TIDD BOARD AGENDA

Monday, May 11, 2020 at 1:00 PM

City of Las Cruces®
MOUNTAINS OF OPPORTUNITY

CITY HALL
P.O. BOX 20000
LAS CRUCES, NM 88004

700 N. Main St.
PHONE (575) 541-2067

Remotely via Zoom
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MINUTES

Tax Increment Development District Board Meeting

Tuesday, January 28, 2020 @ 1:00 PM
City Council Chambers, City Hall

PRESENT: Councilor Kasandra Gandara, Councilor Gabe Vasquez, Councilor Gill Sorg, Councilor Yvonne Flores, Councilor Tessa Abeyta-Stuve, and Councilor Johana Bencomo

ABSENT: Mayor Ken Miyagishima

1. CALL TO ORDER

1.1

Vice Chair Gandara called the meeting to order.

Jennifer Martinez from the Communications Office presented the Pet of the Week.

2. ACTION ITEMS

2.1 Approval of Minutes from July 22, 2019, Regular Meeting.

Councilor Gill Sorg moved, seconded by Councilor Yvonne Flores, to Approve the minutes from July 22, 2019.

RESULT:	**Carried**
MOVER:	Councilor Gill Sorg
SECONDER:	Councilor Yvonne Flores
AYES:	Councilor Kasandra Gandara, Councilor Gabe Vasquez, Councilor Gill Sorg, Councilor Yvonne Flores, Councilor Tessa Abeyta-Stuve, and Councilor Johana Bencomo
ABSENT:	Mayor Ken Miyagishima

2.2 Resolution No. 20-001: A Resolution Approving the Reimbursement from the Las Cruces Downtown Tax Increment Development Fund to Hold Harmless Fund for the Agreement of the Amador Hotel Site Development, in the Amount of $3,250,000, in Five Annual Payments Ending in Fiscal Year 2024.

Leeann DeMouche, Chief Budget Officer gave an overhead presentation.

Board Member Abeyta-Stuve asked is there a reason why we didn't do the reimbursement back in 2017?

Leeann DeMouche said at that time there was a lot of construction going on in the downtown area so they wanted to make sure that they had the revenue to cover that downtown construction. Also at that time, we were going thru a process where the state shared portion was supposed to stop around December of 2018, however, it did not.

Board Member Flores asked the Amador was not done by the due date of 2017, correct?

Leeann DeMouche said you are correct. The construction was still going on so they were asking for the reimbursement two years before it was completed.

Board Member Flores asked the state or Max Bower?

Leeann DeMouche said the previous resolution to pay the funding back, the funding was supposed to start in fiscal year 17 but it never did start so there is a two year gap where no payments were ever made from the TIDD to the Hold Harmless.

Board Member Flores asked when are payments to begin?

Leeann DeMouche said it will take over 5 years.

Board Member Flores asked how are the two entities affected by lack of payment?

Leeann DeMouche said we are not charging any interest to the TIDD. We are just requesting reimbursement for half that development fee for the project, which is what was in the resolution in fiscal year 16.

Board Member Sorg said the redevelopment is not done and we are asking the state for funding to do that from our legislators but I wonder why we’re looking at $6.5 million in the first place. We approved the financing from the Hold Harmless contingency fund. Was the $6.5 million spent?

Mandy Guss, Business Development Administrator said the $6.5 million project with GMB Development is the new Amador project with the restaurant complex and then there was some nonhistoric demolition done on the Amador Hotel.

Board Member Sorg asked so is that 50% from TIDD and 50% from Hold Harmless?

Mandy Guss said that is correct.

Board Member Sorg asked will the TIDD ever be dissolved and so the TIDD money will go into our general fund, but we're looking at first years at least, right?

Leeann DeMouche said my understanding is the TIDD is for 25 years and we are now into 10 years.

Councilor Gill Sorg moved, seconded by Councilor Yvonne Flores, to Approve Resolution No. 20-001.

