



# City of Las Cruces

## Economic Development Committee

May 4, 2016

The following are minutes for the meeting of the Economic Development Committee for May 4, 2016 at 10:00 a.m., at the City of Las Cruces, City Hall, Conference Room 2007C, 700 North Main, Las Cruces, New Mexico.

### Members Present:

Daniel Avila, Assistant City Manager/COO  
Mayra De La Canal, Economic Development Coordinator  
Councilor Jack Eakman  
Jorge Garcia, Utilities Director  
Christine Logan (D-2)  
Arlon Parish (D-6)  
Cruz Ramos, Economic Development  
Loretta Reyes, Public Works Director  
Councilor Gill Sorg  
David Weir, Community Development Director

### Members Absent:

Craig Buchanan (D-1)  
Councilor Ceil Levatino  
Davin Lopez (D-5)  
Irene Oliver-Lewis (D-4)  
Abby Train (D-3)

### Others Present:

Annette Granado, Recording Secretary  
Phil San Filippo, CVB Executive Director  
Senator Jeff Steinborn

### **I. Call to Order (10:02 a.m.)**

Chair Gill Sorg called the meeting to order. Just a word before we get started. We inadvertently made the agenda a wee bit long so we are going to try to go through it fast. I mean, stick to the points and we'll try to get this done as quickly as possible but covering what we need to cover thoroughly of course.

### **II. Conflict of Interest Disclosure and Determination**

Gill Sorg: So to start with, is there a conflict of interest with any of the members as far as our disclosure of any item on the agenda. Seeing none, we will move on.

### **III. Approval of Regular Meeting Minutes: April 6, 2016**

Gill Sorg: Is there a motion?

1 Jack Eakman: So moved.  
2  
3 Gill Sorg: Ok, moved by Council Eakman.  
4  
5 Jack Eakman: Yes.  
6  
7 Gill Sorg: Second by?  
8  
9 David Weir: Second  
10  
11 Gill Sorg: Seconded by David Weir. All those in favor say, oh is there any discussion, any  
12 corrections or additions? Then we will ask for a vote. All those in favor of accepting the minutes.  
13  
14 All responded aye.  
15  
16 Gill Sorg: Any opposed? First of all, the next item on the agenda is the Business Friendly and  
17 Permitting Update.  
18  
19 **IV. Business Friendly & Permitting Update**  
20  
21 Gill Sorg: Who is in charge of that, is that you?  
22  
23 Mayra De La Canal: I can give you an update.  
24  
25 Gill Sorg: Ok, give us an update.  
26  
27 Mayra De La Canal: Ok, I'm going to start with the permitting update. On October 10, 2015, we  
28 implemented a Happy or Not feedback system in the permitting office. We see an average of  
29 200 people a week and since then, since October 10, we have served 6,000 customers and  
30 90% of them use the Happy or Not device. Which means, 5,700 customers served. The  
31 average, the satisfaction rate right now is 99% and that is exact because it comes from the  
32 device itself.  
33  
34 Gill Sorg: Sure.  
35  
36 Mayra De La Canal: Continuous feedback helps businesses and employees strive to maintain a  
37 high level of service and customer satisfaction. So I'm going to provide you with some numbers  
38 here and I'm comparing March last year to March this year. March last year we had commercial  
39 new, from ground up, permits zero; commercial improvements, we had 5 permits; residential  
40 new from ground up we had 26; reroofs we had 62. March, 2016, this year, we have commercial  
41 new, 4; commercial improvements, 6 permits; residential new, 22; reroofs, 716. Now, our year-  
42 to-date for 2016, commercial new we have 7 from January to March, April is not reflecting here  
43 yet; commercial improvements we have 24 permits; residential new we have 74; and residential  
44 reroofs we have 2,461.  
45  
46 Gill Sorg: Yes.  
47  
48 Mayra De La Canal: So you can see the improvements.  
49  
50 Gill Sorg: The increase.  
51

1 Mayra De La Canal: Yeah.  
2  
3 Gill Sorg: In spite of being hailed out.  
4  
5 Mayra De La Canal: Right.  
6  
7 Gill Sorg: Daniel?  
8  
9 Daniel Avila: Thank you Chairman. I had asked Mayra to present some of this information  
10 because it is very positive for Economic Development.  
11  
12 Gill Sorg: Right.  
13  
14 Daniel Avila: In future meetings, I'm going to ask her to have a hand out so we can have that  
15 information in case anybody is asking how's the City is doing as far as customer satisfaction, as  
16 far as permitting. As you can see, from last March to this March, we have almost increased 3  
17 times as far as revenue dollar amount in permitting. So she will be providing that information at  
18 every meeting.  
19  
20 Gill Sorg: Good, that's excellent.  
21  
22 Mayra De La Canal: I have the dollar amounts in case you are interested.  
23  
24 Gill Sorg: Which?  
25  
26 Mayra De La Canal: The dollar amounts?  
27  
28 Daniel Avila: Just the hand-out, I think would be better.  
29  
30 Mayra De La Canal: Ok, very good.  
31  
32 Gill Sorg: Anybody interested in that?  
33  
34 David Weir: Just an FYI, you can find those reports on the Community Development webpage.  
35  
36 Gill Sorg: Ok.  
37  
38 David Weir: Breaks it down by type of permit, estimated valuation, type of fees that are  
39 collected.  
40  
41 Gill Sorg: Ok, great.  
42  
43 David Weir: It is usually up by the first 10 days of the month.  
44  
45 Gill Sorg: Ok. Any questions or comments from the committee? Thank you, that was excellent.  
46  
47 Mayra De La Canal: You're welcome.  
48  
49 **V. By-Laws Update**  
50

1 Gill Sorg: Let's move on to the By-laws update. You all got a copy of the By-Laws that  
2 Community Development, David Weir made?  
3

4 David Weir: Mr. Chair, if you let me.  
5

6 Gill Sorg: Please.  
7

8 David Weir: I can give an overview of what we put together. First of all, this is just a draft, it  
9 hasn't been formatted or hasn't been reviewed by Legal or the style is consistent throughout. I  
10 know you wanted to get this to the committee to review. Basically it is an edit of the earlier drafts  
11 and I have incorporated the direction that was in Resolution 15-193, Ordinance 2793 and the  
12 City's overall board ordinance and the municipal code so I was following that format. And then  
13 one of the specific items that you wanted was in Article 7, Item G; it calls out that Board  
14 members, Committee members can participate by phone or electronic participation or call in or  
15 skype or any of those type of items. I tried to simplify it a little bit, Article 2 is the Mission. It was  
16 a very long paragraph, I tried to make it very general and cover kind of what is trying to be  
17 accomplished by this committee and then do thing in general terms and leave it flexible also for  
18 people. And the Purpose statement, I basically took this information directly from the Resolution  
19 and Ordinance that established this committee and made it a part of the Board Ordinance itself.  
20 I have re-written it a little bit so that it is more layman's terms but I don't believe that it changes  
21 anything. It just calls it out. One of the reasons that I did that was that this is, just basically, this  
22 committees rules for operations, not a marketing instrument, it's not a plan, it's basically our  
23 working rules, it's inward directed, not outward and gives us some flexibility. There are some  
24 questions I have for the committee. Article 6, Officers, currently is written, that the Chair and  
25 Vice-Chair serve a 2-year term and they have to ask the committee if they would allow to have a  
26 term longer than that or serve longer. I didn't know if that is language you wanted in there or if  
27 you have any problems. Usually most Chairs want to turn it over to somebody else after that  
28 period of time but I thought, I don't think it's necessary to do that. Then in Article 8 and Article 9,  
29 there is language about Closed Sessions. And typically Closed Sessions deal with legal matters  
30 or personnel matters or the sale of real estate. I don't know if this committee would really deal  
31 with that. I don't think it hurts if you are asked to make a recommendation on some real estate  
32 deal to hold a closed session but I just wanted to see what people thought about. And then  
33 Article 8, Public Participation. It states that if someone from the public comes to one of these  
34 meetings, they need to notify the Chair a week in advance to speak and I didn't know if you felt  
35 that was necessary or if you would like to just deal with that on a case by case basis. So there is  
36 a draft, if the group has comments, please feel free to give them to me. I will incorporate as  
37 appropriate; I will also have this run by Legal and if people are comfortable with it, at our next  
38 meeting we can set it up for approval from the Committee.  
39

