



Part 1:
Las Cruces
**INNOVATION AND
INDUSTRIAL PARK**

Master Plan
May 2021





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1. EXECUTIVE SUMMARY

This document updates the 1996 West Mesa Industrial Park (WMIP) Master Plan for the 1,820-acre site on the western edge of Las Cruces, NM. During the process of updating this Master Plan, progress was made towards one of the recommendations within the Master Plan. The Park was re-branded with a new name and logo, along with associated signage on-site. The name was changed to Las Cruces Innovation and Industrial Park (LCIIP). This document was updated to reflect these changes to include the new name and logo. All other elements have remained the same.

The Las Cruces Innovation and Industrial Park Master Plan (Plan) is a regulatory plan that articulates a physical development framework, land use plan, and associated implementation strategies. Elevate Las Cruces identified the update of both the Master Plan and associated Overlay Zone as one of the community's priorities (POLICY CE-2.5). The Plan update will help position the LCIIP to take advantage of new economic opportunities, expand existing businesses, and generate new jobs for local residents. The Plan includes an analysis of the existing conditions, an assessment of the overall real estate market for industrial and related activities, and strategies to guide future decisions within the Park.

There are 19 businesses currently occupying 811,000 square feet of building space south of the Interstate 10 entrance at Crawford Blvd. These existing tenants are located on 27 parcels totaling approximately 340 acres. The current business mix ranges from warehousing, manufacturing, agriculture, research and development to drone development.

Over the course of eight months in 2020, the project team solicited input from stakeholders through a variety of means, including online public meetings, surveys, and interviews. Stakeholders identified a slow and cumbersome property sales and development process and the lack/unreliability of broadband services as the two most significant plan

issues. They cited the region's assets, particularly NMSU and White Sands Missile Range, as contributing to the Park's potential to attract aerospace-related businesses. This information helped shape the recommendations and implementation strategies.

Strategic Goals include:

- Improve LCIIP image and visibility
- Integrate LCIIP with the Airport
- Leverage Economic Development Partnerships with MVEDA and the BorderPlex Alliance.

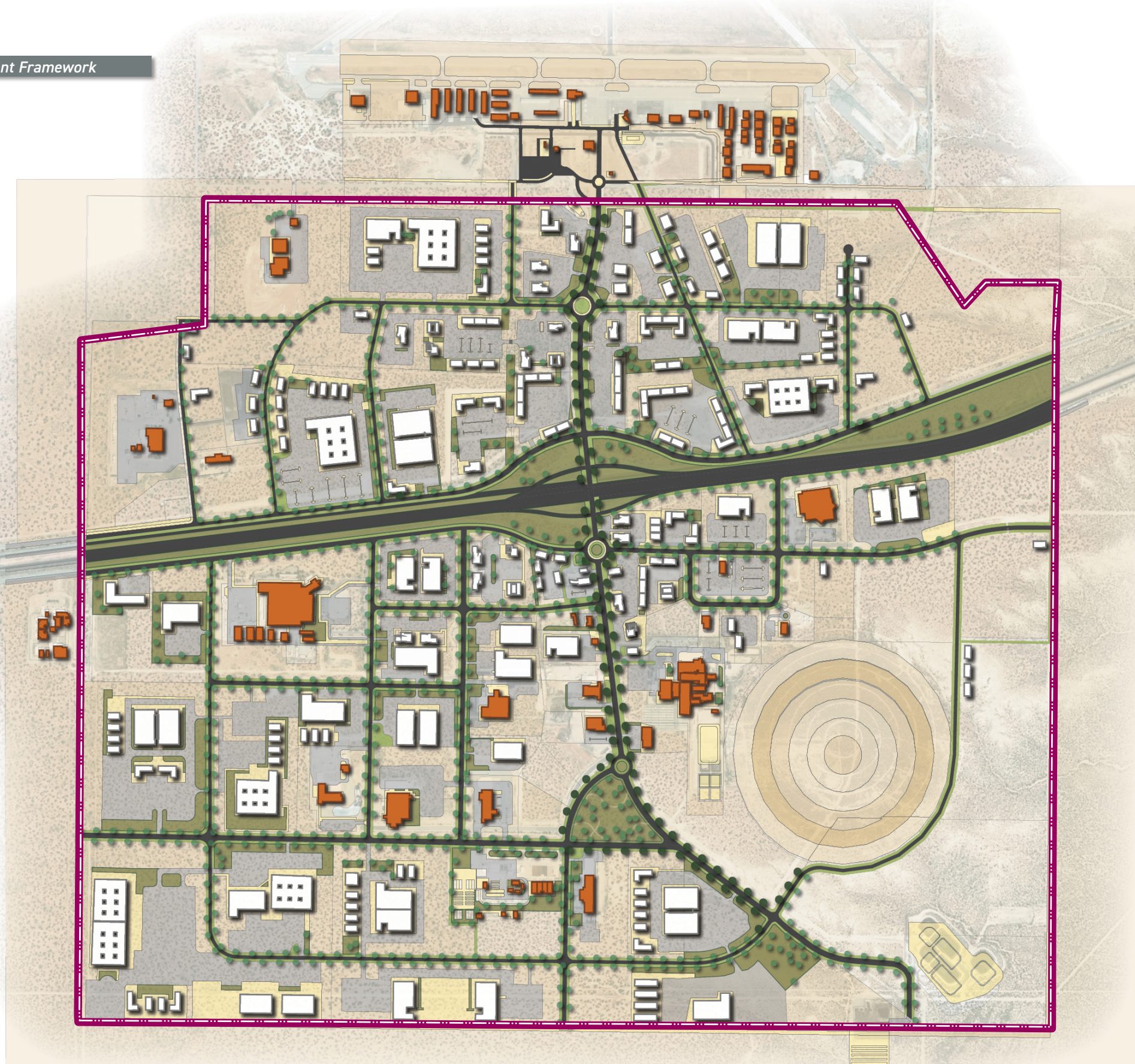
The top three high priority industries to be targeted for future development at LCIIP include:

- Aviation, Aerospace and Defense (primarily Unmanned Aerial Systems)
- Value added agriculture
- Advanced manufacturing

Guided by the priority industries, the proposed Land Use Framework outlines four "districts" (the three sectors above plus a node for commercial uses near the I-10 interchange) that are intended to foster a concentration of similar activities within a designated area. With a projected demand of approximately 100,000 square feet industrial space per year, there is ample land at LCIIP to accommodate future demand for all sectors (WMIP Real Estate Market Study, 2020). The Land Use Framework is supported by specific recommendations on circulation, landscape, and sustainability concepts. ["Figure 1. Illustrative Development Framework" on page 9](#) shows a version of how LCIIP could look when fully built out, with existing development represented in orange.

The Regulatory Framework and associated LCIIP Overlay Zone will be adopted by ordinance as a document separate from the Master Plan. The City approval process will be streamlined, with a clear

FIGURE 1. Illustrative Development Framework



LEGEND

-  NORTH
-  Las Cruces Innovation and Industrial Park
-  Existing Buildings
-  Potential future buildings

The Illustrative Plan conveys what the Park could look like with all lots developed and full extension of roadways



process that identifies each step for approval. The development standards associated with the LCIIIP Design Overlay have been simplified, with less emphasis on architectural styles and more emphasis on sustainability and Park identity. This will be the controlling regulatory document that will be used to evaluate future development at the Park.

The Implementation Strategy includes recommendations for future public investments in

the Park, streamlining Park operations, sales and marketing plan, and branding strategy. Top short-term priorities include extension of Rocket Drive to create more “shovel ready” parcels, strengthening the Park’s branding and identity, and establishing a fast-track approval process. Longer term priorities include more extension of utilities, pre-approved building plans and construction of a “spec building” to provide incubator space to accommodate start-up firms.

2. INTRODUCTION

2.1 PURPOSE AND INTENT

This document updates the 1996 West Mesa Industrial Park Master Plan (now Las Cruces Innovation and Industrial Park Master Plan) for the 1,820-acre site on the western edge of Las Cruces, NM. The LCIIIP Master Plan is a regulatory plan that articulates a physical development framework, land use plan and associated implementation strategies. Elevate Las Cruces identified the update of both the Master Plan and Overlay Zone as one of the community’s priorities (POLICY CE-2.5). This update comes at a time when companies are looking to relocate production back to the United States and the Park is uniquely positioned to take advantage of these trends. The LCIIIP Master Plan update can help position the LCIIIP to take advantage of new economic opportunities, expand existing businesses and generate new jobs for local residents.

The Plan includes an analysis of the existing conditions, an assessment of the overall real estate

market for industrial and related activities, and strategies to guide future decisions within the Park.

PROCESS

Over the duration of eight months, the project team met on a regular basis to discuss the various elements of the master plan update. Early on in the project, the project team hosted a stakeholder meeting with stakeholders associated with the airport and industrial park. Following this meeting, the team conducted ten stakeholder interviews with business leaders, economic development specialists and academic researchers to understand park specific challenges and local trends. Following the interviews, the team distributed a follow-up survey to LCIIIP businesses and property owners to learn more about certain topics raised during the interviews. The information gathered from the stakeholders helped shape the proposed development framework and implementation strategies.



3. EXISTING CONDITIONS

THE FOLLOWING SECTION OUTLINES THE EXISTING CONDITIONS INCLUDING REGULATORY DOCUMENTS, TRENDS, EXISTING SITE CONDITIONS AND A SUMMARY OF THE STAKEHOLDER INTERVIEWS.

3.1 EXISTING DOCUMENTS

INDUSTRIAL PARK MASTER PLAN (1995)

The first West Mesa Industrial Park Master Plan was created in 1995 as an area-specific plan to promote the goals and objectives of the City of Las Cruces Comprehensive Plan, as shown in [“Figure 2. 1995 WMIP Master Plan, Transportation Network” on page 13](#). It followed the City's purchase of approximately 1,820 acres and created a framework for the orderly development of this area. The West Mesa Industrial Park Master Plan's main focus was on providing strategies and standards for development as well as marketing of the Park. It identified a number of challenges with infrastructure, the development processes, design and appearance, proximity to the airport, as well as the lack of a targeted marketing strategy. To respond to these issues, the plan articulated high level goals, objectives and policies to address each challenge.

The original Master Plan established architectural, site, and development standards including the provision of common spaces, location, and landscape requirements. The recommendations of the master plan were integrated into the WMIP Overlay Zone which regulates all development within the Park.

ELEVATE LAS CRUCES, COMPREHENSIVE PLAN

The Elevate Las Cruces Comprehensive Plan (Elevate) was adopted in 2020. It establishes a shared community vision supported by policies and actions to implement the vision over the next 25 years. The Comprehensive Plan identifies where and how the community should grow and establishes a framework for future development areas and land uses, as shown in [“Figure 3. Comprehensive Plan Future Development Map” on page 13](#). The area shaded in purple where LCIIIP is located indicates the Elevate Las Cruces Comprehensive Plan designation of Business Park & Industrial Place Type. This Place Type indicates this area is reserved for concentrations of warehousing, trade, transportation, research and development, manufacturing, and industrial uses. Elevate Las Cruces identified the update of both the Master Plan and Overlay Zone as one of the community's priorities (Action CE-2.5.1).

It outlines a number of policies pertaining to industrial development and LCIIIP. The Plan encourages additional industrial development and targets LCIIIP as the main area for additional industrial uses. Workforce access to the Park, however, is seen as one of the major obstacles to the Park's success; one of Elevate's recommendations is to increase transportation

FIGURE 2. 1995 WMIP Master Plan, Transportation Network

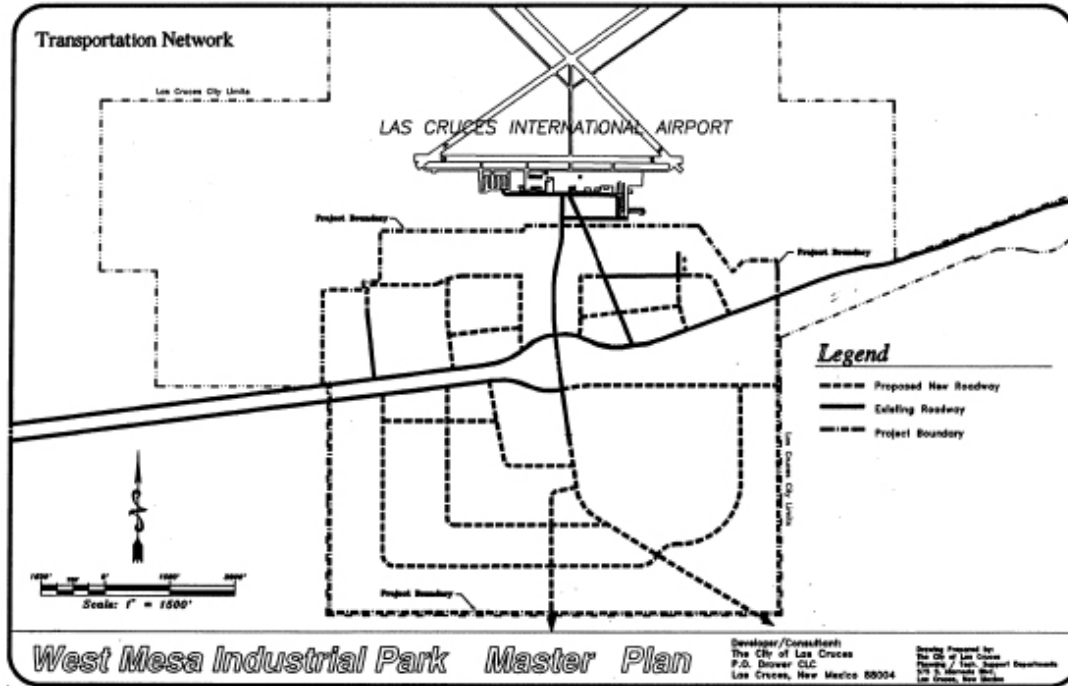
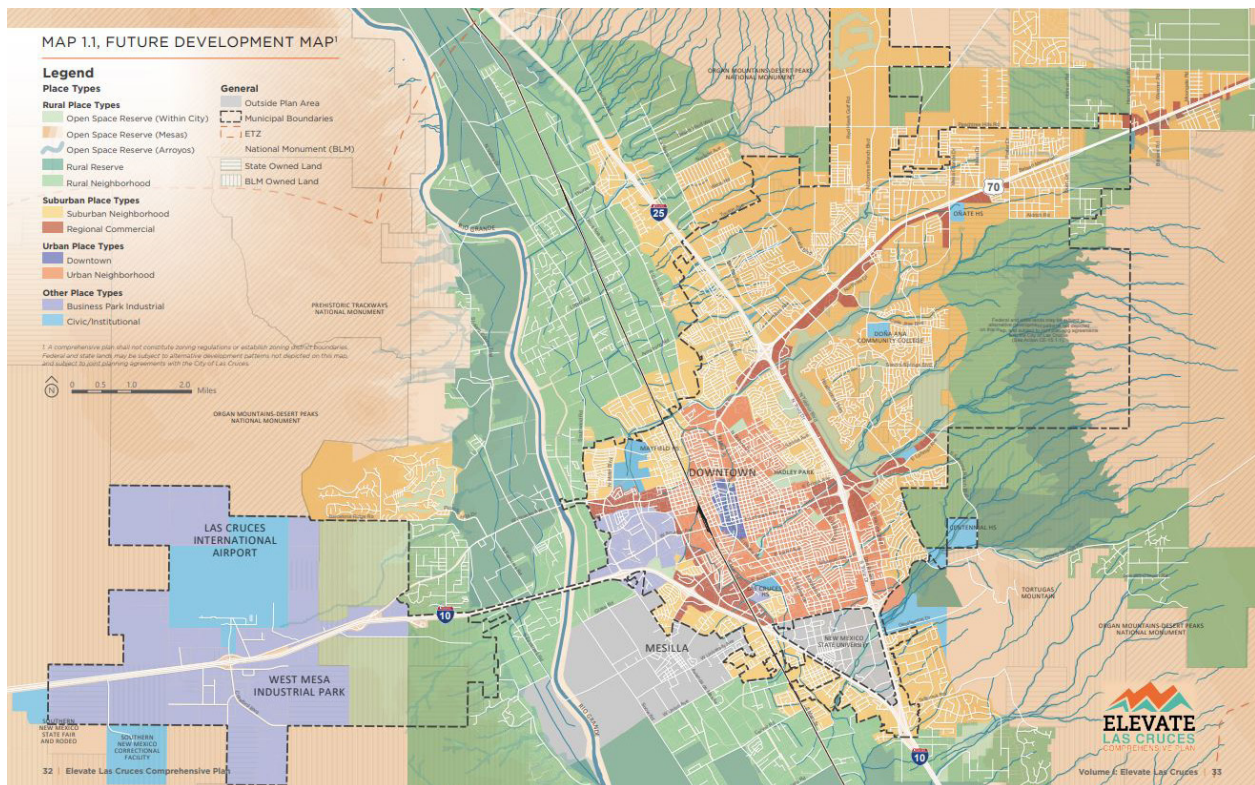


FIGURE 3. Comprehensive Plan Future Development Map



alternatives for accessing LCIIIP, likely via more transit connections.

The following are actions specifically related to the Park:

- *Update the West Mesa Industrial Park Master Plan (now Las Cruces Innovation and Industrial Park Master Plan) and overlay zone to stimulate business development in the area (Action CE-2.5.1 & Action CP-4.1.5)*
- *Assess the feasibility of a rail connection from the Las Cruces Innovation and Industrial Park to the Santa Teresa Port of Entry (Action CL-10.1.3)*
- *Support alternative modes of transportation to the Las Cruces Innovation and Industrial Park such as the NMDOT and the Enterprise Van Program. Evaluate the feasibility of a rail spur to the Las Cruces Innovation and Industrial Park to improve freight operations of existing businesses (Action CE-2.5.2, Action CP-4.2.1 & Action CL-8.3.1)*
- *Promote the utilization of the Foreign Trade Zone designation (Action CP-4.1.6)*

Other goals and policies pertain to the creation of opportunities for under-served populations, sustainability goals and the creation of employment. Goals and policies are referenced later in the document if they are applicable to the Master Plan.

MARKET STREET REPORT

The City initiated a Strategic Industries Project in 2019 intended to evaluate economic conditions and strengths in the Las Cruces economy and opportunities for future development at LCIIIP and the airport. Market Street Services was retained by the City to conduct this assessment. The conclusions of the Phase I Economic Assessment and Target Industries Opportunities Report indicate that LCIIIP has a comparative advantage in three identified target industries: aerospace, aviation, and military/defense; value added agriculture; and advanced manufacturing. The

Phase 2 Implementation Strategy recommended the completion of a new land use master plan and real estate analysis for the remaining vacant properties of the Park, collectively referred to as the WMIP Development Plan.

The findings contained in the Market Street report are summarized in the following section.

Economic Assessment

The Economic Assessment covers a broad range of indicators for the City of Las Cruces and the Las Cruces Metropolitan Statistical Area (MSA) region, which comprises all of Doña Ana County. The assessment tracks the historical performance and competitiveness of a number of metrics related to economic development including population growth, workforce quality, income growth, employment composition and occupational competencies. The major findings are summarized below.

- **POPULATION** – *The Las Cruces MSA grew rapidly over the 1970 to 2010 time period exceeding the growth rate of the state in every decade. However, since the Great Recession, population growth has slowed considerably within the city and MSA adding only 7,500 residents since 2010.*
- **AGE DISTRIBUTION** – *The Las Cruces region has a relatively young population with 28.3 percent of the total under the age of 20 and another 10.6 percent between 20 and 25, which should thus provide an ample supply of young workers. The presence of almost 22,000 students at NMSU and Doña Ana Community College contribute to this concentration.*
- **LABOR FORCE** – *Similar to population trends, the labor force has been growing slowly, and has been losing NMSU grads who are moving to larger metro markets for job opportunities. Since 2010, the region has experienced a net outflow of more than 6,000 employed persons, many of them college graduates with marketable technical skills. The labor force participation rate is below average at 59.3 percent compared to 63.4 percent*

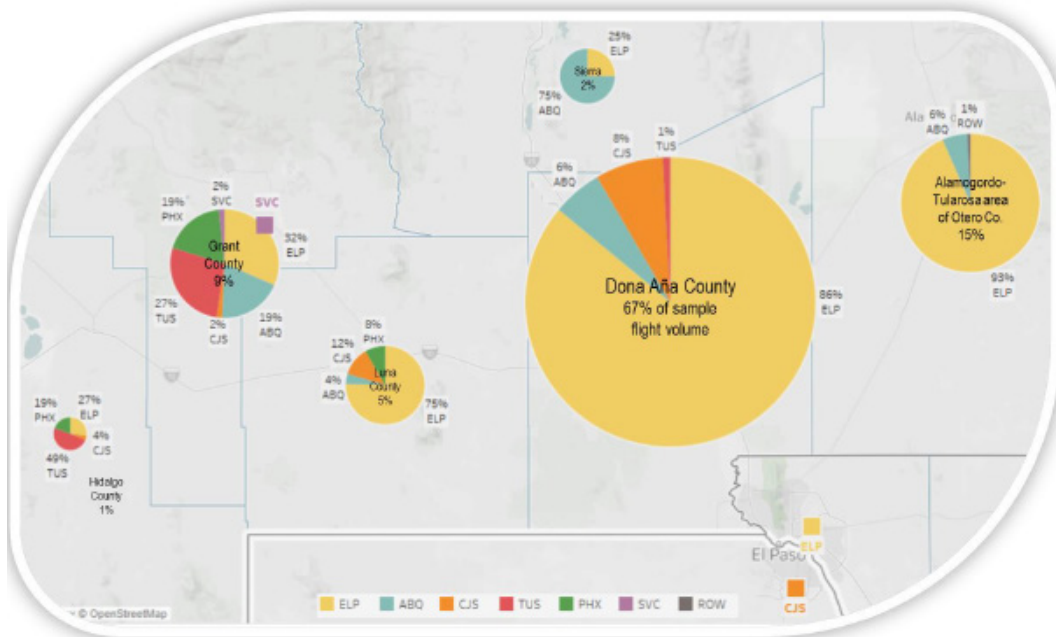
nationally.

- **WORKFORCE SKILLS** - The number of workers with a Bachelors' degree or higher is 24.9 percent, lower than both the state and national average. It has also dropped 1.4 percent in the last five years. This was identified as an area of concern, as the availability of a skilled workforce has emerged as the most important site selection factor, above labor costs, tax rates, economic incentives and lease rates. On the positive side, the high school graduation rate is 86.2 percent, which is 12 percent higher than the statewide average. This is in part due to the success of innovative alternative high school programs including Arrowhead Park Early College High School and Arrowhead Park Medical Academy.
- **POVERTY RATE** - In 2017, the Las Cruces area poverty rate was 26.3 percent, while the youth poverty rate was 37.5 percent – roughly double the national average.
- **EMPLOYMENT CONCENTRATION** - Government sector jobs, including NMSU as well as other

federal and state jobs, account for 23 percent of total employment. A measure of employment strength is the location quotient (LQ), which is the percent of employment by North American Industry Classification System (NAICS) sectors compared to the nation. The highest LQs in the Las Cruces region are Agriculture and Forestry (3.95), Government (1.56), Utilities (1.46), and Health Care (1.44). The industries with the lowest LQs are Manufacturing (0.40), Management (0.04), and Finance and Insurance (0.58).

- **OCCUPATIONAL COMPOSITION** - The LQ can also be applied to the workforce by skill set. The highest local concentrations are Farming, Fishing, and Forestry with a 4.0 LQ, Protective Sciences with a 1.67 LQ, Life, Physical, and Social Sciences with a 1.5 LQ, and Education with a 1.4 LQ. The occupations underrepresented include Production at 0.45 LQ, Computer and Math at 0.70 LQ, and Transportation and Materials at 0.64 LQ.