RESULT:	**Carried**
MOVER:	Councilor Gill Sorg
SECONDER:	Councilor Yvonne Flores
AYES:	Councilor Kasandra Gandara, Councilor Gabe Vasquez, Councilor Gill Sorg, Councilor Yvonne Flores, Councilor Tessa Abeyta-Stuve, and Councilor Johana Bencomo
ABSENT:	Mayor Ken Miyagishima

3. DISCUSSION ITEMS

3.1 Financial Update

Liam Beasley, Accountant gave an overhead presentation.

Board Member Sorg asked could you explain what each of these funds is for, their reason for being?

Liam Beasley said fund 2815 is where we account for all of the gross receipts taxes that partially fund the TIDD project. Periodically there are transfers to the other funds. Fund 4270 is where the maintenance and completion of infrastructure in the TIDD area come from. Fund 4271 accounts from the 2015 bond proceeds, which also go to street improvement projects in the TIDD.

Board Member Sorg asked any particular project specifically?

Mandy Guss, Business Development Administrator said Fund 4271 all goes to the Church and Water two way conversion project.

Board Member Sorg said and 4270 was for other infrastructure besides the streets?

Mandy Guss said that is correct.

Board Member Flores asked do you know why there are two funds that deal with streets?

Liam Beasley said 2815 just tracks the gross receipts tax and then that gets transferred to 4270. Because 4271 comes from the bond, that's required to be separate.

Board Member Flores asked what bond?

Leeann DeMouche, Chief Budget Officer said it's a sponge bond. The City gets a bond for the TIDD and with what comes in the next day, we pay the bond off and pay one day of interest.

3.2 TIDD Projects Update

Mandy Guss, Business Development Administrator gave an overhead presentation.

Board Member Abeyta-Stuve asked how long has the Amador Project been in the works, and how much was the anticipated cost and has that changed?

Tony Trevino, Engineering Administrator said there are several capital outlay projects to start the demolition of the nonhistoric. A feasibility study was done for the structural portion and they realized some of the columns were just floating in the air. It's been going on for about 4-5 years, spot checking the structure for structural stability. They've gotten down to several layers of the fabric to see what era they will be sticking with, I think 1930. The cost now is $150,000 for asbestos abatement. Removal and replacement of the columns was about $150,000. Left from those two is about $84,000 and $63,000. Both those allocations were reappropriated so we could do a full design.

Board Member Abeyta-Stuve asked what is the anticipated cost to get this completed?

Tony Trevino said I think we said $4 million, however, when we do this selective demolition we'll have a better insight of what we will be encountering.

Board Member Vasquez asked is parking lot 7 the one adjacent to the restrooms?

Mandy Guss said yes. Parking lot 7 is the one behind Rio Grande Theatre.

Board Member Vasquez asked are there new features that will match the other parking lots that have been rebuilt?

Mandy Guss said that's something we will look at in design. We want to move the restrooms to a place where it's easier to access.

Board Member Vasquez asked is the 180 days for the parking lot and restroom relocation?

Mandy Guss said that is correct.

Board Member Vasquez said that seems a little long.

David Maestas, Public Works Director said we want to make sure we leave the parking lot as open as possible. We will be working it in sections. Once we have the design in place, we will be able to tie down an amount of time.

Board Member Vasquez said when we dug up Main Street there were lots of changes in the plans due to what was found underground. Do we have a plan for Campo Street and does the budget encompass finding more unexpected things underground?

Tony Trevino said one of the tools we have now is called a subutility exploration where we send a consultant in before hand to locate any existing utilities.

Board Member Vasquez asked what is the overall impact of using this software?

Tony Trevino said the plan will be based on the amenitites we plan on putting into there. We also include a contingency on the utility portion and a contingency on the roadway portion.

Board Member Vasquez asked as far as working with the businesses and property owners on Campo, will we be giving them an expected time for construction?

Mandy Guss said we've made known that Campo Street is one of the projects but until we get into design we haven't had any of those conversations yet. Our plan will be to have a communication process similar to what we did with Church/Water.

Board Member Vasquez said I would suggest that we get a potential schedule to them sooner rather than later. Is the courthouse still going to be under construction when that starts?

David Maestas said the federal courthouse work that was taking place over the past several months was at the completion stages but they ran into some additional changes that they wanted to do. They have asked for an extension but our answer to them is that we have a project coming up so we are asking them to get to a point where they will start closing up their project.

