

**24-061**

## City Council Action and Executive Summary

**Type of Action:**☒ **Resolution**☐ **Ordinance**☐ **TIDD Resolution**

<b>District:</b>	<input checked="" type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input checked="" type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input checked="" type="checkbox"/> 6 <input type="checkbox"/> N/A
<b>1st Reading:</b>	<b>Adopted:</b> December 4, 2023
<b>Drafter:</b> Irene Parra	<b>Department:</b> Economic Development
<b>Program:</b> Business Development	<b>Line of Business:</b> Economic Development

<b>Title:</b>	<b>A RESOLUTION AMENDING RESOLUTION 23-027 FUNDING PRIORITIES AND ALLOCATIONS TO VARIOUS LAS CRUCES NON-PROFIT ORGANIZATIONS FOR THE CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS ESTABLISHED BY THE AMERICAN RESCUE PLAN ACT (ARPA) AND REPURPOSING PREVIOUSLY AWARDED FUNDS TO CITY LED PROJECTS.</b>
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**TYPE OF ACTION:** ☒ **Administrative** ☐ **Legislative** ☐ **Quasi-Judicial****PURPOSE(S) OF ACTION:**

To reauthorize funds

**BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:**

The City of Las Cruces (City), as a recipient of American Rescue Plan Act (ARPA)/Coronavirus (COVID-19) State and Local Fiscal Recovery Funds (SLFRF) from the U.S. Department of Treasury (Treasury), implemented a Request for Proposals (RFP) process from the distribution of funds for Community and Economic Development Initiatives. These resources are made available to the City to respond to the COVID-19 public health emergency and/or its negative economic impacts.

Treasury has charged the City with ensuring projects respond to the COVID-19 public health emergency and meet urgent community needs. Treasury recommends a swift and effective implementation process that balances facilitating simple and rapid program access widely across the community and maintaining a robust documentation and compliance regime. The City must ensure proper documentation supporting determinations of costs and applicable compliance requirements, satisfactory award management, internal control, and subrecipient oversight and management.

On February 22, 2022, the ARPA RFP process was tabled indefinitely by the Las Cruces City Council. In an effort to abide by the guidelines set forth by the Treasury, a new ARPA Eligibility and Evaluation Guide has been created to move the 21 applicants forward through the process, and fund them based on the criteria established in that process.

The proposed eligibility process was presented at the April 11, 2022, City Council Work Session, and on May 2, 2022, City Council approved Resolution No. 22-035 thereby adopting the ARPA Eligibility Process and Guide.

The City received 21 proposals requesting approximately \$26.3 million dollars in funding for various projects. All applications were reviewed for submittal requirements as outlined in the Final Rule, and the Compliance

and Reporting Guidance. After the eligibility review, 11 eligible applications were presented to the ARPA Scoring Committee on May 31, 2022 and of the 11, 10 were recommended for funding.

The ARPA Scoring Committee met on July 21, 2022, and recommended funding for ten projects, totaling \$9,594,653. Of those ten projects, Community Foundation of Southern NM/Bitwise Industries were awarded \$1,000,000 to support a workforce training project. However, it was announced on June 1, 2023 that Bitwise Industries would cease plans to expand operations in Las Cruces.

In response, the recommendation from City Manager's Office was to remove from the original process, the funds designated for the Community Foundation, and create new workforce development programming that would be directly overseen by the City of Las Cruces. Instead of using the evaluation and scoring process that was set forth for the previous ARPA funds directed at community non-profits, five new projects were proposed by City staff, and presented before the Economic Development Policy Review Committee on August 23, 2023. The programs ranged from assistance to those experiencing homelessness, to support for childcare providers. The total recommended allocation for all five programs is \$940,000.00 with an additional \$60,000.00 reserved for additional programming or administrative costs. Exhibit "A".