FIGURE 4. Airport Feasibility Study - Local Airport Use by Passenger County of Residence



Source: Airlines Reporting Corporation; RRC Associates.

AIRPORT FEASIBILITY STUDY

In 2019, the City of Las Cruces and Las Cruces International Airport (LRU) conducted an air service assessment, including a demand analysis for the Las Cruces region market, along with an air service development plan and cost evaluation. As part of this study, some initial research was completed which included a business survey, resident survey, hotel guest check-in survey, along with a variety of other data sources.

The study recommends development of a public/private alliance to financially support and promote new commercial air service. The study also identifies numerous federal and state cooperative funding programs that are available. It found that two to four daily flights on a 50-seat regional jet at a load factor of 70 percent or higher could be supported by the catchment area with a destination to Dallas (DFW) and potentially Phoenix (PHX) and/or Denver (DEN).

AIRPORT LANDSCAPE MASTER PLAN

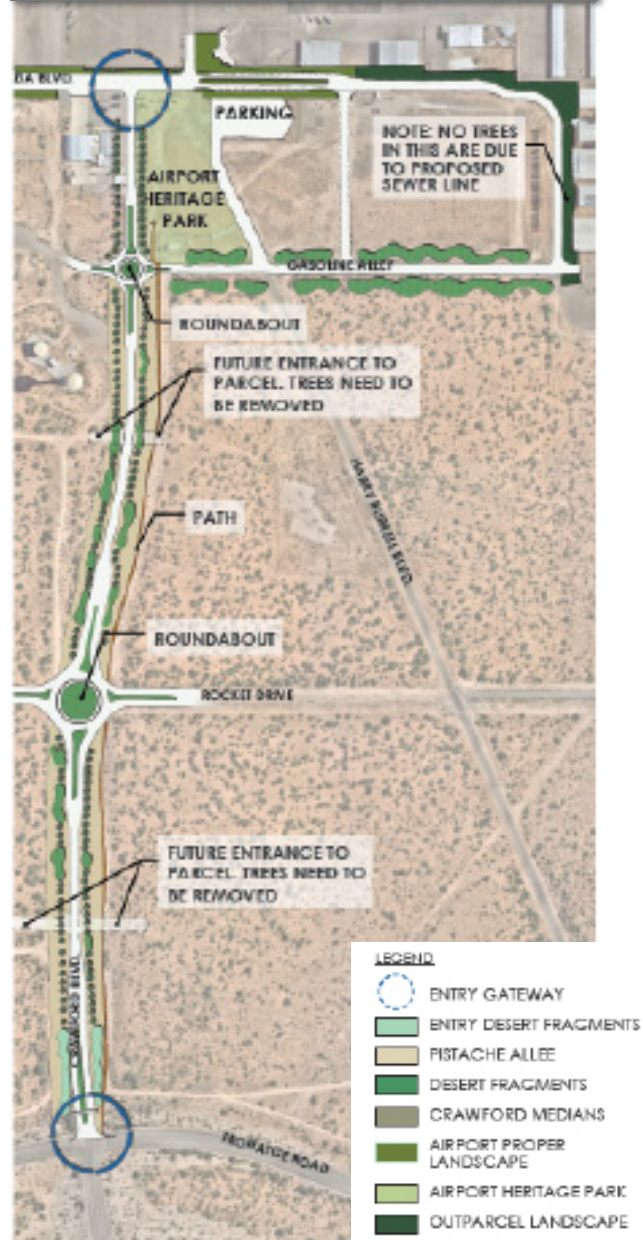
In 2020, the City commissioned a high-level Airport Landscape Master Plan (2020) to improve the overall visual qualities and create a sense of place. It includes entry signage concepts and specific design proposals for Heritage Park and the streetscape leading into the Park.

These signage concepts and landscape designs are used in this Master Plan update to help visually connect the airport and LCIIIP. As the Park develops a consistent signage and landscape design can help strengthen the identity of the area and 'brand' of the overall development.

3.2 PRECEDENT EXAMPLES

The basic statistics on the regional industrial parks surveyed are summarized in the Appendix. The seven parks analyzed present a broad diversity

FIGURE 5. Airport Landscape Master Plan



of locations, sizes and characteristics. Five of the seven industrial parks are located within or adjacent to an airport which was the primary criteria for selecting the projects that were profiled. Two were added to diversify the sample including a community developed park in a smaller and more remote town (Priest River) and a privately developed park in Boise, Idaho (Boise Gateway). A number of general observations that provide direction on opportunities and constraints at LCIIIP are summarized below.

1. **FORMER AIR FORCE BASES** – Salina AIC (formerly Schilling AFB) and Gateway Industrial Center (formerly Williams AFB) are examples of former USAF bases that were decommissioned and converted to civilian use. Since the end of World War II, there have been 126 former Air Force bases closed in the United States, many of which were converted to civilian airports with airport industrial parks. In addition to the airport itself, many of these locations (including Salina and Gateway) had existing buildings that were converted to non-aviation industrial and other uses.
2. **LAND SALES AND LEASE RATES** – Most of the parks surveyed, with the exception of Priest River, have some amount of existing building space available for lease. Lease rates range from \$1.00 per square foot at Priest River to \$9.22 per square foot at Gateway Industrial Center in Mesa, AZ. As expected, the higher lease rates are found in the larger metro markets with higher land and labor costs as well.
3. **LOGISTICS SPACE** – Most of the new development in the parks surveyed, as well as nationally, is logistics space and not manufacturing space. A large number of companies have indicated that they are considering restoring some of their manufacturing in response to the pandemic, as well as increases in tariffs imposed by the current US administration. However, the greatest growth in the last five years is in logistics space, much of which is driven by the growth in internet sales distribution by Amazon, Federal Express, UPS and others.
4. **MIXED USE DEVELOPMENT** – Most of the industrial parks surveyed contain a mix of land uses. Peak Innovation Park has office buildings built for contractors including Northrup Grumman and Aerospace Corporation seeking a location close to the Peterson Air Force Base and other Colorado Springs military facilities. Gateway Industrial Center also has about 10 percent of its space in office and flex buildings.
5. **EDUCATION FACILITIES** – Salina AIC and Gateway Industrial Park both have land occupied by higher education institutions. This, however, may be a result of beneficial land transfer provisions of the base closure process. Specifically, Gateway was closed under the Base Closure and Realignment Commission (BRAC) process which allowed for public entities to acquire land at reduced or no cost through a public benefit conveyance (PBC).
6. **EL PASO COMPETITION** – LCIIIP's greatest competition is El Paso including the airport industrial park and other industrial parks in the metro area. The city's larger population and workforce, international airport and location within one hour of Las Cruces makes the city more competitive for larger manufacturing and distribution uses. El Paso's location closer to the port of entry is also a competitive advantage compared to the LCIIIP's position in the Las Cruces region market where the logistics uses supporting cross border economic activity are located in Santa Teresa and not in Las Cruces.
7. **SALES AND MARKETING** – Each of the industrial parks profiled have a dedicated website with contact information for sales and leasing. Information can be found on LCIIIP indirectly through other web sources including MVEDA and at the Economic Development Department tab on the City website, but a dedicated site would be a more effective marketing tool.

3.3 EXISTING LAND USE CONDITIONS

BACKGROUND

Located in southern New Mexico as identified in [“Figure 6. Vicinity Map” on page 19](#), Las Cruces Innovation and Industrial Park is situated along Interstate 10, eight miles west of downtown Las Cruces within the Las Cruces city limits. It is south of and directly adjacent to Las Cruces International Airport. Interstate 10 bisects the Park with one on/off ramp at Exit 132 as identified in [“Figure 7. City of Las Cruces, Park Location” on page 19](#). This exit also accommodates traffic traveling north to the Las Cruces International Airport along Crawford Blvd.

The property was originally owned by the United States Department of the Interior, Bureau of Land Management (BLM). For most of the 20th century, the BLM leased the land for cattle grazing until 1982, when the City of Albuquerque acquired the land in a land swap with BLM. The City of Las Cruces then purchased the property in four separate transactions between 1982 and 1985 with the intention to develop an industrial park in order to expand and diversify the local economy, to provide new jobs and to generate aviation and airport business activities.

EXISTING DEVELOPMENT

The City has sold or leased 680 acres of the park’s available land, 250 of which are developed for warehousing, distribution, general manufacturing, aerospace and technology related industries. There are 19 businesses currently occupying 811,000 square feet of building space south of the Interstate 10 entrance at Crawford Blvd as identified in [“Figure 8. Park Ownership” on page 21](#). These existing tenants are located on 27 parcels totaling approximately 340 acres. Business focus ranges from warehousing, manufacturing, agriculture, research and development to drone development.

[“Figure 8. Park Ownership” on page 21](#) illustrates the existing businesses. All businesses operate within their respective facilities. There are no vacant buildings or buildings for lease and the City does not own any of the buildings currently in operation.

Existing development in LCIIIP contains primarily very low-density land-intensive uses. The overall land utilization within the developed portion of the Park is a 0.06 floor area ratio (FAR). FAR is a straightforward calculation of total square footage of built space divided by the total parcel size; for example, a 10,000 square foot building on a 100,000 square foot parcel equals an FAR of 0.1. Anything below a 0.2 FAR is considered very low density.

The existing tenant mix includes five manufacturing, five warehouse/distribution, two construction, one technology, one trucking business, along with the Love’s Gas Station and Convenience store at the Park’s south entry.

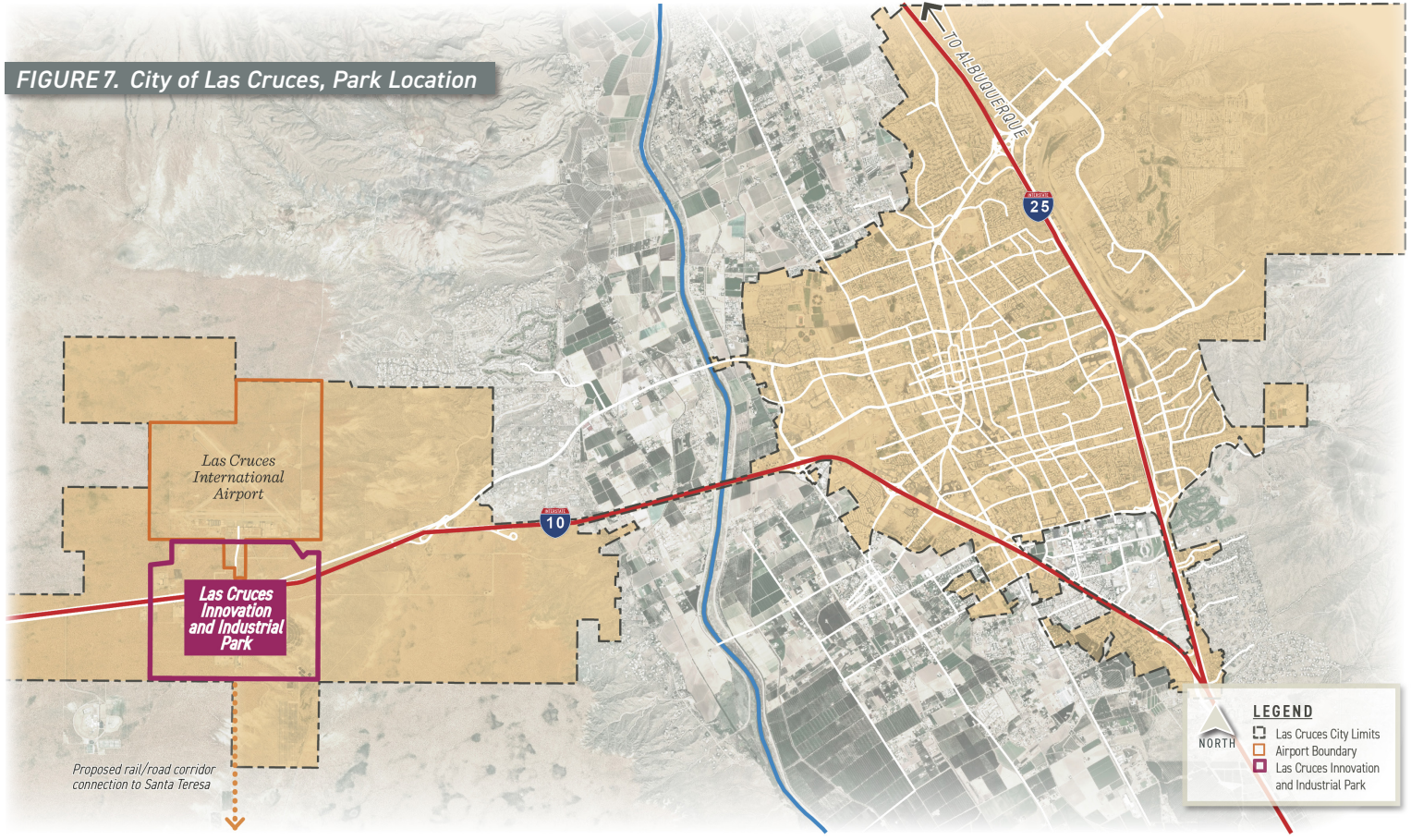
OBSERVATIONS

- **THE LACK OF AVAILABLE BUILDING SPACE TO BUY OR RENT DETERS NEW COMPANIES TO LOCATE WITHIN THE PARK.** During stakeholder interviews, available space was identified as one of the major issues and the need for an incubator space or space for start-ups was mentioned to be one of the greatest needs. Many stakeholders interviewed said they would take advantage of space if it was available. The construction of new space without a committed tenant/end user (e.g., a spec building) inherently has an element of risk that the building may sit vacant for a considerable time. It is difficult to anticipate the specific type of space and size that would be suitable for a range of prospective tenants. The Implementation section in this report

FIGURE 6. Vicinity Map



FIGURE 7. City of Las Cruces, Park Location



recommends an approach for creating space, either as a spec building or as a “permit-ready” set for construction.

- **TIMEFRAME/LACK OF CLARITY ON APPROVAL PROCESS.** Stakeholders identified the development process as a barrier to new development. They cited City requirements for site development standards and the overall time-frame for approvals as problematic.
- **LAND TRANSACTIONS.** All City-owned land sales have to be approved by City Council and by State statute and municipal code. If the transaction price of the land is less than \$25,000 it is approved by a resolution of City Council. If the transaction price is more than \$25,000 it is approved by an ordinance of City Council. If the land exceeds the transaction price of \$150,000 it would require two appraisals. This process generally takes six months or longer, putting the Park at a disadvantage compared to other sites mentioned in the [“Precedent examples” on page 16](#), where a sales transaction is generally three months or less. Many new projects have a nine-month to one year horizon from start to move-in.

UTILITIES

The Las Cruces Innovation and Industrial Park is divided by Interstate 10, with most of the existing development located to the south of Interstate 10 as illustrated in [“Figure 9. Existing Utilities” on page 23](#). South side parcels are serviced by all required infrastructure and utilities, while the north side of the Park lacks basic utility installations.

Water System

The south side of the Park has excellent water infrastructure with good pressure, ample capacity and good water quality. Most of the area is serviced by 8” to 12” water lines with a static pressure of 60 to 115 psi (8,000 gpm). Current sustained capacity

is 2,100 gpm with available expansion. Existing production for the water system is in excess of one million gallons per day. Adequate quantities of City water are available to Park users. The Park also utilizes a number of wells. Well analysis indicates that the water quality is good with has no impurities or contaminants. The north side of the park is serviced by a 12” water line but distribution lines are not extended to many parcels. The Park is supported by an elevated on-site water storage with two ground tanks holding a capacity of 4,500,000 gallons and 500,000 gallons.

Waste Water System

The Park is connected to the City sewer system operated through an on-site aerated lagoon located in the southeast corner of the Park. The lagoon has a capacity of 400,000 gallons per day (gpd). According to the airport manager, much of the sewer capacity is utilized by the current industrial park tenants. Wastewater mains ranging in size from 8” to 18” serve most sites with gravity flow to the lagoon. Parcels within the south side of the Park are serviced while much of the north side have yet to be serviced.

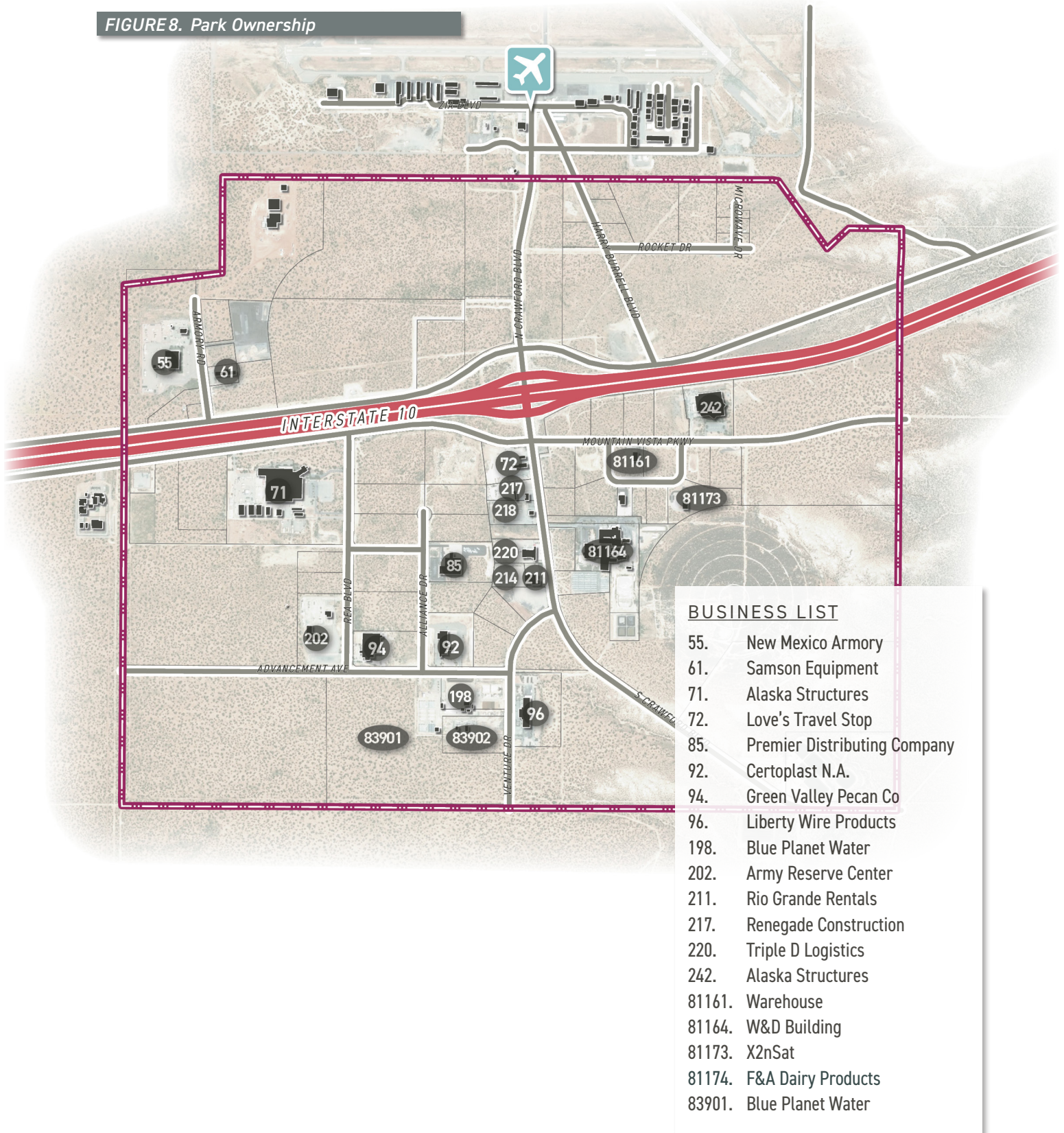
Natural Gas System

Natural gas service is provided through the City of Las Cruces Utilities Department. Parcels are served by minimum 2” - 4” low pressure gas lines with 30 to 60 psi operating pressure. The feeder main to the Park is an 8” steel high pressure line connected to a 31” interstate pipeline.

Electric Power Utility Service

Electric Power Utility Service for the Park is provided by El Paso Electric (EPA), with excess capacity of 1 MW available for new industries. The substation is owned by El Paso Electric. The system was installed in 1997 and can be expanded as necessary to meet the needs of the Park and surrounding areas. The system includes the West Mesa Electric Supply System and Substation. The 1

FIGURE 8. Park Ownership



MW of capacity would likely have to be expanded if the demand increases.

Solid Waste & Landfill Services

Utility service to the Park for solid waste is undertaken by the City Solid Waste Collections line of business for the Utilities Department. Regular commercial pick-up is scheduled based on frequency of need and volume requirements for each business. The Regional Landfill is located six miles west of the Park and has an anticipated capacity of approximately 85 years. For hazardous waste disposal, there are a number of available vendors serving the El Paso and Las Cruces areas.

Broadband

Century Link has fiber optic lines through much of Las Cruces Innovation and Industrial Park providing internet speeds of up to 100 mbs, depending on the level of service contracted for by the specific business. Currently, 15 Park tenants have a fiber internet connection, which includes 13 of the mostly larger tenants south of Interstate 10 and two tenants north of Interstate 10. Other existing or future Park tenants are able to purchase and obtain high speed fiber optic service. The fiber lines are connected to utility boxes (hand holes) located throughout the Park. The existing tenants not currently served by fiber lines are within 1,300 feet of a utility box to which they would need to connect to obtain service.

There is no Digital Subscriber Line (DSL) service available within LCIIIP. DSL provides an internet connection through copper phone lines using separate frequencies for phone and internet, so both can be used simultaneously. The remaining five industrial park tenants without fiber service are dependent on dial-up service which allows a phone line to be disabled while being used for the internet. Internet speeds on DSL are typically 10 to 20 mbs, which is slower than fiber but much faster than dial-up service. The complaints received from LCIIIP

tenants regarding inadequate broadband are most likely those who currently use dial-up service.

OBSERVATIONS:

- ▶ The lack of existing infrastructure and utilities on the north side makes this area less attractive to new development. During stakeholder interviews this challenge was specifically highlighted. In addition, internet access was discussed as a major issue, specifically businesses located at the airport complained about the lack of fast, reliable internet.

