

Final Business Plan

Line of Business: Economic Development

Date of Final Changes: January 30, 2023

Final Review Date: January 31, 2023

By Economic Development

Strategic Business Plan

Mission Statement

The mission of the Economic Development Department is to build economic prosperity through business support, affordable housing, and downtown cultural events for residents, businesses, and partners so they can live, invest and build a community that fosters economic wellbeing, business growth and thriving human services for the alleviation of poverty.

Issue Statements

Issue 1- Focus

The City of Las Cruces' historical lack of research, planning, consensus, and focus on what its target industries should be for economic development, if not properly addressed, will result in:

- Reactive approach to opportunities regardless of long-term value
- The City and the Economic Development Department competing with strategic partners vs. being aligned and collaborating to achieve common goals
- Decrease in competitiveness in recruiting companies
- Continued lack of industry clusters
- Decrease in private investment
- Decreased opportunity for local start-ups/entrepreneurs
- Reduction in qualified workforce
- Lack of new jobs
- Inability to grow the Gross Receipts Tax (GRT)
- The department not seen as a leader in Economic Development (reputation in industry will suffer)
- Continued neglect and under-utilization of Las Cruces Innovation and Industrial Park (LCIIP) and Las Cruces International Airport

Issue 2 – Investment

The increasing dependence on public investment to fund economic development and the resulting lack of diversification in investment income (Bonding, Public-Private Partnerships, private investment, etc.), if not properly addressed, will result in:

- Continued dependence on limited public investments (Local Taxes, State and Federal Funds)
- Partial completion of projects leading to unrealized potential from investment and loss of revenues
- Insufficient and inadequate facilities in spite of greater demand
- Continued neglect and underutilization of the Las Cruces Innovation and Industrial Park
- Limited growth in industry clusters and targeted industries
- Missed opportunities from private investment

- Lack of committed focus to growth opportunities
- Limited ability to sell Las Cruces as the place to be for visitors, businesses, and future residents

Issue 3 – Reactive Organization

The struggle to preserve the uniqueness of the Las Cruces community coupled with the desire and increased need to plan for growth has led to a reactionary approach to investment and opportunities that if not properly addressed, will result in:

- Continued resistance to opportunities that have the potential to provide economic benefit for the community
- Neglect and underutilization of facilities and properties such as the Las Cruces International Airport and the LCIP
- Lack of preparedness when opportunities arise ex: Virgin Galactic
- Unfinished projects that add to the City's costs
- Poor perception of the City's readiness for new business opportunities
- Increase in unmanaged growth
- Loss of uniqueness of the Las Cruces Community

Issue 4 – Underutilization of Downtown

The underutilization of the downtown area coupled with the City's desire for downtown to be the focal point and heart of Las Cruces, if not properly addressed, will result in:

- Continued decay and disrepair of downtown buildings
- Decreased ability to attract new businesses
- An unattractive area for businesses, residents, and visitors
- Lack of steady foot traffic
- Increase in vagrancy
- Decrease in property values
- Decrease in the overall attractiveness of the City of Las Cruces

Issue 5 – Communications

The lack of understanding of what the Economic Development Department does, coupled with how the department communicates to internal and external audiences, if not properly addressed will result in:

- Lack of collaboration between City's departments
- Spending resources on things not of value
- Duplication of efforts or gaps in services
- Delays and inability to complete projects in all departments
- Inability to align projects, partnerships with the vision of growth for our community
- Residents not understanding rationale for decisions.
- Lack of community buy-in to the mission, making it more difficult to accomplish goals
- Not being competitive with other communities, resulting in lost opportunities

- Lack of growth in local businesses, attraction of new businesses and new jobs and revenue
- Stagnant or increased unemployment
- Loss of trust and respect

Issue 6 – Underutilization of City-owned land and facilities

The underutilization of City-owned land and facilities (i.e. LCIP, landfill, former Las Cruces Tee Time, downtown parking lots) will result in:

