



Tax Increment Development District

Regular Meeting

August 12, 2013

1:00 P.M.

Council Chambers, City Hall

MEMBERS PRESENT:

STAFF:

Chairman Ken Miyagishima
Board Member Miguel Silva, District 1
Board Member Greg Smith, District 2
Board Member Olga Pedroza, District 3
Board Member Nathan Small, District 4 **Absent**
Board Member Gill Sorg, District 5
Board Member Sharon Thomas, District 6
Board Member Billy Garrett (County) **Absent**

Robert Garza, City Manager
Harry (Pete) Connelly, City Attorney
Esther Martinez-Carrillo, City Clerk

I. Call to Order

Chairman Miyagishima called the meeting to order and asked for a moment of silence. Chairman Miyagishima led the Pledge of Allegiance.

II. Action Item(s)

1. Approval of Minutes from April 8, 2013 Regular Meeting.

Board Member Thomas Moved to Approve the Minutes of April 8, 2013 and Board Member Pedroza Seconded the motion.

Board Member Thomas said one of the things we talked about at our last meeting was regarding sending a letter to ask why funds for the plaza were vetoed so did we do that?

Robert Garza, City Manager said we didn't get a written reply but the staff said they had a funding request put in front of them that said the planning and designing was done and that all we needed to do was the construction. They looked at the total cost of the project which was \$2.5 million and

1 saw they only had \$250,000 which is only 10% of the cost so they vetoed it because they didn't have
2 enough funding to do the project. They didn't want to partially fund something and have their funds
3 sitting idle. They didn't understand that the City had the other 90% of funding available to complete
4 the project so it was a misunderstanding that lead to the veto.

5

6 Board Member Thomas said my other question is that when we do get that kind of funding, does it
7 go directly to the TIDD Board or does it go to the City and then to the TIDD Board?

8

9 Robert Garza said any legislative funds that the City gets; whether is for the Downtown or
10 something else, comes to the City of Las Cruces. The funds would not be funneled through the
11 TIDD Board.

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15 Chairman Miyagishima called for the roll on the Motion to Approve the Minutes of April 8,
16 2013 and it was APPROVED. 6-0 Board Member Small was absent.

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20 2. Resolution No. 14-001: A Resolution Amending Fiscal year 2013-2014 TIDD Budget to
21 Design and Construct Needed Infrastructure to Support the Downtown Main Street Lighting
22 Show Program.

23

24 Board Member Silva Moved to Approve Resolution No. 14-001 and Board Member Thomas
25 Seconded the motion.

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29 Andy Hume, Senior Planner gave an overhead presentation and said this is a resolution to consider
30 amending the Fiscal Year 2013-2014 TIDD Budget for the design and construction of infrastructure
31 to support the Downtown Lighting Program. The proposed pole system is approximately the same
32 height as the current poles and the poles would be strong enough to support not only the weight of
33 the lights but also banners and wind loading which can occur with our high winds in the spring.

34

35 Eric Martin, Project Management Administrator continued the overhead presentation and said in
36 2012 we were asked to work with the Downtown organization; El Paso Electric was providing
37 funding to put up holiday lighting throughout the Downtown area and the initial plan was to install
38 and hang those lights from the existing light poles in the Downtown area but in going through that
39 process we contacted the light pole manufacturer and they informed us that those light poles were
40 not designed to have anything strung from them. We did hang the lights as safely as we could and
41 we were asked to try to find a long term solution for the Downtown Lighting System. One of the
42 options is to have entry poles at the area of the roundabout and at the south-end and maybe at some
43 of the cross streets. These entry poles would allow us to hang things like banners from them and

1 each set would cost approximately \$40,000. It would cost approximately \$120,000 to have the entry
2 poles with additional poles at the intersections of Las Cruces and Griggs. A full build out of the
3 poles throughout the entire Downtown area would cost approximately \$550,000 and that would
4 allow banners, lights or any other configuration to be used to support the Downtown area. This
5 project could also be done in phases or we could continue to look for other options.

6

7 Board Member Smith said I appreciate the work that was done by the Williams Design Group but
8 how would we pay for it; would it be with general funds, and what was the cost for the design
9 services for this?

