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The following are summary minutes for the meeting of the **Las Cruces Economic Recovery Ad Hoc Board** on September 10, 2020. The meeting was held via Zoom.

Members Present:

- Chris Schaljo, Chairman
- Debbi Moore, Vice Chair
- Michael Harris, Member
- Doug Cowan, Member
- Veronica Archuleta, Member
- Brooke Montgomery, Member
- Ron Fitzherbert, Member
- Darleen Lopez, Member
- Sharon Thomas, Member
- Susan Greenwald, Member
- George Miller, Member (arrived 10:17 am)

Members Absent:

- Jolene Martinez, Member

Staff Present:

- Francisco Pallares, Economic Development Deputy Director
- Griselda Martinez, Economic Development Director
- Dania Soto, Executive Administrative Assistant
- Cynthia Villanueva, Administrative Assistant
- Tim Pitts, Deputy Director Community Development
- Adrian Guzman, Media Production Coordinator

Others Present:

- Karen Trujillo, Las Cruces Public Schools
- Ashley Echavarria, Boys and Girls Club

- I. Call to Order:** Chair Schaljo called the meeting to order at 10:00 am.
- II. Conflict of Interest:** There was none.
- III. Acceptance of the Agenda:** Board Member Moore motioned to switch discussion items 1 and 2 to accommodate one of the presenters, seconded by Board Member Fitzherbert. Motion passes. Motion to accept the amended agenda by Board Member Moore, seconded by Board Member Harris. Motion passes.

IV. Minutes for Approval:

1 **1. Minutes for Meeting on September 3, 2020:** Motion to accept the
2 minutes from September 3, 2020 by Board Member Harris, seconded by
3 Board Member Cowan. Motion passes, Board Member Fitzherbert
4 abstained.

5
6 **V. Discussion:**

7
8 **1. City of Las Cruces Business Fee Schedule:** Mr. Pallares introduced Tim
9 Pitts, Deputy Director Community Development who is in charge of the One-
10 Stop-Shop for businesses and permits for the City of Las Cruces. Chairman
11 Schaljo asked if the fee schedule could be e-mailed to the Board Members.
12 Board Member Moore stated that the one fee that impacts every business
13 is the business registration fee which is currently \$45. Her recommendation
14 would be for this Board to recommend to the City Council that the business
15 registration fee be waived for one solid year. This would show good faith
16 from this Board and the City Council. Chairman Schaljo stated there are a
17 lot of fees that pertain to even small business owners. The list includes flea
18 markets, food vendors, pawn brokers, Christmas tree sales, things like that,
19 very small local businesses that we can look at as good faith for the City to
20 waive for a year.

21
22 Board Member Harris agrees that waving the fees is probably nominal
23 impact to business but would show a lot of good faith from the City. He
24 asked if the CARES Act grants be used to subsidize that fee being waived,
25 similar to buses going fare free and using federal money.

26
27 Board Member Cowan stated the City has special permitting for the outside
28 dining scenario, and asked if there are fees associated with getting that
29 permitted and approved for the outside dining and expanding that for the
30 restaurants. Mr. Pitts stated the business registration is \$35 a year and set
31 by state statute and it has just been re-adopted within the City code. He will
32 look into if that is able to be waived. The outdoor dining, the City adopted
33 a zero fee review and inspection of the outdoor dining. The City does go in
34 and recommend on the outdoor dining to be sure it is safe.

35
36 Chair Schaljo mentioned food vendors, the Farmers Market and the Board
37 might be able to discuss with them for a reduced fee. Mr. Pallares sent the
38 link for the fees to all the Board Members.