ACCESS & CONNECTIVITY

Highway Access

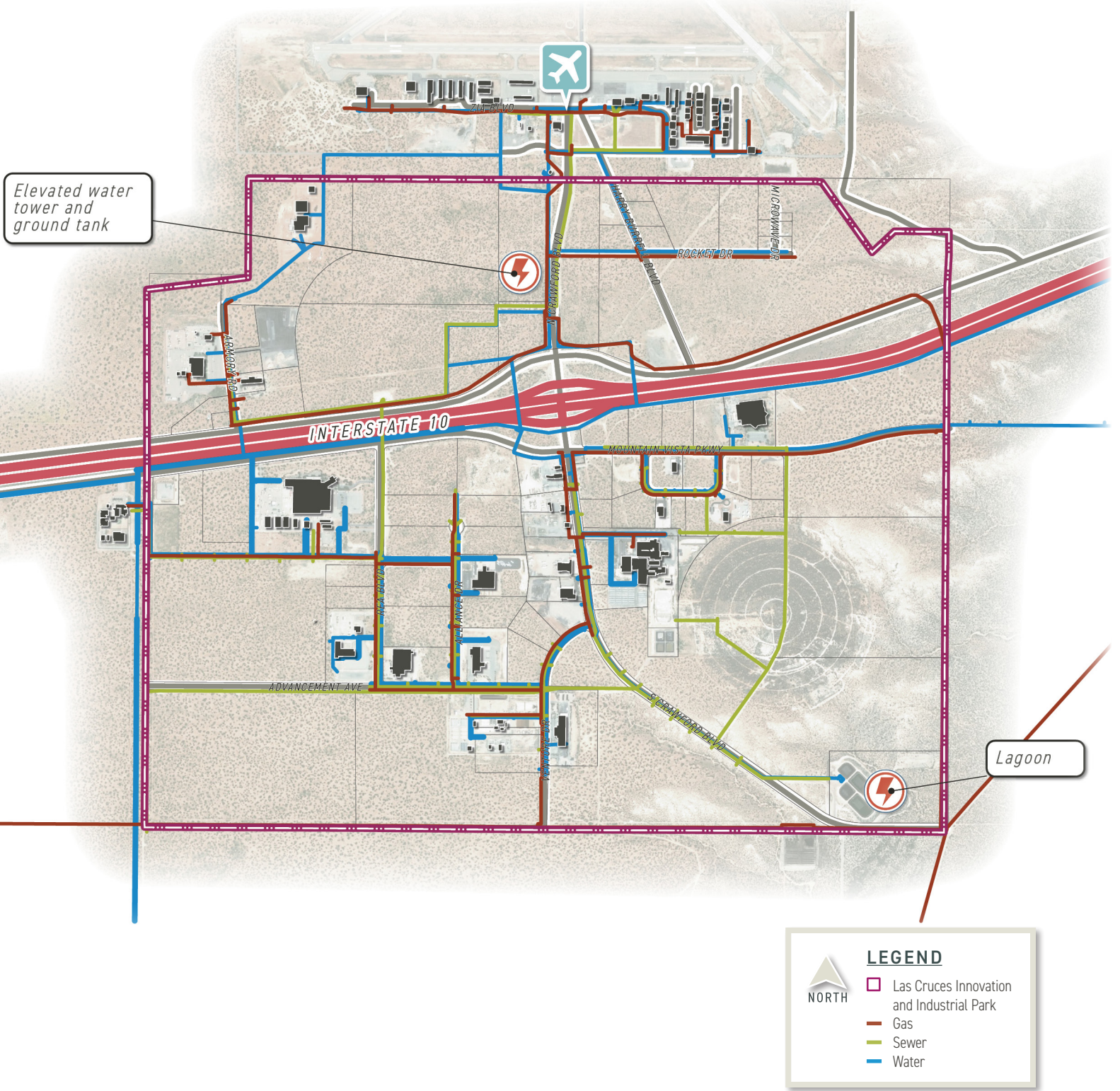
The Las Cruces Innovation and Industrial Park is located between a number of economic nodes, most notably White Sands Missile Range (73 miles), Spaceport America (60 miles) and the Mexican border region including El Paso and Juarez (55 miles) as identified in ["Figure 10. Context & Connectivity" on page 25.](#)

The City of Las Cruces, located within the Rio Grande Valley, is served by two major interstate highways. Interstate 10 travels northwest from south of the City before turning west and bisecting the Park. Interstate 10 connects Tucson, Arizona to the west and El Paso, Texas to the south as the nearest major cities. Interstate 25 travels north-south and connects Las Cruces with Albuquerque and Denver, Colorado to the north. The City is also served by US Highway 70, which connects southeastern New Mexico cities to Las Cruces by a four-lane improved highway.

Air Access

Las Cruces International Airport is located directly to the north of the Park and shares a 3.5-mile boundary. The airport has three runways, two full-service fixed based operators and ample tie-

FIGURE 9. Existing Utilities



down space. In addition to general and corporate aviation, Unmanned Aerial activity and testing and system development, charter flights regularly serve the airport mainly transporting university athletic teams. The airport operated commercial air service from the 1940s until 2005. The City is in the process of exploring new options for new commercial services to the airports serving Dallas, Phoenix, and Denver as potential destinations. Currently, scheduled passenger airline service is via a 45-minute drive to the south at the El Paso International Airport.

Over the past few years, the airport has seen some significant investment with upgrades to the lighting, security system and roadways. The redesign of the general aviation apron is underway to facilitate larger planes and a new logo was created in an effort to re-brand and market the airport. A new restaurant is located at the airport, serving as the first restaurant since the previous establishment closed in 2009. Several studies have been completed to further analyze the feasibility of passenger air service and the appropriateness of administrative space associated with the airport.

Rail Access

Las Cruces has direct rail freight service provided the Burlington Northern Santa Fe (BNSF) Railroad. Union Pacific Railroad runs south of the Park to Santa Teresa, NM, where the Union Pacific Intermodal Center is situated; however, it does not serve the City of Las Cruces. The Mesilla Valley Metropolitan Planning Organization supports the creation of a rail connection to the Park in its most recent Metropolitan Transportation Plan, Mobility 2045.

In 2017, the Center for Neighborhood Technology conducted a Passenger Rail Feasibility Study on behalf of the South Central Regional Transit (SCRTD). This study revealed that there is a more than adequate demographic and economic base to support a commuter rail service between Las Cruces and El Paso. The establishment of a

passenger rail service will require successful negotiations with BNSF and external support to fund the rail service. The State of New Mexico is currently not interested in making further investments in railroad ownership or operations.

Freight Access

Mobility 2045, the most current Metropolitan Transportation Plan (MTP) established by the Mesilla Valley Metropolitan Planning Organization, creates the long-range mobility vision for the area. This plan identifies a new freight corridor—High Mesa Road—to connect Las Cruces Innovation and Industrial Park to Santa Teresa. This proposed road is envisioned to create new economic opportunities building on the dynamic activity currently ongoing in the border region.

Vehicular Access

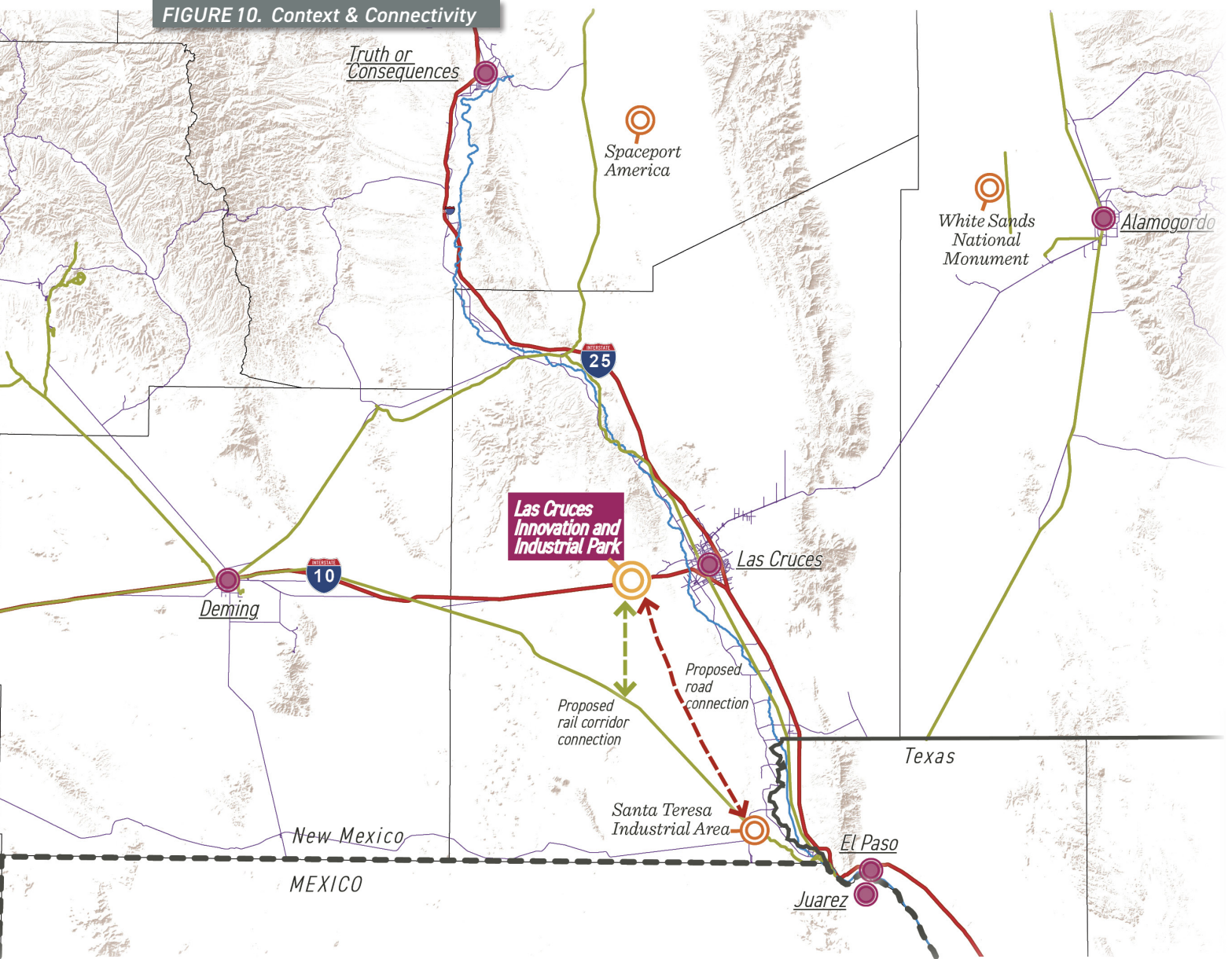
Vehicular access to the Park is off of Interstate 10 at Exit 132 with Crawford Blvd, centrally located within the Park. Frontage roads on both sides provide additional access to the Park, connecting the internal roads of Rea Blvd, Alliance Dr south of I-10 and Harry Burrell Blvd north of I-10. To the south of I-10, Crawford Blvd connects to the internal roads of Mountain Vista Pkwy, Advancement Ave and Venture Dr. All existing streets in the Park are constructed to accommodate truck traffic with appropriate right-of-way width. According to the Mesilla Valley Metropolitan Planning Organization's Future Thoroughfare Plan 2020, a proposed principal arterial would connect the existing Crawford Blvd in a loop to the east and turn north to meet I-10 at the interchange with US-70 at Exit 135. Other roads identified in the original master plan have not been constructed as identified in ["Figure 11. Circulation" on page 27.](#)

Transit Access







The Mesilla Valley Metropolitan Planning Organization's Mobility 2045 identified the Park as a location gap within the current extent of the



FIGURE 10. Context & Connectivity



LEGEND

-  NORTH
-  Las Cruces Innovation and Industrial Park
-  State Road
-  Railroad
-  Proposed Railroad
-  Interstate
-  Proposed Road

transportation system within the City of Las Cruces. There is currently no City bus service to the Park.

Pedestrian & Bike Access

The Park lacks pedestrian and bicycle facilities throughout. Limited sidewalks are provided on the south side but are missing entirely from the north side. Future bicycle infrastructure improvements are identified along the Frontage Roads and S Crawford Blvd, according to the Mesilla Valley Metropolitan Planning Organization's Mobility 2045.

OBSERVATIONS

- The general location of the Park, on the western edge of Las Cruces and not in close proximity to the border or White Sands Missile Range, presents a challenge to leveraging the economic activities associated with those places. There is the potential to leverage its location as a natural stopping point for truck traffic originating from the West Coast. FTA restrictions on driver hours put the western edge of Las Cruces as a good site to accommodate logistics associated with truck operations. It is also in close enough proximity for manufacturing or research related activities that may be associated with NMSU, White Sands or even the Spaceport. And while it does not have the proximity to the border that places like Santa Teresa have, it is still less than an hour's drive from the Santa Teresa Port of Entry and along a major east-west interstate route.
- The proposed High Mesa Road connecting the park with Santa Teresa was also not seen as a silver bullet to generate activity within the Park; however, it would create a quicker connection and potentially generate more interest in the Park.
- The missing rail access was not seen as an issue; however, depending on the industry, it could create a barrier. Plans to expand the rail

access could enhance the attractiveness of the park to certain businesses.

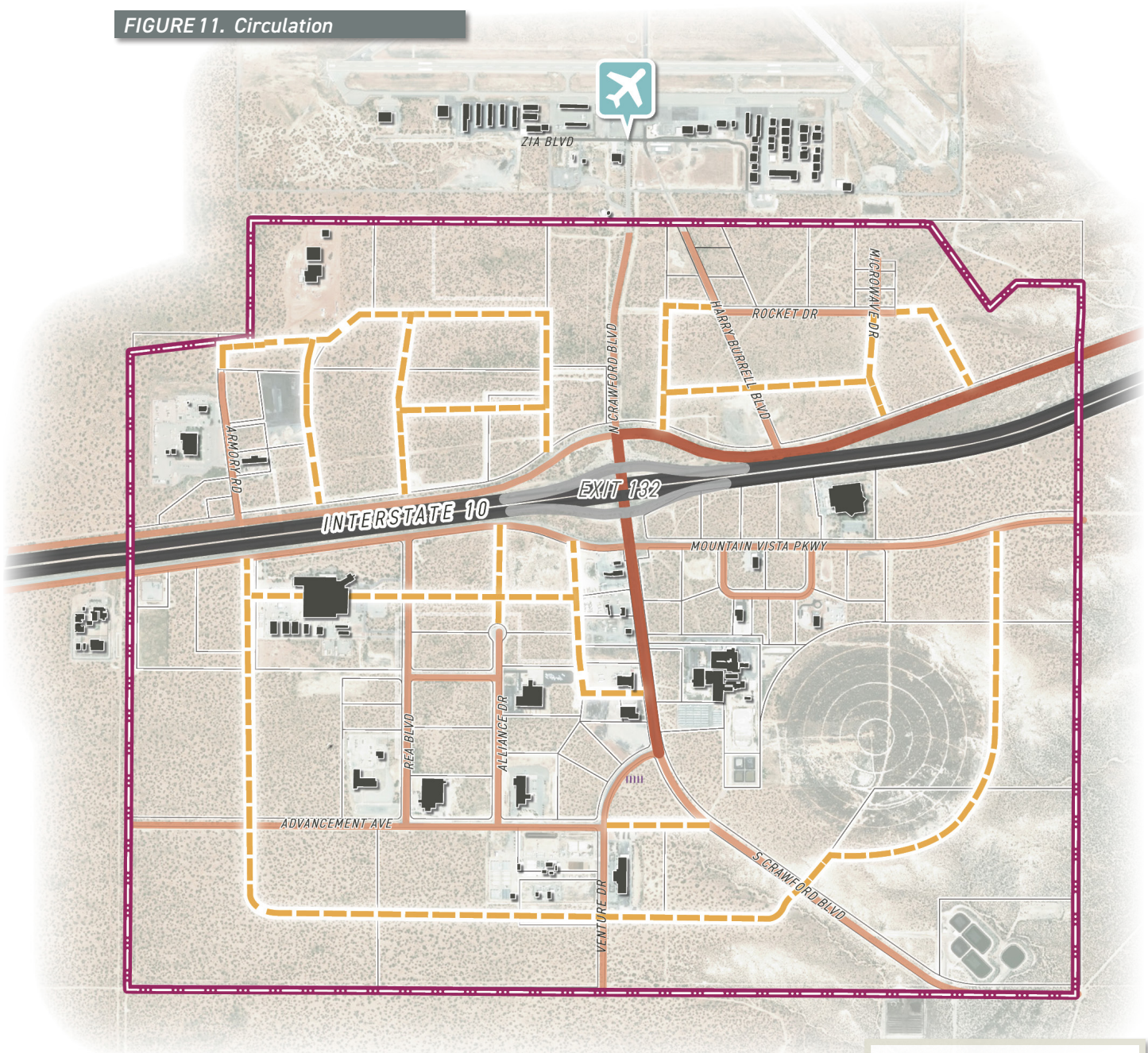
- The Crawford Interchange provides excellent vehicular access to LCIIP. The overall lack of sidewalks was not mentioned as an issue during the stakeholder interviews. However, Elevate Las Cruces indicates that a development strategy for the Business Park & Industrial Place Type is to "provide a system of convenient pedestrian and bicycle facilities to ensure connectivity between parking, adjacent streets, and all on-site facilities" (Elevate Las Cruces Comprehensive Plan, page 48). Continued development at the Park leading to an increase in workforce density would create a greater need for walking paths and pedestrian facilities that connect amenities.

LANDSCAPE

The Park's natural environment is characterized by coppices and dunes located around native vegetation. On-site vegetation consists mainly of native plants such as mesquite and creosote bushes.

The City has implemented some landscape improvements, specifically along Crawford Blvd. Most recently, the City added a median to the south side of Interstate 10. This median includes a more formalized landscape design and a roadrunner art feature. A fence was installed on the east side of Crawford Blvd where the median was installed. The recently added landscape consists of drought-tolerant native species and gravel, dirt and rocks as ground cover. Some of the developed sites have well maintained and designed landscape installed in their front setback areas while others are missing formalized landscape entirely. On the north side of Interstate 10, a line of Pistachio trees are planted along Crawford Blvd, connecting the Interstate and airport. This area is part of the airport and is covered by the City of Las Cruces International Airport Landscape Master Plan created in 2020. The

FIGURE 11. Circulation



LEGEND

-  Las Cruces Innovation and Industrial Park
-  Local Road
-  Collector Road
-  Freeway Ramp
-  Freeway
-  Existing Master Plan Proposed Roads



north and south side of Interstate 10 currently don't employ the same landscape elements and are not consistently maintained or designed.

OBSERVATION

- ▶ As part of the LCIIIP planning effort, one of the goals is to tie the Airport and Park together visually and physically. To achieve this goal, landscape can play a significant role and visually unify the two areas. The recently created Landscape Master Plan for the airport portion of Crawford Blvd can be used as a guiding document to implement the same landscape palette, design and language on the south and north side of Interstate 10. This will start creating a sense of place and unique identify for the Park and Airport.

LOT LAYOUT/PLAT, OWNERSHIP

The Las Cruces Innovation and Industrial Park is bisected by Interstate 10 creating two Park portions, one located on the south side of Interstate 10, the other located on the north side of Interstate 10 adjacent to the airport. Crawford Boulevard is the main access road to both the north and south sides, connecting the airport and the south side of the Park. On the north side, Harry Burrell Blvd, Rocket Drive and a small section of Microwave Dr have been built. On the south side, close to 80 percent of the initially planned roadways have been constructed; however, a number of connecting roads have not been completed.

LCIIP has approximately 1,418 acres of undeveloped land that is platted in lots ranging from less than 1 acre to over 300 acres as shown in ["Figure 13. Acreage"](#) on page 31.

TABLE 1. Vacant Parcels

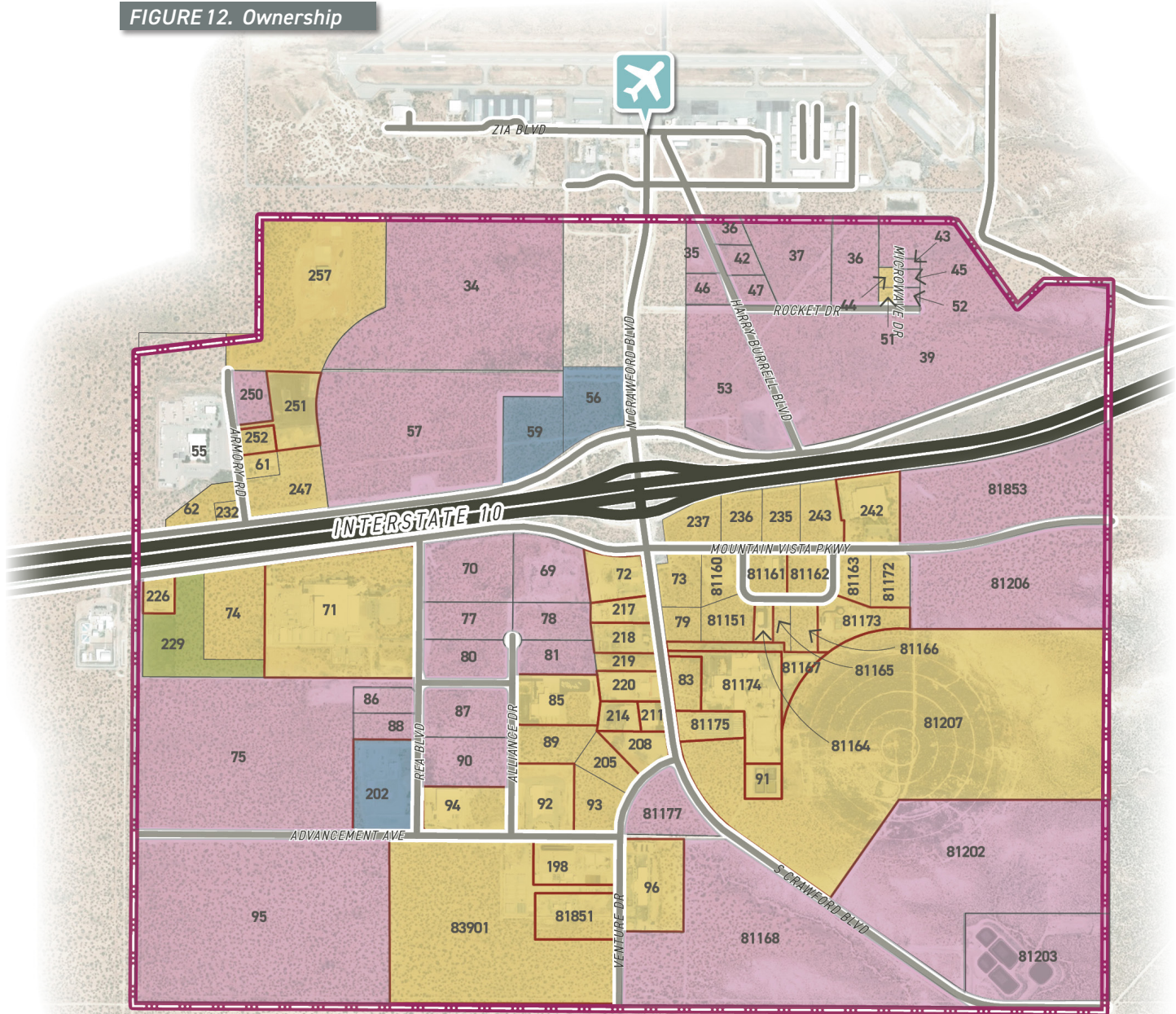
South	
# of Vacant Lots	14
Total Acreage Vacant	928 acres (74 acres privately owned, 854 City owned)
North	
# of Vacant Lots	27
Total Acreage Vacant	490 acres (22 acres privately owned, 468 City owned)

Lot sizes are restricted to a minimum lot size of one acre.

TABLE 2. LCIIP Ownership

Parcel #	Owner
55, 257	New Mexico State Armory Board
61, 252	D&L Schroeder
62, 232	Michael Flynn
247	Clarence W & Theresa A Crawford
251	NM Department of Transportation
56, 59, 202	United States of America Government
44	Transworld Network Corporation
51	World Radio Network
226	El Paso Electric Company
229	NM Public Lands
74	State of New Mexico
71	Montigoose Inc
94	Farmers Investment Co
198, 83901	Balance Realty LLC
83902	Dominion Capital LLC
85	DMS Realty LLC
89, 92	Certoplast North America Inc
93	Contractors Leasing LLC
205, 208, 211, 214	Rio Grande Rentals LLC
219, 220	DOAK Rental LLC
218	DUCROSS Investments LLC
217	Lonesome Dove Land LLC
72	Musket Corp
73, 237	PQ HWY 70 LLC
235, 236	Ghodsian Company LLC

FIGURE 12. Ownership



LEGEND

-  NORTH
-  Las Cruces Innovation and Industrial Park
-  City Owned
-  U.S. Government Owned
-  New Mexico Public Lands Owned
-  Privately Owned
-  Developed Sites

TABLE 2. LCIIP Ownership

Parcel #	Owner
243	Las Cruces Park LLC
242	Wolf LLC
79, 81151	Richard Besinger
81160	Carlos E Medina
81161	Luis Oscar Andrade AKA Andrade Oscar Trustee
81162	James P Ratje & Mary Helen
81163, 81173	Hillspride North LLC
81164	West Mesa Rentals LLC
81165	Frederick H Andresen
81166	The Public Lands Commissioner
81172	Lobos Development LLC
83, 91, 81167, 81174, 81175, 81207	Saputo Cheese USA Inc
96	Arizona Acquisition Company LLC

OBSERVATIONS

On the north side, construction of some of the trunk infrastructure could encourage more development. On the south side, while most of the roads have been constructed, there are missing links inhibiting connectivity and convenient travel. The area east of Crawford Blvd was planned as one large parcel and could be subdivided to offer smaller parcels for future uses.