10

11 Eric Martin said the initial contract was for \$10,000 and that was paid out of our Capital
12 Improvement Fund.

13

14 Board Member Smith said so no TIDD funds have been used at this point. I appreciate El Paso
15 Electric desiring to help us with the celebration on Main Street; however, their contribution to this
16 is going to be \$75,000 after three years and this project is going to be about half a million dollars.
17 That is a lot of money to support a gift, a very gracious gift, from El Paso Electric. I spoke with
18 David Blanchard and he suggested that maybe we just look at replacing the old light poles that are
19 currently there. Do you know how much it cost to just replace those?

20

21 Eric Martin said no, I don't have that cost. Those are breakaway poles which are designed to handle
22 the wind blowing but we can go back and look at the cost. However, if the footings aren't deep
23 enough to handle new poles then we might be looking at about the same price.

24

25 Board Member Smith said Mr. Blanchard's suggestion does make a lot of sense. If we are going to
26 be spending this much money on something then perhaps it can be more integrated into the fabric
27 that we already have on this street rather than imposing new structures.

28

29 Robert Garza, City Manager said staff is here to follow-up on a request from the TIDD Board to
30 evaluate what it would take to put decorative lighting Downtown in this formation so what they are
31 presenting to you today is a spectrum of possibilities on how to do that. Today we really just wanted
32 to have our homework done, have some of the cost identified and have a discussion with you all
33 regarding your appetite for pledging TIDD funds to work with the Downtown Partnership which
34 they did received \$25,000 last year and are going to be receiving \$25,000 this year and next year
35 from El Paso Electric; so since this is already August we need to start making some decisions now
36 on what we are going to do during the holiday season.

37

38 Board Member Pedroza said my concern is that if TIDD funds were to be used for this then other
39 projects that might be equally as useful might not have enough funding. It's only going to be TIDD
40 funds and not any City funds that would be used; correct?

41

42 Chairman Miyagishima said that is correct; it'd only be TIDD funds and of course the El Paso
43 Electric grant funds.

1
2 Board Member Pedroza said I would like for us to see if there are other uses for that money instead
3 of using the funds for this project.

4
5 Board Member Thomas asked can the existing poles hold anything like banners or are they just not
6 useful for any type of support?

7
8 Eric Martin said no, those poles were not designed to handle any additional loading but they can
9 support very small, lightweight banners at the top.

10
11 Board Member Thomas asked how did the \$25,000 that we received last year get spent?

12
13 Robert Garza said I believe it was spent buying the light strings that were put up last year.

14
15 Board Member Thomas said we already have the lights so maybe we can do something different
16 with them instead of stringing the up on poles. I appreciate what El Paso Electric is doing and we
17 do want our Downtown to be festive but it doesn't necessarily have to be done that way. In
18 Albuquerque the businesses put out lighted figures and the town my husband is from does the same
19 thing but they set it up in a park so people can drive through and see the lights. I just think we can
20 do better than we did last year and I think we can figure out a way to take those lights and use them
21 well.

22
23 Board Member Sorg said I would like to see an example or two on how other places decorate their
24 Downtown areas for the holidays. I tend to want to table this until we get more information.

25
26 Board Member Silva said when we first installed the current lights we should have looked at having
27 them being able to hold things like banners so there wasn't much thought put into that portion of it.
28 I am not a fan of spending half a million dollars on new light poles or spending \$10,000 to figure
29 out the tension strength of a pole. I also sort of feel like we should table this and look more into it.
30 I do think we should come up with the \$25,000 to match the funds from El Paso Electric to show
31 that we are just as committed to the Downtown as the private sector.

32
33 Board Member Smith said I agree with sharing the load with El Paso Electric to demonstrate that
34 we are working together on this and that it is important. I also feel that the TIDD funds should be
35 reserved for the really big projects and I think the TIDD is a unique opportunity to get some really
36 big things done but I do think that we as a City should be partners with the people who are stepping
37 out. Perhaps instead of holding off this year we could look at decorating the trees, decorating the
38 store fronts, putting more lights at City Hall and those sorts of things.

39
40 Chairman Miyagishima said so you are supportive of moving forward with the \$25,000.