40 Gill Sorg: Very good. Any comments from the Committee? Questions?  
41

42 Jack Eakman: Dr. Garcia, you were first.  
43

44 Dr. Jorge Garcia: Mr. Chair, most Boards and Commissions have an item for other items of  
45 interest and it is less restrictive than a week in advance. I understand giving notice a week in  
46 advance for a presentation like Christine is going to have today but either new business or other  
47 items of interest should not require a week in advance. Things come up so let's make sure that  
48 highlighted portion is not too restrictive for new business or things that are not lengthy or a full  
49 presentation.  
50

51 Gill Sorg: Right, ok. Councillor Eakman?

1  
2 Jack Eakman: In looking at this, I really appreciate it. Understood. And in my mind, it sounds like  
3 a lot of what we are going to do is be on the sidelines of Economic Development. We are going  
4 to be cheerleading other efforts. Maybe that is a bad use of terms but our Mission, the purpose  
5 is to promote other people's economic initiatives and ours would be reacting to those economic  
6 initiatives by the City doing this or the City doing that. And my comments are just for discussion  
7 purposes. Is that the purpose of this Economic Development Committee? To promote rather  
8 than to stimulate and participate in Economic Development activities.  
9

10 Gill Sorg: Anybody have an answer?  
11

12 David Weir: From a technical standpoint, the A-G is the items that are specifically called out as  
13 duties of this group by the Resolution and the Ordinance so I put in those areas. My own  
14 personal views on it, I kind of see this as, I'll use my background, Planning and Zoning  
15 Commission makes recommendations on plans for the community to the Council and I think this  
16 group is kind of the same thing. I think they are a subset of the City Council; to give them advice  
17 when they have projects before them to adopt. So you see some of the items that make  
18 recommendations on what the City incentives should be so it give the Council an opportunity, if  
19 there is something they want additional analysis on or they want a group to kind of (inaudible) it  
20 for them, they can kick it back and say Committee work on this, view other communities, what  
21 their incentives are, there is dashboard so you have information of what is really taking place in  
22 the community. Again, when an economic development related or even a development and  
23 community issue comes before City Council, we have full information or more information than  
24 you just have to make that decision. I would think that if the Committee wanted to do something  
25 more where they would actually actively put something together, we would need to go back and  
26 change that ordinance on the board and what their purpose would need to be. Did that help?  
27

28 Jack Eakman: Absolutely, a lot. And so, if that is our purpose, I will  
29

30 Gill Sorg: You're ok?  
31

32 Jack Eakman: No but I have been a business consultant too long. I want to see things grow. It is  
33 hard for me to stand by and watch other people plant things and maybe I can water them once a  
34 week.  
35

36 David Weir: I think the power of this committee is the development of the local Economic  
37 Development Plan or the development of incentives. Basically you are making  
38 recommendations, City Council adopts that and Staff gets direction to implement those  
39 measures. And so, some of it may be private sector and the way it works and how we have  
40 done things in the past. The difference between an Advisory Committee versus Staff, I see the  
41 purpose of this committee to give that direction and make sure City Staff doesn't go down a  
42 rabbit hole and chase something that is not worth the effort or the return on investment for the  
43 community.  
44

45 Gill Sorg: Ok. Any other comments on the By-Laws. I just have a question. When we started out  
46 this committee here, almost a year ago, just about, we were talking about economic based  
47 development in jobs and it that a place to be, probably not a place to be in the By-Laws, more  
48 so in the Economic Development Plan right?  
49

50 David Weir: That is the way I interpret that. That's why in the Mission Statement I tried to keep  
51 things general so obviously can tackle that but if there is other; quality of life, or things that are

1 more service oriented, you can still support those but the emphasis can be further defined in the  
2 Economic Development Plan.

3  
4 Gill Sorg: Ok. Very good. If there is anybody that has any other final comments, maybe you  
5 should shoot them to David in an email on the By-Laws. As far as I'm concerned the changes  
6 you are talking about here, that are highlighted, deleted or changed, I'm good with them myself,  
7 they sound really good. Ok, let's move on to the Soundstage Update.

## 8 9 **VI. Soundstage Update**

10  
11 Daniel Avila: Perfect timing.

12  
13 Jeff Steinborn: Perfect.

14  
15 Gill Sorg: I don't know if anybody else has anything to report other than the fact that I know Film  
16 Las Cruces is doing a couple of things, main things I should say. One is, oh dear, what is this, I  
17 have no idea, it's not supposed to ring, I have a special program that turns it off when I am in a  
18 meeting, it didn't work. For one thing, they have a two-person business plan. People that are  
19 working on a business plan, they are gathering information. We are going to be waiting for the  
20 RFI's to all be returned and fleeing from there more information for the business plan. But they  
21 have had a good start. And these are good people from, do you all know what SCORE is? They  
22 come from, by way of that organization. Second thing, they are in the process of interviewing for  
23 the film liaison for Film Las Cruces. Rumor has it they have several good candidates. That's all I  
24 have to say about the Soundstage, does anybody else have anything to say.

25  
26 Mayra De La Canal: The deadline for the RFI's to come in is May 13<sup>th</sup> at 5:00pm. And then the  
27 following week I'm going to get all the responses from Purchasing and then I can share it with  
28 you as a group.

29  
30 Gill Sorg: Ok, and then maybe we discuss it next month, if there is anything to add to it. You  
31 were just telling me before the meeting that it was sent out to nearly 1,000 different entities.

32  
33 Mayra De La Canal: Over.

34  
35 Gill Sorg: Over a 1,000 of which, many in New Mexico? How many do you think?

36  
37 Mayra De La Canal: Nine to ten.

38  
39 Gill Sorg: Nine to ten in New Mexico, ok. Ok, that is all I have to say about the Soundstage.

40  
41 Jack Eakman: Mr. Chairman?

42  
43 Gill Sorg: Yes.

44  
45 Jack Eakman: May I ask a follow up question?

46  
47 Gill Sorg: Sure.

48  
49 Jack Eakman: Any indication on how many responses you might get by phone calls or interest  
50 or anything like that?