39
40 Board Member Montgomery brought up that there is a fee for nonprofits that
41 are based at home. She suggested there may be more nonprofits arising
42 to help the economy. Ms. Martinez clarified that the CARES Act, because
43 of the size of our City, the funding that came went to the state and then the
44 state opened an RFP process for disbursement. Cities of 500,000 or more
45 citizens directly received funding. The item was reimbursement of cost
46 associated with COVID and City did a compilation of costs, and the bus
47 fares are included in that. The second element is related to small business
48 continuity grant that will be program grant for small businesses within the

1 City. There will be a separate program administered by the county and the
2 Greater Chamber for county businesses. Also, on the Farmers Market all
3 those businesses are registered a regular businesses. Chairman Schaljo
4 asked if there was a way to waive fees for any new businesses that are
5 working at home. Ms. Martinez stated the businesses in the Farmers
6 Market register as a regular business, there may be additional fees between
7 the vendors and the actual Farmers Market which the City has no control.
8 Mr. Pitts stated nonprofits are explicitly exempted from paying business
9 registration fees. Part of the business registration is connected to the state
10 for ensuring state taxes, recording their locations. He stated to waive any
11 fees it would have to be done by ordinance or paid from another source.
12

13 Board Member Greenwald asked if it would be worth asking the City not to
14 expect that revenue, especially if the Board is asking for other assistance.
15 Chairman Schaljo stated he thinks a nominal fee for him is different than a
16 nominal fee for the City of Las Cruces. Board Member Greenwald
17 suggested maybe setting aside for emergency grant type of program for
18 fees for businesses struggling right now.
19

20 Board Member Montgomery did point out that there is a renewal fee of \$25
21 for nonprofits. She helps students start up and the state is \$50, plus the
22 City at \$35. She is seeing childcare and babysitting and they have to pay
23 the \$85. There are high fees for special/seasonal events, Christmas stands
24 is \$50 for every 90 days, and then \$150 for special events, \$50 per event
25 for the flea market. The fees may be a barrier and cause people not to
26 register or have to wait.
27

28 Board Member Harris asked how much of Community Development budget
29 comes from the fees, what percentage? In looking at the fee table he does
30 not see that any of them would have any meaningful impact on a business.
31 For students \$85 might be a bit much. He stated the \$35 really is minimal
32 impact on a business, and the total yearly fees would be comparable to two
33 to three people's salary at the City and does not believe that is a very good
34 trade. He would like to really know how much of the City budget this is.
35 Board Member Moore stated she would like legal clarification on how the
36 anti-donation clause would fit into any of the Board's recommendations. Mr.
37 Pitts stated the building safety revenues which include the business
38 registration, brings in about \$1.2 million in revenue in a year, and the
39 business registration accounted for \$176,798.53, half is from the \$35
40 business registration, the bulk comes from liquor licenses. He mentioned
41 half of the businesses are home based, 1,000-1,500 businesses. A good
42 estimate is 2,500 businesses, this is a rough number. In terms of anti-
43 donation, his understanding is that as long as the program is across the
44 board and adopted and available to everybody equally, that anti-donation
45 does not apply. They would need legal to weigh in on that. He mentioned
46 the nonprofits and the printout that was read is an old one, and he will get it
47 updated with the correct information. At present, registration for a nonprofit
48 does not get charged a fee. Board Member Montgomery asked if people

1 would be more likely to register if the fee was temporarily waived. Mr. Pitts
2 stated the City believes they are 20-30% down on people actually pulling
3 permits for construction work. The question is how much is the City going
4 to enforce that. Home based businesses are very difficult to monitor, they
5 look for voluntary compliance. If they are out in the public, they are required
6 to have their registration posted, like Farmers Market. Board Member
7 Moore asked about the enforcement of the GRT, is it state or City. And
8 again, she would like a legal opinion/statement from the City attorney
9 regarding anti-donation.

10
11 Chairman Schaljo would like further clarification for the anti-donation and
12 what that means to the City of Las Cruces, and to what this Board can
13 actually suggest to the City Council.

14
15 Motion for this subject to be brought up at the next meeting after acquiring
16 answers from the City attorney concerning anti-donation, and also a letter
17 of feasibility for the fee waiver discussions by Board Member Moore, with
18 second by Board Member Montgomery. Motion passes.

19
20 **2. Childcare:**

21
22 **A. LCPS:** Dr. Karen Trujillo stated the situation has been ever changing
23 target that public schools are held to a standard and then the standard
24 shifts and changes. Decisions can be made at the local level but there
25 are many requirements to be able to do that. Newest is increasing the
26 filtration systems. They are presently trying to avoid the scenario of
27 opening and closing. They were also told not to do timelines or plans
28 for middle school and high school reentry. The school board is voting
29 on Tuesday on a plan to go hybrid or remain fully remote to the end of
30 the first semester.