Board Member Bencomo asked is Campo Street South Paseo to Chestnut?

Mandy Guss said it would be Spruce to Amador.

Board Member Bencomo said I'm curious about the process of the parking garage.

Mandy Guss said the study in 2012 showed that there was enough parking downtown. There's about 3000 available parking spaces and about 2000 are free. As we get more restaurants and retail downtown, there will be a higher demand for parking and will be preparing for a parking garage. So the first step in the capital outlay funding is the feasibility study. Our next tier is time limited parking so we are looking at an enforcement method. Then we'll be moving to paid parking and the parking garage.

Board Member Bencomo asked do we have a location for it?

Mandy Guss said that will be one of the things that will come out in the feasibility study.

Board Member Bencomo asked is the architect local?

Tony Trevino said the architect that we're using is out of Albuquerque.

Page 6 of 14

Board Member Sorg said I would suggest as you take parking away from lot 7 that you would put a sign there stating "More parking at City Hall off Campo." Are you planning to replace utilities on Campo?

Tony Trevino said yes, the utilities on Campo are old.

Board Member Sorg asked is that information coming from the utilities department?

Tony Trevino said public works coordinates with utilities on all required elements that need to be replaced.

Vice Chair Gandara asked there are folks concerned about the lack of parking particularly while renovating parking lot 7. As we are renovating the bathrooms, will we be looking at more solid lighting?

Mandy Guss said that is one of the items that we have put into the design considerations for safety. Hopefully the moving of the bathrooms makes them more accessible.

Vice Chair Gandara asked will the loading and unloading be remedied as well?

Mandy Guss said yes that is also one of the design considerations, that there will be loading access to both the Rio Grande Theatre and to the businesses.

Vice Chair Gandara asked have we come up with the enforcement for the timed parking?

Mandy Guss said that is going thru the procurement process.

4. ADJOURNMENT

4.1 Councilor Yvonne Flores moved, seconded by Councilor Gabe Vasquez, to adjourn at 1:57 p.m.

RESULT:	**Carried**
MOVER:	Councilor Yvonne Flores
SECONDER:	Councilor Gabe Vasquez
AYES:	Councilor Kasandra Gandara, Councilor Gabe Vasquez, Councilor Gill Sorg, Councilor Yvonne Flores, Councilor Tessa Abeyta-Stuve, and Councilor Johana Bencomo
ABSENT:	Mayor Ken Miyagishima

City of Las Cruces
MOUNTAINS OF OPPORTUNITY

20-002

Council Action and Executive Summary

Type of Action:
☐ Resolution
☐ Ordinance
☒ TIDD Resolution

District:	☒ 1 ☒ 2 ☒ 3 ☒ 4 ☒ 5 ☒ 6		
1st Reading:		**Adopted:**	May 11, 2020
Drafter:	William Blanchard	**Department:**	City Manager's Office
Program:	BUDGET	**Line of Business:**	FISCAL MANAGEMENT
Title:	**A RESOLUTION ACCEPTING THE TAX INCREMENT DEVELOPMENT DISTRICT (TIDD) FISCAL YEAR 2020-2021 ANNUAL BUDGET.**		

TYPE OF ACTION: ☒ **Administrative** ☐ **Legislative** ☐ **Quasi-Judicial**

PURPOSE(S) OF ACTION:
To accept the Fiscal Year 2020-2021 TIDD budget.

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:
At the April 13, 2020 City Council Public Hearing and Work Session, the Budget Office presented the proposed Fiscal Year 2020-2021 (FY2021) annual budget. The TIDD funds were part of the public hearing and work session and are included in the FY2021 budget that is set to be adopted on May 18, 2020 by City Council. The FY2021 TIDD budget, including revenue, capital expenditures, and inter-fund transfers and other related funds are included in the Fund Summaries in Exhibit "A".