**SUPPORT INFORMATION:**

[Exhibit "A" ARPA Project Budget 2023](#)

**PLAN(S):**

City Council Strategic Plan, 2021-2025 Consolidated Plan, Elevate Las Cruces

**COMMITTEE/BOARD REVIEW:**

Economic Development PRC

**DOES THIS AMEND THE BUDGET?:**

- ☐ Yes  
☒ No

**BUDGET / FISCAL IMPACT:**

**BUDGETED AMOUNT:**

\$1,000,000

**AVAILABLE AMOUNT:**

\$1,000,000

**EXPENDITURE AMOUNT:**

**Funding Source(s):**

Fund 2100  
Org 20430011  
Obj 721080  
Project ARPAM

**Does this action amend the Capital Improvement Plan (CIP)?**

- ☐ Yes  
☒ No

**Does this action align with Elevate Las Cruces?**

- ☒ Yes  
☐ No

**OPTIONS / ALTERNATIVES:**

1. Vote "Yes"; this will approve the Resolution and reauthorize funds.

2. Vote "No"; this will not approve the Resolution and will not reauthorize funds.
3. Vote "Amend"; this could modify the Resolution and would need further direction from Council to staff.
4. Vote "Table"; this will postpone consideration of the Resolution and would need further direction from Council to staff.

**REFERENCE INFORMATION:**

Resolution No. 23-027

## RESOLUTION 24-061

### **A RESOLUTION AMENDING RESOLUTION 23-027 FUNDING PRIORITIES AND ALLOCATIONS TO VARIOUS LAS CRUCES NON-PROFIT ORGANIZATIONS FOR THE CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS ESTABLISHED BY THE AMERICAN RESCUE PLAN ACT (ARPA) AND REPURPOSING PREVIOUSLY AWARDED FUNDS TO CITY LED PROJECTS.**

The City Council is informed that:

**WHEREAS**, the City of Las Cruces (City), as a recipient of American Rescue Plan Act (ARPA)/Coronavirus (COVID-19) State and Local Fiscal Recovery Funds (SLFRF) from the U.S. Department of Treasury (Treasury), implemented a Request for Proposals (RFP) process for the distribution of funds for Community and Economic Development Initiatives; and

**WHEREAS**, these resources were made available to the City to respond to the COVID-19 public health emergency and/or its negative economic impacts; and

**WHEREAS**, on February 22, 2022, the ARPA RFP process was tabled indefinitely by the Las Cruces City Council; and

**WHEREAS**, in an effort to abide by the guidelines set forth by the Treasury, a new ARPA Eligibility and Evaluation Guide was created to move the twenty-one (21) applicants forward through the process, and fund them based on the criteria established in that process; and

**WHEREAS**, on May 2, 2022, City Council approved Resolution No. 22-035 thereby adopting the ARPA Eligibility Process and Guide; and

**WHEREAS**, on July 21, 2022, ARPA Scoring Committee met to recommend responsive applications to City Council; and

**WHEREAS**, on June 1, 2023, Bitwise Industries announced the closure of their Las Cruces operations; and

**WHEREAS**, City Manager's Office recommended the creation of new workforce programming; and

**WHEREAS**, on October 10, 2023 five new projects were proposed to City Council by the Economic Development Department.

**NOW, THEREFORE**, Be it Resolved by the Governing Body of the City of Las Cruces:

(I)

**THAT** the Economic Development Department will work with the Finance Department to administer \$940,000.00 for programming identified in Exhibit "A", attached hereto and made part of this Resolution, with an additional \$60,000.00 reserved for additional programming or administrative costs, is hereby approved.

(II)

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

**DONE AND APPROVED** this 04 day of December 2023

APPROVED

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Mayor

ATTEST:

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City Clerk

**Moved by: Tessa Abeyta**

**Seconded by: Becki Graham**

**AYES** Kasandra Gandara, Ken Miyagishima, Yvonne Flores, Becki Graham, Tessa Abeyta

**NAYS**

## Exhibit A

**PROJECT:** Transitional Job Training Program

**BUDGET:** \$240,000.00

**PARTNERS:** Doña Ana Community College (DACC)

**SCOPE OF WORK:** Funding for this project will support a four-to-six-week Job Training Program, for those at or below the poverty level, including those experiencing housing insecurity. The program will train up to 150 participants over a three-year period, with the goal of reentering the workforce. Clients will receive individual case management to assist with job search and job placement and a stipend at the completion of training.