31
32 In terms of daycare/child supervision, groups of childcare providers and
33 others started meeting on a biweekly basis. This includes Boys and
34 Girls Club, all standard daycare, Gym Magic, City of Las Cruces. The
35 largest issue is trying to coordinate training for the childcare providers.
36 All of the students are using Canvas and that training has been offered
37 to the daycare providers to learn Canvas, to help their students. Also
38 asking what schools and teachers the child has and put those teachers
39 together to also further help coordinate for the students at the facilities.
40 In looking at reopening, part of the issue is they are required to have
41 students in very strict cohorts, but if you have child supervision and
42 daycare providers that have students from seven or eight different
43 schools at different grade levels, then it makes it very difficult to cohort.
44 They are polling the parents regularly for fully remote learning, hybrid
45 learning, they need an all day, everyday option. A hybrid model is only
46 two days a week at the building and three days remote and makes it
47 very difficult. Private schools have opened, but they are held to a
48 different standard in terms of what they are able to do; they can operate

1 as a small business. Every call they are on with Early Childhood
2 Education Department or PED, they consistently point out the
3 collaboration they are seeing here in Las Cruces between the child
4 supervisor providers and the public schools. That is not happening in
5 other communities. Las Cruces is in collaborative problem-solving mode
6 rather than competitive, non-communicative mode.
7

8 **B. Boys and Girls Club:** Ashley Echavarria stated they are in an
9 interesting situation because they are not licensed childcare. They are
10 an out of school time provider. That changes the dynamic as far as what
11 is allowed for them, what isn't allowed. They do not stop serving children
12 when they turn 10, 11, 12. Children from kindergarten all the way until
13 senior in high school. Typically, they serve kids from every school in
14 Las Cruces.
15

16 She stated when the schools closed back in March, she struggled with
17 what do they do, but they did close. In July they decided to try and see
18 what it would be like to serve children in these times. With the
19 Governor's restriction of 1:5, one adult to 5 children, that allowed only
20 serving 25 children. They did plan for many more when they reopened
21 but it worked out fine with the 25. The businesses are saying their
22 employees need childcare, but the demand does not seem to be there.
23 They called parents and most said only if they can do a full day program.
24 There were 33 parents that said yes, full day. Closed registration on
25 Wednesday with 38 kids registered. On Thursday, the Governor
26 changed the public health order to be able to increase the ratio to 1:10,
27 giving the ability to serve 50 kids. They currently are serving 31 children.
28 She stated about 50% are regular members every day and the
29 remainder are new kids. They opened September 1, 7:30 a.m. to 5:30
30 p.m. every day. Children get breakfast and a lunch, thanks to public
31 schools, and also serving supper. Providing as much support with virtual
32 school as they can. There is Wi-Fi in the building. They are helping with
33 the children's schooling, but also their regular programming including
34 STEM, arts and crafts, physical fitness, recreation, etc. She believes
35 the longer the schools are closed, the more high of a demand there will
36 be. They did receive some funding from the City to help support the full
37 day. So far, the need for expanding is not there for more than what they
38 are presently doing.
39

40 Board Member Montgomery asked if middle school and elementary
41 were not going back, would there be an increase in interest from the
42 parents? Are parents getting assistance with paying through what the
43 City resolution and/or through healthcare assistance? And do some
44 parents not qualify and cannot get assistance paying if they are working,
45 would that be a barrier? Ms. Echavarria stated they are not licensed
46 childcare, but parents can apply for assistance with licensed childcare
47 through CYFD. They program is charging a weekly rate which is a lot
48 less than childcare, regular fee for a full day is \$75 a week. She stated

1 60% of the kids do not pay the full \$75. They never turn a kid away for
2 the inability to pay, and work with the families, sliding scale fee. If
3 parents do hear that schools are going to open through the rest of the
4 semester, school year, she believes there will be more of a need. They
5 are getting more phone calls daily. Dr. Trujillo agreed. She hopes they
6 remain closed for the rest of the semester and serve the special
7 education students, and work with small groups of students. This would
8 be the recommendation to be made to the school board.
9

