Meeting of May 20, 2020:** Councilor
35 Gandara motioned to approve the minutes of May 6th and May 20, 2020;
36 seconded by Councilor Sorg. Motion passed unanimously.
37
38 **5. Discussion:**
39 **a. Economic Development Strategic Plan Updates/Destination**
40 **Downtown:** Ms. Martinez stated that this is reporting on the actual metrics
41 of our strategic plan. Approximately three years ago each department
42 crafted thorough strategic plans, and as the Economic Development was
43 fairly new it helped really define the priority areas. Summary of all
44 programs, office of the director, airport development, sustainability,
45 business development, land management, destination downtown, and Visit

1 Las Cruces. From each of these we have four lines of business, one is
2 development and under development we have airport development,
3 business development, destination downtown, and Visit Las Cruces. And
4 then the other ones are land management and real estate services and
5 sustainability and office of the director as the last one. Sustainability is
6 moving to the City Manager's office so that will change the strategic plan
7 currently working on to take effect this fiscal year, as of July 1st.

8
9 **BUSINESS DEVELOPMENT**

10 Ms. Guss, Program Manager for Business Development. Purpose
11 statement is to provide attraction, retention, expansion, and ongoing
12 business guidance services to current and perspective businesses so they
13 can create jobs, grow their business, and improve citywide economic
14 vitality. Summary of measures by end of this calendar year 90% of business
15 registrations will be renewed annually, by December 2022 increase of 10%
16 new businesses locating at or expanding at the West Mesa Industrial Park,
17 that equals two new businesses, by December 2020 the City's
18 unemployment rate will be at or below full employment which is 4% as
19 defined by BLS, by last year 80% of existing businesses would be contacted
20 twice annually by the Department, by the end of last year 95% of new
21 businesses would be contacted and made aware of services provided by
22 the Department within 60 days of the business registering, 5% increase
23 overall in business registrations annually, and get 600 new businesses
24 registered annually. Baseline for fiscal year 2017.

25
26 The number of businesses contacted, twice annually, especially with
27 COVID-19 that pushed into the use of e-mail discussions with businesses.
28 When the Community Development Department moved over to new
29 registration system in Accela, that allowed e-mail contacts for every
30 registered business and able to have ongoing e-mail discussion.
31 Businesses have been contacted more than twice. That measure has been
32 achieved and surpassed.

33
34 New businesses are contacted within 60 days. There is a reporting lag
35 between them being registered in the Accela system and us getting the
36 report. Still reaching out to all those businesses, and they are contacted
37 within 90 days. Increase in new business registrations. Numbers through
38 quarter three only slightly reflects how COVID-19 has impacted. As of
39 quarter three business registrations are higher than last year but not sure
40 that trend will continue with quarter four. We do business incentives. Last
41 quarter did two new LEDA projects; Big Tuna with participation from State
42 and City of Las Cruces, and Natural Relief which does have part of their
43 project in the City of Las Cruces but most is in the county, this will be state
44 money not City.

45
46 Also, the program manager for Destination Downtown. Purpose statement
47 to provide marketing events, infrastructure, and business development
48 services to residents, business, and visitors to experience and benefit from

1 a downtown that is the focal point and heart of the City. Summary of
2 measures: First by this foot traffic in downtown will increase by an additional
3 10% each year, by the end of last year the number of businesses locating
4 to downtown would increase by 6%, downtown defined as the district of the
5 TIDD. First started there were 250 businesses in that district and we want
6 to grow to 265. By 2022 through public and private partnerships 200
7 additional downtown living spaces will be available. That measure is
8 actually from the City Council's strategic plan. A 10% increase in Tax
9 Increment Development District revenue, comes from growth in in GRT but
10 also increase in property value. Downtown business incentives would be
11 granted.

12
13 Updates for each of those measures. Downtown foot traffic, a couple of
14 years ago got Soofa system. Multiple benches along Main Street counting
15 smart devices, no personal information, merely count of the smart devices.
16 In March last year Soofa discontinued that as a service and so a new system
17 needed. Also working with IT to put in Wi-Fi at the Downtown Plaza and
18 able to use that system now to count devices again, but only coverage of
19 the Plaza. Since the systems changed it is difficult for judge if growth, but
20 up until quarter three the trends were consistent with the trends that were
21 tracked in Soofa. Also, quarter four, foot traffic has drop significantly due to
22 the Stay at Home orders.