EXISTING ZONING/LAND USE

The Park is currently designated as the 'West Mesa Industrial Park Overlay' zone district and is included in the Las Cruces International Airport Operations Overlay Zone District. The Overlay Zone was established following the creation of the West Mesa Industrial Park Master Plan and Development Strategy in 1995. The purpose of the Overlay

Zone is to implement land use and urban design policies established by the Las Cruces Innovation and Industrial Park Master Plan. The Overlay Zone is intended to promote and encourage growth of business within the Park, protect the natural and existing environment, provide clean industry and employment for the City of Las Cruces and its residents and develop, maintain and enhance existing commercial and industrial uses and enhance the aesthetic features of the Park.

Most of the Park is regulated by the Overlay Zone requirements except a few parcels, as indicated in ["Figure 14. Existing Zoning" on page 33](#). The Overlay Zone district includes permitted and prohibited uses along with development standards for site, architecture, landscape and parking. It is recommended to change the name to reflect the name change of the Park from West Mesa Industrial Park Overlay Zone to Las Cruces Innovation and Industrial Park Overlay Zone.

Dimensional Standards

Dimensional standards are provided to regulate lot sizes, setbacks and building heights as outlined in the table below.

TABLE 3. Existing Dimensional Standards

Minimum Lot Area/Size	1 acre
Minimum Lot Width/Frontage	60 feet*
Minimum Lot Depth	70 feet*
Minimum Front Setback	25 feet
Minimum Side Setback	20 feet
Minimum Secondary Street Side Setback	20 feet
Minimum Rear Setback	20 feet
Maximum Building Height	60 feet
* The lot depth must not exceed 3 times the lot width/frontage.	

Uses

Permitted uses include uses that are allowed in the light industrial and manufacturing district of M1/M2. In addition, uses permitted in the 14 CFR (Code of Federal Regulations), commonly called the Federal Aviation Regulations, are permitted within the Overlay Zone as listed in the table below.

Uses permitted within the Foreign Trade Zones are limited to operations related to the importation of foreign goods for processing or assembly, where a certain portion of the goods are not subject to customs duty, per Federal Foreign Trade Zone Regulations. All activities in the Foreign Trade Zones are required to have written approval by the appropriate authority.

Prohibited Uses

Commercial uses in M1/M2 are prohibited. Accessory commercial uses (up to 20% of the gross floor areas) are permissive. Stand-alone commercial uses, not associated with an industrial use are restricted to a maximum of fifty percent (50%) or less of the floor to area ratio.

Design Guidelines

The Overlay Zone also outlines architectural design guidelines with the goal to achieve a cohesive look and feel and unified development patterns throughout the Park. These guidelines establish facade styles, landscaping requirements, screening and buffering, signage, and parking requirements.

Development Process

The West Mesa Strategic Planning Committee was originally established to review proposed developments and ensure a consistent quality of development. That committee has been replaced by the Economic Development Policy Review Committee (ED PRC). The ED PRC focuses on business health, economic infrastructure, and workforce issues and makes recommendations

regarding economic development that align with the City's adopted Comprehensive Plan and Economic Development strategic business plan. Plan reviews for the Park, however, are executed by the Planning section of the Community Development Department. After review by the Community Development Department, development projects go through the City of Las Cruces Development Process.

OBSERVATIONS

- Uses are too specific and do not include primary commercial uses that would allow for the provision of much needed amenities.
- The design guidelines are too restrictive and need to be simplified to allow for more flexibility and encourage development. For example, Pueblo, Spanish Colonial, and Territorial Mission architectural styles, as required by the design guidelines, are not appropriate for industrial development and the types of buildings required for these uses.
- Signage regulations are too restrictive, particularly for larger parcels.

FOREIGN TRADE ZONE

Doña Ana County has established a county-wide Foreign Trade Zone (FTZ) designation. The designation allows all new and existing companies that are located within Doña Ana County to secure Foreign Trade Zone status for warehousing and distribution operations.

Goods entering an FTZ are not subject to duties until they leave the zone which allows companies to postpone or even eliminate duties. Businesses operating within the Foreign Trade Zone are exempt from duties or quota charges on re-exports. FTZ also empowers companies to keep more of their manufacturing on U.S. soil without the effective penalty of inverted tariffs. In addition,

FIGURE 14. Existing Zoning



the Ad Valorem Tax (inventory tax), a fee charged on existing inventory, does not apply until the inventory enters U.S. soil. Damaged items, or items that are non-conforming can be destroyed within the FTZ and are not subject to import duties and taxes. When finished goods or parts are imported into the US for eventual exportation, a foreign trade zone allows for the duties on those imports to be eliminated. Using a foreign trade zone as an export distribution center can provide benefits to support selling goods into international markets.

“Inverted Tariffs” refers to penalties US manufacturers are subject to when importing parts for manufacturing of products in the US, specifically when these products will be exported and sold overseas. Oftentimes, the parts individually are fined at a higher rate than the completed product, making it more cost-effective to manufacture overseas.

Doña Ana County is the grantee for the FTZ and is prepared to execute agreements designating individual users as operators of the FTZ within their facility.

There are four sites within Doña Ana County that have an FTZ designation with one of the four located within the Park. The FTZ site within the Las Cruces Innovation and Industrial Park, identified as Magnet Site No. 2 as identified in [“Figure 14. Existing Zoning” on page 33](#), has passed the ‘sunset date’ and has expired due to no active operators locating there. In order to reactivate the FTZ site, an application for a Minor Boundary Modification (MBM) must be submitted by the potential prospect/company to the County. The County will then approve and send the application to the FTZ Board at the Department of Commerce along with a letter of concurrence from U.S. Customs and Border Protection. Since Doña Ana County has the Alternate Site Framework (ASF) status, once the MBM application is submitted, it should be approved by the FTZ Board within 30 to 45 days. For more information about FTZ Number

197, contact the Doña Ana County Community Development Department.

OPPORTUNITY ZONE

The Las Cruces Innovation and Industrial Park is also located within an Opportunity Zone (OZ) that provides benefits for companies that locate here. The Opportunity Zone program was created by the Tax Cuts and Jobs Act of 2017 to incentivize investment in underserved communities. The program provides three tax benefits for investing unrealized capital gains in Opportunity Zones:

1. Temporary deferral of taxes on previously earned capital gains. Investors can place existing assets with accumulated capital gains into Opportunity Funds. Those existing capital gains are not taxed until the end of 2026 or when the asset is disposed of.
2. Basis step-up of previously earned capital gains invested. For capital gains placed in Opportunity Funds for at least five years, investors’ basis on the original investment increases by ten percent. If invested for at least seven years, investors’ basis on the original investment increases by fifteen percent.
3. Permanent exclusion of taxable income on new gains. For investments held for at least ten years, investors pay no taxes on any capital gains produced through their investment in Opportunity Funds (the investment vehicle that invests in Opportunity Zones).

BRANDING/MARKETING

The property is marketed and advertised through the Mesilla Valley Economic Development Alliance (MVEDA) which is the primary economic development organization for Doña Ana County and the Mesilla Valley. Inquiries from companies seeking an industrial site in the Las Cruces region most often contact MVEDA regarding available land and buildings and are provided information on the sites and facilities that fit their criteria and needs.



MVEDA has information on available business and industrial properties including LCIIIP, Arrowhead Business and Research Park, Hatch Industrial Park and Borderland Industrial Parks in Santa Teresa.

The LCIIIP is under the direction of the City of Las Cruces Economic Development Policy Review Committee (PRC) and is administered by the Department's Land and Real Estate Section who receive and process inquiries for property. LCIIIP does not, as yet, have its own website with a property brochure, details on property for sale or contact information. The process of buying or leasing land at LCIIIP is, compared to competitive locations, slow and not fully transparent to prospective buyers. There are maps of both North and South of I-10 showing the lots that are available for sale including acreage. There is no

listed pricing for the lots. Offers are accepted and past sales and/or appraisals for similar lots are used as a starting point pending appraisals of the specific sites. As outlined in "Existing Development" on page 18, if a transaction exceeds \$150,000 it requires two appraisals and is approved by City Council.

The City of Las Cruces has invested a considerable amount of money to provide infrastructure to beautify the Park since it was first developed. Most recently, the City added a landscaped median along Crawford Blvd. Since its inception, the Park has been partially developed and has attracted a number of businesses. From a visual survey, the Park still lacks a cohesive feel, which may be due in part to the number of vacant parcels and undeveloped sites. Most developed sites have

landscaping, including on-site and along streets but the landscaping is often not well-maintained and lacks a cohesive plant palette and design aesthetic. Signage is sparse and overall park identity is lacking. The entry signage, while well maintained, does not stand out and does not establish a unique park gateway experience.

One of the objectives of this Plan Update is to integrate the Park with the adjacent airport through more consistent design standards, landscaping and signage. The Las Cruces Airport has developed a Landscape Master Plan to enhance the visual qualities of the airport property. The Las Cruces Innovation and Industrial Park does not have a corresponding landscape plan to cohesively develop its landscaping. Adoption of the airport master plan design theme and landscape palette

could provide an opportunity to visually tie the two areas together.

Many of the precedent parks researched for this study have a website to communicate with potential businesses and stakeholders. The Las Cruces Innovation and Industrial Park does not have a website that provides information about land for sale and other opportunities. There is no central place to obtain park-specific information or a contact for inquiries. The development process identified in the Master Plan is outdated and some of the specified steps do not apply anymore.

OBSERVATIONS

- No cohesive design / identity / catchy branding
- No website and clear 'path to development'

4. OPPORTUNITIES & CONSTRAINTS

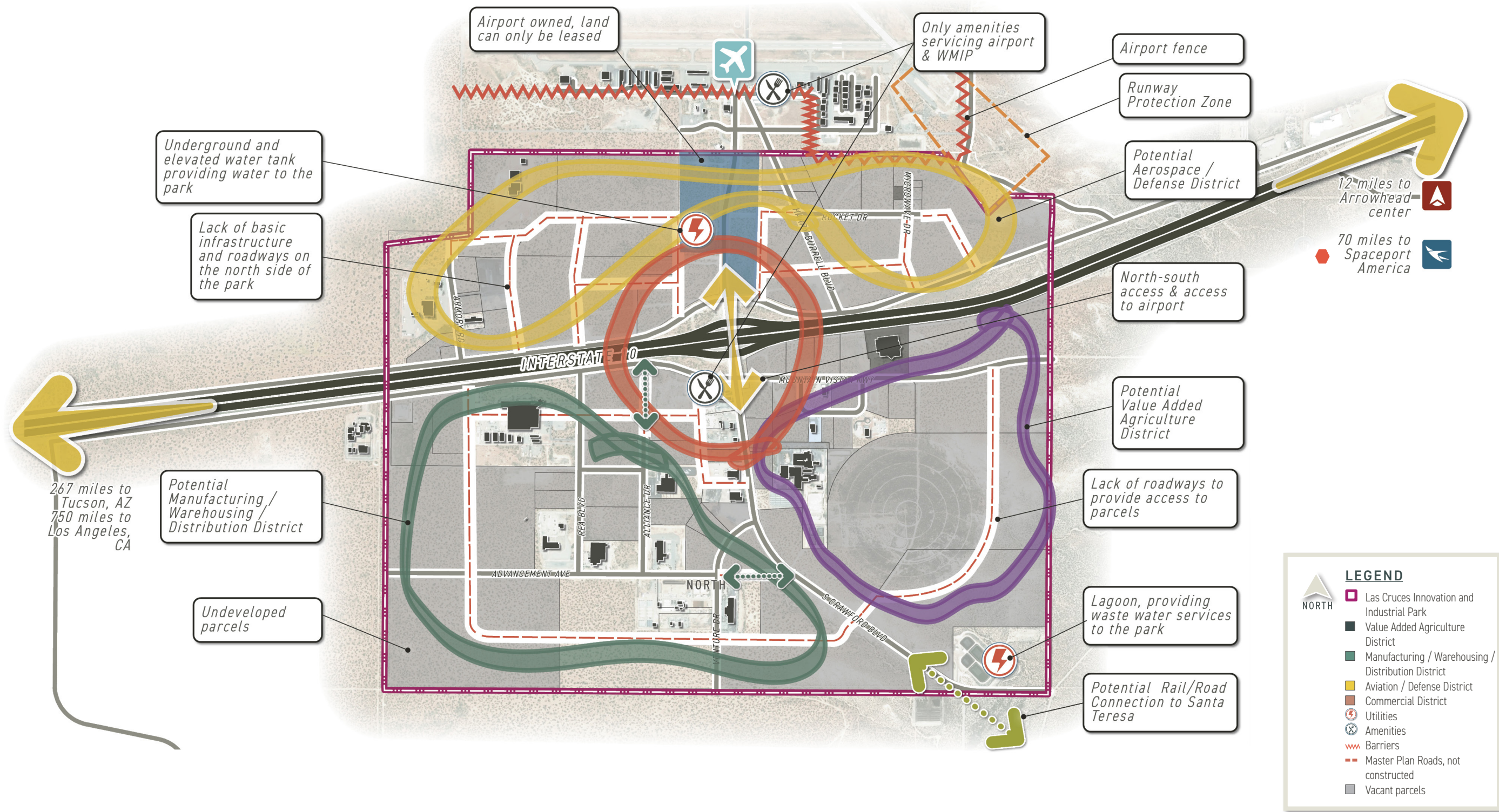
THE FOLLOWING SECTION IDENTIFIES OPPORTUNITIES AND CONSTRAINTS FOR THE PARK. IT IS INFORMED BY AN ANALYSIS OF RECENT ECONOMIC DEVELOPMENT STUDIES, A REAL ESTATE MARKET ANALYSIS AND BY A SERIES OF STAKEHOLDER INTERVIEWS CONDUCTED AS PART OF THE MASTER PLAN UPDATE. STRATEGIC GOALS OUTLINED AT THE END OF THIS SECTION IDENTIFY KEY OBJECTIVES TO POSITION THE PARK FOR GROWTH AND SUCCESS.

4.1 OVERVIEW

The Las Cruces Innovation and Industrial Park's location is both an asset and a challenge. The proximity to the Las Cruces International Airport and direct access from Interstate 10 present opportunities for aviation- and non-aviation related activities and any businesses that rely upon goods and services provided by truck freight. The Park's

location on the very western edge of the Las Cruces metropolitan area allows it to accommodate businesses that may not be compatible closer to residential areas. Opportunities and constraints are detailed in ["Figure 15. Opportunities & Constraints" on page 37.](#)

FIGURE 15. Opportunities & Constraints





At the same time, the Park does not have optimal proximity to some drivers of employment in the metropolitan area; White Sands Missile Range and Spaceport America are both east of Las Cruces, putting them more than an hour drive from LCIIIP. New Mexico State University and Arrowhead Research Park offer access to intellectual capital that is only 20 minutes from LCIIIP. The Park lacks the direct access to the border crossing and the major rail hub that Santa Teresa has and is unlikely to be able to compete for the same class of international logistics that has fueled growth there. But given that it is less than one hour from the border and within one day's drive from the West Coast, the Park has a competitive location for a number of businesses. The Park can leverage what it has; large parcels of land zoned for manufacturing that can be sold or leased for prices lower than many of its direct competitors. The access directly from Interstate 10 and a general aviation airport also make the Park convenient and attractive to a wide range of users.

The Park's current physical environment lacks a cohesive development framework, exhibits poor aesthetics, and lacks overall pedestrian amenities and way-finding signage. These features are necessary for the establishment of a unified, modern identity that is capable of attracting

industries. The physical attributes of Las Cruces Innovation and Industrial Park could be supported by an overall branding strategy both on the ground and online. The Park needs a designated website with marketing materials that highlight the advantages of the Park and have current information about available parcels. At a minimum, the website should have information about available land and a designated contact person.

The City should take a more prominent role in marketing the Park and identify land that is 'shovel-ready.' Shovel-ready sites should be prioritized and marketed both on-site and online. All potential incentives, both local and state, should also be part of the marketing pitch. This can be supplemented with a summary of applicable state taxes, possibly comparing New Mexico and Texas to clarify misperceptions about the New Mexico tax environment. The marketing pitch should be coordinated with other State agencies and the Spaceport. This joint effort could target industries in other states and entice them to relocate to New Mexico and the Park.

To differentiate the Park from its competitors, LCIIIP could articulate a sustainability strategy that promotes a carbon-neutral strategy. A forward looking perspective that recognizes the need to reduce carbon emissions has become a

central tenet of many companies. The Park could, through its design standards, require/incentivize measures to utilize renewable energy, reduce water consumption and encourage electric vehicular use with charging stations. These measures would need to strike the right balance between requiring additional measures that increase development costs and creating a longer term sustainable development. But these measures could in part be achieved through specific LEDA funding and strategic investments by the City of Las Cruces.

The Park also can anticipate technological advances in transportation; autonomous vehicles will likely be the rule rather than the exception in the next decade, particularly in commercial trucking. Autonomous vehicles will require less in terms of parking space and proximity to building entrances. This points long term to a reduced demand for parking on individual sites and more consideration for drop-off areas where autonomous vehicles can board/deboard their passengers. Similarly, as the transportation industry de-carbonizes, all-electric vehicles will gradually supplant combustible engines. With its strategic location on the western edge of the Las Cruces city limits, the Park will likely be a good site for vehicles to recharge. Recharging stations will be required for multiple vehicles and gas pumps will be used less and less. The overall Master Plan proposes minimum standards for electric charging stations with the understanding that individual sites can exceed those minimums as the need for recharging electric vehicles increases.

One final consideration would be to change the name of the Park. The concept of “Industrial Parks” dates back more than 50 years and, similar to “Office Parks,” was meant to invoke a lush parklike setting accessed by landscaped parkways, offering businesses ample land to build stand-alone

facilities, typically screened from the roads by bermed landscapes and expansive parking lots. The “Park” concept helped to separate industrial uses from residential areas but also required inexpensive fossil fuels and abundant water to create these insular developments. Looking forward, this model of development is not likely to be sustainable in the twenty-first century. A more carbon-neutral underlying strategy that also helps create a place more resilient to climate change can help to attract businesses looking to reduce risks.

As prior studies have noted, the name ‘West Mesa Industrial Park’ is sometimes associated with Mesa, Arizona. Few people outside of the Las Cruces area understand the connotation of ‘West Mesa.’ During the process of updating this document, the Park has been renamed to ‘Las Cruces Innovation and Industrial Park’ to better reflect the location within the Las Cruces municipal boundaries.

There are a number of parcels that are shovel-ready due to the infrastructure investments the City has provided.

The south side of the Park is largely served by existing infrastructure and utilities. Many of the roads identified by the original Master Plan have been constructed and a portion of the sites are developed. On the north side of I-10, the majority of the master planned roads have not been constructed and utilities are planned but not installed. Most of the land here is undeveloped and the sites available are not considered ready for development. Increasing the number of shovel-ready sites would create more opportunities for development. However, as there are a number of sites on the south site that are shovel-ready, a strategic plan is needed to identify the parcels that are most likely to develop in the foreseeable future.

4.2 STAKEHOLDER INTERVIEWS

SUMMARY

As part of Phase 1, the project team hosted a stakeholder meeting with business owners located at the Park and adjacent airport as well as city staff and officials. In addition, the team interviewed 10 individuals from the City, MVEDA, New Mexico State University, the BorderPlex Alliance, Spaceport America and White Sands Missile Range. The discussions focused on how it could be repositioned to attract new businesses and how the Park could contribute to the local and regional economy.

PARK AMENITIES

- Park and airport business owners noted that there was a lack of amenities at both the airport and LCIIP. Restaurants and other food options are missing, while walking trails and areas to rest were identified as needs. Partially due to the lack of shared amenities, there is no sense of community at the Park and no synergy between the Park and airport. Creating a higher density of similar uses could generate more interaction as well as provide support for more shared amenities.
- Stakeholders identified an area used to fly model airplanes and do archery as a potential attraction to bring people to the area.

PARK MARKETING

- Stakeholders noted that they could not readily find information about land for sale due to the lack of a website or centralized location from which to obtain this information.
- Stakeholders saw the potential for a coordinated marketing outreach to space-related companies in conjunction with the Spaceport. This pitch could be a collaboration with NM Partnership/ MVEDA/ Borderplex Alliance to attract aerospace firms from Los Angeles to Las Cruces. The State could do a direct marketing effort to potential

firms in Southern California.

- Stakeholders mentioned that the Park should be marketed in terms of multi-modal access (airport, access to air/highway) and should be branded around the multi-modal aspect.
- Others said to focus on green businesses and technologies to make the Park a cutting-edge destination that becomes a pioneer in terms of sustainability.
- Stakeholders also suggested that the City should be aligned in marketing and prioritizing the Park. Stakeholders mentioned the need to create a 'buzz' with the existing businesses and activities related to the Park.
- Stakeholders would like the Park to be seen more as part of Las Cruces and the idea was floated to rename the Park Las Cruces Industrial Park (or similar) to create tie the Park back to the community.

INFRASTRUCTURE

- Stakeholders noted that basic infrastructure on the north side was missing and that this is a factor in deterring businesses from locating within the Park.
- Broadband access and speed were mentioned as a major issue, specifically at the airport. As an example, NMSU Physical Science Lab (PSL) produces a lot of data during their work at the airport and requires suitable internet which currently does not exist.
- To some stakeholders, good utilities and infrastructure presented the most important aspect to make the Park successful. The majority of businesses are looking for transmission lines/ power & water first rather than landscape and signage.

USES

- Stakeholders noted that some businesses like the fact that the airport is gated and floated the idea to have an area within LCIIP gated to create

additional security for businesses that require it.

- *Agriculture-related businesses, cold storage and farming-related activities are seen as suitable for the Park. Hemp-based businesses were considered more controversial, however, others saw this industry as growing and as an opportunity for LCIP.*
- *UAS is seen as a suitable use because of the proximity to the airport. Stakeholders see the potential for manufacturing of technologies developed at the Spaceport or other places that have matured to the point where manufacturing production facilities are needed (e.g hybrid rocket motors that Virgin deploys) as an option.*
- *Suborbital activities could be a good fit for the Park, as noted by stakeholders, as well as testing operations that require a buffer from other activities.*
- *A training center and similar institutional uses were mentioned as a potential use for the Park.*
- *Green jobs, solar and other related industries were mentioned as desired uses for LCIP.*

AIRPORT & PARK RELATIONSHIP

- *The desire was expressed to integrate the Park and airport more.*

PARK LOCATION / ACCESS

- *The Park's location is seen both as an advantage and disadvantage. The Park's proximity to the airport and easy access to Interstate 10 is seen as an advantage; however, its location on the West Mesa, furthest away from White Sands and the Spaceport, are seen as a disadvantage that inhibits the potential synergy between those activity centers. On the other hand, this isolated location is also regarded as a benefit. Industrial uses are well-suited here, far removed from any incompatible uses.*
- *Stakeholders mentioned that the Park initially was positioned to compete with Santa Teresa. However, the City of Las Cruces is too far from the border to attract businesses that focus on the US/Mexico border trade.*
- *Interstate access to Phoenix and Los Angeles provides logistic opportunities and markets and is seen as a benefit.*
- *Park access for the labor force is also seen as reasonable with a 15-minute drive from downtown Las Cruces, however the lack of public transit is a constraint.*
- *As a drawback, stakeholders identified the lack of rail access; however, some did not think this was an essential requirement for most businesses.*



SPEC SPACE

- The lack of available buildings for rent or for sale was seen as a major disadvantage. Stakeholders mentioned that if there was suitable space, they had interested parties to rent space. Las Cruces has a shortage of space that is suitable for fledgling firms.
- Start-up firms do not have the ability or financial resources to commit to a long-term lease. Thus reasonably priced existing spaces could attract start-ups and young entrepreneurs. Stakeholders mentioned that a multi-tenant building would be appropriate at 50,000 SF.
- Maker and incubator spaces were mentioned to be a suitable fit.