- Unrealized financial benefits from unused/underutilized City-owned property
- Decreased competitiveness with respect to nearby regional industrial parks with strategically defined goals for fast growth
- Underutilization and deterioration of prime commercial space in Las Cruces
- Increased liability and costs related to environment remediation of City-owned brownfields (i.e. landfill)
- Lack of attractive spaces to offer as part of a strong business expansion / attraction strategy
- Missed opportunities to enhance tax base from business growth

Issue 7 - Lack of access to decent, safe and sanitary Affordable Housing

The lack of decent, safe and sanitary affordable housing will result in:

- Increased housing cost burden
- Increased housing and food insecurity
- Increase in intergenerational poverty and decreased economic mobility.
- Increase in childhood poverty
- Poor health outcomes (Social determinants of health)
- Increased social stressors on families can lead to child mal-treatment, abuse, domestic violence
- Increase in blighted neighborhoods and decreasing values of residences due to inadequate maintenance and upkeep.

Strategic Results

Strategic Result 1 – Business Environment

The Las Cruces community will experience a stable business environment that fosters business growth opportunities, innovation and entrepreneurship, as evidenced by:

- By December 31, 2021, 90% of business registrations renewed annually (Business Development, data collected through the Community Development Business Registration).
- By December 31, 2021, the City of Las Cruces unemployment rate will be at or below full employment (4% as per defined by Bureau of Labor Statistics) (Office of the Director)
- By December 31, 2022, there will be an increase of 10% of new business registrations (19 to 21) locating a at the LCIIP (Business Development).

Issue Statement Alignment: 1,3,4,5

Strategic Result 2 – Destination Downtown

The Las Cruces community will experience a downtown that is the focal point and heart of the City of Las Cruces, as evidenced by:

- By end of FY23, unique visitor foot traffic in the Plaza will increase by 5% each year (from 2021 baseline of 7,200 unique visits).
- By end of FY23, the number of businesses locating within the TIDD will increase by 5 (from 2021 baseline of __ * ► * new businesses in downtown).
- By end of FY23, capital investment (private & public) will increase by 10% (\$2.5 million baseline).
- By end of FY23, expend 95% of Arts and Cultural District’s State of New Mexico appropriated funds, and work to identify two additional projects per year that further the development of creative economy initiatives in the Arts and Cultural District.
- By 2024, through public-private partnerships 200 new downtown living spaces will be available.

Issue Statement Alignment: 1,2,3,4,5,7

Strategic Result 3 – Investment

The Community will experience an increase in investment designed to attract tourists, residents and businesses, as evidenced by:

- By June 30, 2022, Gross Receipt Tax (GRT) revenue, will increase by 6% annually from FY19 baseline (from \$74.58 Million to \$79 Million) (Office of the Director).

Issue Statement Alignment: 1,2,3,4

Strategic Result 4 – High-Performing Organization

Residents, businesses and visitors will experience a customer-focused, results-oriented organization when working with the City of Las Cruces Economic Development Department, as evidenced by:

- By December 31, 2022, 95% of new businesses will be contacted and made aware of the services provided by the Economic Development Department within 60 days of the businesses registering with the City (Business Development).

Issue Statement Alignment: 1,3,4,5

Strategic Result 5 – Land Management and Real Estate Services

City’s departments, residents, and businesses will experience a municipality committed to the best utilization of City-owned property, as evidenced by:

- 95% projects real estate completed on time and on budget
- By end of 2022, 98% land leases and contract will be compliant (expiration, renewals, escalator rates, timely collection of payments).
- By end of 2Q 2022, 100% of development ready land will be "Site Certified" and marketed for development in accordance with the LCIP adopted master plan.
- By end of 2022, 10% of City-owned development-ready land at the LCIP will be used for commercial purposes (~40 acres; ~657 acres for sale and ~396 acres dev ready).

Issue statement alignment: 1,2,3,4,6

Strategic Result 6 – Housing and Neighborhood Services

The Community will experience an increase in affordable housing options and a comprehensive community and human services delivery system, as evidenced by:

- By 2025, The City through public private partnership opportunities will build, finance, or subsidize 300 Multifamily affordable housing units and 40 single family homes.