23
24 Businesses locating in downtown, up to 322, we have met and surpassed
25 the goal. Downtown living spaces, currently there are the Lofts at Alameda,
26 which is about 33 apartments, the only multifamily living spaces in
27 downtown currently. Met with several developers who has shown interest
28 in building multifamily in downtown. City owns a lot of open flat surface
29 parking lots and those would be ideal for redevelopment with mixed use
30 commercial and residential. Currently putting out RFP for development of
31 one or more of those lots. Currently a lease with a private developer for the
32 parking lot on Water Street next to El Paso Electric and plans for multifamily
33 on that lot. TIDD revenue goal to grow the TIDD by 10% but have actually
34 seen the TIDD revenue drop significantly. We used to receive a portion of
35 the increment from the State's portion of GRT and we no longer receive
36 that. That was planned at the time of the TIDD once a dollar amount or time
37 amount, and those were met in 2018. 2019 stopped receiving the State
38 shared portion which significantly dropped revenue. Also percentage of
39 City's portion drop as well, due to major construction projects in the TIDD;
40 built the Plaza, Amador Projects, and Church/Water two-way conversion.
41 As those were completed but they are no longer paying GRT.

42
43 Business incentives in downtown, goal is 12. That was a bit of a stretch
44 goal. There are five projects this year, three are completed, Rad, Momma
45 B's, and Beck's Express all used Renovate Main Street incentive and open
46 and operating. Contracts signed and work underway for Lucky Dog
47 Billiards, Ice Box Brewery, construction is coming to a close and expect
48 submission for reimbursement as per the contract in the next 30-45 days.

1 Talked with various other businesses downtown. Sugies looking at putting
2 in a fire suppression system and potentially Renovate Main Street would be
3 an option for them. Mateo's looking at location on Main Street. Banner up
4 for most of last year and about ready to move forward.
5

6 TIDD has a board that has set several priority projects so Destination
7 Downtown budget include TIDD, parking lot 7 is one of the projects to be
8 redesigned, which is behind the Rio Grande Theatre. Phase 1 design is
9 done. Create easier access for loading and unloading into the Theatre,
10 move the dumpsters for easier loading and unloading. Move the public
11 bathrooms. Another project, Campo Street redesign/reconstruction,
12 hopefully begin design within the next 30 days.
13

14 Payback the General Fund for the Amador project. The original agreement
15 was it would be half funded by City General Fund and half by the TIDD. At
16 the beginning the general fund paid the entire project and now the TIDD
17 must pay the General Fund back, with a five-year payback plan. At the end
18 the TIDD will pay back the General Fund of \$3.25 million.
19

20 The Arts and Cultural District coordinating council was able to get some
21 legislative capital outlay money for projects. Capital outlay money is on hold
22 pending the special legislative session.
23

24 Councilor Sorg asked what was the money that the City used in the Amador
25 project used for? Ms. Guss stated some partial demo of the Amador Hotel
26 for the non-historic portions, and built the entire new project where the
27 restaurants and new Visit Las Cruces building, a total of \$6.5 million. All is
28 owned by the City, restaurant portions are leased. And the lease money
29 goes to the General Fund.
30

31 Councilor Gandara would like to see the hard data and asked if every single
32 business had e-mails, even smaller business. Ms. Guss stated that is how
33 information/discussions have been is through the e-mails. The Ascella
34 requires an e-mail to sign up. And originally e-mail message sent to 3,500.
35 Also Councilor Gandara asked since Soofa is no longer, has a new mode
36 to continue that data collection been found. Ms. Guss stated several
37 different ways have been looked at to measure foot traffic although they
38 tend to be indoors or track heat which with our summers makes that
39 impossible. We are able to measure foot traffic in the Plaza with the Wi-Fi.
40 Councilor Gandara wanted that data collection to be used to draw
41 businesses. Ms. Martinez stated this is an item with the IT department and
42 from research there are some constraints in terms of bandwidth, and some
43 technical issues, but it can be further discussed with the IT director.
44 Councilor Gandara wanted free Wi-Fi from north to south on Main Street as
45 an incentive to come to downtown. Her second question is around the TIDD
46 Board's thoughts on parking lot 7, renovation/reconstruct Campo. Ms. Guss
47 stated the want more business generating the GRT and improvement in the
48 property for property values to increase. Projects set by the TIDD Board