LABOR FORCE

- The proximity to and collaboration with NMSU is seen as an advantage. NMSU has trained individuals to fit specific skills required for businesses located in LCIIIP. This is seen as a

great asset.

- Alternatively, the high minimum wage offered in New Mexico is seen as a drawback and a barrier when competing with locations in Texas.

LAND & FINANCING

- Prices of land within the Park are considered favorable for attract new development. The option to offer LEDA funds to help finance infrastructure is also seen as a plus.
- Stakeholder mentioned a TIDD / TIF to potentially finance some of the required infrastructure.
- The cost to market is seen as problematic. The Park is still competing with other locations that have available facilities built when construction costs were lower. New construction is more expensive now. The question was raised how this could be overcome. It was suggested to bring in LEDA. The Park should outline and clarify all benefits and incentives that the City and State can give for new businesses to be located in the Park.
- It was suggested that the City would pay a





commission on land to a broker. This, according to the City, was in existence before but has not been employed.

- *LEDA offers to trade land for jobs, however land values are unknown. Stakeholder suggested to clarify the value of land and create a transparent and speedy development process.*
- *Stakeholders mentioned the need to forge stronger connections with the State Economic Development to go after large companies. For City owned land a broker should be hired to market the land and serve as point-person.*
- *Stakeholders highlighted that there was a lack of incentives for businesses to come to NM, specifically veteran businesses.*
- *Santa Teresa is seen as a strong competitor. While more expensive, it is in closer proximity to the border and has rail access.*

interest. It was suggested to work with a design/build firm to create plans for a 200,000 SF flex.

APPROVAL PROCESS

- *The development and approval process is seen as slow and confusing. Where to buy land from and how to get it entitled is unclear.*
- *Stakeholders mentioned that going through MVEDA may provide a route for interested parties to get information. However, if MVEDA is not involved it is important to identify a point person in the City.*
- *Time to market is seen as crucial and the desire was expressed to have a fast track route for new projects. It was mentioned that once a project approval goes past nine months, people lose*

4.3 SWOT ANALYSIS

The Market Street Report Economic Assessment included a SWOT Analysis (Strengths, Weaknesses, Opportunities, and Constraints) of the regional economy, and of LCIIIP specifically, as summarized below.

STRENGTHS AND OPPORTUNITIES

- Proximity to White Sands Missile Range, Spaceport America, 2 military bases, and the Mexican Border.
- NMSU as a location of one of 16 Centers of Excellence nationally for Unmanned Aircraft Systems (UAS).
- NMSU Physical Science Laboratory (PSL), one of 7 FAA-approved UAS test sites.
- Superior interstate highway access at the junction of I-10 and I-25.

- Availability of land at LCIIIP served by water and electricity.

WEAKNESSES AND CONSTRAINTS

- Lack of available industrial buildings at LCIIIP for sale or lease.
- Slow Internet speeds and lack of high-speed fiber availability.
- Poor aesthetics and signage.
- Lack of food and lodging options.
- Loss of commercial air service.
- Process and timeframe for parcel sales and permits.



4.4 STRATEGIC GOALS

The input received from the stakeholders, as well as the analysis of the existing conditions and market analysis, tells a story of opportunity. However, there are a number of hurdles to be overcome in order for the Las Cruces Innovation and Industrial Park to realize its full potential. Addressing concerns in a strategic manner will create a basis upon which the Park can grow successfully.

The Park's strategic goals have been informed by the stakeholder outreach efforts, the work of prior studies, discussions with the City, national best practices and professional expertise. Elevate Las Cruces Goals, Policies and Actions have also guided the strategic goals identified here.

Success can be best achieved through a comprehensive approach. Visible, physical improvements must be paired with complementary policies and marketing efforts. Five strategic goals will guide the overall master plan and development strategy.

1. Upgrade LCIIIP to better compete for new development

- a. *Modify site master plan to attract target industries*
- b. *Address infrastructure deficiencies*
- c. *Improve site aesthetics*
- d. *Create wayfinding and signage plan*
- e. *Incorporate amenities desired by tenants and employees*
- a. *Identify an area for a flex/innovation space and develop a spec building and /or create pre-approved plans to expedite development*

2. Improve LCIIIP image and visibility

- a. *Create a proactive sales and marketing program*
- b. *Streamline the development review and*

approval process

- c. *Streamline the property sales process*
- d. *Revise overlay zone standards*

3. Integrate LCIIIP with the Airport

- a. *Position LCIIIP lots north of I-10 for aviation related development*
- b. *Improve key road sections and connections*
- c. *Implement landscape requirements from the Airport Landscape Master Plan*

4. Promote environmental and energy efficiencies

- a. *Identify incentives for renewable energies*
- b. *Upgrade wastewater treatment to promote water recycling*

5. Leverage economic development partnerships

- a. *Coordinate with NMEDA and BorderPlex on LCIIIP objectives*
- b. *Leverage LEDA and other state incentives*
- c. *Improve communication with other regional employment centers*

5. MASTER DEVELOPMENT PLAN

THE FOLLOWING SECTION OUTLINES THE MASTER PLAN DEVELOPMENT FRAMEWORK THAT IDENTIFIES THE GOALS FOR MASTER PLAN ELEMENTS LIKE CIRCULATION, LANDSCAPE, BRANDING & IDENTITY, INFRASTRUCTURE & UTILITIES AND SUSTAINABILITY AMONGST OTHERS.

5.1 LAND USE FRAMEWORK

As established in Elevate Las Cruces, *'Business Park and Industrial areas are reserved for concentrations of warehousing, trade, transportation, research and development, manufacturing, and industrial uses.'* (Elevate Las Cruces, Volume I, pg. 35)

The goal of the Land Use Framework is to accommodate a range of uses, with the intent of creating synergy between businesses with similar or complementary activities. The Land Use Framework also establishes a commercial district adjacent to Interstate 10. Uses such as restaurants and retail are permissible here to provide and encourage services to the local workforce.

The Land Use Framework, as illustrated in ["Figure 18. Land Use Map" on page 47](#), breaks the Park down into four districts:

1. Value Added Agriculture,
2. Manufacturing / Warehousing / Distribution,
3. Aerospace / Aviation / Defense and
4. Commercial.

The **Value Added Agriculture** district is located south of Interstate 10 in the southeastern portion of the Park. It is intended to accommodate agriculture-related manufacturing and other processes that enhance the value of basic agricultural commodities. Most of the parcels are larger in size to provide sufficient land for these types of activities.

The **Manufacturing / Warehousing / Distribution** district is located south of Interstate 10 in the southwestern portion of the Park. It is intended to accommodate manufacturing, warehousing and distribution types of uses. It offers a range of parcel sizes and has good access to the interstate.

The **Aerospace / Aviation / Defense** district is located north of Interstate 10 and is adjacent to the Las Cruces International Airport. It is intended to accommodate aviation- and defense-related uses and offers a range of parcel sizes with direct access to the airport.

The **Commercial** district is located adjacent to Crawford Boulevard, on both sides of the Interstate 10 interchange. It is intended to accommodate commercial uses that offer services to the local workforce and interstate-associated business opportunities. This district has smaller parcel sizes more suited for uses like restaurants, with good visibility and access from the interchange.

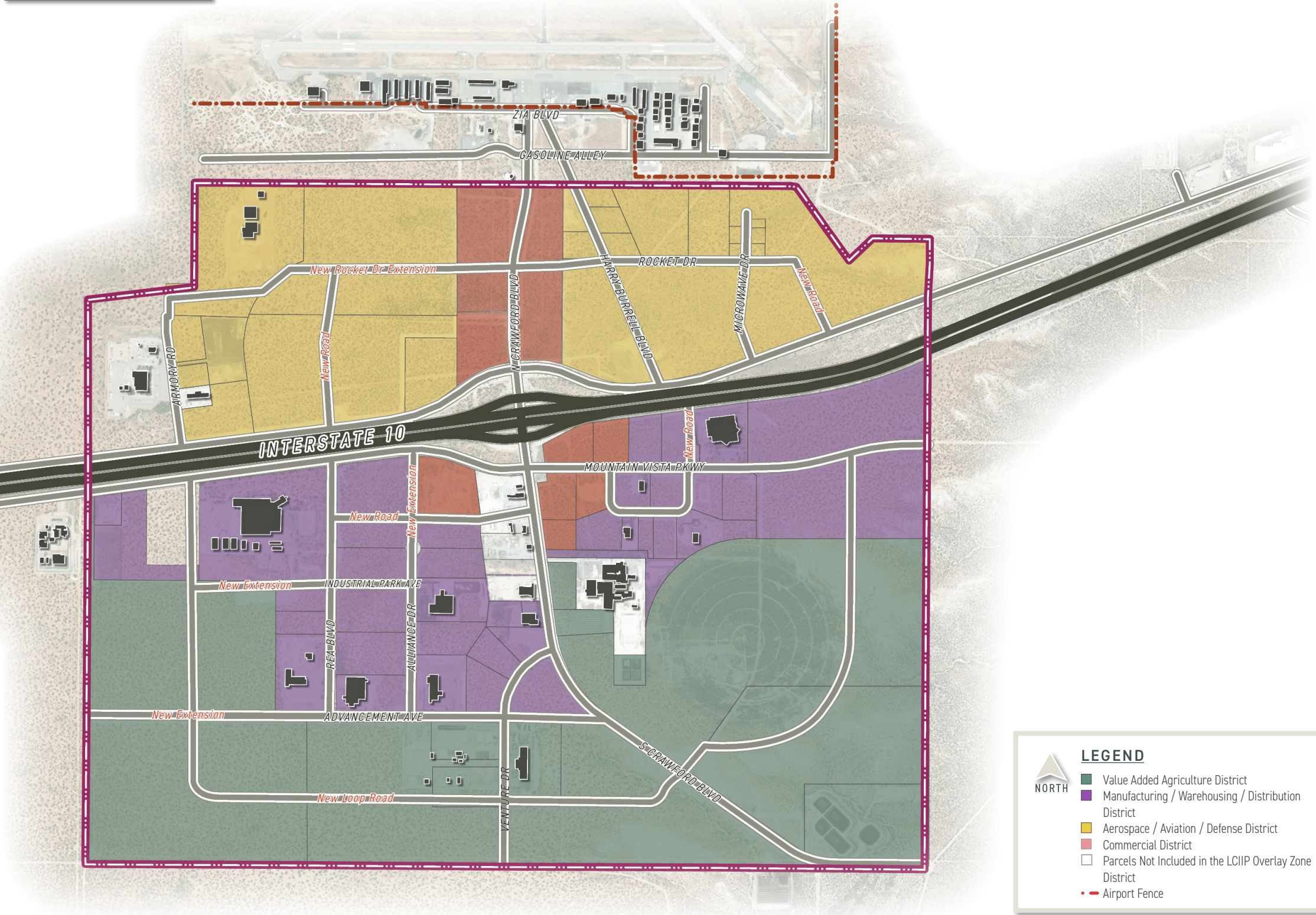
Expansion Area

Surrounding the existing park boundaries are a number of large parcels that are City-, State- or Federally-owned. If the Las Cruces Innovation and Industrial Park would need to expand, ["Figure 18. Land Use Map" on page 47](#) illustrates one potential expansion option.

FIGURE 17. Expansion Area



FIGURE 18. Land Use Map



GOALS/STRATEGIES

1. Establish four distinct districts to create synergy between businesses with similar or complementary activities
2. Encourage commercial services in the commercial district to provide services to the local workforce

5.2 ILLUSTRATIVE DEVELOPMENT PLAN



FIGURE 19. Illustrative Development Framework



5.3 CIRCULATION FRAMEWORK

The goal of the Circulation Framework is to create a functional and accessible network of roadways with connections to all parts of the Park. It is intended to accommodate automobile and truck traffic as well as pedestrians and bicycles. To enhance community access, alternative access modes should be considered, including transit and potentially rail as established by Elevate Action CP-4.2.1.

To offer opportunities for traditionally underserved populations, the Park should be designed to function as an inclusive employment center as established by Elevate Policy CP-2.2.1. All circulation facilities should be designed to accommodate convenient access and encourage a variety of modes of transportation to, from

and within the Park. Pedestrian facilities should be provided to improve ADA accessibility as established by Elevate Policy CP-CL-8.5.

The Circulation Framework illustrated in ["Figure 23. Circulation" on page 51](#), creates a connected network of roadways that would provide convenient access to all parcels within the Park. The backbone of this network is Crawford Boulevard, which serves as the **Primary Roadway** connecting the southern and northern portions of the Park. Crawford Boulevard will be treated as a signature roadway with gateway signage, enhanced landscaping and pedestrian facilities as identified in ["Figure 20. Crawford Blvd Section" on page 50](#).

FIGURE 20. Crawford Blvd Section

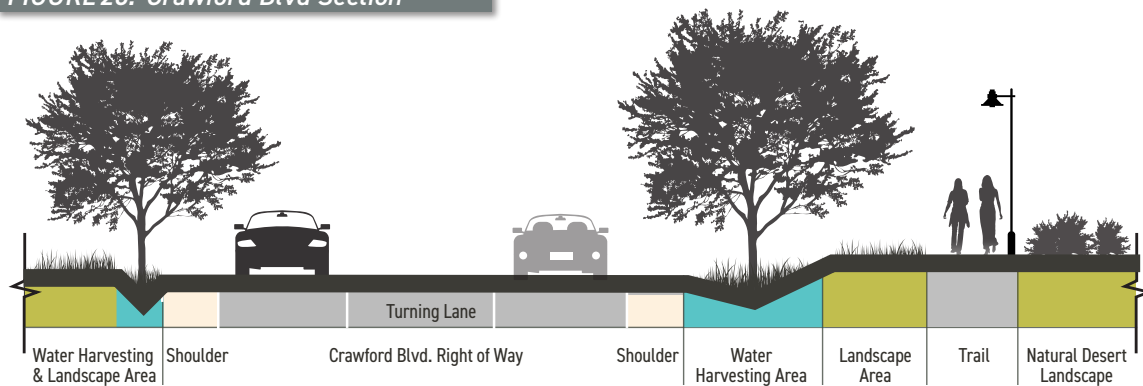


FIGURE 21. Secondary Roadway Section

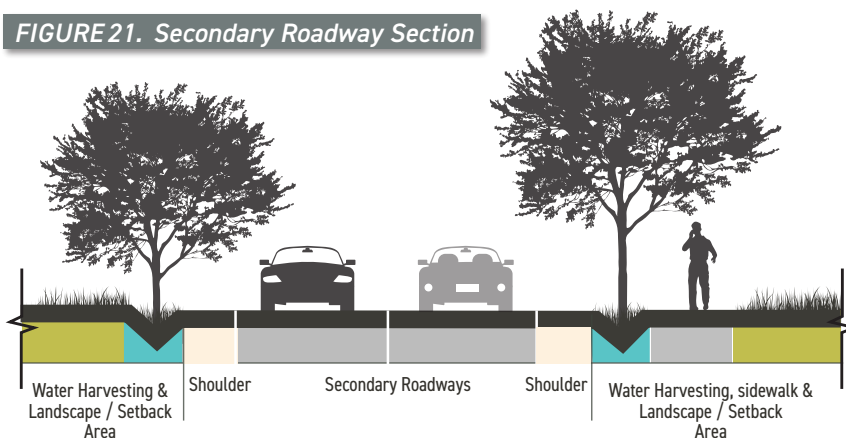
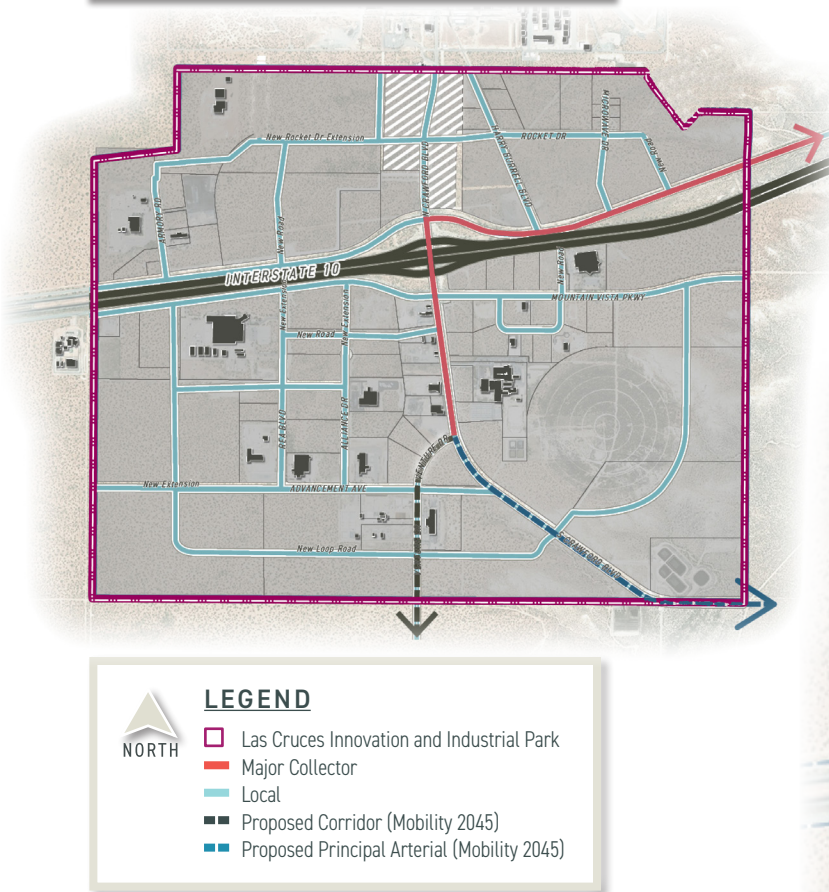


FIGURE 22. Current & Future Road Classification



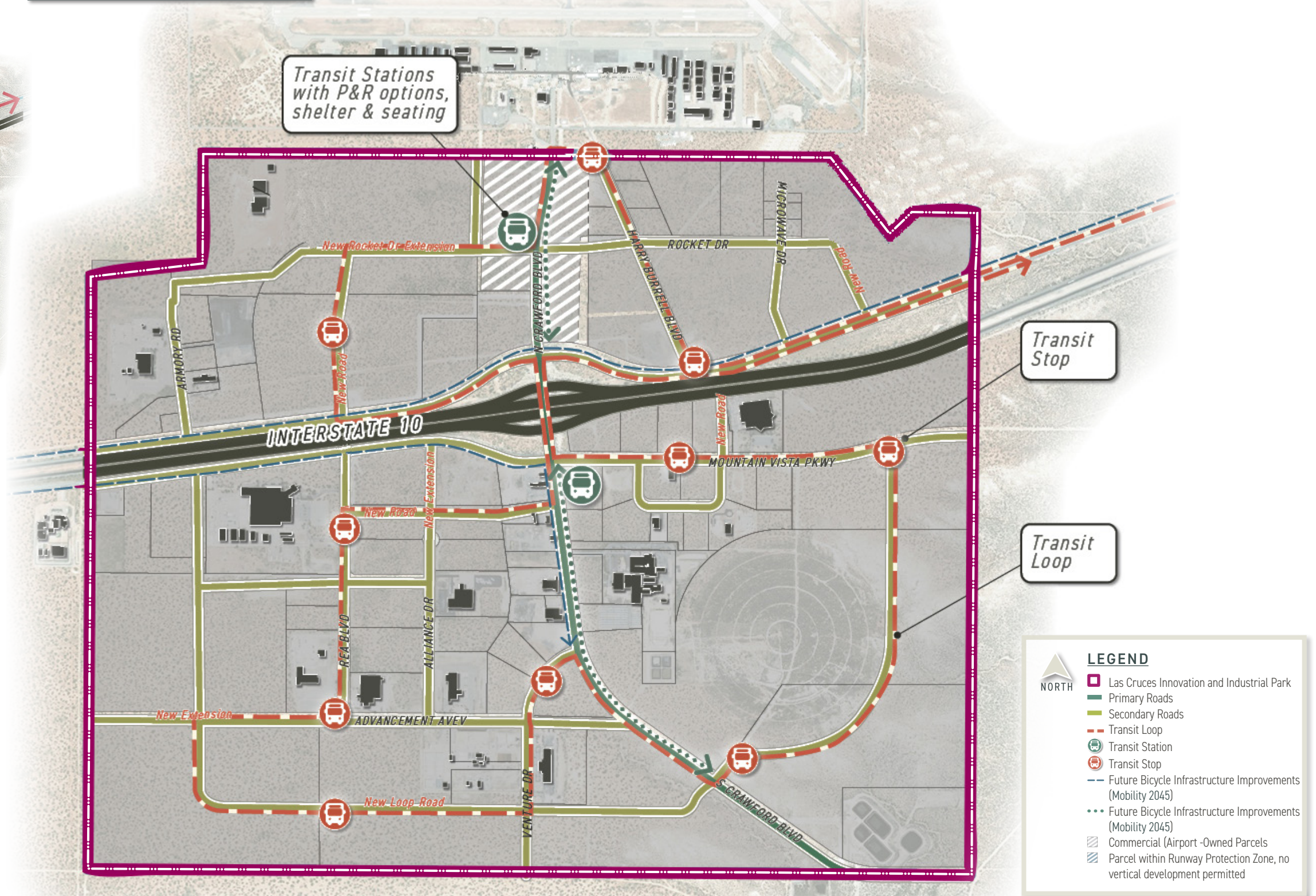
All other roadways are considered as **Secondary Roadways** that primarily function to carry traffic to and from local businesses as identified in "Figure 21. Secondary Roadway Section" on page 50.

All roadways should be designed to City standards for *City of Las Cruces Design Standards* local roadways.

LCIIP should encourage the use of transit options to and from the Park. This will increase access to jobs within the Park for the local workforce. Transit routes and facilities should be added to increase accessibility (Elevate Las Cruces, Policy CP-2.2).

Transit shelters and designated parking spaces for the Enterprise Coordinated Van program should be

FIGURE 23. Circulation



added as illustrated in [“Figure 23. Circulation” on page 51.](#)

Las Cruces Innovation and Industrial Park has two entryways located on both sides of the I-10 interchange. Both entrances should be designed and maintained to express the Park’s branding and identity.