51

1 Mayra De La Canal: All the responses are going to come in; we distributed via email,  
2 electronically, and all the responses are going to come in electronically as well. So far, I'm not  
3 sure if we have responses yet but Purchasing is supposed to send me everything together.  
4

5 Gill Sorg: At one time.  
6

7 Mayra De La Canal: Yes.  
8

9 Jack Eakman: Ok.  
10

11 Gill Sorg: Ok. Are we good with the Soundstage update? We will move on. The late comers  
12 here, two of you I think, the agenda is kind of lengthy today, we are trying to move right through  
13 it.  
14

15 Jeff Steinborn: Chairman, is there going to be anything else on Film?  
16

17 Gill Sorg: Now would be good, is a good time. I don't think anything else on the agenda is  
18 directly related to film. Sure go ahead.  
19

20 Jeff Steinborn: It's probably good, Committee good to be with you guys today, Jeff Steinborn,  
21 that the Council just passed a Film Resolution last week. Kind of a complicated deal, using  
22 previous Legislative film money to build a dual purpose facility at the Convention Center that  
23 can hopefully be used for film. There is a lot of concerns on that but also setting aside money in  
24 the budget and in the CIP part of the budget for a purpose built studio pending a due diligence  
25 process. And so from a budgetary City standpoint, the foundation is being laid to move in this  
26 direction. It is good for you all to know that that is occurring and has occurred. Thank you Mr.  
27 Chairman.  
28

29 Daniel Avila: Thank you.  
30

31 Gill Sorg: Right, very good. Any others on the Soundstage? Then we will go to the next item, it  
32 is the Retail Attraction Survey Update. Mayra.  
33

### 34 **VII. Retail Attraction Survey Update** 35

36 Mayra De La Canal: Yes, Mr. Chairman. We distributed about 3 weeks ago, we included the link  
37 to the Attraction Survey on the City's website and we then we also have a radio campaign that  
38 our spots are coming on to entice people to visit the City's website and click on the link for the  
39 Retail Attraction Survey. The link is supposed to be active until May 13<sup>th</sup> also, same date as the  
40 RFI, May 13<sup>th</sup>. And to have all the responses for Retail Attraction Survey. So far we have close  
41 to 2,000 responses and by the end of the period we estimate that we are going to have over  
42 3,000, close to 4,000 responses.  
43

44 Gill Sorg: And the end of the period is when?  
45

46 Mayra De La Canal: May 13<sup>th</sup>.  
47

48 Gill Sorg: Another May 13<sup>th</sup>.  
49

50 Mayra De La Canal: Yes.  
51

1 Gill Sorg: Ok. Very good. So we will find out what those, I think, did you report in the paper the  
2 kind of early responses to that, you listed some stores.

3  
4 Mayra De La Canal: Yeah, the top 3 or 4, because we see that coming. People that responding  
5 to the Retail Attraction, a lot of them seem to have the same, to be requesting the same stores  
6 over and over again, or the same stores and restaurants over and over again.

7  
8 Gill Sorg: I have a question about this. I will just say it; Green Chamber is quite interested in  
9 promoting local businesses. In fact, they are the main organization that does that, yet people  
10 want to have chain stores as you reported.

11  
12 Mayra De La Canal: Right.

13  
14 Gill Sorg: It is kind of a tough thing to do to promote the local businesses when you have that. I  
15 don't know what we can do to help that along a little bit, do you?

16  
17 Mayra De La Canal: We are. Well let me just tell you that Retail Attraction is a component of  
18 Economic Development in many departments throughout the nation, Economic Development  
19 departments. And when we are requesting or we are asking people to fill out the survey, the  
20 most feasible outcome for these efforts that we are undertaking, it would be that we can get one  
21 store and one restaurant out of this effort, it would be enough. So it is not like we want to  
22 replace anybody within the local business community. Local business community create 80% of  
23 the job growth.

24  
25 Gill Sorg: Right.

26  
27 Mayra De La Canal: And they are really supporting our economy, driving our economy. So we  
28 are not looking into replacing anybody. We are support both in different ways and even more  
29 the local community.

30  
31 Gill Sorg: Ok, great, good. Christine?

32  
33 Christine Logan: I think an important way for the City to balance that is kind of pointing out that  
34 local business citizens, all their lives and for generations purchase a franchise. Subway is a  
35 local business, and Sweet CeCe's are local businesses and I think we need to figure out how to  
36 balance that with the Chamber because otherwise we will have situations like the Walmart  
37 where people are saying, wait, they won't let businesses come in and so we want to kind of  
38 balance that story somehow.

39  
40 Gill Sorg: Yeah, that's a good point.

41  
42 Phil San Filippo: What are your four top ones that are being recommended?

43  
44 Mayra De La Canal: Well the top one is Trader Joe's.

45  
46 Gill Sorg: Figures. By far.

47  
48 Mayra De La Canal: By far. I mean by far. Trader Joe's, we have Costco, it's the 2<sup>nd</sup> one, we  
49 have In-N-Out Burger and Dave N Busters and Sprouts.

50  
51 Gill Sorg: Dave N Busters?

1  
2 Mayra De La Canal: And Sprouts.  
3  
4 Gill Sorg: Sprouts, right.  
5  
6 Mayra De La Canal: But if we can interest one store and one restaurant out of all this effort to  
7 come and locate in Las Cruces, it would be the most feasible outcome that we can get. It's not,  
8 we are not bringing 20 stores or 20 restaurants.  
9  
10 Gill Sorg: Ok.  
11  
12 Cruz Ramos: Mayra, may I?  
13  
14 Gill Sorg: Sure, go ahead.  
15  
16 Cruz Ramos: I'm opining at this point. It's funny just to insert a little humor into this. We are  
17 tabulating some of the information and we are seeing, more than once, we are asking them to  
18 choose three retailers but more than once, I have seen, Trader Joe's, Trader Joe's, Trader  
19 Joe's. So there is some enthusiasm and excitement out there and we are getting feedback from  
20 Las Cruces. We aren't sending this out outside of the municipality.  
21  
22 Gill Sorg: Right. Ok, very good.  
23  
24 Loretta Reyes: I have one thing.  
25  
26 Gill Sorg: Sure, Loretta.  
27  
28 Loretta Reyes: I belong to a Facebook page that has to do with working out and fitness and a lot  
29 of the people that post on there, they are looking for natural foods, good organic foods, things of  
30 that sort. We have the Coop here in town and we have the Natural Grocers. But something they  
31 have started to promote is a website, Thrive Grocers or something, where they can order on the  
32 internet and they get sent their groceries.  
33  
34 Gill Sorg: Really? Home delivery?  
35  
36 Loretta Reyes: It kind of concerned me only because we have, we have local business, Natural  
37 Grocers, we have the Coop and I was thinking; I also belong to a gym, The Total Body Bar and  
38 it would seem to me that we want our local, this is an upstart local, total local business, Total  
39 Body bar is not a chain or anything like that. But I would think that you would want our own  
40 businesses here to promote products that are sold by our local businesses here, rather than  
41 directing people to; I know they want it for convenience but I don't know how that can all fit into  
42 this or how we can educate people to maybe, I don't know if that is all part of Economic  
43 Development but I just thought promoting local business and supporting the businesses we  
44 bring here.  
45  
46 Mayra De La Canal: If I may? We want, we are all about growth in my department.  
47  
48 Gill Sorg: Ok.  
49  
50 Mayra De La Canal: So we want local businesses to grow and we also, if we can attract some  
51 national chains. Some of these chains they have, they are known nationally and internationally.

1 They are at a level where they can, some of them trade at the stock market, they can offer  
2 additional benefits to what the local business community can. If we get one of those or two of  
3 those, I think it is good for the local economy. Because in a way they become, those become  
4 attraction tools to others that are contemplating Las Cruces to come over here. When they say,  
5 oh they have a Trader Joe's or they have a Costco there. Oh that means, that maybe they are  
6 at a different level. I don't know how but some people contemplate that in order to start  
7 contemplating Las Cruces to come and establish operations here. Now, we, like I previously  
8 said, we don't want to replace anybody, we want everybody to grow. And because of that, we  
9 are coming up with certain tools and programs and we want it for the local business community.