1 will improve the area and continue to help recruit businesses, recruit
2 residential mixed-use developments into downtown. The TIDD GRT
3 working to look at what sectors/industry were the GRT loss was. Councilor
4 Gandara wanted to know how close to a project is the City. Ms. Guss stated
5 an RFP goes out in July to see what interest there is. Councilor Gandara
6 asked about the owners of the parking lot presenting something to the City.
7 Ms. Guss stated there are conceptual drawings and that the City owns the
8 land and is leased, now 5-6 years into 20-year lease. Councilor Gandara
9 asked about breaking the lease. Ms. Martinez stated the terms of the lease
10 have been evaluated but they will follow-up on that and provider further
11 information to the City Manager's office. Mr. Pallares stated that in tracking
12 some of the TIDD numbers the amounts for construction are large but when
13 the construction is completed then the TIDD numbers go down.
14

15 Councilor Sorg asked for clarification on the RFP that is going out. Ms.
16 Guss stated the City owns most of the available land for redevelopment in
17 downtown and the Request for Proposal is looking for projects that we can
18 partner with a private developer for them to build the land and either City
19 would contribute the land, sell it to them, lease it to them in a way to make
20 the project happen.
21

22 **LAND MANAGEMENT**

23 Ms. Villegas with Land Management Department. The purpose statement
24 is to provide research, evaluations, acquisitions, disposals, and ongoing
25 property management services to City departments, residents, and
26 businesses so they can experience the best utilization of City owned
27 property. Manage and monitor all City property records of right-of-way,
28 easements, and City buildings, property acquisitions and disposals, leases,
29 West Mesa Industrial Park management, property research, and City
30 property records maintenance. Summary of measures will be at 95% land
31 leases and contracts to be compliant, results for the third quarter overall is
32 90.5% compliant, the downturn is we did acquire some of the airport leases
33 and currently working on those. Total leases manage are 272. Airport
34 leases 72 and currently at 85% compliant. New contract and record
35 management utilizing Laserfiche and Munis contract module to streamline
36 some of the processes. 95% projects to be completed on time and on
37 budget which has been achieved through third quarter. This includes the
38 right-of-way acquisition for Tashiro Road, Horse N Hound property at the
39 Community of Hope campus, property exchange between Eddie Binns and
40 the City for Veterans Park expansion, sale of old Mobiles Farm in Hatch.
41 95% projects completed, subdivision plat reviews 29, property inspections
42 13, research conducted 82, community and inter department projects
43 assisted 86.
44

45 Chair Flores stated 95% of the projects completed on time but is there data
46 on the land that is owned by the City that is not developed and does not
47 have projects. Ms. Villegas state they currently have an ongoing project wit
48 GIS to identify City property, which the majority is utilized by Public Works

1 which is not available to be developed. Chair Flores asked for a GIS of that
2 to know how much of the City's land there is and how much to be developed,
3 and also the land in the perimeters of the City. Ms. Martinez they have been
4 transitioning to digital records and the next step for Laserfiche and Tyler,
5 and then be able to connect that to GIS. The overall goal would be to have
6 a map available in which the City owned properties are highlighted which
7 gives an option to click on the property and receive a summary of the
8 elements pertaining to that property. Chair Flores stated she knows the
9 land commissioner would like to sell some of the land and the City has land
10 adjacent to that land, and maybe the City can buy some of that land and
11 have available for affordable housing with nice views, good location.
12 Councilor Sorg stated quite a few years ago he received a list of the City's
13 properties and many were not really developable, except for landscaping
14 for the neighborhoods.