SUPPORT INFORMATION:
TIDD Exhibit A

ANNUAL BUDGET APPROVAL:
☒ Yes
☐ No
☐ N/A

BUDGET / FISCAL IMPACT:

BUDGETED AMOUNT: SEE EXHIBIT A

AVAILABLE AMOUNT: SEE EXHIBIT A

EXPENDITURE AMOUNT: SEE EXHIBIT A

Additional Budgetary Information:
SEE EXHIBIT A

Funding Source(s):
SEE EXHIBIT A

Overall Budget Impact:
SEE EXHIBIT A

Does this action amend the Capital Improvement Plan (CIP)?
☐ Yes
☐ No

☒ N/A

OPTIONS / ALTERNATIVES:

1. Vote "Yes", this will approve the TIDD Resolution and accept the FY2021 Budget.
2. Vote "No", this will not approve the Resolution and cause the Board to adjust the TIDD Budget after July 1, 2020.
3. Vote to "Amend", this would require direction from the Board and could potentially require the Fiscal Year 2021 budget document to be added, deleted, or modified after July 1, 2020.
4. Vote to "Table, this will require a special TIDD meeting to recommend a TIDD budget at a later time; however, no expenditures or activities can be undertaken without an approved, adopted budget.

RESOLUTION 20-002

A RESOLUTION ACCEPTING THE TAX INCREMENT DEVELOPMENT DISTRICT (TIDD) FISCAL YEAR 2020-2021 ANNUAL BUDGET.

The City Council is informed that:

WHEREAS, the City of Las Cruces has prepared its annual budget for Fiscal Year 2020-2021; and

WHEREAS, the City Council has held a public hearing on the proposed annual budget, which included the TIDD as well as work sessions for discussion purposes; and

WHEREAS, City Council will adopt the FY2021 budget on May 18, 2020 which includes TIDD funds and capital improvements.

NOW, THEREFORE, Be it Resolved by the Governing Body of the Las Cruces Downtown Tax Increment Development District:

(I)

THAT the TIDD Fiscal Year 2020-2021 budget attached hereto as Exhibit “A”, and made part of this Resolution, is hereby adopted by the TIDD Board and submitted to the Governing Body for the City of Las Cruces for inclusion in their Fiscal Year 2020-2021 budget in accordance with the City Charter, Sec. 5.06(c) and authorized to be the basis for submission of the “Municipal Budget and Report” to the Local Government Division of the Department of Finance and Administration for the State of New Mexico, as required by the Local Government Division Memorandum 63-43 and the New Mexico State Law, Section 6-6-2, NMSA 1978.

(II)

THAT City staff and officials are authorized to make expenditures as outlined and provided in the TIDD Fiscal Year 2020-2021 annual budget upon approval by the State of New Mexico.

(III)

THAT City staff is hereby authorized to do all deeds as necessary in the accomplishment of the herein above.

DONE AND APPROVED this day of

APPROVED

____
Mayor

ATTEST:

____
City Clerk

Moved by:

Seconded by:

AYES

NAYS

TAX INCREMENT DEVELOPMENT DISTRICT

Exhibit "A"