10  
11 Loretta Reyes: Because I thought there was something that maybe our local businesses should  
12 know, I mean obviously the internet is convenient and everything but maybe they can offer  
13 something as well that might say, well I won't go onto the internet, I would rather shop local and  
14 support the local businesses here so that's kind of what I was thinking.

15  
16 Gill Sorg: I have to ask. Can we offer any technological information and help to local  
17 businesses?

18  
19 Mayra De La Canal: Yes, we can.

20  
21 Gill Sorg: Ok, good.

22  
23 Mayra De La Canal: And that would be our next item.

24  
25 Gill Sorg: Ah, yes. Good, we move on really quickly here. Any last words on the Attraction  
26 Survey, the Business Retailers.

27  
28 Jack Eakman: My one thought about Trader Joe's is our stores can do a lot but they can't get  
29 Two Buck Chuck.

30  
31 Gill Sorg: I guess it isn't \$2.00 anymore though.

32  
33 Mayra De La Canal: One more thought, one more thing Councillor. Trader Joe's will not be  
34 contemplating Las Cruces in the next couple of years, three to five years.

35  
36 Gill Sorg: Is that what you heard?

37  
38 Mayra De La Canal: Yes. So, no expansions in New Mexico until further notice which is maybe  
39 around that time, three to five years. So by then, the populations will increase, our local  
40 business community will increase. So.

41  
42 Jack Eakman: And they're not in El Paso yet either.

43  
44 Mayra De La Canal: No.

45  
46 Jack Eakman: So unless they have some distribution sites that they can collectively go to, they  
47 are not going to go anywhere.

48  
49 Mayra De La Canal: Right.

50

1 Jack Eakman: But I did find something interesting last night. I was down at Papa Murphy's and  
2 people are coming from El Paso because they don't have a Papa Murphy's in El Paso.

3  
4 Christine Logan: It's where you can buy your cookie dough.

5  
6 Gill Sorg: Ok. Well good, if we are done with that, let's move on to the Local Business Support  
7 Update.

8  
9 **VIII. Local Business Support Update**

10  
11 Gill Sorg: Go ahead Mayra.

12  
13 Mayra De La Canal: Yes, if I may. The Local Business Support, we are coming up, our working  
14 groups are meeting and then we are coming up with tools. The last time we talked about toolbox  
15 and we need to have tools in that toolbox in order for us to be more proactive and progressive. I  
16 don't mean attraction builds for our local business community. So we are coming up with certain  
17 programs that we would like to implement just for our local business community to include  
18 technical. But of course, we don't have all the particulars right now and then of course, once we  
19 do we have to, we will have to present, go in front of council for their approval.

20  
21 Gill Sorg: Sure.

22  
23 Mayra De La Canal: But we are contemplating, I strongly, I feel very strong about supporting our  
24 local businesses.

25  
26 Gill Sorg: Ok, any other words on Local Business Support. Ok. Wage Plus Proposed Changes  
27 is the next item.

28  
29 **IX. Wage Plus Proposed Changes**

30  
31 Gill Sorg: What has been done on that? Have we had some recommendations for changes?

32  
33 Mayra De La Canal: Yes, we do. We have some recommendations. The first recommendation is  
34 to separate from JTIP, from the Job Training Incentive Program, the State program. And  
35 additionally, when we came up with Wage Plus, it was with the intent, for auditing purposes.  
36 Because the State they undergo the auditing and we wanted to include that same auditing for  
37 our Wage Plus purposes. So at this point, we would like to separate from JTIP because in our  
38 experience we have encountered that there are some potential companies that for whatever  
39 reason, they don't want to undergo or apply with the state. They are looking to locales to see  
40 how we can support them. And the second recommendations would be no prior residency.  
41 Allow for training on day one. For trainees that are not, they have not been here for a year, they  
42 were not born here, they are coming from potential companies that are relocating here to Las  
43 Cruces and they come with maybe their key team, that is going to provide support to these  
44 companies and we would like to offer training to them even though they come from different  
45 parts of the nation but they are going to live here. So they have to live here. The physical  
46 presence of the company would have to be Las Cruces. The employees of the company would  
47 have to be within the ETZ boundary.

48  
49 Gill Sorg: Ok.

1 Mayra De La Canal: And we might have to make some amendments to LEDA in order to  
2 arrange for all this.

3  
4 Gill Sorg: Yeah, I understand. It is pretty clear that, to LEDA you say?

5  
6 Mayra De La Canal: To LEDA.

7  
8 Gill Sorg: Ok, I didn't know LEDA was part of that. Is that so?  
9

10 Christine Logan: The discussion was, in the Wage Plus committee, we talked about saying that  
11 the business did not necessarily have to be inside City of Las Cruces. Your City LEDA  
12 agreement says you can only offer assistance to businesses that are inside the City of Las  
13 Cruces which is not a requirement of LEDA and not what other communities have. But the City  
14 of Las Cruces does say that. As Mayra just said, the proposal was to maintain that for Wage  
15 Plus but what if you wanted to give Wage Plus to a company that was outside of city limits, like  
16 at Arrowhead. I personally think that opens a can of worms. Why aren't you offering city tax  
17 money to a company in Mesilla Park, but that was the discussion. If you did change that, you  
18 would have to amend your LEDA because right now you can only offer incentives inside city  
19 limits. So if the employee lives outside, that is not a problem, as long as the business office is  
20 within city limits.

21  
22 Gill Sorg: Gotcha ya. Understood. Anybody else have any questions or comments on these  
23 suggestions.  
24

25 Christine Logan: Just to point out, Mayra said we have residency, and bringing people in to work  
26 for the company, but I think a much bigger issue is the companies that are here, advertise here,  
27 hire somebody who walked in off the street here and that employee just has only lived in New  
28 Mexico for six months or it is a college student that just got here. So it is not necessarily that  
29 they bring the employees with them. Certoplast had JTIP, and their employees, which they got  
30 by advertising locally and having people walk in the door were from Colorado, Pennsylvania and  
31 Detroit. Half of them had been in New Mexico for a long time but there is a lot of people coming  
32 and going around here and that residency eliminates JTIP.  
33

34 Mayra De La Canal: Right.

35  
36 Gill Sorg: Yeah. Any other questions or comments on these proposed changes to Wage Plus? It  
37 seems to me, a little strange, if they bring somebody from out of state or out of our area, you  
38 would think they would have the skills already, wouldn't you, it just feels that way to me. I might  
39 be wrong; I don't know the business that well.  
40

41 Mayra De La Canal: And it might be true but just like Christine just mentioned right now, there  
42 might be just someone, an existing company, not locating and they are opening positions, new,  
43 not new positions, and then somebody is not here from Las Cruces but they are applying for  
44 that job and living here or moving here to Las Cruces.  
45

46 Gill Sorg: Why do you think? Go ahead Cruz.  
47

48 Cruz Ramos: Well in reading the minutes, Davin's example during our last meeting, that of a  
49 particular company might need engineers of 15 or more, I forgot exactly what the number was of  
50 years, but 15 or more years of experience. There may be engineers graduating from NMSU but  
51 not with 15, by definition, years of experience. So where do you get that talent? You have to go

1 outside of the city. There are going to be certain instances where a company is going to require  
2 training or expertise that we may not have locally, we can develop it over time but we may not  
3 right now have that.