15 16 **VISIT LAS CRUCES**

17 Ms. Vega, Event Management with Visit Las Cruces. The purpose
18 statement is to provide tourism development and destination marketing
19 services to current and potential overnight travelers so they can come
20 explore, experience, and discover what Las Cruces has to offer. The
21 primary measure is to increase Estimated Economic Impact (EEI) to the City
22 of Las Cruces through tourism and the hospitality industry. Currently it is a
23 10% increase from the 2017 baseline EEI in conventions, group tours,
24 sporting events, and sporting events with an out of town team base
25 (meaning more than 50 miles away from Las Cruces). Another category is
26 events executed, set measures in the Rio Grande Theatre Events,
27 supported events such as on the Plaza, also tourism driven events,
28 convention specific events, and sport related events. Prior to COVID Visit
29 Las Cruces was at a record high year. The third quarter 2020, the
30 convention measure had passed baseline by 33%, convention and sporting
31 events up 13%. As of June, completely booked, Spaceport America, New
32 Mexico Senior Olympics, unfortunately both cancelled, but since they are
33 annual events should be returning next year. The Visit Las Cruces budget
34 is going to take a significantly hit due to fourth quarter losses though the
35 exact numbers are unknown currently. Based on the STR Lodging Report
36 for April, occupancy was down 56%, average daily rate down \$24.90, and
37 revenue per available room down 67% compared to same time last year.
38 Historically the fourth quarter is one of the strongest and brings in over a
39 fourth of the total yearly budget. That will not be the case for 2020. Going
40 forward to next year there will be significantly impacts to the budget.
41 Councilor Sorg mentioned sporting events, college/university tournaments,
42 March Madness, championship football games, to bring in huge amounts of
43 money.

44 45 **SUSTAINABILITY**

46 Ms. Larocque stated Sustainability's program is decreased as having the
47 goal to provide collaboration, planning, implementation, and ongoing
48 assessment services to City departments, businesses and residents of Las

1 Cruces so that they can integrate sustainable practice into decision making
2 for equitable economic and environmental health for all. Four areas of
3 focus, renewable energy, climate change, resiliency, and overall
4 sustainability. Her time has been working in the energy area. Overall goal
5 of reaching renewable energy adoption by 3% by 2022. Goals of
6 sustainability by their nature are long term and can be challenging. She has
7 been actively involved in promoting new legislation like community solar and
8 testifying at the New Mexico Public Regulation Commissioner to help
9 reduce energy rates for ratepayers and planning and energy transition
10 roadmap. She has been working for several years on a Purchase Power
11 Agreement (PPA), where a third party builds and operates and sells the
12 renewable energy for use to City facilities. Ameresco will be supplying 3
13 megawatts of renewable energy, like 30 of the carports at City Hall, at 12
14 sites, serving wells and the airport. With the PPA there is no investment
15 cost. The renewable energy is less expensive than El Paso Electric's fossil
16 fuels, and the City has the option to purchase the depreciated system any
17 time after 10 years if it chooses. Example, if the City purchased at year 15
18 using the accumulated savings from the lowered price renewable energy,
19 at the end of 25 years the City would realize a \$16 million energy savings.
20 All the direct solar currently for the Police Department, Animal Services
21 Center, and Fire Station 3 and the Power Purchase Agreements that will
22 also include the Convention Center, the City will have reached its
23 commitment to supply 25% of its electricity through renewable energy by
24 2021. The goal is 2022 so that will be accomplished a year early. Her
25 working climate change has the goal of reducing emission by 6% by 2022,
26 that in hindsight was very ambitious. To day the focus has been on
27 understanding the different sectors, building, transportation, and waste are
28 contributing emissions at the municipal and citywide level and setting
29 targets. Work extends beyond the municipality and market adoption of new
30 energy conservation codes. She will work on to save residents and
31 businesses energy and provide new jobs in the energy sector.

32
33 Climate change tries to lessen the carbon footprint, resiliency helps to
34 prepare for the stressors and shocks in our lives, like extreme heat, drought,
35 winds, and floods, which are exacerbated by pandemics, economic
36 downturns, and other unfortunate events. Currently mapping urban heat
37 with NASA data and NOAA data and partnering with the Green Chamber of
38 Commerce and the NMSU climatologists to map the summer air
39 temperatures which will give an indication of how asphalt, concrete, and
40 lack of vegetation have created a heat sink, also known as urban heat or
41 the urban heat island effect. Also conducting a survey with residents to
42 learn more about how heat impacts them in their homes or while riding,
43 walking, or bicycling. This data will help identify what communities are most
44 impacted and how to address it. Some strategies include cool corridors,
45 increasing tree canopy, and decreasing energy cost burdens, which will
46 translate into a healthier workforce and lower insurance liabilities.