Issue Statement Alignment: 6,7

<i>Department Organization</i>	
1. Line of Business:	<i>Office of the Director</i>
	<ul style="list-style-type: none"> • Program: Administration • Program: Workforce Development
2. Line of Business:	<i>Business Support</i>
	<ul style="list-style-type: none"> • Program: Business Development • Program: Destination Downtown
3. Line of Business:	<i>Housing and Neighborhood Services</i>
	<ul style="list-style-type: none"> • Program: Housing and Neighborhood Services
4. Line of Business:	<i>Land Management and Redevelopment Services</i>
	<ul style="list-style-type: none"> • Program: <i>Land Management and Redevelopment Services</i>

<i>Programs</i>	
<i>Line of Business – Office of the Director</i>	
Purpose Statement	The purpose of the Office of the Director line of business is to provide leadership, administrative, financial, communications and strategic planning services to department employees and community so they can achieve their operational customer results and effectively contribute to the goals of the Economic Development Department are accomplished.
<i>Program: Administration</i>	
Program Purpose Statement	The purpose of Office of the Administration program is to provide leadership, administrative, financial, communications and strategic planning services to department’s employees so they can achieve their operational customer results and effectively contribute to the goals of the Economic Development Department.
Family of Measures	<p><u>Results</u></p> <ul style="list-style-type: none"> • 80% departmental strategic results achieved by deadline • 90% staff who have a documented professional development plan • By December 31, 2022, the City of Las Cruces unemployment rate will be at or below full employment (4% As per defined by Bureau of Labor Statistics) • By December 31, 2022, Gross Receipt Tax (GRT) revenue, without consideration of Hold Harmless state generated funding, will increase by 6% annually from FY2021 baseline (\$89.6 million) • By December 2022, a departmental plan for public relations will be created and implemented <p><i>CSP Implementation Program Alignment: CP-2.2.2, 2.2.4, 4.3.1, 4.3.2, 4.4.1, 4.4.3</i></p>
	<p><u>Outputs</u></p> <ul style="list-style-type: none"> • # program strategic goals achieved • # Economic Outlook Reports completed and presented
	<p><u>Demands</u></p> <ul style="list-style-type: none"> • # of city-wide strategic results • # Economic Outlook Reports per year (one per quarter)
	<p><u>Efficiencies</u></p>
Program Services	<ul style="list-style-type: none"> • Departmental Committee/Board meeting coordination • Budget reports

	<ul style="list-style-type: none"> • Public outreach sessions • Partners outreach sessions • City Council educational presentations • Contract reviews • Customer inquiry responses • Departmental budget review and monitoring sessions • Department planning sessions • Department program evaluations • Employee hires • Interdepartmental coordination sessions • Processed invoices • Project management consultations • Departmental staff sessions/reports • Coordination meetings with NMSU/DACC • Economic research reports and assessments • Website updates • Financial analysis and reports • Departmental processes evaluation and improvements
Manager	Director, Elizabeth Teeters
Program Budget	TBD

<i>Programs</i>	
<i>Line of Business – Office of the Director</i>	
Purpose Statement	The purpose of the workforce development program is to provide access to workforce development support systems for residents so they can experience access and job placement to high quality jobs.
<i>Program: Workforce Development</i>	
Program Purpose Statement	The purpose of the workforce development program is to provide access to workforce development support systems for residents so they can experience access and job placement to high quality jobs.
Family of Measures	<p>Results</p> <ul style="list-style-type: none"> • By December 2022, at least 50 people completing financial literacy classes in bilingual program (English and Spanish) • By December 2022, at least 35 participants completing program led by City for LMI residents of Las Cruces to complete their High School Equivalency (HSE). • By December 2022, at least 60 participants completing reskilling and upskilling program led by City for LMI residents will be implemented.