GOALS/STRATEGIES

1. Accommodate convenient access for traditionally underserved populations and encourage a variety of modes of transportation to, from and within the Park. Study the feasibility of both transit and rail access to the park and provide an appropriate public travel mode to access the Park.
2. Design all sections of Crawford Blvd as Primary Roadway with enhanced landscape and a designated pedestrian facility as identified in [“Figure 20. Crawford Blvd Section” on page 50.](#)
3. Design all sections of all Secondary Roads as identified in [“Figure 21. Secondary Roadway Section” on page 50.](#)
4. Adopt Capital Improvement Projects & Funding to build streets and sidewalks
5. Support transit route expansion to LCIIIP. Identify areas for transit facilities and develop transit facilities

5.4 LANDSCAPE / SITE AMENITIES FRAMEWORK

The goal of the Park’s Landscape / Site Amenities Framework is to create a cohesive overall image and identity, as well as to visually connect the Las Cruces Innovation and Industrial Park and the Las Cruces International Airport. The landscape design should follow the design concepts established in the Las Cruces International Airport Landscape Master Plan (2020). This Master Plan designates Crawford Boulevard as a signature roadway with enhanced landscape and pedestrian elements as illustrated in [“Figure 24. Landscape” on page 53.](#) It incorporates a multi-use trail on the east side of Crawford Boulevard with a landscape buffer to separate pedestrians from vehicular traffic. All other roadways are designed as Secondary Roadways and follow the guidelines established in [Part 2, Section “Landscaping” on page xii.](#)

A park is proposed at the intersection of Advancement Ave and Crawford Blvd. This space is intended to serve as an amenity to the local

workforce. It should include walking trails and basic amenities (seating and shade) to enable people to have lunch, socialize or just enjoy the scenery. A hardscape plaza is identified at the intersection of Mountain Vista Parkway and Crawford Blvd. This plaza could be utilized as a staging area for food trucks to serve the local workforce. It should include shaded areas to sit, eat and socialize.

Four roundabouts should be incorporated into Crawford Blvd to serve as placemaking features and slow traffic. The roundabouts shall follow the design and plant palette established in the Airport Landscape Master Plan.

All landscape areas should also incorporate Low Impact Development (LID) features that capture runoff from adjacent impervious surfaces to enhance stormwater quality and water the established landscape. Specific standards are outlined in the Development Standards section of this Plan.

GOALS/STRATEGIES

1. Establish Crawford Blvd as a signature street with enhanced streetscape treatments that follow the design and plant selections of the Airport Landscape Master Plan.
2. Design secondary roadways according to the established landscape requirements.
3. Create one (1) park to serve as an amenity to the local workforce.
4. Create one (1) hardscape plaza to serve as a staging area for food trucks. This plaza provides shaded seating areas.
5. Create two (2) roundabouts (located north of I-10) that incorporate the design and plant palette identified for roundabouts in the Airport Landscape Master Plan.
6. Incorporate LID features to capture runoff from adjacent impervious surfaces and enhance stormwater quality with all new landscape projects within the Park.
7. Adopt Capital Improvement Projects & Funding to implement landscape goals

FIGURE 24. Landscape

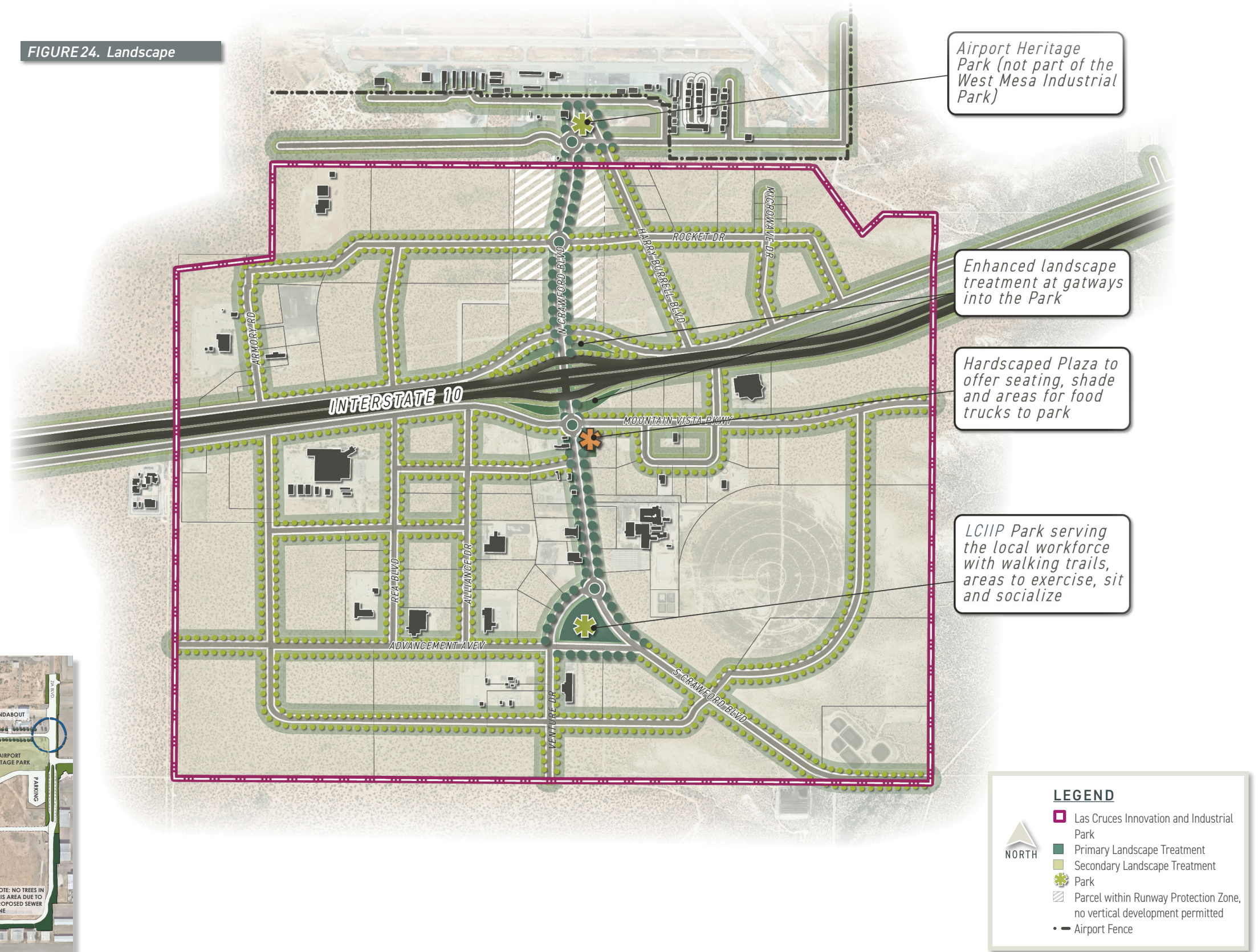


FIGURE 25. Excerpt from Airport Landscape Master Plan (2020)



5.5 SUSTAINABILITY FRAMEWORK

The goal of the Sustainability Framework is to articulate a series of carbon-neutral and water-saving strategies that will make the Park more resilient to climate-related forces, create a more attractive built environment and help to distinguish the Park from its competitors. This goal is in line with goals and policies established by Elevate Las Cruces (GOAL CE-8: Energy Efficiency, CE-9: Sustainable Infrastructure Systems). Taken together, these strategies could help the Park generate renewable energy on-site, increase the reliability of the utility grid while also reducing the carbon footprint of the area. The Park can strengthen its brand by demonstrating that an employment center can lead in terms of renewable energy and innovative water management technologies.

Implementation of these sustainability measures requires a careful balance of creating incentives for businesses to adopt new measures while not prohibitively increasing the cost of development. Some measures, such as creating a micro-grid that could tap into multiple sources of localized energy production, require an investment and initiative from the City and El Paso Electric. Other incentives, such as photovoltaics in parking lots, provide the added benefit of shaded parking. If the City determines that an emphasis on sustainability makes sense, then the City should conduct additional analysis to determine the right mix of incentives and standards. Standards that require a higher level of sustainability measures can be incorporated into Part 2 ["1. Regulatory Framework" on page ii](#). Cost burdens created by additional requirements could be offset by reduced application fees, and potentially other incentives provided by the City, State or utilities.

In addition to carbon-neutral strategies, the Park can implement measures that reduce water consumption and employ low-cost water quality measures. In an arid environment like Las Cruces, these measures make sense and take advantage of the fact that rain often arrives in intense downpours associated

with the monsoon season. Water-saving strategies include:

- Incorporate Low Impact Development features throughout the Park. These could be bioswales, stormwater retention areas or other landscape areas that capture runoff from impervious surfaces.
- Require street trees to be planted along any newly constructed or renovated street to provide for a more hospitable pedestrian environment and active carbon capture.
- Encourage new development to integrate cisterns, either above ground or below ground, to reduce stormwater runoff and offset irrigation for landscape.

GOALS/STRATEGIES

1. *Create incentives program for businesses to incorporate renewable energy on-site.*
2. *Incorporate sustainability standards into [Part 2 "1. Regulatory Framework" on page ii](#).*
3. *Consider localized renewable energy production with the creation of a 'micro-grid'.*
4. *Make Low Impact Development techniques standard for roadways and other public investments.*
5. *Encourage on-site detention of stormwater, with swales, coordination with landscaping and stormwater capture.*
6. *Identify funding sources, such as GS- LEDA/ MRA/ TIDD to assist with the implementation of sustainable infrastructure.*



Cisterns to capture runoff from building roofs



Low Impact development feature, bioswale



Low Impact development feature, bioswale



Reducing impervious surfaces



Energy production through Solar covered parking lots



Energy production through roof mounted wind turbines

5.6 UTILITIES / INFRASTRUCTURE FRAMEWORK

The goal of the Park’s Utility / Infrastructure Framework is to provide reliable services to parcels in a timely manner. This includes water, sewer, gas and electricity as well as broadband. [“Figure 26. Utilities” on page 57](#) illustrates existing and proposed infrastructure extensions. Extending utilities to a number of lots will create shovel ready sites suitable for potential tenants and make vacant parcels more competitive and responsive to development opportunities.

These utility extensions should include fiber optic broadband as an essential utility for virtually all large and small businesses. High speed fiber optic cable providing internet speeds of up to 100 mbs (depending on the level of service contracted for by the business) should be installed along with the road and utility extensions. This will offer fiber optic available at the curb and allow for a reasonable cost connection for new tenants and buyers. The recommended fiber line extensions would be built and owned by the private cable operator and installed at the City’s expense.

[“Table 4. Utility Service” on page 56](#) outlines parcels that are currently underserved and have good potential to accommodate future development.

GOALS/STRATEGIES

1. Provide reliable utility services to parcels that have short-mid term development potential.
2. Identify utility needs on a parcel by parcel basis and extend infrastructure and utilities as needed. Prioritize parcels that are easier, more attractive to be developed.
3. Increase speed and reliability of broadband throughout the Park.

4. Expand multi modal infrastructure (e.g. roads, sidewalks, trails and parks) throughout the Park.
5. Partner with Century Link to extend broadband and educated existing Park tenants about the broadband options and availability of broadband
6. Adopt Capital Improvement Projects & Funding to implement and build utilities and infrastructure.

TABLE 4. Utility Service

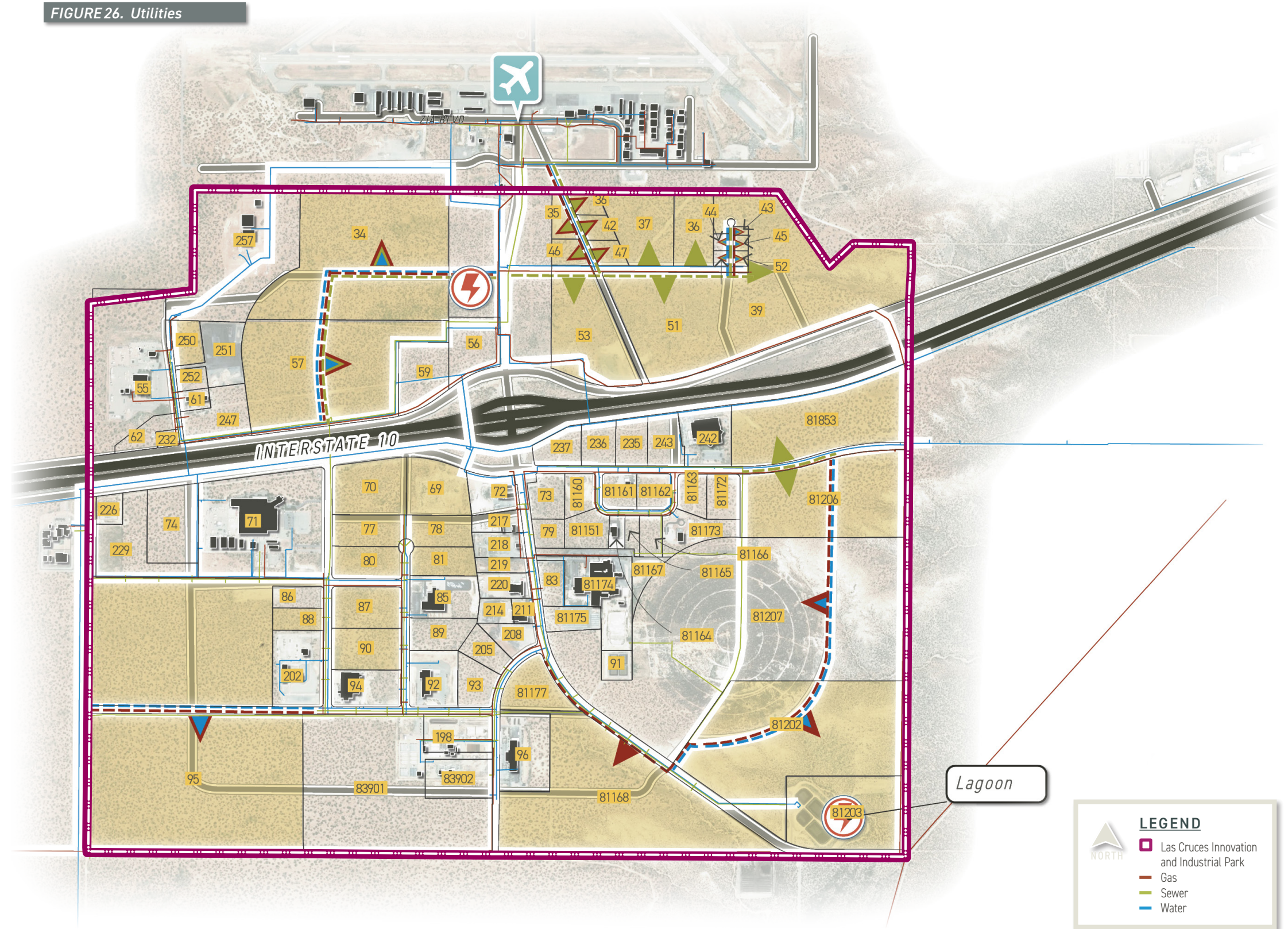
Owner	Acres	Map #	Utility Availability			
			Sewer	Water	Gas	Other
Andrade Luis Oscar	4.73	81161	X	X	X	
Andresen Frederick H	2	81165	X	X	X	
Arizona Acquisition Company LLC	15	96	X	X	X	
Balance Realty LLC	10	198	X	X	X	
	79.64	83901	X	X	X	
Besinger Richard	5.96	81851	X	X	X	
	3.46	79	X	X	X	
Certoplast North America Inc	7.4	89	X	X	X	
	10.61	92	X	X	X	
City Of Las Cruces	90	34	-	-	-	Road
	3.16	35	-	X	-	Road
	3	36	-	X	-	
	17.65	37	-	X	X	
	11.5	38				
	111.26	39	-	X	X	Road
	3	42	-	X	-	
	0.5	43	-	-	-	
	0.89	45	-	-	-	
	3.36	46	-	X	-	
	3	47	-	X	-	
		51				
	0.89	52	-	-	-	
	28.86	53	-	X	X	
	66.29	57	X	X	X	Road
	5.05	250	X	X	X	
	48.86	81206	-	X	X	Road
	12.73	69	-	X	X	Road
	15.3	70	X	X	X	Road
	8.81	77	X	X	X	Road
7.8	78	X	X	X	Road	
7.8	80	X	X	X		
7.13	81	X	X	X		
4.26	86	X	X	X		
11.19	87	X	X	X		
4.28	88	X	X	X		
11.19	90	X	X	X		
10.26	81177	X	X	X		
88.19	81202	X	X	-	Road	
112.19	95	X	X		Road	
33.86	81203	X	X	-	Road	
Commissioner Public Lands The	3.52	81166	X	X	X	
Contractors Leasing LLC	6.65	93	X	X	X	
Crawford Clarence W & Theresa A	11.27	247	X	X	X	

TABLE 4. Utility Service

Owner	Acres	Map #	Utility Availability			
			Sewer	Water	Gas	Other
D&L Schroeder Properties LLC	2.55	252	X	X	X	
Dms Realty, LLC	11.22	85	X	X	X	
Doak Rental LLC	3	219	X	X	X	
	5	220	X	X	X	
Ducross Investments LLC	5	218	X	X	X	
El Paso Electric Company	3	226	X	X	X	
Farmers Investment Co	10	94	X	X	X	
Flynn Michael	4.59	62	X	X	X	
	1.37	232	X	X	X	
Ghodsian Company LLC	6	235	X	X	X	
	5.78	236	X	X	X	
Hillspride North LLC	4.48	81163	X	X	X	
	8.1	81173	X	X	X	
Las Cruces Park Llc	6.84	243	X	X	X	
Lobos Development Llc	5.65	81172	X	X	X	
Lonesome Dove Land Llc	3.8	217	X	X	X	
Medina Carlos E	4.78	81160	X	X	X	
Montigoose Llc	50	71	X	X	X	
Musket Corp	7.01	72	X	X	X	
New Mexico Dept Of Transportation	10.07	251	X	X	X	
New Mexico Public Lands	16.46	229	X	X	X	
New Mexico State Armory Board	50	257	?	X	?	
	43	55	X	X	X	
Pq Hwy 70 LLC	6	237	X	X	X	
Pq Hwy LLC	6	73	X	X	X	
Ratje James P & Mary Helen	4.75	81162	X	X	X	
	3.29	214	-	-	-	
Rio Grande Rentals LLC	2	211	X	X	X	
	5	205	X	X	X	
	5	208	X	X	X	
	180	81207	X	-	-	Road
	6.36	81167	X	X	X	
Saputo Cheese USA Inc	18.61	81174	X	X	X	
	4.36	83	X	X	X	
	5.03	81175	X	X	X	
	3.49	91	X	-	-	
Schroeder David & Linda	2.39	61	X	X	X	
State Of New Mexico	15	74	-	X	-	
Transworld Network Corporation	1	44	X	-	-	
	9	56	X	X	X	
United States Of America	16.36	59	X	X	X	
	15	202	X	X	X	
Vitality Cbd Natural Health Products Inc	10	83902	X	X	X	
West Mesa Rentals LLC	2	81164	X	X	X	
Wolf LLC	11.15	242	X	X	X	
World Radio Network	0.89	51	X	-	-	

Developed
 Undeveloped

FIGURE 26. Utilities



5.7 DEVELOPMENT / PROCESSES FRAMEWORK

The goal of the Development Framework is to create a business-friendly environment that attracts new tenants to the Park and facilitates expansion of existing businesses. This includes strategies to streamline the development process, specifically creating an expedited land sale transaction process. It may also include creating “spec” building space that can accommodate a range of end users or pre-approved building plans that shorten the City review process.

The land sale process should be clarified and simplified. This may require amending City ordinance to not require City Council approval for land transactions under a specified amount.

A website and new informational materials should be developed to make it easier for interested parties to access information about the Park. A single point of contact at the City would help to facilitate the process, from an initial inquiry about potential space to guiding a prospective party through the land transaction and development review process.

The development process should be clarified to enhance the overall experience and expedite the development timeframe. This includes updating the Park Covenants to reflect the updated review and approval steps by the City. An expedited development process should be developed that applies to all qualifying businesses located in the Park. If projects comply with the applicable regulations, projects could be automatically approved. Criteria could be developed to identify which projects qualify. [“Table 7. Potential LCIIIP Special Approval Process” on page 59](#) outlines a list of potential criteria.

The WMIP Overlay should be adjusted to incorporate the revised development standards identified in section [“5.7 Development / Processes Framework” on page 58](#), and by establishing

an expedite development process for qualifying businesses to be located in the Park. Along with these adjustments, the name of the overlay should change to Las Cruces Innovation and Industrial Park (LCIIP) Overlay to reflect the name change of the Park.

The Park could explore the potential to build a “speculative” building that could accommodate a range of desired business types, from research/development to light manufacturing. This would provide incubator space and space for smaller businesses to establish themselves and grow their ideas and ventures.

A less capital intensive measure with the same intent of lowering thresholds for businesses to locate in the Park would be to create pre-approved ‘Spec Building’ designs. The City would create (likely through an architectural firm) a design for a flexible incubator and/or production space that was designed to respond to a range of potential businesses. This would be designed to the point where the City would have the confidence to assure approval in a compressed timeframe of a set of construction plans that were based upon the pre-approved design. The Spec Building would have all the required elements in place to deliver a building suited for specific needs with a more predictable timeframe to complete design, approvals and construction. The building design would be flexible to meet the specific needs of prospective new businesses. [“Figure 27. Spec Building” on page 59](#) illustrates an example of a template for a spec building.

GOALS/STRATEGIES

1. *Expedite the sale of land owned by the City.*
2. *Clarify the development process and create checklists for potential development processes that identify each step and all requirement application materials.*

3. Adjust the WMIP Overlay Zone standards to be more flexible, implementable and transparent and change the name to LCIIIP Overlay Zone.
4. Establish a LCIIIP special approval process for qualifying businesses.
5. Create flexible incubator/production building space
6. Create pre-approved building designs that can reduce design and review timeframe.
7. Adopt Capital Improvement Projects & Funding to implement and build spec building, add pre-approved plans and add method to pay for expedited process.
8. Create staff position to assist in the development process and help market the Park.