BUDGET REQUEST

BUDGET FISCAL YEAR 2020-21

	4270 TIDD PROJECTS 2020-21 Original Budget	Amended Budget	Req. Adjustment	Adjusted Budget
RESOURCES				
Beginning Balance	$ 955,000	955,000	0	955,000
Revenues				
Municipal Gross Receipts Tax	0	0	0	0
Public Safety Gross Receipts Tax	0	0	0	0
Hold Harmless Replacement GRT	0	0	0	0
State-Shared Gross Receipts Tax	0	0	0	0
Environmental Gross Receipts Tax	0	0	0	0
County Environmental Gross Receipts Tax	0	0	0	0
Internet Sales Gross Receipts Tax	0	0	0	0
Gasoline Tax	0	0	0	0
Cigarette Tax	0	0	0	0
Lodgers Tax	0	0	0	0
Property Taxes	0	0	0	0
Payment In Lieu of Property Tax	0	0	0	0
Franchise Fees	0	0	0	0
Payment In Lieu of Franchise Fees	0	0	0	0
Licenses, Fees & Permits	0	0	0	0
Convention Center Fee	0	0	0	0
Auto License - State Shared	0	0	0	0
Fines & Forfeitures	0	0	0	0
Charges For Services	0	0	0	0
Natural Gas Sales - Commodity	0	0	0	0
Motor Pool Maintenances Charges	0	0	0	0
Fuel Charges	0	0	0	0
Intergovernmental	0	0	0	0
Investment Income	0	0	0	0
Miscellaneous Revenues	0	0	0	0
Federal Grants	0	0	0	0
State Grants	0	0	0	0
Local Grants	0	0	0	0
Debt Service	0	0	0	0
Total Revenues	**0**	**0**	**0**	**0**
TOTAL RESOURCES	**$ 955,000**	**955,000**	**0**	**955,000**
Expenditures				
General Government	0	0	0	0
Legislative	0	0	0	0
Municipal Court	0	0	0	0
City Manager	0	0	0	0
Legal	0	0	0	0
Las Cruces Police Department	0	0	0	0
Las Cruces Fire Department	0	0	0	0
Utilities	0	0	0	0
Economic Development	0	0	0	0
Internal Audit	0	0	0	0
Administrative	0	0	0	0
Human Resources	0	0	0	0
Financial Services	0	0	0	0
Information Technology	0	0	0	0
Fleet	0	0	0	0
Operations	0	0	0	0
Parks & Recreation	0	0	0	0
Community Development	0	0	0	0
Quality of Life	0	0	0	0
Public Works	900,000	900,000	0	900,000
Legislative Reserve	0	0	0	0
Total Expenditures	**$ 900,000**	**900,000**	**0**	**900,000**
Other Resources				
Operating Transfers In	0	0	0	0
Operating Transfers Out	0	0	0	0
Total Other Resources	**$ 0**	**0**	**0**	**0**
Accrual Adjustments	0	0	0	0
ENDING BALANCE	**$ 55,000**	**55,000**	**0**	**55,000**

TAX INCREMENT DEVELOPMENT DISTRICT
BUDGET REQUEST
BUDGET FISCAL YEAR 2020-21

	4271 TIDD STR BOND PROJECT 2020-21			
	Original Budget	Amended Budget	Req. Adjustment	Adjusted Budget
RESOURCES				
Beginning Balance	$ 397,886	397,886	0	397,886
Revenues				
Municipal Gross Receipts Tax	0	0	0	0
Public Safety Gross Receipts Tax	0	0	0	0
Hold Harmless Replacement GRT	0	0	0	0
State-Shared Gross Receipts Tax	0	0	0	0
Environmental Gross Receipts Tax	0	0	0	0
County Environmental Gross Receipts Tax	0	0	0	0
Internet Sales Gross Receipts Tax	0	0	0	0
Gasoline Tax	0	0	0	0
Cigarette Tax	0	0	0	0
Lodgers Tax	0	0	0	0
Property Taxes	0	0	0	0
Payment In Lieu of Property Tax	0	0	0	0
Franchise Fees	0	0	0	0
Payment In Lieu of Franchise Fees	0	0	0	0
Licenses, Fees & Permits	0	0	0	0
Convention Center Fee	0	0	0	0
Auto License - State Shared	0	0	0	0
Fines & Forfeitures	0	0	0	0
Charges For Services	0	0	0	0
Natural Gas Sales - Commodity	0	0	0	0
Motor Pool Maintenances Charges	0	0	0	0
Fuel Charges	0	0	0	0
Intergovernmental	0	0	0	0
Investment Income	0	0	0	0
Miscellaneous Revenues	0	0	0	0
Federal Grants	0	0	0	0
State Grants	0	0	0	0
Local Grants	0	0	0	0
Debt Service	0	0	0	0
Total Revenues	**0**	**0**	**0**	**0**
TOTAL RESOURCES	**$ 397,886**	**397,886**	**0**	**397,886**
Expenditures				
General Government	0	0	0	0
Legislative	0	0	0	0
Municipal Court	0	0	0	0
City Manager	0	0	0	0
Legal	0	0	0	0
Las Cruces Police Department	0	0	0	0
Las Cruces Fire Department	0	0	0	0
Utilities	0	0	0	0
Economic Development	0	0	0	0
Internal Audit	0	0	0	0
Administrative	0	0	0	0
Human Resources	0	0	0	0
Financial Services	0	0	0	0
Information Technology	0	0	0	0
Fleet	0	0	0	0
Operations	0	0	0	0
Parks & Recreation	0	0	0	0
Community Development	0	0	0	0
Quality of Life	0	0	0	0
Public Works	0	0	0	0
Legislative Reserve	0	0	0	0
Total Expenditures	**$ 0**	**0**	**0**	**0**
Other Resources				
Operating Transfers In	0	0	0	0
Operating Transfers Out	0	0	0	0
Total Other Resources	**$ 0**	**0**	**0**	**0**
Accrual Adjustments	0	0	0	0
ENDING BALANCE	**$ 397,886**	**397,886**	**0**	**397,886**

