



Tax Increment Development District

Regular Meeting

October 14, 2014

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
Board Member Gill Sorg, District 5
Board Member Ceil Levatino, District 6
Board Member Billy Garrett (County)

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.

Chairman Miyagishima and a representative from the Animal Services Center of the Mesilla Valley presented the Pet of the Week.

II. Action Item(s)

1. Approval of Minutes from July 14, 2014 Regular Meeting.

Board Member Silva Moved to Approve the Minutes of July 14, 2014 and Board Member Small Seconded the motion.

Chairman Miyagishima called for the roll on the Motion to Approve the Minutes of July 14, 2014 and it was APPROVED. 5-0 Board Member Sorg and Board Member Levatino were absent.

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2. Resolution No. 15-002: A Resolution of the Governing Body of the City of Las Cruces Tax Increment Development District Authorizing the Issuance of A Taxable Short-Term Tax Increment Revenue Bond, Series 2014 In The Principal Amount of \$4,800,000 To Finance The Acquisition of And Reimbursement For Certain Public Infrastructure Improvements, To Be Secured By Gross Receipts Tax Increment Revenues Generated Within The District; Approving The Sale of The Bond To The City of Las Cruces, New Mexico Pursuant To The Terms of A Bond Purchase Agreement, And Approving The Form of Such Agreement; Authorizing The Preparation, If Necessary, of A Master Indenture And First Supplemental Indenture or Other Appropriate Instrument For The Review And Approval of The New Mexico Finance Authority To The Extent Required In Connection With The Issuance of The Bond; Providing For the Execution And Delivery of Additional Instruments And Agreements Necessary or Convenient To The Issuance, Sale, Delivery And Redemption of the Bond; Providing For Redemption Procedures; Ratifying Prior Consistent Action; And Repealing Prior Inconsistent Action.

Board Member Small Moved to Approve Resolution No. 15-002 and Board Member Silva Seconded the motion.

Robert Garza, City Manager said we had intended to use the State TIDD funds for the construction of the Downtown Plaza but after further review, when we went to the Legislature we asked for the State to support and contribute to our TIDD fund specifically to address improvements that we outlined in the legislation but that did not include a plaza. We are still on a course to move forward with our plaza. This action today gives permission to proceed with a bond issuance; a short-term loan where we would issue bonds in the amount of money that we have collected from the State TIDD and liquify those funds so Council can use them for the street projects that were outlined in the legislation.

Board Member Small asked can the legislation be adjusted to include the plaza?

Robert Garza said the possibility of doing that is there but it would possibly raise the risk of them asking the question of whether or not we really need these TIDD funds and whether or not we actually are putting them to their intended use. So I would be very cautious about doing that.

Duane Brown, Bond Counsel said we have to approach the New Mexico Finance Authority after this resolution is approved and explain that in this case the City of Las Cruces is planning to purchase the bonds on a short-term basis and we think it would be appropriate to waive the requirement for

1 a master indenture with a trustee. We are hopeful we can get that approval from the New Mexico
2 Finance Authority's attorneys but we may still have to address the New Mexico Finance Authority
3 Board to get the final approval.

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5 Board Member Small asked what are the benefits to waiving the master indenture?

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7 Duane Brown said a master indenture and trustee would be put in place when there is a third party
8 investor in a TIDD Bond but in this case, it is only a one day bond to change that money over so it
9 can be used for the street projects.

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11 Board Member Silva said so basically we're reassigning our funds since we can't use State funds for
12 this particular component of Downtown.

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14 Robert Garza said yes. In essence, we reversed the source of the funds and their purpose from what
15 we talked about last time the TIDD Board met; we're doing the same projects, just changing the
16 source of the funding.

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18 Board Member Small said without a definite time line, theoretically, this almost \$5 million could
19 be spent next year; it just needs to be spent before the interim of the TIDD on the State's side. So
20 if that's the case, knowing that the plaza is our top priority, it doesn't seem that we should
21 necessarily commit all of these State funds knowing that there is at least a chance to perhaps amend
22 the legislation to address some of the plaza.

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24 Board Member Smith said we are going to continue to collect that State funding and perhaps at that
25 later point, if we are able to get that adjustment on the legislation, that might be helpful but we have
26 such a short time frame in which to utilize that State portion so at this point we might be wise to go
27 forward with these street projects.