41
42 Board Member Smith said I am supportive of the City moving forward with the \$25,000 but not the
43 TIDD Board.

1
2 Board Member Sorg said I look forward to the days when we have decorations in the store front
3 windows like they have in New York and I am in also in favor of the \$25,000.
4
5 Chairman Miyagishima said so you are okay with the TIDD Board spending the \$25,000 to match
6 El Paso Electric.
7
8 Andy Hume said based on my understanding and appreciation of the State Statutes I don't believe
9 the TIDD Board can spend money on things other than infrastructure so if you are considering
10 spending \$25,000 then it would have to be City funds.
11
12 Chairman Miyagishima said so we can't just give them \$25,000 and say spend it on whatever.
13
14 Andy Hume said that is correct.
15
16 Board Member Pedroza said I like the idea of using the lights that have already been purchased for
17 decoration maybe around the existing light poles or on the trees but I'm not ready to commit to
18 having the TIDD funds or the City funds spent on this.
19
20 Chairman Miyagishima said let's ask Andy that if we could get one more board member to agree
21 to the \$25,000 match then what would it be used for?
22
23 Board Member Silva said Andy made a good point in that TIDD funds have to go towards
24 infrastructure so obviously we couldn't spend the \$25,000 on lights or something frivolous; it has
25 to be on infrastructure. We also have to look at if we go to the City for those funds then where is that
26 budget is it coming from which that discussion will also lead to the 3/8% GRT.
27
28 Carrie La Tour, Executive Director of the Downtown Las Cruces Partnership said I have been
29 working to gain input from the community and see how they felt about this project. The Downtown
30 Partnership in no way means to cause undue stress to the City of Las Cruces in requiring so much
31 infrastructure. We didn't realize how much it was going to be to put these lights up. I met with El
32 Paso Electric last week and they don't wish to cause you undue stress either so they are very
33 understanding that if this is too much of a burden to the City then they are willing to back away.
34
35 Mark Bleiweis, Member of the Public said I am a member of the Main Street Merchants Association
36 and the members of the Main Street Merchants pay into the TIDD. We do feel that the cost of these
37 new structures is extremely high compared to what they are supporting and we wouldn't want you
38 to leave the lights up year round. The TIDD funds would be more wisely spent on things like
39 structure improvements instead of a smaller project like this one. The merchants all thought that
40 having the lights on the trees last year made our Downtown look very nice. Another issue with
41 installing these lights is that they would need footings which means there would be construction to
42 tear up our sidewalks that would cause traffic congestion and consider what we've already had to
43 put up with over the past few years with construction in this area.

1
2 Mike White, Member of the Public said I own Mike's Music Box in the Downtown Mall and I am
3 absolutely opposed to putting up a bunch of posts. I think it's a great idea to take the lights that we
4 already have and wrap them around the light posts, trees, and anything else we can find.
5
6 Russ Smith, Member of the Public said I am a business owner in the Downtown and there are
7 upcoming business charrettes in October and that would be a great opportunity to get more
8 information and public input.
9
10 Joe Novak, Member of the Public said I am not in favor of replacing poles. I didn't like the design
11 of the poles and they wouldn't make the Downtown look good. We can use what we already have
12 and light up the trees but we would have to find some way to get power to each of those trees.
13
14 Andy Hume said there is already electrical power by most of the tree wells and most of the shade
15 structures so trenching underneath and pulling up a receptacle into those areas so there won't be any
16 cords laying around is something that we could do. If that is an option that you would like to
17 consider then we can do an engineering estimate and bring back a cost for that to the board. That
18 would be infrastructure improvements so we could use TIDD funds to do it.
19
20 Board Member Pedroza said I think maybe we should also look at the cost for using a type of solar
21 panel for that because it would save us money on power.
22
23 Jeff Steinborn, State Representative said I totally support the goal of making Main Street a
24 destination and I like all of the ideas that you all have come up with to get folks and businesses
25 involved. I think it is great that El Paso Electric wants to make a contribution but that doesn't require
26 us to match it. We've already put millions of dollars into the Downtown and I would encourage you
27 to not spend any City or TIDD money on this project and going with the volunteer route.
28
29 Board Member Thomas said I would like for Andy to come back to us with an estimate on the cost
30 to get electricity to the trees.
31
32 Board Member Silva said maybe we can just table this and have a special meeting in October.
33
34 Robert Garza said the idea of coming back can be done but keep in mind that we won't be able to
35 have anything in place for this upcoming holiday season. My suggestion is that if you want it done
36 for this holiday season then you will need to decide on it today and if there are no TIDD funds then
37 we can use the El Paso Electric funds but it going to take a lot of work and if we wait until October
38 then there wouldn't be enough time for it.
39
40 Board Member Sorg said we need to have more options and we need to have suggestions on how
41 we can decorate the Downtown for this upcoming Christmas.
42
43 Board Member Pedroza asked do you have any idea on the cost for getting electricity to the trees?