10 Board Member Harris echoed the need for consistency. Also, the
11 training of teachers on Canvas and doing the remote learning, and the
12 consistently and expectations. Obviously, remote learning is going to
13 be a part of life, and are they seeing barriers to that in terms of internet
14 access from local families, people slightly outside the City? Maybe we
15 could recommend ways for the City to help improve internet access for
16 families. Dr. Trujillo stated there are structures in place with minimum
17 expectations. Other districts did just prepackaged curriculum with no
18 directed instruction or interaction with students from an actual teacher.
19 Las Cruces did not do that, decided to go with Canvas and with that the
20 learning curve for some is steep. There was professional development
21 provided throughout the summer and the people who took advantage of
22 that are further along than others. Also the district created Canvas
23 course shells that had assignments, the instructional guides, all the
24 baseline/must have things for every class from kindergarten through
25 12th grade: APA classes, physics, chemistry, algebra, etc. The first
26 couple of weeks it was technology based questions. Now the questions
27 are much more detailed and into the instructional questions for student
28 learning and engagement. The internet access, the City of Las Cruces
29 in their first allocation of funds allocated \$150,000 for the public school
30 system for internet access. There is a partnership with Comcast and
31 Comcast Cares funding that the district is paying for. So they have
32 codes to give to families and then they sign up for the Comcast Cares
33 and the district pays for it. Comcast was asking for social security
34 numbers and many other pieces of information that the families were
35 concerned about giving and the school system asked Comcast not to do
36 that as it is being paid for by the school. There are people outside of
37 Comcast service area and they are working with Cahoots, distributed
38 over 300 hotspots at a cost of \$1.5 million. At the teacher level they are
39 working with a kid and asking about internet at home. If the answer is
40 no, then have them call the central office to get that figured out. Also
41 City facilities are getting more Wi-Fi.
42

43 Board Member Thomas is impressed with Las Cruces Public Schools
44 are doing and in working with the City. If the school board decides they
45 are going to be totally remote for the rest of the semester and parents
46 are going to start looking for daycare/child supervision, is there a way to
47 get that information out to everybody? What kind of access do they have
48 to communicate with the families? Dr. Trujillo stated they put it on

1 Facebook, twitter, their website, the City does some too, and also
2 access to send information directly to parents and students.

3
4 Chairman Schaljo stated there will be questions concerning virtual
5 learning centers. And it is nice to now know about the children and
6 internet access. He asked with Cruces being one of the biggest school
7 districts in the state, are we leading the charge or collaborating with
8 those entities that are close to us in making decisions for the future. Dr.
9 Trujillo stated she is in touch with many of the local districts and
10 collaborate with them. In terms of coordination with child supervision
11 and childcare providers they are probably one of the few communities
12 doing it to the level we are doing it.

13
14 **3. Workforce Connection Scholarship Update:** Board Member Lopez
15 stated they are still working on many of the elements of this. They want to
16 create an additional resource for financial support for individuals who may
17 not meet the requirements for other types of aid and are seeking training
18 and credentials to help them earn a living wage. She shared numbers per
19 terms, spring, fall, summer, and spending in supportive services, which
20 would be everything outside of tuition, such as childcare, transportation, pay
21 for eyeglasses. The numbers they get at a glance are more wholistic
22 numbers on what is spent per individual per term. They are seeing an
23 average of about \$4,000 per person in total. Some of the technical trades
24 equipment they need is expensive. Workforce with WIOA dollars has been
25 able to fill in gaps where FAFSA and other student aid was unable to.
26 Although the Act was engineered to help those disadvantaged groups, there
27 are still limitations to who they can serve. That is where the training award
28 program would come in to serve those, even if just for one term.
29 Underserved are non-citizen customers, customers who hit lifetime limit with
30 FAFSA and grants and scholarships, customers above income guidelines,
31 but considered with income not their own (example: spouse, partner,
32 roommate, parent, other family members income), customers who miss the
33 deadline to apply for FAFSA or WIOA, customers enrolled in LEAP or
34 Alternative Licensure program at a school that is already receiving federal
35 dollars which prohibits other federal funding, other extenuating
36 circumstances that should be determined using a set of objective evaluation
37 criteria on a case by case basis, and those seeking training in a field that is
38 no "In Demand" by governing agencies definition. Training will be specific
39 to entrepreneurial development and will be determined using objective
40 evaluation criteria. This would be people who have their craft down but do
41 not know the business side, accounting side of running a business.