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29 Robert Garza said the cost to do all of these street projects are probably two to three times the
30 amount of money that you are going to have available from the State TIDD contributions.

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32 Loretta Reyes, Public Works Director said we have done a preliminary cost estimate for all the
33 streets listed and we are looking at about \$15.1 million which includes full reconstruction of these
34 roads with utilities.

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36 Robert Garza said every bit of the TIDD funds that we are getting from the State will go towards
37 their intended purpose and we will still come up short in that arena. So reallocating those funds to
38 something else might not be in our best interest.

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40 Board Member Small said with that information, I guess I would be comfortable moving forward.

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2 Chairman Miyagishima called for the roll on the Motion to Approve Resolution No. 15-002 and it
3 was Unanimously APPROVED. 7-0

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7 **III. Discussion Items.**

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9 1. Finance Update

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11 Andy Hume, Downtown Planning Coordinator gave an overhead presentation and said at this point
12 our Operating Fund and our Project Fund don't have any expenditures and our total assets amount
13 is \$8,628,275. When we are ready to do a project then we will do a transfer from our Operating Fund
14 to our Project Fund.

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16 Board Member Small said for our next update, can you provide a summary of the investments made
17 Downtown?

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19 Andy Hume said yes.

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23 2. Plaza Update

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25 Andy Hume, Downtown Planning Coordinator gave an overhead presentation and said we received
26 direction for the property acquisition by Council at their May 12th Work Session and the approved
27 contract for the sale of the improved real estate at the June 24th TIDD Board meeting. We are in the
28 process of completing the property transactions which includes the survey, locating of utilities, the
29 replat and the closing and the demolition is planned to begin in January 2015 with the construction
30 to begin in mid-spring of 2015. The Plaza should open around April 2016 which is about 12 months
31 after the beginning of the construction. The Plaza will be flexible to a wide variety of uses and it will
32 have electrical service for events. We will be using this for the Farmers Market on Wednesday
33 mornings so we will be able to keep Main Street open during that time.

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35 Board Member Smith said I'm happy to hear it will be used for the Farmers Market on Wednesday
36 because a lot of people will be happy that Main Street will be open during that time. I do have some
37 issues with the East Street aspect and I think we need to consider the effects on the public with the
38 growth of Organ Street because of the anticipated move of the St. Genevieve's monument in that
39 area.

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1 Board Member Levatino said a red flag went up for me with the construction beginning in mid-
2 spring of 2015 because that would interfere with the Downtown summer events.

3

4 Andy Hume said there may be some impact but we will try to minimize it as much as possible.

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6 Board Member Sorg asked how many people will it hold?

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8 Andy Hume said I would need to look that up and get that information to you.

9

10 Board Member Garrett asked is this presentation going to be available online?

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12 Andy Hume said I can make it available online.

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14 Board Member Garrett said I do think this is a good opportunity to make this the center of Las
15 Cruces and I hope there are opportunities for public workshops and input for this process.

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17 Board Member Silva said maybe at the next dual session that we have at the County we can have this
18 same presentation given to them so they can stay updated on this process. Also, has anyone discussed
19 creating a WiFi zone in the Plaza?

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21 Andy Hume said yes.

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23 Board Member Silva said I want to mention that the Farmers Market is self-governing now so all we
24 can do as a Council is make suggestions to them.

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26 Ron Camuñez, Member of the Public said I am excited about this concept and most places with
27 plazas have them close to a church so that is something that we should look at as well. We also need
28 to consider the parking situation for events that happen during day.

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30 Steve Newby, Member of the Public said I am representing the Las Cruces Community Partners and
31 traditionally, plazas do have a religious institution on one corner. Regarding parking, there will only
32 be 12 parking spaces deleted from the Municipal Court so that would not trigger a parking structure.
33 Regarding seating capacity, it depends on the event, if it is a standing room only event then it would
34 allow about 3,200 people and for a seated event, it'd allow about 2,200 people.

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38 3. Other Items of Interest

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40 There were no other items of interest.

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3 **IV. Adjournment**

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5 Board Member Small Moved to Adjourn and Board Member Smith Seconded the motion.

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

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11 Board stated Aye.

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15 **Meeting Adjourned at 2:26 p.m.**

DRAFT