4  
5 Gill Sorg: Yeah, I understand. So how long, remind me again, how long does Wage Plus last?  
6 How long?

7  
8 Mayra De La Canal: Once they apply? Once a company applies?

9  
10 Gill Sorg: I think for any individual employee. How long does their salary get supplemented by  
11 Wage Plus?

12  
13 Mayra De La Canal: Well it is \$1,500.00 per.

14  
15 Gill Sorg: It's a max of \$1,500.00.

16  
17 Mayra De La Canal: That's a max. Yes, so however long that covers.

18  
19 Gill Sorg: It might be one month, for some engineers it might be a week or two.

20  
21 Mayra De La Canal: Right. Exactly.

22  
23 Gill Sorg: Go ahead Christine.

24  
25 Christine Logan: I would just say too, that the Wage Plus program is not tied to training. It is just  
26 that you hire the person and pay them. It is not a training program. It is just if you paid this  
27 person, if you created a new job and paid a person who lives within the Las Cruces ETZ, then  
28 you get a \$1,500.00 reward for creating a new job and paying them.

29  
30 Gill Sorg: Oh.

31  
32 Christine Logan: The fact that they were on the job and you didn't fire them is kind of the training  
33 part. But there is no requirement in the program for any specific type of training. It is just a  
34 reward for creating new jobs. It had been tied to JTIP which does require a specific outline of,  
35 but it is things like safety training, on the job, how to use this machine. With that separation and  
36 even the way it was, I think, discussed when it was first, it is a reward for creating a new job but  
37 as long as you pay somebody, a residence salary for whatever the time period is, I think it say 6  
38 months, then you get this \$1,500.00 reward. The business gets it, not the employee.

39  
40 Gill Sorg: Right, right. So.

41  
42 Mayra De La Canal: Previously, it was, once we make these changes, previously it was tied to  
43 JTIP which is a training program. Now that we separate from JTIP, I guess we are going to have  
44 to look at that training also since we don't have that component anymore.

45  
46 Gill Sorg: Ok (inaudible).

47  
48 Christine Logan: Do you want it to be a training program or a job creation program?

49  
50 Mayra De La Canal: Job creation but then on the job training. For instance, not necessarily, the  
51 day they are hired, they are training because they are learning a new skill.

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Gill Sorg: Ok.

Christine Logan: So just a job training.

Gill Sorg: Just to know which bathroom to go to and so forth.

(Inaudible)

Christine Logan: Ok, that could be tricky.

Gill Sorg: I agree, I understand. Any other questions on this one? Ok, so what is the next action on this. Do we need to start a Resolution to the Council then?

Mayra De La Canal: We are going to have to yes.

Gill Sorg: Is Staff going to do that?

Mayra De La Canal: I'm sorry?

Gill Sorg: Draft a Resolution?

Mayra De La Canal: Yes.

Gill Sorg: Ok. If there are no further questions on that, we will move on to the next item on the agenda, Expansion & Retention update.

**X. Expansion and Retention Update**

Mayra De La Canal: Yes, if I may?

Gill Sorg: Sure.

Mayra De La Canal: The Expansion & Retention update, we are meeting with City partners, the Chambers, the SBDC, Community College, several partners in order to compose the questions that we want on this survey, on the Business Retention & Expansion survey. And once we, on May 13<sup>th</sup>, we are waiting for the Attraction Survey to be over and done with so we can move on to the next survey, which is the Business Retention & Expansion survey. This is only going to be sent to the business community, not to the general public, not to everybody. So we are, we made progress, and then we have pretty much (inaudible) the Business Retention & Expansion survey finalized to be ready for distribution and if you need a copy of it, please let me know. It is a long survey but it is a lot of questions that we need to really identify the barriers or the potential for growth or the actual needs (inaudible) that our business community is undergoing.

Gill Sorg: Good. Any other comments or questions. Ok. That completes Expansion and Retention update.

**XI. Identity or Branding for Las Cruces Update**

Gill Sorg: The next item, I think I first heard about from Councilor Eakman is the Identity or Branding of Las Cruces. He was expressing to me and I had to agree, we could use a little help

1 with a good brand or a good identity that for one thing put on advertising. I mean we do have the  
2 CVB, what is it called Phil?

3  
4 Phil San Filippo: You mean Explore. Experience. Discover. That's our brand.

5  
6 Gill Sorg: Yes, Explore, Experience, it used to be Live, Work or something like that.

7  
8 (inaudible, several people laughing)

9  
10 Gill Sorg: But umm, is there any discussion on this, do you want to say something about it Jack.

11  
12 Jack Eakman: I would, it came out of our meeting that we had to talk about working with Mesilla  
13 Valley Transportation on sending out the messages, we were, Phil, Davin, Irene Oliver-Lewis  
14 and I were meeting and it came up as a very integral part of this. What are we going to say  
15 about ourselves? We have some very good pictures and very good things in our heads that we  
16 could put on there but how can we synthesis Las Cruces down to just a very few words that in  
17 less than a second you can pick up. And it was pointed out that the City now has a brand for city  
18 government; People helping People. But that is not an external message at all. That does not go  
19 out to anything like that. And so this is something that I would love to sit in on but I know nothing  
20 about. People can really put it together. I see Alamogordo now has a brand. Did anybody see  
21 that? Film, Sand & Space.

22  
23 Gill Sorg: Phil.

24  
25 Phil San Filippo: May I indulge?

26  
27 Gill Sorg: Sure.

28  
29 Phil San Filippo: I sat in on a couple of Economic Development meetings and I sort of was  
30 almost was deja vu from what I experienced when I first got to Las Cruces with the CVB that we  
31 were running strictly on tactical types of things. We didn't have a strategy, we didn't have a  
32 brand, we didn't have an overall concept of where we were going, what we needed to do, how  
33 we communicated to people. And that is pretty typical when you are trying to get your feet on  
34 the ground. And there is, I guarantee you, to be effective, what you need to have is that road  
35 map, that plan that starts with a strategy, that the tactics come last. And don't get me wrong,  
36 these are all good things, and I mentioned that putting our name or our picture on a truck is a  
37 great thing but what is the message that we are trying to convey. Who are we? And I think that  
38 is critical that we do that soul searching and it is an exhaustive process, it takes a lot of time and  
39 a lot of effort and it has to be done correctly. And there is two parts of it, what do we think of  
40 ourselves, which is ok, but Mayra needs to go out and convince other people to come here so  
41 we need to find out what they think of us too before we can really development a brand. That is  
42 the process that the CVB did, we did focus groups in town, we did focus groups out of town, we  
43 really tried to see what the perception of people were. We learned a lot, I think we can share a  
44 lot of what we have learned so it is not that you are starting from scratch. But before you go out  
45 and sell a product, you need to know what you are selling. So that is my point.

46  
47 Gill Sorg: I already have the wheels turning. Mayra.

48  
49 Mayra De La Canal: If I may, about over a month ago, out of our working, the Business  
50 Retention & Expansion, working group or the Economic Gardening group, which is...