42
43 Concept is that step 1 apply for FAFSA, step 2 apply for WIOA with the
44 Workforce, and step 3 apply for the Training Award Program. So this would
45 be proof of taking the correct steps. Applications are submitted each term
46 and must include documentation from FAFSA and WIOA with
47 determinations. Payout process is being determined. Ultimately the goal is
48 to create a system that is working towards a point where no one in Las

1 Cruces who wishes to work towards a self-sustaining and livable wage
2 through training has to be turned away.

3
4 Next Workforce will work with the City to develop training and guidelines
5 and policies for the program and going through the legal entities for review.
6 There will be changes to the plan as it gets finalized and will update this
7 Board regularly. Should this program be approved by all entities, this will
8 be a recommendation by this Board to City Council.
9

10 Board Member Thomas mentioned that Workforce is working with City legal
11 and they do not have any anti-donation issues. Board Member Lopez
12 stated there will be an MOU that will resolve that issue. She stated this is
13 still in process though. Board Member Thomas asked if legal was involved
14 in the discussions. Mr. Pallares stated Workforce Solutions is a government
15 entity and therefore an MOU is needed. This is still in draft form and
16 changes are still needed. So this would then be drafted to go to legal and
17 then discuss with legal the best route. Board Member Thomas still wants
18 this to run past City legal to be sure before too much time is wasted to be
19 sure it is okay. Board Member Thomas believes legal can answer the
20 general question about government to government. She would like that
21 information as soon as possible. Mr. Pallares stated they will contact legal
22 and see what their response is.
23

24 VI. Future Discussion:

- 25
26 1. **Topics to be discussed:** Chairman Schaljo stated one item will be the City
27 of Las Cruces business fee schedule to look at that in detail next week.
28

29 Board Member Lopez stated she will give quick updates if there are any to
30 give.
31

32 Board Member Miller stated the bus fees have been waived and one action
33 item could be to make that permanent. Board Member Thomas does not
34 know if there was a fee structure put on public transportation. She stated
35 there may be a fast bus from Las Cruces to Santa Teresa, which will be
36 discussed soon. Chairman Schaljo also suggested county transit fees.
37

38 Board Member Greenwald stated the City is working with Arrowhead to do
39 the BizSprint program which accelerates businesses and helping people
40 pivot. She understands the registration numbers are very low even though
41 it is free. Possibly get a presentation on the different technical assistance
42 programs the City is offering and make some recommendations, quick
43 actionable item about promoting those or eliminating some of the barriers
44 for people to participate in them. Board Member Montgomery stated she
45 had applicants over the amount that was funded. The funding for MOU with
46 the City was for 10 businesses each cohort. The next one will be next
47 month. Ms. Martinez stated the BizSprint at the beginning of the pandemic
48 was statewide in which 240 businesses applied, of which 43 were City of

1 Las Cruces. Because of capacity limitations on that cohort they were only
2 able to accept three businesses within City limits. Because of the gap they
3 saw an opportunity to fund through a partnership with NMSU a specific
4 program for Las Cruces which is the BizSprint and that is 15 businesses per
5 cohort. It is midway through the first one. The second will be opening up
6 applications in the next week, and start the beginning of October. The first
7 cohort had 19 applicants. They have implemented recurrent meetings with
8 business support agencies within our community and being sure to cross
9 reference all this information and highly promoting these items.

10
11 **VII. Adjournment: The meeting adjourned at approximately 11:58 a.m. Board**
12 **Member Harris motioned to adjourn the meeting, seconded by Board**
13 **Member Fitzherbert seconded.**
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18 Christopher Schaljo
19 Chairperson

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23 Approved: Christopher Schaljo