**ELIGIBILITY:** Those at or below the poverty line and/or experiencing housing insecurity.

**JUSTIFICATION:** Las Cruces residents continue to face economic hardships exacerbated by the COVID-19 pandemic, specifically those at or below the poverty level and those experiencing housing insecurity. Since 2020, labor force participation rates have dropped, while numbers of those at or below the poverty level and those experiencing housing insecurity have risen. According to a May 2023 report by the New Mexico Legislative Finance Committee, New Mexico has seen a 48% uptick in those experiencing housing insecurity. The report points to several causes of housing insecurity including disconnection from formal employment and lower educational achievement.

Population growths have been slowing for several decades. According to a recent report by the Bureau of Labor Statistics, labor force participation rates are expected to continue to drop from 62.2% to 60.4% by 2032. This is due in large part to baby boomers retiring and the number of Gen Z workers entering the work force is smaller than previous generations.

As the labor force participation rates continue to decline, it is essential that we work to provide opportunities for our most vulnerable and underserved populations to gain the skills and education needed to reenter the workforce. The Transitional Job Training Program seeks to provide the training, education and support participants need to reenter the workforce.

Similar initiatives funded by the U.S. Department of Labor and the U.S. Department of Housing and Urban Development over a 5-year period, within 5 US cities including Boston, Indianapolis, San Francisco, Los Angeles and Portland saw 59% of participants within one year of completing training begin earning an income, 24% entered competitive employment and 4% became self-employed. A total of 87% obtained employment. The remaining 13% continued to receive follow-up services. After completion of training, a thorough evaluation of programming was conducted including reviews of project staff and participants, program policies and best practices and lessons learned. The following were identified as key components, Comprehensive assessments, flexible scheduling, job training and placement and follow-up services.

Doña Ana Community College Career and Life's Skills Academy will build upon the foundations of successful programs like these, incorporate best practices and key components to create a program that emphasizes personal discovery, career exploration, job skills, computer literacy, independent living, self-advocacy, and community engagement.

Paid employment alongside healthcare and housing plays a crucial role in the efforts to eradicate poverty. Research has found that economically secure families with as little as \$400 in savings are better able to weather the ebbs and flows of income drops and unexpected expenses. They are also less likely to rely on local services for housing support and cash assistance.

This initiative seeks to capitalize on individuals' unique abilities, build upon their experience and education, and equip them with the knowledge and skills necessary to establish a sustainable path towards long-term employment. By addressing both the labor force shortage and the increasing number of individuals at or below the poverty line, we are working to advance the economic mobility of our residents and making a positive impact on the financial health and long-term viability of our community.

**PROGRAM LENGTH:** Three Years (Four-to-six-week program)

**NUMBER OF CLIENTS TO BE SERVED:** 100-150

**TIMELINE/BUDGET**

COHORT 1 - SPRING 2024

COHORT 2 - FALL 2024

COHORT 3 – Spring 2025

COHORT 4 – FALL 2025

COHORT 5 – SPRING 2026

COHORT 6 – FALL 2026

Stipend Cost: \$150,000.00

Curriculum/materials cost: \$90,000.00

**Total Budget: \$240,000.000**

**ALIGNMENT WITH CITY PLANS:** The City of Las Cruces has set forth several strategic goals that focus on supporting underserved populations in our community, expanding economic opportunities, and growing a trained workforce, in an effort to alleviate poverty. Those goals include *ELC Goal CP-2: Economic Equity*, generating employment opportunities that create economic security for all residents. *ELC Goal CP – 11: Underserved Populations*, providing support through the development of supportive programming. *ELC Goal CP – 1: Ready Workforce*, created through the development of a strong and educated workforce that supports an expanding local and regional economy.

**MEASURABLES:**

- Employment attainment
- Additional educational training
- Housing attainment
- Increased housing longevity
- Increased proficiency of soft skills

**PROJECT:** Childcare Provider Program

**BUDGET:** \$300,000.00

**PARTNERS:** Ngage

**SCOPE OF WORK:** Funding for this project will support a two-year accelerator program for Registered Home Providers. Through this program Registered Home Providers will gain valuable support and training to increase their credentials and expand their business, with the goal of transitioning to a Licensed Three Star Plus Home Provider. Registered Home Providers who participate in and successfully complete the program, will be eligible for a \$10,000.00 grant.