51

1 Gill Sorg: Right, I understand.  
2  
3 Mayra De La Canal: We sat down and we said, well what is it that we need, outline everything  
4 that we need to do and out of it, it came the branding of Las Cruces. So we need to come up  
5 with ideas, we are going to start with ideas, just throw ideas of what we think or we feel the  
6 branding for Las Cruces should be, so I invite all of you if you have ideas, to please forward  
7 them to us. This is a lengthy process like you mentioned, so once we come to the finalists, to  
8 the ten or twenty finalists, maybe we want to open this to the general public and say, well I vote  
9 for, for whichever one they like.  
10  
11 Gill Sorg: I think Councilor Eakman and I, you know when you talk about people from outside  
12 our area, what I see personally and Jack has seen it too, two things they think of when they  
13 think of Las Cruces: one, hot and secondly, border. Those are two, and there are other things to  
14 of course but that is what I get most often. Is that what you experienced Phil?  
15  
16 Phil San Filippo: When we did focus groups, now we are talking about Albuquerque, a three-  
17 hour drive from here, it was border town, high crime because it was a border town of course,  
18 that we were seven or eight-hour drive away from Albuquerque and that there is absolutely  
19 nothing to do in Las Cruces. Absolutely nothing to do. And you know, that was for tourism but  
20 you take that, why would a business want to come here if there is nothing to do either. It is the  
21 same types of things that we have to wrestle with and that is why we did our branding and built  
22 our strategy and then from there developed, basically like the Country Music Festival, that was  
23 just a tactic based on the fact that we need to show people there is something to do here.  
24  
25 Gill Sorg: And good job by the way.  
26  
27 Phil San Filippo: Thank you. Seriously it was a long process to get to that point.  
28  
29 Gill Sorg: Oh yeah, I know.  
30  
31 Jack Eakman: People around the country are not ignorant. We just haven't told them. And so, it  
32 is up to them to come up with an image and that is not good for us.  
33  
34 Gill Sorg: Go ahead Christine.  
35  
36 Christine Logan: Phil, did you just, was that your staff working on that branding thing or did you  
37 have to have expertise? I'm not sure that a working group actually has the capacity to come up  
38 with a branding for Economic Development.  
39  
40 Phil San Filippo: What we did is we started off with focus groups, both locally and Albuquerque  
41 and our original plan was to go to Tucson as well but it was so devastating what we were  
42 hearing in Albuquerque that we were afraid to go to Tucson to see if they even knew of us. But  
43 what we did is we hired people to do focus groups and what we did is we had two here, one was  
44 people who were in our industry and one were people who that were associated kind of with our  
45 industry, people that we bump into but not necessary directly in our industry to get what their  
46 feedback was, what was their perception of what they saw Las Cruces as. Then we went to  
47 Albuquerque and we broke it down in two groups, one was people who have been to Las  
48 Cruces and what their perception was and then people who have never been and what their  
49 perception was. And then we took that information and that's when we started getting involved.  
50 We just sat behind the glass and watched and listened to all the information and sometimes

1 threw things at the screen because it was so frustrating to hear that seven or eight-hour drive  
2 away but that is what we were hearing.  
3  
4 Christine Logan: But I think to get valuable information you need people skilled in focus groups,  
5 how to ask questions, how to get participation.  
6  
7 Phil San Filippo: We pay to do that and by the way, we do it every other year so we will probably  
8 do it again this year too. Because it is important keep understanding if we are making any  
9 impact and where we are going.  
10  
11 David Weir: Did you interview El Paso also?  
12  
13 Phil San Filippo: No.  
14  
15 Mayra De La Canal: Did you go south? No south? Just North?  
16  
17 Phil San Filippo: No, and we probably should, once again, money is the factor. We decided  
18 Albuquerque because we see our budget lasting no more than a 300 to 500-mile radius as far  
19 as who we can really trap. So given that we thought Albuquerque and really we were looking at  
20 Tucson as another potential market that we could go after but we haven't conquered  
21 Albuquerque.  
22  
23 Christine Logan: But it is ten hours away.  
24  
25 Phil San Filippo: It is a very difficult and painful process.  
26  
27 Gill Sorg: I would just like to ask a question. From the New Mexico Tourism Department, they  
28 have a three-word slogan or identify branding, New Mexico True. Do they have a handle on how  
29 well that is working?  
30  
31 Phil San Filippo: They do. I have seen all the studies and everything else and quite frankly it  
32 works well for very undeveloped areas. Areas that don't have much of an image and tourism at  
33 all. It doesn't work well in Santa Fe, Albuquerque or Las Cruces as much as it works well for  
34 Hobbs and Carlsbad and places like that, where they don't have budgets or anything else and  
35 they can just attach to it. There are very good things about New Mexico True but if you look at  
36 the statistics, which I have spent a lot of time reviewing, is they do quite well where there isn't  
37 the infrastructure for tourism.  
38  
39 Gill Sorg: Really? It is kind of surprising.  
40  
41 Phil San Filippo: It brings numbers from 50 to 100 visitors here but it doesn't bring visitors from  
42 100,000 to 200,000.  
43  
44 Gill Sorg: Ok. Got it. Yes, Cruz?  
45  
46 Cruz Ramos: I have a question. Does social media, I mean I can understand the dollar  
47 limitations and given the geographic, the geography that we are working with, but does social  
48 media marketing to whatever extent you do it help get us beyond that nationally?  
49  
50 Phil San Filippo: Way beyond that. We, once again, we're just off the Country Music Festival,  
51 we are up about 150% on on-line ticket sales this year over last year because we really invested

1 in social media. I am running a report right now on what states but last year we had twenty-four  
2 states come to the County Music Fest. So yes, social media, we couldn't do what we are doing  
3 without using social media heavily. By the way, one thing we learned is we cannot do it  
4 internally because it changes daily and unless you have someone who is up on that stuff on a  
5 daily basis you cannot do it effectively. We have a guy who runs our social media who goes to  
6 San Francisco twice a week because he is on the Facebook board to develop all these different  
7 things so he knows a lot of things that I don't understand, it is it simple to understand but by the  
8 time I understand them it won't be relevant anymore. I mean seriously it is changing that fast.  
9 You need people who are just dedicated to that, I would not try to do it yourselves.

10  
11 Gill Sorg: Yeah, I gave up a long time ago.

12  
13 David Weir: Mr. Chair, another comment we have had down in CD is who do we maximize the  
14 vicinity to El Paso and piggyback the draw that they have but balance that with distinguishing  
15 ourselves, take the good but then say we are different or better and I think that kind of gets into  
16 your branding a little bit also. We are within this international area with Juarez and El Paso, yet  
17 our quality of life or our style of living is distinguishable, if you like that you have that as an  
18 opportunity to bring people in and out. How do we use that to our advantage as a community?  
19

20 Gill Sorg: Sure.

21  
22 David Weir: But again, I think that is something that the folks that are can't do, we need  
23 somebody with a broader experience and can tell you, this is what people are seeing, this is  
24 what they like and this is what they don't and we may be highlighting something that we  
25 shouldn't.  
26

27 Loretta Reyes: I think that is important because I don't know if it was something that I saw or  
28 something that my daughter showed me, she lives in Washington D.C., but it was about Las  
29 Cruces and the Mesilla Plaza was being featured and that was being associated with Las  
30 Cruces when that is not even Las Cruces.  
31

32 Phil San Filippo: But that happens all the time.

33  
34 Loretta Reyes: It does.

35  
36 Gill Sorg: Ok, any last words on this?  
37

38 Jack Eakman: I would just like to ask Phil and the people around, what kind of a ballpark  
39 amount of money are we talking about to bring somebody from the outside in to assist the City  
40 with something like this?  
41

42 Phil San Filippo: I can tell you that we pay, every time we have done focus groups in  
43 Albuquerque it has cost us \$10,000 for two focus groups and we did it locally, and quite frankly  
44 the facilitator locally, was not as good, and that was about \$5,000. If I were to do a local focus  
45 group again, I would try to find someone, I'm not saying it can't be local, but it has to be  
46 somebody who is better than what we had to use.  
47

48 Jack Eakman: And we have to kind of decide who we are wanting to find information from.  
49 Because myself, I think we could use a lot of retirees coming here to settle in, that would be  
50 perfect for that, I don't think we just limit ourselves then geographically to that market. Are we

1 looking for business to move here? What would that market be? So maybe there is some things  
2 to discuss on something like that before we even come up with a budget.