1
2 Andy Hume said that wasn't one of the options so it will take us approximately four weeks to get
3 a reasonable cost estimate.

4
5 Board Member Pedroza asked would that be enough time for us to do it before the holidays?

6
7 Robert Garza said time is of the essence so if you want to do something then it has to be decided on
8 today. If we wait for a month to decide then time would be extremely tight and it would put a lot of
9 stress on our staff and others involved with it.

10
11 Board Member Thomas said so should we do an amendment or how would we do it?

12
13 Esther Martinez-Carrillo, City Clerk said you would need to do an amendment to add another option
14 and select that option.

15
16 Board Member Silva said I want to mention that we did use volunteers last year to put up the lights.
17 If we do put electricity out there then it will also benefit the Farmers Market so our action today
18 would benefit a lot of other people.

19
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21
22 Board Member Thomas Moved to Amend Resolution No. 14-001 to add Option 5: rewire however
23 necessary the bollards Downtown in order to provide electricity to all the trees so we can run lights
24 on the trees and use the \$25,000 from El Paso Electric plus up to \$25,000 from the TIDD and Board
25 Member Sorg Seconded the motion.

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29 Board Member Sorg asked approximately how many trees do we have on Main Street?

30
31 Andy Hume said approximately one hundred.

32
33 Board Member Smith said I have to voice my concern about using TIDD money for small projects.
34 I recognize the desire to do something significant for Main Street and that retail thrives in the
35 holiday season but my concerns are that there are specific infrastructure type projects that could
36 really benefit from us being able to devote TIDD funds to those things so I would really like us to
37 find another way for us to fund these smaller projects or leave them for later. The other part of that
38 is that with the short time frame we are talking about it would be stretching our resources to put this
39 in, in time for the holidays so I would strongly urge us to vote no on this amendment and just look
40 at what we can put in for the next holiday season.

41
42 Board Member Pedroza said I agree with Board Member Smith and I'd like to know if it would be
43 possible to just use the \$25,000 from El Paso Electric?

1 Carrie LaTour said the El Paso Electric funding can only be used for lighting so it cannot be used
2 for infrastructure. Also, I can only get the \$25,000 if I have another El Paso Electric Holiday Light
3 which I am promoting for this holiday season.

4

5 Chairman Miyagishima said so if it costs \$20,000 to do this retrofit then we can only use TIDD
6 money and if some for some reason we needed additional lights then we could use the funds from
7 El Paso Electric for the additional lights.

8

9 Carrie LaTour said that is correct. The only other thing they said they might be willing to fund
10 would be for a sound system along Main Street as long as the lights would be flashing to the music.

11

12 Chairman Miyagishima said I guess we could table this and just try to set something up for the next
13 holiday season. Also, we could talk with El Paso Electric to see if they would consider using that
14 funding for this project since it does have to do with the lights.

15

16 Joe Novak said the trees are going to need different lighting than what we used last year so it cost
17 about \$10,000 to \$15,000 just for LED lights to light those trees. This year we could light the trees
18 and just tape down the cords. I do think we should do an "Adopt a Tree" program which would cut
19 the cost for the City.