FIGURE 27. Spec Building

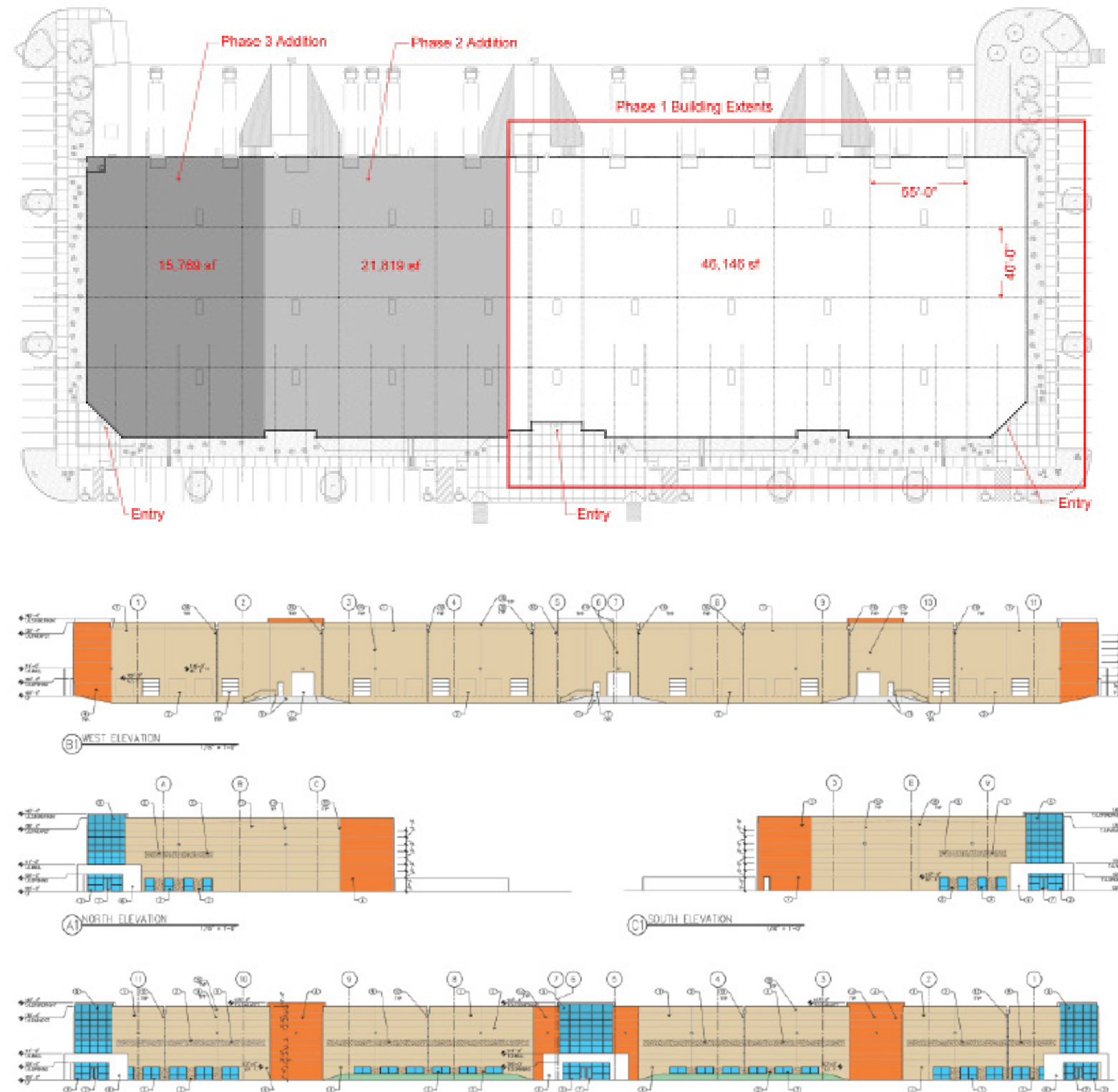


TABLE 6. Potential LCIIIP Special Approval Process

Projects that will include a minimum of 100 or more permanent jobs after construction or that include a minimum of 50,000 square feet of building floor area in a building or buildings within a single phase of development are eligible. Industries that qualify could include the following:

- Corporate campuses or offices
- Electronic data management businesses
- Laboratory and testing services
- Light and heavy manufacturing businesses
- Research and development uses
- Warehouses
- Industries that provide employment to underserved populations
- Other uses may qualify

5.8 DEVELOPMENT OPPORTUNITIES

The goal of the Development Opportunities Framework is to identify sites with immediate development opportunities. The City of Las Cruces owns 850 acres within the Park. Some of the parcels owned are not served by appropriate infrastructure and utilities and are therefore not readily developable. [“Figure 28. Shovel-Ready Sites” on page 61](#) identifies parcels owned by the City. It also highlights parcels that are considered to be readily developable as they have the necessary infrastructure in place.

[“Table 5. Development Opportunities”](#) outlines the parcels deemed ready for development.

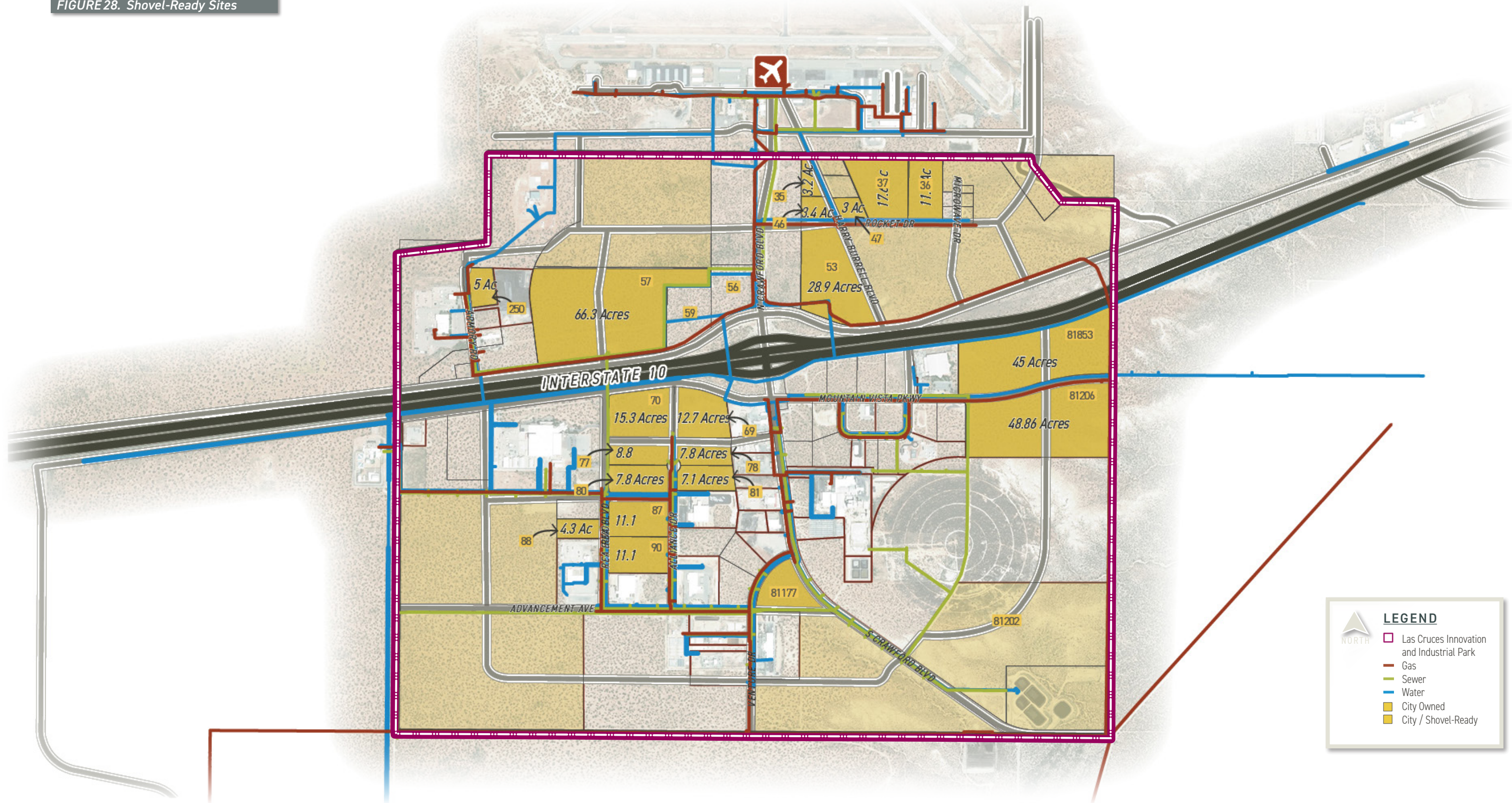
TABLE 5. Development Opportunities

Owner	Acres	Map #	Utility Availability			
			Sewer	Water	Gas	Other
City Of Las Cruces	5.1	250	X	X	X	
	48.9	81206	-	X	X	Road
	12.7	69	-	X	X	Road
	15.3	70	X	X	X	Road
	8.8	77	X	X	X	Road
	7.8	78	X	X	X	Road
	7.8	80	X	X	X	
	7.19	81	X	X	X	
	4.3	86	X	X	X	
	11.2	87	X	X	X	
	4.3	88	X	X	X	
	11.1	90	X	X	X	
	10.3	81177	X	X	X	
	88.2	81202	X	X	-	Road
	112.2	95	X	X	-	Road
	33.9	81203	X	X	-	Road
Total		389.09				

GOALS/STRATEGIES

1. Identify and market parcels with immediate development potential.

FIGURE 28. Shovel-Ready Sites



LEGEND

- Las Cruces Innovation and Industrial Park
- Gas
- Sewer
- Water
- City Owned
- City / Shovel-Ready

6.4 BRANDING / SIGNAGE FRAMEWORK

The goal of the Branding / Signage Framework is to establish a strong identity for the Park and enhance access and wayfinding throughout for Park users.

The Park's identity is envisioned to embody the different focus areas of Value Added Agriculture, Manufacturing, Aerospace, Aviation and Defense. It's envisioned to be a center of innovation, manufacturing and testing with close ties to the Las Cruces Airport, Spaceport, White Sands National Monument and New Mexico State University.

The Park aims to attract start-ups and small to medium sized businesses with the prospect of enabling them to expand in place as their businesses mature.

As part of the branding initiative, a logo should be developed to reflect the unique identity of the Park. The logo should reflect the overall identity of the Park and incorporate the Master Plan vision. The logo and associated color palette should be carried throughout the Park to establish a distinct visual identity.

A cohesive wayfinding and signage program can help reinforce the identity of the Park. The program should include signage for gateways and vehicular

level wayfinding signage as illustrated in ["Figure 29. Signage Program" on page 62](#). The locations for signage at key arrival points and vehicular routes decision points is indicated in ["Figure 31. Signage Placement" on page 63](#).

A website and informational material that incorporates the Park's logo and markets the Park's unique features and benefits would also help to attract potential tenants.

GOALS/STRATEGIES

1. Create a logo and choose a name that incorporates the vision of the Park.
2. Create a cohesive wayfinding and signage program.
3. Create a website and informational material.
4. Form public-private partnerships to develop, build, and market the Park such as a MRA authority or non-profit similar to Aggie Development
5. Adopt Capital Improvement Projects & Funding to develop and implement signage

FIGURE 29. Signage Program

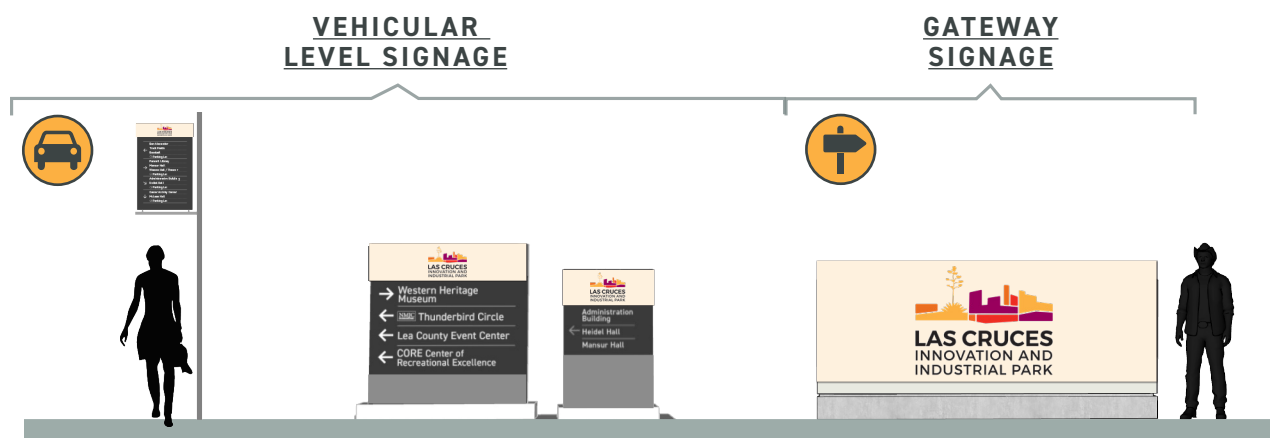
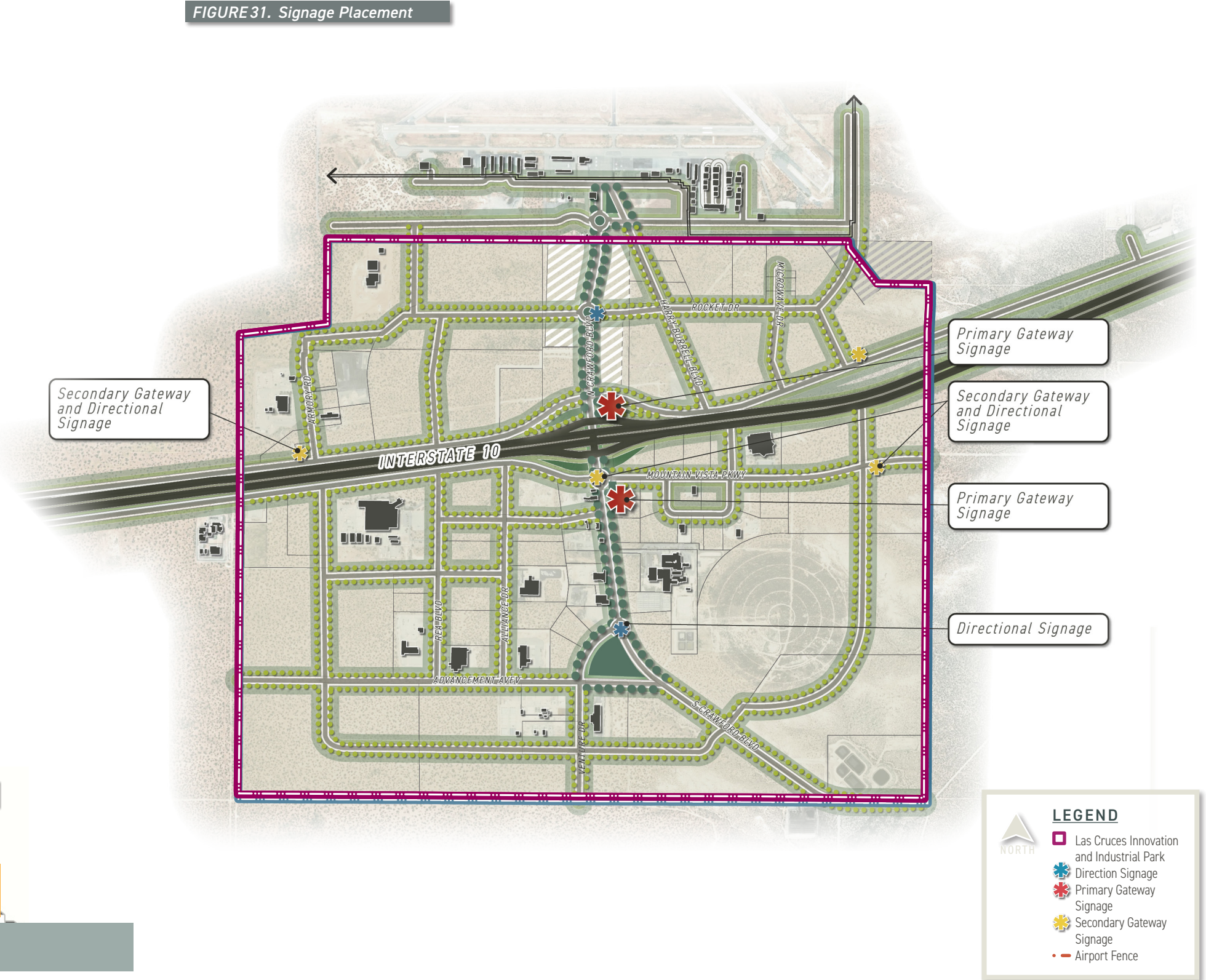


FIGURE 30. Signage Program



FIGURE 31. Signage Placement



6. IMPLEMENTATION

THIS SECTION PROVIDES DETAIL ON RECOMMENDED CAPITAL IMPROVEMENTS AND OTHER INVESTMENTS FOR IMPLEMENTING THE LCIIIP MASTER PLAN, AS WELL AS REVIEW OF FUNDING SOURCES AND FINANCING STRATEGIES THAT MAY BE UTILIZED TO COMPLETE THE RECOMMENDED PROJECTS. THE IMPLEMENTATION STRATEGY ALSO INCLUDES RECOMMENDATIONS FOR STREAMLINING PARK OPERATIONS INCLUDING A MANAGEMENT PLAN, SALES AND MARKETING PLAN, AND BRANDING STRATEGY.

6.1 STRATEGIC INVESTMENTS

The strategic investments component of the plan contains a list of the projects and investments needed to implement the recommended land use plan including information on the proposed project, estimated cost, and potential funding source. The proposed strategic investments are shown in [“Table 8. Strategic Investment Matrix” on page 65](#) and described in further detail below.

PROJECT DESCRIPTIONS

Short Term Projects

1. **ROADS/UTILITIES** – Extend Rocket Drive east of Crawford Boulevard to Harry Burrell Boulevard and connect Microwave Drive south to the Frontage Road. The improvements would increase circulation in the northeast quadrant of the park and open up Parcels 39 for development and potentially to be subdivided for smaller tenants. The project would involve new three-lane roads with an estimated cost of \$850 per linear foot. As a follow-up to the contract to prepare the master plan, the City should consider applying to EDA for a Public Works grant for infrastructure investments in support of the plan.
2. **UTILITIES** - High speed fiber is an infrastructure necessity for virtually all companies. The recommendation is for the City to invest in extending fiber along with other utilities on new road extensions to make adjacent parcels “shovel ready.” This project would be developed in partnership with existing private providers with the estimated cost of \$40 per linear foot.
3. **MANAGEMENT** - Hire or appoint a full-time LCIIIP Project Manager to oversee sales, marketing, and park management. This position is estimated to cost \$50,000 to \$75,000 per year depending on qualifications. As a new department, LCIIIP will also need an annual operating budget, both of which are assumed to be a general fund operating cost for LCIIIP.
4. **BRANDING** - Rename West Mesa Industrial Park as the Las Cruces Innovation and Industrial Park and revise website and marketing materials as needed. This will require re-branding the Park with the new name and logo with an estimated cost of \$5,000 to \$20,000. This project is recommended to be paid for by a new LCIIIP annual budget funded by general fund revenues
5. **BRANDING** - Design and Implement new park-wide signage plan. The plan should include a hierarchy of signs that incorporate the Park’s branding and color palette. The conceptual design should be implemented throughout the Park. The estimated cost is \$5,000 to \$15,000 for the signage master plan and \$75,000 to \$250,000 for the construction of the different signs. The

TABLE 7. STRATEGIC INVESTMENT MATRIX

	Category	Project	Elevate Las Cruces Goals	Purpose	Cost Range (all cost estimates Rough Order of Magnitude. Specific designs needed for actual costing).	Funding Sources
Short Term - 1 to 5 Years						
1	Roads/Utilities	Extend Rocket Drive east of Crawford Boulevard to Harry Burrell	GOAL CP-4	Increase access and enhance circulation to Parcel #39 and also to allow for subdivision for smaller aviation-related tenants.	Approx. \$300/lineal foot for roadway/landscape sidewalk. Approx \$850/lineal foot for roadways + utilities. Cost estimates Rough Order of Magnitude.	EDA Grants, LEDA infrastructure funds, PID
2	Utilities	Broadband	GOAL CP-4	Extend high speed fiber cable on new road segments	Costs average \$40/lineal foot depending on cable size and road conditions.	EDA Grants, partnership with private broadband companies
3	Management	Hire or appoint a LCIIIP Project Manager	GOAL CP-4	Appoint or hire a designated staff person responsible for sales, marketing, and overall management of LCIIIP.	\$50,000 to \$75,000 per year	General Fund - LCIIIP budget
4	Branding	Rename West Mesa Industrial Park as Las Cruces Innovation and Industrial Park and revise website and marketing materials as needed	GOAL CP-4	Existing name is not tied to Las Cruces area. New name is being used in this document, along with new logo. Need to update associated marketing materials as well as existing signage in Park with the new name and logo.	\$5,000 to \$15,000	General Fund - LCIIIP budget
5	Branding	Park-wide signage plan and implementation	POLICY CP-2.2, CP-CL-8.5	Create a signage plan to identify park subdistricts. Update Park signage to strengthen overall identity/directional signage	\$150,000 to \$250,000	General Fund - LCIIIP budget
6	Marketing	LCIIIP website	GOAL CP-4	Create a designated Park website to promote and advertise property for sale with pricing, contact addresses, and marketing information.	\$25,000 to \$30,000	General Fund - LCIIIP budget
7	Marketing	Actively promote LCIIIP with economic development partners	GOAL CP-4	Work more closely with state and regional economic development organizations including MVEDA, BorderPlex Alliance, and NM Economic Development Department on economic development marketing and recruitment efforts.	\$0 (LCIIIP staff function)	LCIIIP budget
8	Marketing	Improve employment opportunities for the local workforce and LCIIIP tenants	Goal CP-4	Facilitate efforts between workforce partners including NM Workforce Connections, MVEDA, BorderPlex Alliance, CanMex, NM Economic Development Department, NMSU, and DACC to promote referrals of job seekers and employers.	\$0 (LCIIIP staff function)	LCIIIP budget
9	Transit/Pedestrian Improvements	Improve/implement transit/pedestrian facilities	POLICY CP-2.2, CP-CL-8.5	Increase access for underserved populations. Development of transit options to increase workers in the Park including van pools, carpools, Road Runner and micro transit.	\$0.5 to \$1.0 M	EDA Grants, PID
Longer Term - 5 to 10 Years						
10	Roads/Utilities	Extend Rocket Drive west of Crawford Boulevard and south to Frontage Rd.	GOAL CP-4	Increase access and enhance circulation to City-owned parcels for aviation-related development.	Approx. \$300/lineal foot for roadway/landscape sidewalk. Approx \$850/lineal foot for roadways + utilities. Cost estimates Rough Order of Magnitude.	EDA Grants, LEDA, PID
11	Roads/Utilities	Roundabouts	GOAL CP-4	Create two (2) roundabouts that incorporate the design and plant palette in the Airport Landscape Master Plan.	\$5 - \$10/SF	General Fund - LCIIIP budget
12	Roads/Utilities	Extend Alliance Drive north to Frontage Road	GOAL CP-4	Increase access and enhance circulation to City-owned parcels for manufacturing-related development.	Approx. \$300/lineal foot for roadway/landscape sidewalk. Approx \$850/lineal foot for roadways + utilities. Cost estimates Rough Order of Magnitude.	EDA Grants, LEDA, PID
13	Utilities	Broadband	GOAL CP-4	Extend high speed fiber cable on new road segments	Costs average \$3 to \$10/lineal foot depending on cable size and road conditions.	EDA Grants, partnership with private broadband companies
14	Landscape / Site Amenities	Hardscape Plaza	POLICY CP-2.2, CP-CL-8.5	Create a hardscape plaza that serves food truck as staging area. Include shaded rest area.	\$150,000 - \$200,000	General Fund - LCIIIP budget
15	Landscape / Site Amenities	LCIIIP Park	POLICY CP-2.2, CP-CL-8.5	Construct a 5-acre community park to serve local workforce recreation needs.	\$1.0M - \$1.25M	City Parks and Open Space CIP
16	Landscape / Site Amenities	Trail along Crawford Blvd	POLICY CP-2.2, CP-CL-8.5	Build a trail connecting to the north and south side of the park.	\$1.2 - \$2.0M/mile	City Parks and Open Space CIP
17	Sustainability	Campus Sustainability Measures	GOAL CE-8	Explore micro grid to increase reliability. Detain stormwater to augment landscape irrigation. Promote solar photovoltaics to shade parking areas.	Costs vary depending upon scale and specific measure.	Utility provider partnership
18	Development	Multi-tenant speculative building (50,000 sf)	GOAL CP-4	Provide readily available space to help attract companies with immediate need for research/light manufacturing space.	\$150 - \$250/SF, requires design for more specific costing	EDA or LEDA Grant

cost may differ depending on the number of signs constructed. This project could be funded by a new LCIIIP annual budget funded by general fund revenues.

