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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 February 15, 2023. The
5 meeting was held at City Hall, 700 N. Main, Las Cruces, New Mexico in the Las Cruces
6 Conference Room 2007A.

7
8 **Members Present:**

9 Kasandra Gandara, Mayor Pro-Tem
10 Tessa Abeyta-Stuve, City Councilor
11 Yvonne Flores, City Council
12 Mary Ulrich, DACC
13 Ana Berrun, Las Cruces Lodgers Association
14 Debbi Moore, Chamber of Commerce
15 Davin Lopez, MVEDA
16 Peter Martinez, Workforce Development

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18 **Members Absent:**

19 Connie Campos, Commercial Real Estate
20 Kathryn Hansen, NMSU

21
22 **Others Present:**

23 Elizabeth Teeters, Economic Development Director
24 Dania Soto, Executive Assistant
25 Natalie Green, Housing and Neighborhood Services Administrator
26 Chris Faivre, Interim Destination Downtown Administrator
27 Irene Parra, Interim Small Business Administrator
28 Sergio Ruiz, Policy Analyst
29 Ikani Taumoepeau, Assistant City Manager
30 Cilicia Villegas, Economic Development Coordinator
31 Christine Rivera, City Clerk
32 Greg Shervanick
33 Cariel Apodaca, Community Liaison
34 Bill Hamm, Real Estate Administrator
35 Andy Hume, Airport Manager
36 Celina Morales, Economic Development Coordinator
37 Rochelle Miller-Hernandez
38 Davin Lopez, MVEDA

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40 **I. Call to Order:** Councilor Flores called the meeting to order at approximately 9:03
41 a.m.

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43 **II. Conflict of Interest:** There was no conflict of interest.

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45 **III. Minutes for Approval:**

- 1 **a. Economic Development PRC Meeting of January 18, 2023:** Councilor
2 Abeyta motioned to approve the minutes; seconded by Councilor Flores.
3 Minutes were accepted.
4

5 **IV. Discussion:**

6 **a. Industrial Revenue Bond (IRB) Speculative Development Policy:**
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8 Economic Development gave a PowerPoint presentation. In the past the
9 City has had difficulty with timing and legal fees to companies, and the
10 program has not been promoted so there have not been many
11 participants. Community Development Department will be keeping track
12 of participants to make sure they are keeping up with their obligations.
13 The City will recommend a minimum of \$4 million investment to
14 companies looking to participate in this program. The question was raised
15 as to exactly how much tax money the City loses from the rebates that
16 participants receive, but it is not possible to predict because it depends on
17 the individual participant's business. Traditionally the Industrial Revenue
18 Bonds are used to help businesses purchase their own property to use,
19 but Las Cruces is using the program to bring businesses onto City-owned
20 property that has been vacant for a while and has been developed by a
21 speculative developer. Wichita has similar problems to Las Cruces and
22 they are using a similar program with great success. They are tracking
23 the program closely and make adjustments as needed. City staff plans to
24 market this program whenever they can in order to attract participants.
25 Councilor Flores and Mayor Pro Tem Gandara requested a presentation
26 to City Council to improve their understanding of it. Staff is working on a
27 lease agreement that will cover the City's interests if a participant does not
28 keep up with their obligations. Staff plans to bring their IRB counsel to the
29 next meeting in March before going to Council with a presentation.
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31 **b. Legislative Session Update:**
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33 Changes to the Metropolitan Redevelopment Act have been submitted to
34 Senator Hamblin and Representative Ortez. It has not been scheduled
35 yet to go before the Senate Tax, Business, and Transportation Committee.
36 HB 374, ED Project Population Limits goes to the House Commerce and
37 Economic Development Committee on Monday. The changed population
38 limit of 200,000 people would allow Las Cruces to use LEDA funds for
39 public infrastructure at the Industrial Park. HB 237 is not yet scheduled to
40 go to committee. SB 12 is to increase the tax credit for film production in
41 rural areas. Senator Hamblin has given Las Cruces \$150,000 of Junior
42 Money to support local businesses participating in LEDA. The State
43 Economic Development Department will work with City Economic
44 Development Department over the next year to get the funds distributed.
45 HB 78 will change the funding for the New Mexico Department of
46 Transportation's Aviation Division to \$6 million per year. This bill is
47 currently in the Senate Tax, Business, and Transportation Committee,
48 being sponsored by Representative Hochman-Vigil. HB 303 is the Rural

1 Air Service Enhancement Fund Bill, proposing to increase the amount for
2 the Rural Air Service Enhancement Grant by \$10.5 million. This would
3 help fund the air service programs at Gallup and Las Cruces for longer.
4 SB 104 is a capital appropriations bill sponsored by Senators Munoz and
5 Maestas. It is currently in the Senate Finance Committee. The total
6 proposed is \$315 million and Las Cruces may get \$17.6 million for fixing
7 Runway 4/22, as the FAA refuses to help, and expanding and renovating
8 the terminal for interstate service. SB 433 was introduced yesterday and
9 would expand rural air passenger capacity from 30 passengers to 100
10 passengers before requiring TSA involvement. There is interest in making
11 the Rural Air Service Enhancement Program a regular part of New Mexico
12 DOT. Staff has been very active in working with the City's lobbyist and
13 advocating for City interests in Legislature. There are several bills that will
14 increase emergency services funding for municipalities: SB 104, SB 23,
15 SB 184, and SB 250. Mayor Pro Tem Gandara suggested that the PRC
16 write a letter regarding things that the Committee feels should be heard for
17 Councilor Abeyta to take with her when she goes to Santa Fe. Everyone
18 is encouraged to call their representatives with their concerns. Mayor Pro
19 Tem Gandara suggested asking NM DOT to pressure the FAA to get help
20 to renovate Runway 4/22. Andy Hume offered to send out an e-mail with
21 details of why the FAA has refused funding for Runway 4/22 and asked for
22 advice to help him find more funding. A request was made to
23 Representative Vasquez' office to try to get more discretionary funding for
24 the Las Cruces Airport, but there is no concrete information from them yet.
25 Debbi Moore is also keeping up with these and several more bills and will
26 be attending Santa Fe to lobby for Las Cruces' interests. She asks that
27 Committee Members keep in touch with her with lists of priorities for her to
28 lobby.

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- 30 **V. Future Discussion:**
- 31 **a. Municipal Land Sale Ordinance**
- 32 **b. Next Meeting: March 15, 2023**
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34 **VI. Adjournment: The meeting adjourned at approximately 10:15 a.m.**

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40 Chairperson

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44 Approved: _____