3  
4 Gill Sorg: Ok. Last item then on the agenda is Christine Logan presentation.

5  
6 **XII. Christine Logan Presentation**

7  
8 Christine Logan: So I handled out or left some at the table there just kind of a summary. This is  
9 specifically what the New Mexico Economic Development department can do for local  
10 governments. So last meeting, Davin talked a little bit about what MVEDA does for the City and  
11 I think it is important, (inaudible) was talking about kind of supporting what other people are  
12 doing but I think it is important that the Economic Development Committee be aware of what  
13 everybody else is doing. I would suggest that at each meeting, we do kind of a short  
14 presentation you know maybe from WEST or SCORE or Arrowhead just to make sure that we  
15 are working towards filling gaps not duplicating things that are already out there. So that is just  
16 one recommendation. As far as the specific things that the Economic Development does mostly  
17 we provide technical assistance to communities. When I'm talking with businesses, it is not free,  
18 it is already included in your tax dollar, you paid for it but so has the City. And not just myself, I  
19 am here in Las Cruces, even though I am covering twenty-seven different governments and  
20 seven counties, but conveniently located close to you guys. That being said the larger cities  
21 around the state tend to use our department less because you have other choices but just to be  
22 sure that you know what is already out there. Chief among them we have the FUNDIT group  
23 which is a collection of state and federal partners, USDA, EDA, Environment Department, the  
24 Finance Authority, the Mortgage Finance Authority, this group that we pull together every other  
25 month, in Albuquerque which is hours and hours away, but to present programs. Communities  
26 go there when they have a project, a new water tank or road extensions, or things and they are  
27 just trying to figure out how to leverage everybody's money against each other. So again, City of  
28 Las Cruces, has a lot of staff resources and can figure out a lot of that, but if you are stumped  
29 on something, you know, how to fund a soundstage, you can take it to the FUNDIT group and  
30 just get that kind of think tank. It is like it is Terry Brunner from USDA, it is the EDA, New  
31 Mexico, so it is the top level people, not the ones that will actually ever process an application,  
32 but the ones that can think about, what about this and can we use these two together or if only  
33 you would change this we could provide funding. That's a big one, the FUNDIT group. Other  
34 things, the census has a data center in every single state, the New Mexico Economic  
35 Development is the lead agency for the New Mexico data center so we can compile a lot of  
36 data, we can find information that you know sometimes is hard to just google search, we have  
37 an economist and a research department that can help cities to find specific data be it supply  
38 chain or listings of industries in specific sectors. We have the state economist can help with  
39 doing impact analysis, again, the city has its own resources for that but sometimes when you do  
40 your own, it's suspect. You may want to just submit and ask for the state to do an impact  
41 analysis of a program that you are looking to do or even if a business is coming in and you want  
42 to provide them with an incentive you can rely on the State Finance Development team to do an  
43 analysis and send you a summary of, we vetted this company, we believe their financial show  
44 this or that. If a business doesn't want to or work with the City of Las Cruces because they are  
45 concerned about how you treat their financials as far as confidentially, again, you can work  
46 through the State Finance Development, they can do it and send you a report, they can  
47 maintain confidentially whereas the City would be subject to open records.

48  
49 Gill Sorg: Could I ask a question? Did we do that with ARCA? Some of that stuff anyway when  
50 ARCA came a few years ago now?

1 Christine Logan: The City of Las Cruces did not involve the State Economic Development  
2 Department in the LEDA that you intendedly did with ARCA.

3  
4 Gill Sorg: But then the State did?

5  
6 Christine Logan: We are working on a program with them also which would come through the  
7 City as a fiscal agent.

8  
9 Gill Sorg: That is what I was told by Davin.

10  
11 Christine Logan: The State is still working to get information from ARCA.

12  
13 Gill Sorg: Oh really?

14  
15 Christine Logan: But what the City did, you did your own, and sometimes it is good and  
16 sometimes it creates more hassle. Like with the JTIP, you paired the Wage Plus with it so that  
17 you could use the State resources to do the auditing, to do the vetting of the company up front,  
18 saved Staff resources but pinned the program to only certain types of things. So sometimes it is  
19 good, sometimes it is not. But those things, the Finance Development team, you know you can  
20 call on their expertise, just for information about Industrial Revenue Bonds or using the EB500  
21 Visa to fund a program or things like that where you know with staff turnover and the few times  
22 that you really need to get in detail about those programs is not worth necessarily all the time it  
23 takes to get caught up on the background. Call on the team. So I just kind of summarized  
24 everything here, but just to think about what programs are available. We have the Office of  
25 Business advocacy that helps when there are state regulatory issues. So as an example, the  
26 Community Development may keep running up against businesses that are complaining about  
27 this or that and it is a state, it is the regulatory issue, not anything that the City has control over,  
28 you can push it along here, you know right now that office is vacant because the Governor's  
29 office keeps steeling the staff but that is an office that can resolve; there is a Las Cruces  
30 company that I am working with right now with Tax and Revenue that is giving them the  
31 runaround. We can separate it from the company and just say, ok, what are you supposed to be  
32 doing. Services we provide to all of the local governments and Las Cruces, just because you  
33 are a big government doesn't mean that you don't also have access to those services. Keep it in  
34 mind, and again, just, as a member of the committee, I would suggest that we just try to get a  
35 quick what do you do from one different program that is serving the area at each meeting if  
36 possible.

37  
38 Gill Sorg: Ok. Would that be helpful?

39  
40 Christine Logan: Does anyone else think it would be? Just to know what the small business  
41 development center is doing relative to what this committee is doing.

42  
43 Gill Sorg: Yeah. Ok. Well let's plan on that for next meeting, which kind of leads into the last  
44 thing. I was thinking if anybody has any last comments or just general things they want to bring  
45 out to cover in the agenda in future meetings or just comments in general. You are welcome to  
46 do it now.

47  
48 Christine Logan: Just for future meetings, what is the, are we accomplishing something to meet  
49 every month? I know the By-laws don't say necessarily how often just when there is something  
50 to do but what is the plan there.

