The following are summary minutes for the meeting of the City of Las Cruces – Economic Development Policy Review Committee on February 15, 2023. The meeting was held at City Hall, 700 N. Main, Las Cruces, New Mexico in the Las Cruces Conference Room 2007A.

Members Present:
Kassandra Gandara, Mayor Pro-Tem
Tessa Abeyta-Stuve, City Councilor
Yvonne Flores, City Council
Mary Ulrich, DACC
Ana Berrun, Las Cruces Lodgers Association
Debbi Moore, Chamber of Commerce
Davin Lopez, MVEDA
Peter Martinez, Workforce Development

Members Absent:
Connie Campos, Commercial Real Estate
Kathryn Hansen, NMSU

Others Present:
Elizabeth Teeters, Economic Development Director
Dania Soto, Executive Assistant
Natalie Green, Housing and Neighborhood Services Administrator
Chris Faivre, Interim Destination Downtown Administrator
Irene Parra, Interim Small Business Administrator
Sergio Ruiz, Policy Analyst
Ikani Taumoepeau, Assistant City Manager
Cilicia Villegas, Economic Development Coordinator
Christine Rivera, City Clerk
Greg Shervanick
Cariel Apodaca, Community Liaison
Bill Hamm, Real Estate Administrator
Andy Hume, Airport Manager
Celina Morales, Economic Development Coordinator
Rochelle Miller-Hernandez
Davin Lopez, MVEDA

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

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

III. Minutes for Approval:
a. Economic Development PRC Meeting of January 18, 2023: Councilor Abeyta motioned to approve the minutes; seconded by Councilor Flores. Minutes were accepted.

IV. Discussion:

a. Industrial Revenue Bond (IRB) Speculative Development Policy:

Economic Development gave a PowerPoint presentation. In the past the City has had difficulty with timing and legal fees to companies, and the program has not been promoted so there have not been many participants. Community Development Department will be keeping track of participants to make sure they are keeping up with their obligations. The City will recommend a minimum of $4 million investment to companies looking to participate in this program. The question was raised as to exactly how much tax money the City loses from the rebates that participants receive, but it is not possible to predict because it depends on the individual participant's business. Traditionally the Industrial Revenue Bonds are used to help businesses purchase their own property to use, but Las Cruces is using the program to bring businesses onto City-owned property that has been vacant for a while and has been developed by a speculative developer. Wichita has similar problems to Las Cruces and they are using a similar program with great success. They are tracking the program closely and make adjustments as needed. City staff plans to market this program whenever they can in order to attract participants. Councilor Flores and Mayor Pro Tem Gandara requested a presentation to City Council to improve their understanding of it. Staff is working on a lease agreement that will cover the City's interests if a participant does not keep up with their obligations. Staff plans to bring their IRB counsel to the next meeting in March before going to Council with a presentation.

b. Legislative Session Update:

Changes to the Metropolitan Redevelopment Act have been submitted to Senator Hamblin and Representative Ortez. It has not been scheduled yet to go before the Senate Tax, Business, and Transportation Committee. HB 374, ED Project Population Limits goes to the House Commerce and Economic Development Committee on Monday. The changed population limit of 200,000 people would allow Las Cruces to use LEDA funds for public infrastructure at the Industrial Park. HB 237 is not yet scheduled to go to committee. SB 12 is to increase the tax credit for film production in rural areas. Senator Hamblin has given Las Cruces $150,000 of Junior Money to support local businesses participating in LEDA. The State Economic Development Department will work with City Economic Development Department over the next year to get the funds distributed. HB 78 will change the funding for the New Mexico Department of Transportation's Aviation Division to $6 million per year. This bill is currently in the Senate Tax, Business, and Transportation Committee, being sponsored by Representative Hochman-Vigil. HB 303 is the Rural Air Service
Enhancement Fund Bill, proposing to increase the amount for the Rural Air Service Enhancement Grant by $10.5 million. This would help fund the air service programs at Gallup and Las Cruces for longer. SB 104 is a capital appropriations bill sponsored by Senators Munoz and Maestas. It is currently in the Senate Finance Committee. The total proposed is $315 million and Las Cruces may get $17.6 million for fixing Runway 4/22, as the FAA refuses to help, and expanding and renovating the terminal for interstate service. SB 433 was introduced yesterday and would expand rural air passenger capacity from 30 passengers to 100 passengers before requiring TSA involvement. There is interest in making the Rural Air Service Enhancement Program a regular part of New Mexico DOT. Staff has been very active in working with the City's lobbyist and advocating for City interests in Legislature. There are several bills that will increase emergency services funding for municipalities: SB 104, SB 23, SB 184, and SB 250. Mayor Pro Tem Gandara suggested that the PRC write a letter regarding things that the Committee feels should be heard for Councilor Abeyta to take with her when she goes to Santa Fe. Everyone is encouraged to call their representatives with their concerns. Mayor Pro Tem Gandara suggested asking NM DOT to pressure the FAA to get help to renovate Runway 4/22. Andy Hume offered to send out an e-mail with details of why the FAA has refused funding for Runway 4/22 and asked for advice to help him find more funding. A request was made to Representative Vasquez' office to try to get more discretionary funding for the Las Cruces Airport, but there is no concrete information from them yet. Debbi Moore is also keeping up with these and several more bills and will be attending Santa Fe to lobby for Las Cruces' interests. She asks that Committee Members keep in touch with her with lists of priorities for her to lobby.

V. Future Discussion:
   a. Municipal Land Sale Ordinance
   b. Next Meeting: March 15, 2023

VI. Adjournment: The meeting adjourned at approximately 10:15 a.m.

Approved: ____________________________