	<ul style="list-style-type: none"> By December 2022, a program to connect job seekers and businesses aimed at creating talent pipelines will be crafted and implemented. <p><i>CSP Implementation Program Alignment: CP – 2.1.5, 2.2.3, 2.2.4, 4.2.4, 4.2.5, 4.4.1, 1.1.3, 1.1.4, 1.1.5, 1.2.1, 1.2.2, 1.2.3</i></p>
	<p><u>Outputs</u></p> <ul style="list-style-type: none"> # of workforce training programs # of job fairs # of job seekers trained # of job seekers placed in a new job
	<p><u>Demands</u></p> <ul style="list-style-type: none"> # of workforce training programs provided # of job fairs annually # of job seekers trained # of job seekers placed in a new job
	<p><u>Efficiencies</u></p> <ul style="list-style-type: none"> \$ spent on High School Equivalency (HSE) completion programs. \$ spent on reskilling and upskilling programs \$ spent on job fair coordination
Program Services	<ul style="list-style-type: none"> Training referrals Education and financial assistance referrals Career exploration Job seeker assistance Youth employment services and programs Referrals to High School Equivalency (HSE) or GED programs Referrals to industry recognized certificates Jobs of the Week announcements
Manager	Deputy Director, Francisco Pallares
Program Budget	TBD

<i>Programs</i>	
<i>Line of Business – Business Support</i>	
Purpose Statement	The purpose of the Business Support line of business is to provide support services to residents, businesses, and partners, so they can experience access to a strong and holistic business service support system that will result in business growth, job creation, economic prosperity in Las Cruces.
<i>Program: Business Development</i>	

<p>Program Purpose Statement</p>	<p>The purpose of the Business Development program is to provide business support services to prospective and current businesses, so they can create jobs, connect with workforce resources, grow their businesses, and improve city-wide economic vitality.</p>
<p>Family of Measures</p>	<p>Results</p> <ul style="list-style-type: none"> • 5% increase in business registrations annually (from 2020 baseline of 599) • By December 31, 2022, there will be an increase of 10% increase of new business registrations (two new businesses) locating at/or expanding at the Las Cruces Innovation and Industrial Park • By December 31, 2022, 95% of new businesses will be contacted and made aware of the services provided by the Economic Development Department within 60 days of the businesses registering with the City • By December 31, 2022, hold at least one Business Retention and Expansion (BRE) visit with 95% of the businesses located at the LCIIP and LRU. • By December 31, 2022, 90% of business registrations renewed annually (data collected through the Community Development Business Registration) • 20 programs per year collaborative with local business service providers for business and workforce development programs • By December 31, 2022, 60% of businesses in the manufacturing sector will have BRE visits • By December 31, 2022, 2 potential Metropolitan Redevelopment Areas (MRA) will be identified. • By December 31, 2022, the City’s LEDA plan will be updated and approved by City Council <p><i>CSP Implementation Program Alignment: CP – 2.1.1, 2.1.4, 4.1.1, 4.1.2, 4.1.3, 4.1.4, 4.2.4, 4.2.5, 4.2.8, 4.4.4, 4.4.6, 4.4.7, 3.2.1, 3.2.4, 1.2.3. CE-8.1.6</i></p>
	<p>Outputs</p> <ul style="list-style-type: none"> • # BRE visits completed • # new business registrations and renewals • # blighted areas identified
	<p>Demands</p> <ul style="list-style-type: none"> • # new business registrations and renewals • # collaborative programs created • Citywide blight study
	<p>Efficiencies</p>

<p>Program Services</p>	<ul style="list-style-type: none"> • Business consultations • Business development inquiry responses: <ul style="list-style-type: none"> ○ New business inquiry responses ○ Existing business inquiry responses • Business development marketing services (In coordination w/PIO): <ul style="list-style-type: none"> ○ Press releases ○ Social media posts ○ Marketing collateral ○ Radio spots ○ TV commercials ○ Print ads • Business incentives • Business resource guides • Business development community board representations 	<ul style="list-style-type: none"> • Business development community partner facilitations • Incentive decision-making/data analysis reports • Industry consultation sessions • Investment related outreach sessions (cold calls) • Business development issue resolutions • GIS MAPPING • Market research reports • Needs assessment sessions (businesses) • Business development contract negotiation sessions • Business-related policy and ordinance reviews • Business-related public input forums • Referrals • Research reports
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Manager	Interim Business Development Administrator, Irene Parra	
Program Budget	TBD	