6. **MARKETING** – Create a dedicated Park website to promote and advertise property for sale with pricing, contact addresses, and marketing information. The estimated cost is \$25,000 to \$30,000, which is recommended to be paid out of a new LCIIIP annual budget funded by general fund revenues.
7. **MARKETING** – Leverage economic development partnerships with state and regional economic development organizations including MVEDA, BorderPlex Alliance, and NM Economic Development Department on LCIIIP marketing and recruitment.
8. **MARKETING** – Facilitate efforts between partners including NM Workforce Connections, MVEDA, BorderPlex Alliance, CanMex, NM Economic Development Department, NMSU, and DACC along with businesses expanding into LCIIIP to promote referrals of job seekers and employers. Also work with the workforce partners in the promotion of internship and apprenticeship programs for the students in DACC, NMSU, and LCPS in businesses located at the Las Cruces Innovation and Industrial Park.

Long Term Projects

9. **ROADS/UTILITIES** - Extend Rocket Drive West of Crawford Boulevard with utilities. This investment would make Parcels #34 and 57 to be sub-dividable and more flexible for a wider range of tenants. The estimated cost is \$850 per linear foot for roads and utilities. The project may be eligible for an EDA Public Works grant and/or LEDA infrastructure funds. The local funding could potentially be supplemented forming a public improvement district for this quadrant of the park.
10. **ROADS/UTILITIES** - Construct two roundabouts on the south side of the Park. The landscape and design features of this project would follow design established by the Las Cruces Airport Landscape Plan. The project is estimated to cost \$5 to \$10/SF. This project could be funded by LEDA infrastructure funds.
11. **ROADS/UTILITIES** - Extend Alliance Drive north to the Frontage Road. This would increase access and enhance circulation to City-owned parcels for manufacturing-related development. Costs are estimated at \$850 per linear foot for roads, landscaping, and utilities. Funding could be provided by a EDA Public Works grant and/or LEDA infrastructure funds.
12. **UTILITIES** - The recommendation for the City to invest in extending fiber along with other utilities on new road extensions to make adjacent parcels “shovel ready.” This project would be developed in partnership with existing private providers with the estimated cost to be determined.
13. **LANDSCAPE/AMENITIES** - Create a hardscaped plaza to serve as food truck staging area. It would include the construction of a hardscaped plaza with site furnishings and shade structures. The plaza is estimated to encompass 15,000 SF with a square footage cost of \$10 and \$XX/SF. In addition, the cost for site furnishings and shade structures of \$25,000 to \$50,000 depending on number and size included. This project could be funded by a new LCIIIP annual budget funded by general fund revenues.
14. **LANDSCAPE/AMENITIES** - Create a park for the local workforce. The overall cost for the park would depend on the complexity and programming of the project. The park is estimated to encompass approximately 5 acres. The cost of this project would range between \$200,000 – \$250,000/acre. This project could be funded by a new LCIIIP annual budget funded by general fund revenues.
15. **LANDSCAPE/AMENITIES** - Construct a trail on the south side of the Park along the east side of Crawford Blvd. The trail would include the landscape and design features as established by the Las Cruces Airport Landscape Plan. The project is estimated to cost \$1.2M to \$2.0M/mile. This project could be funded by a new LCIIIP annual budget funded by general fund revenues.

16. **SUSTAINABILITY** - Explore different incentives to encourage the development of sustainability measures within the Park. Some of the sustainability measures can be achieved through the regulatory framework; however, incentives have to be explored. The development of the sustainability measures rely on internal City resources and do not require additional funding
17. **DEVELOPMENT** - Construct a multi-tenant speculative building to serve companies

with immediate need for research/light manufacturing space. The project is estimated to cost \$150,000 to \$200,000. This project could be funded by EDA or LEDA Grants.

18. **TRANSIT/ PEDESTRIAN IMPROVEMENTS** - Improve and implement transit connections as well as pedestrian infrastructure in order to increase access for underserved populations. These improvements could be funded by City CIP or other transportation funding.

6.2 FUNDING AND FINANCING

This section presents a high-level overview of funding sources and financing strategies available to support strategic investments at LCIP. The funding sources provide revenues to fund infrastructure and other LCIP improvements and can be a combination of state or federal grants, local sales and property taxes, land and/or property specific taxes or assessments from special districts, and user fees. Financing strategies are the means by which these funds can be leveraged through various mechanisms including debt financing, special district formations, tax increment financing and other value capture techniques, and public private partnerships.

STATE FUNDING SOURCES

The New Mexico statutes provide a number of programs used by cities to assist in economic and development activities for LCIP as summarized below. This includes local incentive programs that are enabled by state legislation.

Local Economic Development Act

The Local Economic Development Act (LEDA) allows cities to invest public money in private business ventures that benefit the community in specific ways, such as job creation. Before LEDA,

governments could not devote public funds to privately sponsored economic development initiatives. LEDA changed that by allowing cities to pass a local ordinance that enables them to earmark proceeds from the 1/8 percent local-option gross receipts tax for publicly beneficial infrastructure projects, which Las Cruces has implemented.

LEDA also has a competitive grant program funded by an annual appropriation from the legislature that is managed by the New Mexico Economic Development Department (EDD); it provides grants to local governments (city, county, or tribal) for economic development projects and initiatives. LEDA requires communities to first complete a LEDA resolution and create an economic development organization and strategic plan. A total of 83 New Mexico communities, including Las Cruces, have completed a LEDA resolution, which allows it to apply for State funding for qualified projects based on funds appropriated by the State legislature. The State allocated approximately \$40 million in grants for projects in FY 2020. Projects using State funds must be in economic base industries (primary jobs), create permanent full-time jobs, and have a 10 to 1 ratio of private investment to LEDA funds. LEDA qualified uses include public infrastructure, grants or loans for land or buildings, and economic development incentives.

New legislation in 2020 (SB-118), referred to as the Local and Regional Economic Development Support Fund, amends the LEDA program to allow the EDD to participate in economic development projects including grants or loans for acquiring or improving land, buildings, or infrastructure; ROW infrastructure including broadband; and infrastructure improvements for cultural facilities. The program requires a Project Participation Agreement with the local government for a “substantive contribution.” In separate legislation, the LEDA fund received an additional \$15 million for this new initiative.

Tax Increment Development District

The Tax Increment for Development Act was approved by the State in 2006 to support job creation, workforce housing, public school creation, and redevelopment efforts. A Tax Increment Development District (TIDD) can be initiated by a city or county for a significant private development that generates new economic activity and that has the ability to generate tax increment to pay for eligible public improvements. A TIDD has the ability to use tax increment financing of GRT and/or property taxes at the city, county, and/or state level up to a maximum of 75 percent of the tax increment generated. These TIDD revenues are used to back revenue bonds issued to build infrastructure and other public improvements to support the private investment generating the new GRT and/or property taxes. This financing tool has been used for major development projects such as Mesa del Sol and Winrock Town Center, both in Albuquerque; Downtown Las Cruces; and Village at Rio Rancho.

The attraction of new business in the LCiIP target industries would potentially meet the TIDD criteria of attracting net new economic development activity to the city, and for major projects to the state. The City could therefore establish a TIDD district encompassing the entire LCiIP property to dedicate up to 75 percent of the future City GRT and property taxes to the district to fund eligible

public improvements. The ability to also leverage State and County increment is a higher bar; the City would need to complete an economic impact study and fiscal impact analysis that shows the forecasted development would require additional analysis to determine if the projected development would generate net new economic activity to the state.

Public Improvement District

A public improvement district (PID) is a special district created by a city or county and approved by the majority of the property owners within a defined area to fund infrastructure including utilities, streets, parks, public buildings, and schools that benefit the properties included in the district. A PID can levy property taxes, or alternatively use a property assessment to pay for improvements. This type of land-secured financing is often used for a major infrastructure project such as a highway interchange where the surrounding property owners are going to benefit from the improvement and are therefore willing to pay an additional tax to finance its construction. The City could potentially create a PID for portions of LCiIP to levy an assessment on future users to help pay for infrastructure to serve the development.

Special Assessment District

A special assessment district (SAD) can be formed within a city or county for purposes of financing infrastructure improvements. A SAD is most often initiated by property owners for the installation of street, storm drainage, water, or wastewater improvements. An ordinance of the city or county assesses the cost of the improvements to the properties with the district and sets the terms for payment. The district can be approved by resolution of the governing body and does not require a special election.

Infrastructure Development Zone

Infrastructure Development Zones (IDZs) are quasi-municipal entities created to fund infrastructure construction or upgrades. Created by the legislature in 2009, IDZs are similar to PIDs. The scope of permissible services is almost identical and includes water and sewer systems, drainage systems, public safety and fire protection facilities, and roads and parks. An IDZ must develop a service plan that defines the scope of its activities. Unlike PIDs, IDZs may include noncontiguous properties and may extend across multiple jurisdictions. To date, there have been no IDZs proposed in New Mexico, which is presumed to be due primarily to its similarity to PIDs.

Property owners within an IDZ agree to an additional property tax to fund infrastructure needs (requires 30 percent approval), creating a system where infrastructure is funded directly by property owners rather than local government. Projects are financed through several channels: general obligation bonds (they must be approved in an election); funds contributed by a municipality or county; annual property taxes or special assessments; state or federal grants or contributions; private contributions; user, landowner and other fees; tolls and charges; proceeds of loans or advances; and any other legally permissible sources.

Industrial Revenue Bonds

Industrial Revenue Bonds (IRBs) are tax exempt bonds issued for economic development projects. An IRB is a loan by a lender/bond purchaser to a company, where the loan proceeds and the loan repayments flow through a government issuer. The tax benefits of IRBs result from the form of the loan and the involvement of a government issuer, with the government issuer taking title to the facility and/or equipment. A typical IRB structure involves a company that wants to purchase and/or construct and/or equip a facility. Instead of purchasing, constructing, or equipping directly,

the company enters into an agreement to lease the facility from the government issuer, construct and equip the facility and, at the end of the lease term, purchase the facility from the issuer at a nominal price. In order to obtain the funds to purchase, construct, and equip the facility, the issuer issues bonds, which are sold to the company's lender or an affiliate of the company. In addition, because the issuer is a city or county, the bonds are exempt from property taxes for up to 30 years.

Gross Receipts Tax Incentive

The Gross Receipts Tax Incentive Program (GRIP) is an incentive offered by the City of Las Cruces to private businesses that build public infrastructure needed to serve their project. Businesses generated over \$5.0 million in annual sales volume (in year 3) can receive up to 75 percent of local GRT generated by the project over the period of development. The program would be potentially applicable to larger industrial users interested in building a plant or facility at LCIIP.

New Markets Tax Credits

The New Markets Tax Credit (NMTC) program was established to provide greater access to financing for new, expanding or relocating businesses in underserved areas. The New Mexico Finance Authority operates the NMTC program on behalf of the State. Finance New Mexico and the Finance Authority are targeting the use of the State's annual allocation of tax credit incentives to add to existing statewide economic development initiatives. Projects eligible for NMTC funding must be located in qualified census tracts. These tracts are generally located in "highly distressed" census tracts (75 percent of New Mexico's total allocation must be invested in qualified census tracts). The State allocation for competitive grants was \$38.1 million in FY 2019.

OTHER STATE INCENTIVES AND GRANTS

The State of New Mexico has an extensive list of personal and business tax credits available for business startups and expansions in targeted industries, as summarized below. More specific data on qualification and specific rates are available through the NM Taxation and Revenue Department.

- **CONSERVATION AND PRESERVATION TAX CREDITS** – New Mexico has a number of credits for projects that preserve or conserve cultural, natural, or agricultural resources. These tax credits include a wide range of renewable energy projects, land and water conservation projects, and cultural restoration or preservation projects.
- **GENERAL INDUSTRY TAX CREDITS** – The State has a number of general industry tax credits for specific economic development activities including business facility rehabilitation, creating high wage jobs, investment in manufacturing equipment, investment in small research and development businesses, and for businesses engaged in activity with Indian nations.
- **INDUSTRY SPECIFIC TAX CREDITS** – There are also tax credits for business activity in New Mexico. Targeted industries include Advanced Energy, Film Production, and Small Business Partnerships with national laboratories.
- **EMPLOYMENT GROWTH** – Adding new employees qualifies for tax credits in a number of industries and settings including technology jobs at qualified R&D facilities, high wage jobs, jobs in rural areas, welfare to work jobs, and job training jobs.
- **JOB TRAINING INCENTIVES** – New Mexico has reportedly the most aggressive job training incentives package in the country. The Job Training Incentive Program (JTIP)

funds classroom and on-the-job training for newly created jobs in expanding or relocating businesses for up to six months. JTIP funds are available for manufacturing businesses and for other non-retail businesses that export 60 percent of their services outside of the state. This program is administered by the New Mexico Economic Development Department.

FEDERAL FUNDING SOURCES

The federal government provides a number of competitive grant programs that can provide funding for economic development and infrastructure investments associated with LCIP as summarized below.

Economic Development Administration

The Economic Development Administration (EDA) works in partnership with distressed regions to address problems associated with long-term economic distress as well as to assist regions experiencing sudden and severe economic dislocations (e.g., natural disasters, conversions of military installations, changing trade patterns, and depletion of natural resources). Las Cruces and Doña Ana County are part of the South Central Council of Governments and meet the economic distress criteria to be a qualified Economic Development District (EDD) and eligible for EDA grants and technical assistance. The primary EDA programs of relevance to LCIP are:

- **PUBLIC WORKS** – Provides grants to revitalize, expand, and upgrade their physical infrastructure (e.g., roads, water/wastewater, broadband) to support new industry, business expansion, economic diversification, and generate or retain long-term, private sector jobs and investment.
- **ECONOMIC ADJUSTMENT ASSISTANCE PROGRAM** – Assistance to areas that have

experienced or are under threat of serious structural damage to the underlying economic base from natural disasters or industry restructuring.

- ***REVOLVING LOAN FUND*** - EDA administers its Revolving Loan Fund (RLF) program, which allows local loan administrators to provide gap financing to small businesses and entrepreneurs.
- ***PLANNING*** - Assists EDDs, as well as Indian Tribes and other eligible recipients, with the preparation of Comprehensive Economic Development Strategies (CEDs), as well as project specific planning activities including market and feasibility studies.

Additional funding was also available starting in May 2020 under the U.S. Corona-virus Aid, Relief, and Economic Security (CARES) Act. EDA received \$1.5 billion in funding for grants to prepare for or respond to the corona-virus. All communities (cities, counties, regions, tribes) are eligible (not just communities in qualified EDD districts) as this program is classified as a "Special Need." CARES Act funds were appropriated under the Economic Adjustment Assistance (EAA) program, which is EDA's most flexible program for disaster relief response. EDA is accepting applications for grants to support a wide variety of assistance including:

- Economic Recovery Planning and Technical Assistance Grants.
- Grants to state and regional organizations to develop CARES Act recovery and resilience strategies, including industry supply chain, cluster analyses, econometric analyses, diversification efforts, and travel and tourism-related marketing campaigns.
- Capitalization and Recapitalization of Revolving Loan Funds (RLFs), which provide access to capital for businesses.

- Construction of infrastructure and other economic development projects.
- Innovation grants focused on technology innovation activities that will help communities prevent, prepare, and respond to the corona-virus pandemic.

In September 2020, EDD granted the Regents of NMSU \$1.0 million for infrastructure investments at Arrowhead Research Park matched by \$250,000 in local funding. The investments are estimated to create 1,000 jobs.

Community Development Block Grants

The Community Development Block Grant (CDBG) program provides annual grants to entitlement cities and counties that can be invested in defined low-income census tracts for public infrastructure, economic development, or low-income housing development projects. There are five entitlement communities in New Mexico that receive an annual CDBG allotment: Farmington, Las Cruces, Rio Rancho, Albuquerque, and Santa Fe. The State of New Mexico's Department of Finance and Administration allocates the balance of New Mexico's CDBG funds as competitive grants for non-entitlement communities to use for capital improvements and infrastructure. Las Cruces would therefore be eligible to use CBDG funds for infrastructure improvements at LCIIIP.

RAISE Grant

The Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant Program funds are provided through the U.S. Department of Transportation FAST Act (Fixing America's Surface Transportation Act) and allocated through a competitive process. Eligible projects include road or bridge, public transportation, passenger and freight rail transportation projects, port infrastructure investments, and intermodal projects. Projects are required to submit a benefit

cost analysis (BCA) as part of the application process, an important criterion for ranking projects. There is a maximum funding level of \$25 million per project and \$150 million per state per year. As part of changes implemented recently, the program has been refocused on infrastructure investment that will give special consideration to projects located in rural areas by allocating 30 percent of the grant money to rural projects.

Opportunity Zone

LCIIP is located in a qualified Opportunity Zone (OZ). The opportunity zone program is a business and real estate tax incentive program established by the 2017 Tax Cuts and Jobs Act. The OZ program targeted economically distressed and under-capitalized areas with the goal of spurring investment and job growth. Opportunity Zones provide tax benefits to property investors by allowing investors to defer capital gains taxes on any prior gains through 2026, so long as the gain is reinvested in a Qualified Opportunity Fund. The program reduces capital gains taxes by 10 percent for properties held for five years, 15 percent for seven years, and are completely waived for investments held for at least 10 years. Opportunity Funds can be set up as single-purpose entities or general funds to invest in several properties in several markets, providing investment flexibility. Opportunity Funds are being formed by capital investment firms, investment startups, commercial real estate investment firms, and institutional entities to invest in eligible projects.

To encourage development in NM Opportunity Zones, NMEDD is offering an incentive as a part of LEDA. The program guarantees an additional \$1 million in LEDA funding to projects locating in an Opportunity Zone if they meet specific criteria, including being in one of nine key industry sectors (aerospace, biosciences, cybersecurity, film & television, global trade, intelligent manufacturing, outdoor recreation, sustainable & green energy, and sustainable value-added agriculture); meeting payroll and average salary requirements; commit

to the State for at least 10 years; and have a capital investment of \$15 million or greater.

OTHER FEDERAL PROGRAMS

The federal government provides assistance to small businesses through the U.S. Small Business Administration (SBA) including the following programs to businesses with a net worth of less than \$15 million and annual net income of less than \$5 million.

- **SBA 504 LOAN PROGRAM** – provides low down payment loans of up to 20 years for purchasing land and buildings, machinery and equipment, and/or infrastructure.
- **SBA 7 (A) LOAN GUARANTEES** – loan guarantees for up to 80 percent on loans for land, buildings, equipment and working capital.

FINANCING STRATEGIES

Financing Strategies are the ways by which the above grant and loan funding sources can be utilized to accomplish the City's economic development goals involving LCIIP. There are two primary priorities for use of external funding, 1) infrastructure and other capital investments that would allow LCIIP to be more competitive for business recruitment and attraction, and 2) marketing specifically for identified target industries to support high priority development and recruitment efforts.

- **CAPITAL IMPROVEMENTS** – The master plan recommends a number of strategic investments identified in "[Table 8. Strategic Investment Matrix](#)" on page 65. Even with a successful grant application, the City may need to pay a portion of the cost based on local matching requirements. In other cases, the end user or future tenants of the Park may be required to participate in the funding for improvements

that benefit their property or business through an improvement district tax or assessment as noted.

- **MARKETING** – A number of the strategic investments shown above are for marketing and recruitment activities requiring a new funding source including the development of marketing

brochures for the LCIIIP target industries and for a dedicated website. Although these projects may be eligible for grant funding, they are generally lower in cost, and if external funding is not available, they should be considered for funding through the annual general fund budget.

6.3 OPERATIONS AND MANAGEMENT

The operations and management plan component addresses project management and sales, marketing and branding, and economic development partnerships for implementation of the Park master plan.

PROJECT MANAGEMENT

LCIIP is currently managed by the City's Administrator for Land and Real Estate Services who has responsibilities for multiple properties. The City should appoint a staff person to be the LCIIIP project manager or administrator with responsibilities for economic recruitment and marketing and sales of property. This individual should report to the Director of the Economic Development Department in a similar manner as the Airport Administrator. It will also be important to make it clear on the recommended LCIIIP website and in the marketing brochures described below, the name and contact information for the individual in charge of sales and marketing for the Park.

PROPERTY SALES

The process of purchasing land should also be improved. The current process of buying or leasing land at LCIIIP is slow, complicated, and not fully transparent to prospective buyers. There is no listed pricing for the lots. Offers are accepted and past sales and/or appraisals for similar lots are

used as a starting point pending appraisals of the specific sites. The properties available for sale should be shown with a base list price. Land price reductions can be negotiated based on achieving specified economic development objectives listed in the economic development policy plan.

The City's requirements for sale appraisals should also be evaluated and potentially modified. As specified in the Municipal Code, two appraisals are needed if the total value is in excess of \$150,000, and one is needed if the value is lower. Also, as specified in the Code, all sales need to be approved by City Council, and if the land value is in excess of \$25,000, it has to be by Ordinance. These stipulations most often result in an unreasonably long sales process.

The City's requirements for property appraisals outlined in, as Section 2-1313 of the Municipal Code, appear to be in place to be in compliance with Section 3-54-1 of the NM Statutes titled "Authority to Sell or Lease Municipal Utility Facilities or Real Property", which contains similar language and is presumably in place to conform with the anti-donation clause of the Constitution. However, the LEDA amendment to the Constitution created an exception for "economic development" that would almost certainly include LCIIIP. It is recommended that the City Attorney consult with the State on the ability to implement a more streamlined sales process under the provisions of LEDA.

MARKETING

In addition to streamlining the sales process, a more proactive marketing program for LCIIIP should also be a priority. The Park currently has a low profile within the city and within the region. The property does not have a significant web presence and the information on the Park available through the regional development agencies is limited. Currently some leads come through MVEDA and the BorderPlex, which are marketing economic development for the larger region and providing information on available sites to prospects. The information on LCIIIP to be provided directly by the City as well as through its economic development partners should be improved.

Website

LCIIP needs a greater presence on the web if it wants to attract tenant prospects from outside the region, either with its own dedicated website, or alternatively, as a featured section on the City's Economic Development webpage similar to the Airport. The site should provide links to information on lots for sale, sales pricing, utilities, and economic incentives, and a contact name, phone number and email for the person in charge of sales. There should also be data on the Las Cruces market, workforce, employment base, and target industries.

Target Industry Brochures

The Market Street Study identified three target industries that represent the best opportunities for economic development and recruitment. These opportunities need to be publicized to reach the intended companies and entrepreneurs for recruitment. A two-to-four-page marketing brochure should be developed for each target industry describing the intended targets, the strengths and advantages of the city and LCIIIP. It should also include a map showing shovel ready lots available for sales or lease with utilities installed to the site, and information on available

economic development incentives and application and criteria for eligibility. These brochures should be advertised and shown prominently on the LCIIIP website, as well as on the websites of the City's economic development partners.

Branding

LCIIP lacks a visible and tangible identity. A branding strategy can provide a more visible way to identify the Park and its components.

- Name
- Logo
- Landscape plan

ECONOMIC DEVELOPMENT PARTNERSHIPS

Most business recruitment decisions are made at the regional level as firms compare the location factors of regions and labor markets, and not specific political jurisdictions. The option to purchase or lease a site is made after this initial screening and a company or entrepreneur has made a preliminary decision to locate in the Las Cruces region. At this point, LCIIIP would then compete with other industrial and business parks in the county and larger BorderPlex region for a specific site.

The primary economic development organizations marketing the region are MVEDA, the BorderPlex Alliance, and the State of New Mexico Economic Development Division. These organizations are therefore LCIIIP's partners for the marketing of property and sites. More leads for significant business attraction and expansion projects can be expected to come through these partners than through a direct contact with the Park itself.

It is therefore incumbent on the City to provide its partners with the information needed to display and market the assets of LCIIIP. This includes the above-described sales and marketing materials. It could

potentially also include participation by the City in marketing and recruitment trips and site location conventions. The person selected to represent the City as Director of Sales and Marketing for LCIP should therefore have the background and skills for these roles.