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22

23 Chairman Miyagishima called for the roll on the Motion to Amend Resolution No. 14-001 to add
24 Option 5: rewire however necessary the bollards Downtown in order to provide electricity to all the
25 trees so we can run lights on the trees and use the \$25,000 from El Paso Electric plus up to \$25,000
26 from the TIDD and it FAILED. 1-5 Councillor Silva voted Aye. Councillor Smith, Councillor
27 Pedroza, Councillor Sorg, Councillor Thomas and Mayor Miyagishima vote Nay. Councillor Small
28 was absent.

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32 Chairman Miyagishima called for the roll on the Motion to Approve Resolution No. 14-001 and it
33 FAILED. 0-6 Councillor Small was absent.

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37 **III. Discussion Items.**

38

39 1. Update on Downtown Charrette - October 7-11, 2013

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41 Andy Hume, Senior Planner gave an overhead presentation and said the Downtown Charrette will
42 be the first full week of October. Everyone is invited to attend and there will be concurrent meetings
43 going on with both the stakeholders and the general public. All of the events will be taking place at

1 either the Community Enterprise Center or at the Rio Grande Theater. Also, next month we are
2 going to have three public ramp-up events which are the Downtown Walk and Photo Journal on
3 September 6th; the Open House and Input Session on September 21st; and the Movie and Panel
4 Discussion on September 26th.

5

6 Board Member Smith said we have had a very productive experience with charrettes and I highly
7 encourage people to participate in whatever parts they can. This is a great way for people to feel like
8 they are part of the process and have their voices heard.

9

10 Board Member Thomas said I also strongly support this whole idea of having the ramp-up events
11 and then the Charrette. Can you send us this information so we can send it out to our lists as well?

12

13 Andy Hume said absolutely.

14

15 Board Member Silva said we need to draw attention to this because Downtown doesn't just belong
16 to Downtown, it belongs to the entire Las Cruces.

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20 2. Update from Las Cruces Community Partners

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22 Bob Pofahl, Las Cruces Community Partners gave an overhead presentation and said one of our key
23 jobs was to promote the vision and mission of the Downtown development. Our goals are to
24 facilitate new development, assist development of privately held parcels as well as City owned
25 parcels, to prioritize leasing or use of existing City buildings in the Downtown area, to bring private
26 sector financing and investment into the Downtown region, to engage participation from other
27 development entities, and to build on the significant work that has been done over the last ten,
28 fifteen, twenty years by the City and the many stakeholders. One of the other things we wanted to
29 make sure we would do is to have community outreach which we have spent a lot of time on that
30 over the past year and we are working on having webinars available. We are very close to coming
31 up with a long-term lease for the old City Hall building and we are hoping to have a proposal before
32 you fairly soon. In the last year we have spent about a quarter of a million dollars of our own funds
33 for preparing proposals and studying existing buildings and currently we have five projects that are
34 in the review process. We have launched a website and we will be hosting regular Downtown
35 webinars either here in the City Chambers or at other Downtown places.

36

37 Chairman Miyagishima said I think it is really exciting that Bank of the West is really seriously
38 looking at the old City Hall building. I'd like to thank County Spokesperson Jess Williams for all
39 the County's support in working with the City and basically gave away hundreds of thousands of
40 dollars to help with the Downtown and our Tax Increment Development District.

41

42 Jess Williams, Dona Ana County said we are excited to be partners with you on this endeavor and

1 I think that is part of the reason we turned over ownership of the Amador Hotel to the City so we
2 do have a stake in this and as a resident of Downtown I'm very excited to see what you are doing.
3
4 Board Member Smith said I do think it is exciting when key pieces of the Downtown infrastructure
5 are becoming part of the next phase. I think that will be a key step and the old City Hall will
6 certainly look a whole lot better when there is a tenant in there.

7
8 Board Member Thomas said I appreciate you explaining the process and many people from my
9 district really want to see our Downtown prosper.

10

11 Bob Pofahl showed a video.

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15 3. Policies regarding building appearance

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17 Steve Newby, Las Cruces Downtown Partnership gave an overhead presentation and said I would
18 like to discuss a potential program called the Facade Easement Improvement Program which is a
19 program that is used in hundreds of cities nationwide. It is a logical step in the Downtown
20 revitalization because it would promote the City's goals of economic development, revitalization,
21 and historic preservation in the core of the City. This program is designed to provide maximum
22 opportunities for business development while enhancing the aesthetic appeal of building and provide
23 resources to assist in revitalizing the appearance of significant buildings. Through this program the
24 owner of the participating building agrees to make approved improvements to the building facade
25 and transfer to the City an easement on the character-defining facade. This is just one proposal and
26 if the Board would like to consider this then I'm sure there is a lot of work and research that would
27 need to be done.