47

1 Overall sustainability is catchall, including but not limited to: EV chargers,
2 EV adoption, plastic bag bans, bike share programs, green infrastructure,
3 and arroyo protection. These projects ebb and flow. Look at framing them
4 as ecological services and disaggregating data and capturing narratives to
5 show inequities. Look at lifecycle costs of materials and actions to
6 understand the true value of sustainable practices, and in that way hoping
7 changing the narrative for the City.
8

9 Councilor Sorg just learned from the Coalition for Sustainability in New
10 Mexico that the State of New Mexico has adopted some green building
11 codes that the City has not. He suggests a presentation by the state that
12 shows what the green building codes are. Ultimately have a resolution to
13 adopt those codes for Las Cruces. Chair Flores suggested a work session
14 for the entire City Council. Ms. Martinez also suggested bringing the
15 subject to the Transportation, Sustainability, and Infrastructure PRC.
16

17 Councilor Gandara asked in terms of the heating/cooling corridor what was
18 the second largest area that has that problem. Ms. Larocque stated the
19 data seen before was surface temperatures which is one way of measuring.
20 A second way is air temperatures which is more indicative of what we
21 experience when we are walking or biking or in the house. That data is
22 about to be collected as a partnership with NMSU, end of this month or
23 beginning of next month, giving a good sense of where the areas are most
24 impacted. Those areas she states with confidence are in the infill district
25 already. She is disappointed in the loss of the Country Club green space.
26 People would benefit with green spaces. Ms. Larocque stated they have
27 intentionally put identified Active Transportation routes, bicycle and walking
28 routes, and make sure covered all of the different Council districts with
29 special intention in the areas most concerned about.
30

31 **OFFICE OF THE DIRECTOR**

32 Ms. Martinez stated they have four major items that they are tracking; 80%
33 of the departmental strategic goals are achieved, 95% of survey
34 respondents who say that they have a positive customer experience
35 working with the department, 95% of staff who had documented
36 professional development plans, and then also continue the evaluation on
37 the different programs as they implement strategies. For the 80% as a goal,
38 they have 68% up to the third quarter and this is an improvement from last
39 year but still need to set methods to track the metrics and gather and report
40 and analyze for decision making. For the response on customer
41 experience, constant around 49.7% and looking further into and be sure to
42 improve this number. For professional development for their team she is
43 proud for all the efforts from each individual team members. All staff
44 members have a professional development plan, and something
45 implemented this year for travel tie back to professional development or a
46 goal in the strategic plan and hope that continues to align the goals with the
47 efforts put behind. Lastly the section program evaluations, conducted 21
48 up to third quarter so at the end of the fiscal year should be able to complete

1 the 28 as the goal. Worked on updates to the strategic plan for the
2 department and one of the big changes to the plan is the effort to align the
3 strategic plan to the goals for the Economic Development in Elevate Las
4 Cruces as the comprehensive plan. Every section and program aligns to
5 the Comprehensive Plan and incorporated new areas that were not there.
6

7 **b. Local Leaders Toolkit:** Ms. Martinez asked to table to the next meeting of
8 July 22nd. Councilor Sorg motioned to table, Councilor Gandara seconded.
9

10 **6. Future Discussion/Task Listing:**

11 **a. Las Cruces International Airport Updates:**

12 **b. West Mesa Industrial Park Updates:**

13
14 Ms. Martinez also mentioned the evaluation of COVID in the local economy
15 based on business analysis. Also suggested keeping the agenda at two items.
16

17 Councilor Gandara asked if the second item (West Mesa Industrial Park) could
18 consider the possibility of contracting with flash assessment, as they made
19 some recommendations and this Board should discuss and considering hiring
20 them for the next phase. Ms. Martinez stated they are working on those items
21 internally and her recommendation would be to do that initial evaluation with
22 Dr. Pallares transitioning to Deputy Director. There is a period without analysis
23 but a lot of information to start the evaluation. And if they need outside
24 resources will look into that. But plan is to evaluate based on business
25 registration, data from Workforce Connections and unemployment claims and
26 other elements and data available.
27

28 The next meeting is July 15th, third Wednesday.
29

30 **7. Adjournment:** The meeting adjourned at approximately 11:45 p.m.
31 Councilor Sorg moved, Councilor Gandara seconded.
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33
34

35
36 
37 Chairperson
38
39
40

41 Approved: _____