Program

Line of Business – Business Support

Purpose Statement	The purpose of the Development line of business is to provide support services to businesses, partners, visitors, and residents so they can experience economic prosperity and quality of place in Las Cruces.
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Program: Destination Downtown

Program Purpose Statement	The purpose of the Destination Downtown program is to provide marketing, infrastructure, and business development services to residents, businesses, so they can experience and benefit from a downtown that is the focal point and heart of the City.
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Family of Measures	<p>Results</p> <ul style="list-style-type: none"> • 5% increase in attendance at Rio Grande Theatre Events • In partnership with DLCP, develop and institute an Business, Retention and Expansion (BRE) program for Main Street downtown, and make contact with 80% of businesses by end of FY23. • Increase Renovate Main St. grant recipients by one per year with a baseline of 7 per year. • Increase year-to-year foot traffic at the Plaza de Las Cruces by 5% each year (baseline FY21 of 7,200 unique visits). • By the end of FY23, the number of businesses locating downtown will increase by 10 (baseline FY21). • By the end of FY23, the City will produce/host one arts and cultural event per month downtown, including the Callecitas and the Plaza. • By 2024, through public-private partnerships 200 additional downtown living spaces will be available. <p><i>CSP Implementation Program Alignment: CP – 7.2.2, 7.4.1, 4.2.4, 4.2.8, 4.3.1, 4.3.2, 4.3.3, 4.3.6. CL – 13.2.2, 13.2.5, 13.2.4, 17.1.3</i></p>
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	<p>Outputs</p> <ul style="list-style-type: none"> • # downtown business incentives granted • # Rio Grande Theatre events held
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	<ul style="list-style-type: none"> • # new downtown businesses opened • # downtown BRE visits • # of CLC-organized events at downtown
	<p><u>Demands</u></p> <ul style="list-style-type: none"> • # downtown business incentives requested • # Rio Grande Theatre events demanded • # new downtown businesses opened • # of CLC-organized events at downtown demanded
	<p><u>Efficiencies</u></p> <ul style="list-style-type: none"> • \$ Arts and Cultural activities held yearly / Program budget
Program Services	<ul style="list-style-type: none"> • Arts and cultural plan implementation • Historic Preservation plan implementation • Downtown Master plan implementation • Business consultations • Business incubator operations • Community board representations • Community partner facilitations • Downtown business incentives • Downtown event permits • Downtown marketing services • Downtown research reports • Inquiry responses • Rio Grande Theatre concession transactions • Rio Grande Theatre events • Contract management for activities and events
Manager	Business Development Administrator/Destination Downtown, Chris Faivre
Program Budget	TBD

<i>Programs</i>	
<i>Line of Business – Housing and Neighborhood Services</i>	
Purpose Statement	The purpose of the Housing and Neighborhood Services line of business is to advance a comprehensive community and human services delivery system that addresses the full continuum of needs especially in the areas of housing, food insecurity, poverty, health, and economic well-being for all residents with an emphasis on underserved special needs populations.