28

29 Chairman Miyagishima said that does sound like a very interesting concept. You have the City listed
30 throughout your presentation so I guess you mean the TIDD Board; correct?

31

32 Andy Hume, Senior Planner said from my understanding, TIDD funds could not be used for this
33 program and the use of any public funds for improvements to a private property would be in
34 violation of the Anti-Donation Clause but I would be interested in doing more research on this
35 project.

36

37 Chairman Miyagishima said this is a great idea and maybe this is something that could be considered
38 by the Legislature.

39

40 Board Member Smith said there is a 501C3 in Santa Fe that basically does the facade purchase so
41 they would own the facade of the building so that might be something to consider.

42

1 Board Member Pedroza said I think it would be important to get an opinion from our Legal
2 Department to see if this something that the City could or could not do.

3

4 Board Member Sorg asked would this be a grant or revolving funds for loans?

5

6 Steve Newby said that depends; the loan program is a revolving loan that needs to replenish itself
7 and the grant program can only use private funds or funds that have been filtered through New
8 Mexico Main Street so I don't even believe you could use legislative funds.

9

10 Robert Garza said we still have a lot of homework to do on this and we are just here today to see if
11 this is something that you all would like for us to pursue so if this is something you'd like us to pursue
12 then we'd have a lot of leg-work to do.

13

14 Board Member Sorg said I am all for exploring this program.

15

16 Chairman Miyagishima said so there is a consensus to have staff move forward with looking into
17 this program.

18

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21 4. Strategy regarding State legislative action addressing liquor license acquisition

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23 John Hummer, Downtown Las Cruces Partnership gave an overhead presentation and said in our
24 business planning process we identified two areas that might help the revitalization which are the
25 facade project that we just spoke about and the other regarding how to stimulate more risk taking
26 by restaurant tours in our community to come down to the Downtown area. Currently, a full
27 restaurant liquor license in New Mexico is approximately \$350,000 and every time you talk about
28 changing the liquor license law it opens up a whole new can of worms of issues. So our focus here
29 was to come up with a mechanism that is very focused, very limited, without trying to go down this
30 road of major overhaul. Last year there was a house bill that focused on rural liquor licenses in rural
31 communities to allow them the opportunity to pursue a full liquor license without have to spend
32 \$350,000. It had support but the clock ran out so it never made it to the floor to be voted on. This
33 is in the same spirit as that bill; to focus on individual restaurants in the community that have already
34 paid the market price for a liquor license to have the ability to go into Downtown at an additional
35 price of \$50,000 for a satellite license. So you would be allowing those who have already paid
36 market price to open up a operation Downtown without having to pay the \$350,000. We will
37 continue to get more feedback on this issue and we will be recruiting a state representative and a
38 state senator to take this language and help mold it into a bill before this next session.

39

40 Chairman Miyagishima said I think this is another great idea and I would fully support it but I would
41 consider changing the amount to a less amount than \$50,000 because that is still a large amount of
42 money.

1

2 Board Member Pedroza asked does the full liquor license include packaged liquor?

3

4 John Hummer said no, it's just for a restaurant.

5

6 Board Member Thomas said it sometimes takes over a year to get a liquor license which is a huge
7 problem.

8

9 John Hummer said there is a lot of things like background checks so keeping it to those who already
10 have a license in good standing; we feel that will expedite the process.

11

12 Board Member Silva said this might be something that we should bring to the attention of the New
13 Mexico Municipal League as well.

14

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17 **IV. Adjournment**

18

19 Board Member Silva Moved to Adjourn and Board Member Smith Seconded the motion.

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23 Chairman Miyagishima said all those in favor signify by saying "Aye."

24

25 Board stated Aye.

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29 **Meeting Adjourned at 3:17 p.m.**