Funding will assist Registered Home Providers to obtain the necessary equipment and materials required by the State of New Mexico Early Childhood Education & Care Department, to operate as a Licensed Three Star Plus Home Provider.

**ELIGIBILITY:** Registered Home Providers located within the City of Las Cruces.

**JUSTIFICATION:** Prior to the pandemic, Las Cruces residents struggled to find childcare providers. The pandemic only exacerbated the shortage. The State of New Mexico recently extended the free childcare program for those families at or below 400% of the federal poverty level. Although this will help to address the cost of childcare, the lack of providers, long waitlists and quality care remains an issue.

The New Mexico Early Childhood Education and Care Department estimates as many as 72,388 children under the age of 6 – or 42,581 families – around the state are eligible for free childcare, based on income. But only about 26% – 19,324 children under the age of 6 or 11,367 families – are receiving those services. Of those families not receiving services, lack of providers was an issue.

Trends in the number of Licensed and Registered Childcare Centers and Homes in Doña Ana County saw a 37% decrease between 2020 and 2023. A 2022 needs assessment conducted by NMSU's Center for Community Analysis and the Doña Ana County ECE Coalition, found that 47% of parents surveyed in Doña Ana County were in need of quality childcare services.

New Mexico Early Childhood Services encourages childcare programs to meet higher levels of quality through the FOCUS Tiered Quality Star Rating and Improvement System. By transitioning to a Licensed Three Star Plus Home, Registered Providers will gain the skills and training to increase quality of care, raise their level of education and credentials, and build much needed capacity for our children and families.

**Program Length:** Two years

**NUMBER OF CLIENTS TO BE SERVED:** 10-15

**TIMELINE/BUDGET:****COHORT 1 – Spring 2024**

First Half (6 months): Registered Provider to Licensed Home Provider
Second Half (6 months): Licensed Home Provider to Licensed Three Star Plus Home Provider

**COHORT 2 – Spring 2025**

First half (6 months): Registered Provider to Licensed Home Provider
Second half (6 months): Licensed Home Provider to Licensed Three Star Plus Home Provider

Curriculum/Materials: \$150,000.00

Grants: \$150,000.00

**Total Budget: \$300,000.00**

**ALIGNMENT WITH CITY PLANS:**

The City of Las Cruces has set forth several strategic goals that focus on supporting underserved populations in our community, expanding economic opportunities, and growing a trained workforce, in an effort to alleviate poverty. Those goals include *ELC Goal CP-3: Entrepreneurship*, creating a nurturing regulatory environment that generates entrepreneurship and small business investment. *ELC Goal CP-2: Economic Equity*, generating employment opportunities that create economic security for all residents. *ELC Goal CP-10: Community Health*, promoting and maintaining a balanced system of community and human services for the health, safety and welfare of all residents. *ELC Goal CP – 11: Underserved Populations*, providing support through the development of supportive programming. *ELC Goal CP – 1: Ready Workforce*, created through the development of a strong and educated workforce that supports an expanding local and regional economy.

**MEASURABLE OUTCOMES:**

- Number of new Licensed Three Star Plus Providers
- Number of families served
- Number of children served
- Increase in revenue
- Increase in credentials

**PROJECT:** Apprenticeship Program/Pre-Apprenticeship Program

**BUDGET:** \$300,000.00

**PARTNERS:** Southern New Mexico Independent Electrical Contractors, Inc. (SNMIEC)  
New Mexico Department of Workforce Solutions

**SCOPE OF WORK:** Funding for this program will help to expand the local Independent Electrical Contractors (IEC) Apprenticeship Program. Funding will support SNMIEC's federally recognized electrical apprenticeship program that consists of a minimum of 576 hours of classroom instruction and a minimum of 8,000 (documented) on the job training hours (OJT's) with an electrical contracting company. Funding will also support a Mobile Lab Trailer for outreach events at local schools, Pre-Apprenticeship program resources and upskilling training for Licensed Journeypersons.

Additional funding will go to support the Pre-Apprenticeship program and support for transportation for Las Cruces Public School Pre-Apprenticeship participants.