TAX INCREMENT DEVELOPMENT DISTRICT

BUDGET REQUEST

BUDGET FISCAL YEAR 2020-21

	2815 TIDD DEDICATED REVENUES 2020-21			
	Original Budget	Amended Budget	Req. Adjustment	Adjusted Budget
RESOURCES				
Beginning Balance	$ 3,889,109	3,889,109	0	3,889,109
Revenues				
Municipal Gross Receipts Tax	220,913	220,913	0	220,913
Public Safety Gross Receipts Tax	20,083	20,083	0	20,083
Hold Harmless Replacement GRT	59,876	59,876	0	59,876
State-Shared Gross Receipts Tax	203,530	203,530	0	203,530
Environmental Gross Receipts Tax	19,135	19,135	0	19,135
County Environmental Gross Receipts Tax	19,682	19,682	0	19,682
Internet Sales Gross Receipts Tax	0	0	0	0
Gasoline Tax	0	0	0	0
Cigarette Tax	0	0	0	0
Lodgers Tax	0	0	0	0
Property Taxes	80,000	80,000	0	80,000
Payment In Lieu of Property Tax	0	0	0	0
Franchise Fees	0	0	0	0
Payment In Lieu of Franchise Fees	0	0	0	0
Licenses, Fees & Permits	0	0	0	0
Convention Center Fee	0	0	0	0
Auto License - State Shared	0	0	0	0
Fines & Forfeitures	0	0	0	0
Charges For Services	1,000	1,000	0	1,000
Natural Gas Sales - Commodity	0	0	0	0
Motor Pool Maintenances Charges	0	0	0	0
Fuel Charges	0	0	0	0
Intergovernmental	0	0	0	0
Investment Income	95,000	95,000	0	95,000
Miscellaneous Revenues	0	0	0	0
Federal Grants	0	0	0	0
State Grants	0	0	0	0
Local Grants	0	0	0	0
Debt Service	0	0	0	0
Total Revenues	**719,219**	**719,219**	**0**	**719,219**
TOTAL RESOURCES	**$ 4,608,328**	**4,608,328**	**0**	**4,608,328**
Expenditures				
General Government	0	0	0	0
Legislative	0	0	0	0
Municipal Court	0	0	0	0
City Manager	0	0	0	0
Legal	0	0	0	0
Las Cruces Police Department	0	0	0	0
Las Cruces Fire Department	0	0	0	0
Utilities	0	0	0	0
Economic Development	205,000	205,000	0	205,000
Internal Audit	0	0	0	0
Administrative	0	0	0	0
Human Resources	0	0	0	0
Financial Services	0	0	0	0
Information Technology	0	0	0	0
Fleet	0	0	0	0
Operations	0	0	0	0
Parks & Recreation	0	0	0	0
Community Development	0	0	0	0
Quality of Life	0	0	0	0
Public Works	0	0	0	0
Legislative Reserve	0	0	0	0
Total Expenditures	**$ 205,000**	**205,000**	**0**	**205,000**
Other Resources				
Operating Transfers In	0	0	0	0
Operating Transfers Out	(750,000)	(750,000)	0	(750,000)
Total Other Resources	**$ (750,000)**	**(750,000)**	**0**	**(750,000)**
Accrual Adjustments	0	0	0	0
ENDING BALANCE	**$ 3,653,328**	**3,653,328**	**0**	**3,653,328**