<i>Program: Housing and Neighborhood Services</i>	
Program Purpose Statement	The purpose of the Housing and Neighborhood Services is to support program staff who implement programs to advance a comprehensive community and human services delivery system that addresses the full continuum of needs especially in the areas of housing, food insecurity, poverty, health, and economic well-being for all residents with an emphasis on underserved special needs populations.
Family of Measures (All Programs)	<p>Results</p> <ul style="list-style-type: none"> • 50% of the Home Rehabilitation pre-applicants will be processed within 1 year. • 50% of the CDBG Infrastructure projects will be under agreement within 1 year and complete within 2 years. • Administer and fund at minimum a cadre of 15 social services providers per year that address the social determinants of health for traditionally underserved populations through the Public Service grant program. • By 2025, The City through public private partnership opportunities will build, finance, or subsidize 300 Multifamily affordable housing units and 40 single family homes. <p><i>CSP Implementation Program Alignment: CP – 7.1.1, 7.1.2, 7.1.3, 7.1.4, 7.2.2, 7.2.3, 7.3.1, 7.3.2, 7.3.3, 7.4.1, 8.1.1, 8.1.2</i></p> <ul style="list-style-type: none"> • 95% projects real estate completed on time and on budget • By end of 2022, 98% land leases and contract will be compliant (expiration, renewals, escalator rates, timely collection of payments). • By end of 2Q 2022, 100% of development ready land will be "Site Certified" and marketed for development in accordance with the LCIP adopted master plan. • By end of 2022, 10% of City-owned development-ready land at the LCIP will be used for commercial purposes (~40 acres; ~657 acres for sale and ~396 acres dev ready). • <i>CSP Implementation Program Alignment: CP – 7.1.4, 7.1.5, 4.1.6, 4.2.1, 4.4.7. CL - 10.1.3. CE – 2.5.1</i>
	<p>Outputs</p> <ul style="list-style-type: none"> • # Home Rehabilitation applicants processed (Q) • # Grants administered (A) • # households with improved access to health and human service programs (SA) • # Low-mod income residents provided access to safe, decent and affordable housing (including TBRA) (A) • # subdivision plat reviews conducted • # property inspections conducted

	<ul style="list-style-type: none"> # project research conducted (property, title, ownership, subdivisions, utilities) <p>Elevate Las Cruces Alignment: CP-7, CP-8, CP-9, CP-10, CP-11, CL-19</p>	
	<p><u>Demands</u></p> <ul style="list-style-type: none"> # Home Rehabilitations requested (Q) \$ Grant Dollars requested (A) % of Households cost burdened (A) # subdivision plat reviews demanded # property inspections demanded # project research demanded (property, title, ownership, subdivisions, utilities) 	
	<p><u>Efficiencies</u></p> <ul style="list-style-type: none"> \$ spent on Home Rehabilitation (SA) \$ spent on Affordable Housing programs (SA) \$ spent on Public Service programs (SA) \$ spent on Infrastructure project (A) Program budget / # project research conducted (property, title, ownership, subdivisions, utilities) 	
Program Services (All Programs)	<ul style="list-style-type: none"> Account Reconciliations Affordable Housing Land Bank & Trust Fund Programs Affordable Housing Plan Affordable Housing Development (SF & MF) Affordability Period Compliance Annual Residency Confirmation Annual Action Plans Annual CAPER Report Citizen Participation Plan Committee Meetings (HHSAC/AHLBTF-Committee) Consolidated Plan Davis-Bacon Federal Wage Rate Reviews & Reports Escrow Accounts Management/Maintenance Fair Housing and Landlord/Tenant Information Responses or Referrals 	<ul style="list-style-type: none"> Appraisal reports/reviews City property database maintenance City property license agreements Deeds Document consultations Easements Lease agreements Lease compliance reports Lease renewals Maps Property acquisitions Property evaluations/assessments Property inspections Property research sessions State/federal permits (utilities on federal and state land) Subdivision plat reviews Surplus City property disposals Assist in TIDD/MRA/BID evaluations

	<ul style="list-style-type: none"> • Fair Housing Awareness Training Sessions • Grant Administration (CDBG, HOME, Gen. Fund) • Grant Action Plan Amendments • Grant Non-Profit Partnering Agency Meetings • Grants Environmental Reviews • Grants Monthly Accounting Meetings 	•
Manager (All Programs)	Housing and Neighborhood Services Manager, Natalie Green	
Total Program Budget	FY2023 16,563,391.00 PROJ REV \$5,200,277	