Pre-Apprenticeship Programs provide career pathways for participants ages 16 – 24 by receiving on-the-job training in marketable occupations. Students will receive hands-on-training with industry professionals, working up to 400 hours, while earning \$15.90 an hour. Businesses have an opportunity to produce skilled talent for their industry and prepare pre-apprentices for sustainable employment.

**ELIGIBILITY:** Apprentices currently enrolled in the Southern New Mexico Independent Electrical Contractors, Inc. Apprenticeship Program & Licensed Journeypersons. Students enrolled in the Pre-Apprenticeship program.

**JUSTIFICATION:**

Apprenticeship programs are an industry-driven, high-quality career pathway where employers can develop and prepare their future workforce. Since 2012 there has been a 64% increase in new apprenticeship programs across the country, including 2 million new apprentices. There have been 396,000 graduates of apprenticeship programs within the last five years and 14,700 new programs created of which 94% of graduates retained employment, earning an average annual salary of \$70,000.00. Apprenticeship programs provide valuable education and training to build a ready workforce.

Of the 67 registered apprenticeship programs in New Mexico, only two are located here in Las Cruces; the first is the Data Scientist program offered through Doña Ana Community College. The second is the Southern New Mexico Independent Electrical Contractors (SNMIEC). SNMIEC is one of 50 chapters nationwide and has been offering training for over 30 years as a 505-c-6 non-profit, 4-year apprenticeship and training program. Over the next three years SNMIEC is hoping to expand their program to support a larger facility to accommodate and train new workers, pre-apprentices, electrical apprentices, and Journeyman electrician continuing education and safety training. Funding will help support the expansion and increase training opportunities for this workforce.

Pre-Apprenticeship programs provide career pathways for participants 16 – 24, earning \$15.90 an hour, gaining up to 400 hours of training. Students gain hands-on experience, and mentorship from industry

professionals. Working with New Mexico Department of Workforce Solutions and Las Cruces Public Schools, funding will be allocating to support the Pre-Apprenticeship program in Las Cruces. Additional funding will go to assist with transportation needs for Pre-Apprenticeship students.

On November 15, 2021, President Biden signed the \$1.2 Billion bipartisan Infrastructure Investment and Jobs Act (IIJA) into law. New Mexico is slated to get \$2.6 billion in federal funding (out of more than \$200 billion across the U.S.). for such projects as increasing access to high-speed internet, making improvements to public transit, and protecting systems from cyberattacks. A skilled labor force is essential to the completion of these projects.

The CHIPS Act will also require a highly skilled workforce to support semiconductor manufacturing through the construction of commercial fabrication facilities. Supporting the rising demand for talent to support semiconductor production - not just in advanced manufacturing, but in the wraparound skills important to the sector such as data analytics, software engineering, and project management- will require investments in workforce development and creation of new skills pathways, including apprenticeships. As labor participation rates remain down, states across the country are proposing funding for credentialing programs that move people quickly into high-need jobs, while obtaining value training and earning family sustaining wages.

### **Apprenticeship**

**Program Length:** Two years

**NUMBER OF CLIENTS TO BE SERVED:** 50-100

#### **TIMELINE/BUDGET:**

SPRING 2024/FALL 2024
Journeyperson Continued Education Training – every 6 weeks
Pre-Apprenticeship & Starter tool kits (Training, purchasing & distribution of materials)
Mobile Lab Trailer, lab parts, virtual reality, and vehicle to pull (purchase & outreach)

  

SPRING 2025/FALL 2025
Journeyperson Continued Education Training – every six weeks
Pre-Apprenticeship & Starter tool kits (Training, Additional Purchasing & Distribution of materials)
Upgraded lab stations (Construction)

Journeyperson Continued Education - \$32,000.00

Pre-Apprenticeship & Starter tool kits - \$60,000.00

Upgraded lab stations (5) – \$16,000

Mobile Lab Trailer, lab parts, virtual reality and vehicle to pull - \$92,000.00

**Total Budget: \$200,000.00**

**MEASURABLE OUTCOMES:**

- Completion of training hours
- Demonstrate proficiency in knowledge of industry/occupation/skilled trade
- Certifications obtained
- Wage increase
- Purchase and use of Mobile Lab Station
- Construction of Lab Stations