51

1 Gill Sorg: My question too.  
2  
3 Christine Logan: Is it good to stick to every month we meet whether we have something new or  
4 not?  
5  
6 Mayra De La Canal: I want to propose something that we meet every other week, I'm sorry,  
7 every other month. Every other month. Bimonthly.  
8  
9 Gill Sorg: That is what you propose? Yeah, ok.  
10  
11 Mayra De La Canal: Not on a monthly basis.  
12  
13 Gill Sorg: Ok, that is fine, if everybody is agreeing to that. In the future, if things get busier, we  
14 can switch it back to every month but for now, maybe every other month is a good idea. Any  
15 objection. I'm hearing none, let's plan on meeting then in July. Same day of the month, same  
16 time, same place. Without objections.  
17  
18 Christine Logan: So first Wednesday of odd number months.  
19  
20 Gill Sorg: Ok.  
21  
22 Christine Logan: Right, this is a five, six, seven.  
23  
24 Gill Sorg: That's right, odd number. Right. Any other comments.  
25  
26 Jack Eakman: Maybe I shouldn't graze this but it just came to mind (inaudible), the Council will  
27 soon be having a work session on minimum wage and I attended the MVEDA meeting  
28 yesterday and minimum wage is a large topic with our business community and I wondered if  
29 this committee was going to have anything to say about it or just be silent on the issue and let  
30 gravity take its course.  
31  
32 Gill Sorg: What say you?  
33  
34 Mayra De La Canal: If I may, we are going to include a question on the Business Retention and  
35 Expansion survey to the business community where we will have a couple of questions  
36 regarding minimum wage rates.  
37  
38 Gill Sorg: Ok.  
39  
40 Jack Eakman: Should that only be to the business community?  
41  
42 Mayra De La Canal: We thought of the business community because they are the ones that are  
43 impacted the most by minimum wage. Once we get all the results back, we can share with you  
44 what the business community has to say about minimum wage rates.  
45  
46 Gill Sorg: What about the people who get the minimum wage? Aren't there a few more of those  
47 than there are businesses?  
48  
49 Mayra De La Canal: Right.  
50  
51 Gill Sorg: Ok, so I am just making that clear. Just pointing that out.

1  
2 David Weir: As a Councilor, what would you prefer to hear? I assume you would want, the  
3 worker, the employees and the business owners.  
4  
5 Jack Eakman: Well I was at a place this morning where I had the opportunity to be lectured to  
6 by the business owner but I went to the employees and said, what do you think, would you like a  
7 raise coming this January and they were so frightened to answer me in front of him, it was just  
8 incredible.  
9  
10 Mayra De La Canal: Let me just say, please, that most employers here in Las Cruces and I am  
11 guessing maybe in the whole nation, they are willing to pay more than minimum wage based on  
12 performance.  
13  
14 Gill Sorg: Based on performance?  
15  
16 Mayra De La Canal: Performance. Yes.  
17  
18 Gill Sorg: You know remember, was it two years ago, that Walmart announced that they were  
19 going to increase their minimum wage? Can we find out if that actually was carried through  
20 somehow.  
21  
22 Mayra De La Canal: It was.  
23  
24 Jack Eakman: It was.  
25  
26 Gill Sorg: It was. So as of this spring they should be paying \$10.00 an hour should they not? Is  
27 that what I heard right? I thought it was \$9.00 last year and \$10.00 this year.  
28  
29 Jack Eakman: I don't know about the \$10.00.  
30  
31 Gill Sorg: Could you check that? I don't know.  
32  
33 Jack Eakman: But they did it as a retention mechanism.  
34  
35 Gill Sorg: Ok. We need more information is all.  
36  
37 Phil San Filippo: This is not scientific at all but I know two people who were very against, and  
38 very (inaudible) against the minimum wage. Both of their businesses say they had better years  
39 this year. So I don't know, unless it is a correlation, but it was funny because I know these two  
40 people well and they both were completely against the minimum wage and they both privately  
41 told me they had a great year.  
42  
43 Christine Logan: But I would think if you asked absolutely anybody including everybody in this  
44 room and every City employee do you want a raise; they will say yes. When you ask them, do  
45 you want people who are making minimum wage to get a raise, then they are kind of more like,  
46 well what about me because a very small percentage of people are actually making minimum  
47 wage.  
48  
49 Gill Sorg: But with that increase when it goes up another \$0.90 next January, that is what I am  
50 wondering. Ok, last chance, if not I will entertain a motion to adjourn.  
51

1 Cruz Ramos: May I?

2  
3 Gill Sorg: Of course, Cruz.

4  
5 Cruz Ramos: There are a number of studies nationally, probably as many studies as there are  
6 opinions about the pros and cons associated with the minimum wage. One con that comes up in  
7 a lot of the studies is that it limits participation on the part of entry level types of employees such  
8 that they don't get the experience. When you raise the minimum wage, there is a tendency to  
9 either cut back on the total number of employees because in theory, as an employer, you have  
10 a finite amount of money available, to make available, as payroll, so does that, the question  
11 becomes, does that effectively cut the lower quintile of the potentially available workforce with  
12 respect to your particular business or not? It is an open question. I throw that out as something  
13 to consider. The other thing I wonder about, since the City Council determined that there was  
14 going to be a phasing in, graduated phasing in, of the minimum wage of an increase to the  
15 minimum wage, have we clinically looked at that. Has there been, there is one mega study, I'm  
16 afraid I can't give you the attribution to it, I just don't know it. There is one mega study of many  
17 studies that has been done on the minimum wage that I am aware of that suggests that it takes  
18 at least a couple of years once you institute that phasing in of that graduated minimum wage to  
19 see what the actually impact is. The study suggests that over the short term, within the first  
20 year, there is not a discernable impact as businesses monitor what is going on and the business  
21 owners don't make any real decisions until sometime later. So rather than look one year out,  
22 two or three years out in terms of looking at a business person and determining whether the  
23 impact of the minimum wage should result in he or she cutting back or increasing or maintaining  
24 the existing employee base or number of employees that that individual has in their business.  
25 So there are studies out there, we don't have to reinvent the wheel. That one that I am talking  
26 about might have been out of California, that mega study. But we have had experience in this  
27 country with respect to setting a minimum wage since the early 20<sup>th</sup> century. I mean there are, it  
28 is interesting the New York Times in the late 80's editorialized about it and said it was definitely  
29 not the thing to do. The New York Times. These days, I don't know what it is, I am just throwing  
30 that out, because I know we made a decision, it has been what two years, three years. I mean  
31 do we, either informally have we gotten feedback? None that I know of. I don't know from local  
32 business or not. Or is there anything more clinical at NMSU has been involved in terms of  
33 assessing what the impact has been since the initial decision on the part of the Council to phase  
34 it in.

35  
36 Gill Sorg: Maybe the survey will help. We might consider this too much of a policy issue to  
37 discuss in the committee here and should be probably simply left to the Council. I don't know,  
38 I'm just throwing it out there. But I will say this one thing that, in my experience, for two or three  
39 years, there are so many barriers in business, it is going to be hard to determine and like you  
40 say, you might see it a little bit further down the road, an impact.

41  
42 Jack Eakman: One thing that would help me is has there been a growth in newly issued  
43 business licenses since the enactment and what is that number.

44  
45 Gill Sorg: We can add all that into this for sure.

46  
47 David Weir: Fourteen to fifteen basically the same. Around 4,000 of new renewals.

48  
49 Gill Sorg: 4,000? That is a lot of businesses.

50  
51 David Weir: The existing ones have to renew every year.

1  
2 Christine Logan: And when you look at that it is helpful to have the home occupation businesses  
3 compared to the not home occupation because it is a pretty big percentage that is home  
4 occupation which could be a whole business. I mean contractors can run a business with 10  
5 employees out of their house because those employees never come to their house, they go to  
6 the job site. So it doesn't mean that because you are a home occupation, you are a small  
7 business but it does kind of separate those, one person can have three or four business  
8 licenses and those tend to be the home occupation type but you can look at the data separately.  
9

10 David Weir: The home office permits are usually about 40 to 45%. (inaudible)

11  
12 Gill Sorg: Ok. If that is it, we will adjourn. I'll just say it. So we will see you in two months.  
13

14 **XIII. Adjournment**

15  
16 Meeting was adjourned at 11:17 a.m.  
17  
18

19  
20 A handwritten signature in blue ink that reads "Gill M. Sorg". The signature is written in a cursive style and is positioned above a horizontal line.  
21  
22 Chairperson  
23