**Pre-Apprenticeship****Program Length:** Two years**NUMBER OF CLIENTS TO BE SERVED:** 20 -25**TIMELINE/BUDGET:**

COHORT 1 - FALL 2024/SPRING 2025
(JUN. – JUL. Recruit for first cohort)
COHORT 2 – FALL 2025/SPRING 2026
(JUN. –JUL. Recruit for second cohort)

**TOTAL PROGRAM BUDGET: \$100,000.00****MEASURABLE OUTCOMES:**

- Completion of program hours
- Demonstrate proficiency in skilled trade
- Demonstrate proficiency in knowledge of industry/occupation
- Maintained a GPA of 2.0 or higher

**ALIGNMENT WITH CITY PLANS:**

The City of Las Cruces has set forth several strategic goals that focus on expanding economic opportunities and growing a trained workforce. Those goals include *ELC Goal CP-3: Entrepreneurship*, creating a nurturing regulatory environment that generates entrepreneurship and small business investment. *ELC Goal CP-2: Economic Equity*, generating employment opportunities that create economic security for all residents. *ELC Goal CP – 1: Ready Workforce*, created through the development of a strong and educated workforce that supports an expanding local and regional economy.

**PROJECT:** Manufacturing/Advanced Manufacturing Training

**BUDGET:** \$100,000.00

**PARTNERS:** Mesilla Valley Economic Development Alliance (MVEDA)

**SCOPE OF WORK:** Working in partnership with Mesilla Valley Economic Development Alliance (MVEDA), this project will focus on assisting employers in upskilling their current workforce with existing industry certifications surrounding automation and advanced manufacturing and/or additive manufacturing.

**ELIGIBILITY:** Manufacturing businesses within the city of Las Cruces with an active business license.

**JUSTIFICATION:** The pandemic had a significant impact on a number of industries, including Manufacturing, affecting access to materials and disrupting supply chains. The industry however used this disruption to seek advancements in new technologies in integrated advanced and computerized processes. The shift to Advanced Manufacturing processes has created the need to upskill our current workforce.

Advanced Manufacturing is defined as the implementation of cutting-edge technology into manufacturing processes, with the aim of raising performance, efficiency, flexibility, and production quality.

A report commissioned by MVEDA identified four major roles in demand by clients engaged in Advanced Manufacturing: Logistician, Automation Technician, Sustainable Manufacturing Process Technician and Advanced Machine Operators. The report also estimated an existing labor force of roughly 560,000 that currently support production output and another 27,000 with transferrable skills. With access to a workforce pipeline, educational institutions available to provide the necessary training, and a region with one of the largest manufacturing and distribution centers in North America, investing in Advanced Manufacturing training would enhance the region to attract intelligent manufacturing. Working in partnership with MVEDA, this project will focus on assisting employers in upskilling their current workforce to gain the training and certifications to meet the current and future demands of the Manufacturing industry.

**Program Length:** Two years

**NUMBER OF CLIENTS TO BE SERVED:** 5-10

**TIMELINE/BUDGET:** \$100,000.00

JAN. 2024 – DEC. 2026

#### **ALIGNMENT WITH CITY PLANS:**

The City of Las Cruces has set forth several strategic goals that focus on expanding economic opportunities and growing a trained workforce. Those goals include *ELC Goal CP-3: Entrepreneurship*, creating a nurturing regulatory environment that generates entrepreneurship and small business investment. *ELC Goal CP-2: Economic Equity*, generating employment opportunities that create economic security for all residents. *ELC Goal CP – 1: Ready Workforce*, created through the development of a strong and educated workforce that supports an expanding local and regional economy.

**MEASURABLE OUTCOMES:**

- Number of employers served
- Number of employees trained
- Increase in skills
- Proficiency in skills
- Increase in wages

PROJECTS	BUDGET
Transitional Job Training	\$240,000.00
Childcare Provider Program	\$300,000.00
Apprenticeship Program	\$200,000.00
Pre-Apprenticeship Program	\$100,000.00
Manufacturing Training	\$100,000.00
TOTAL	\$940,000.00

\*Additional \$60,000.00 reserved for additional programming or administrative costs.