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Bureau of Business and Economic Research



LAS CRUCES MAINSTREET: COMMUNITY ECONOMIC ASSESSMENT

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LAS CRUCES – COMMUNITY ECONOMIC ASSESSMENT

1. **Demographics:**¹ The population of Las Cruces is rapidly growing, predominately Hispanic, and better educated than most communities in New Mexico, but compared to other metropolitan areas in the state, incomes are very low.

Table 1 shows demographic, housing and economic characteristics for Las Cruces, its broader region and the State of New Mexico.

- a. Las Cruces is the second largest city in the State of New Mexico and among the fastest growing. According to the American Community Survey (US Census Bureau), the estimated population of Las Cruces in 2006 was 87,452, up 17.5 percent since 2000 (annual rate of growth of 2.7 percent), and up 41 percent since 1990 (annual rate of about 2 percent). For comparison, the state population has grown by 32 percent since 1990 (an average annual rate of about 1.75 percent).
- b. The largest and fastest growing segment of the population of Las Cruces is Hispanic (of any race). Hispanics are estimated to account for about 56 percent of the city's population, up from about 52 percent in 2000, and 46 percent in 1990. Yet, despite the growth in the number of Hispanics in the community, the population shows a greater degree of linguistic integration. In 1990, five percent of the population reported speaking English "less than very well"; in 2000, only three percent reported the same.
- c. The median age of Las Cruces' population is well below that of the state – 31.8 vs. 35.2 years old for the state. This is due mainly to the large 20-24 year old student population at NMSU. Setting aside this student population, the demographic structure of Las Cruces' population takes on a very different character. Relative to the population of the state, Las Cruces is characterized by a somewhat smaller population of children under the age of 19 years old; a significantly smaller working age population from 30 to 64 years of age; and a large population 65 years of age and older. This demographic structure was evident as early as 1990, and has become more pronounced since that time. The trend may be the result of an in-migration of retirees and an out-migration of younger families for higher paying jobs and more affordable housing.
- d. Growth of the Las Cruces population is driven mainly by in-migration (from other counties in New Mexico, from other states, and from abroad). According to the American Community Survey, fully 11 percent of Las Cruces' population in 2006 had arrived in Doña Ana County within the previous year; according to the same survey, 8 percent of the state's residents were new to their respective counties.

¹ See **Table 1** in the appendix

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- e. The level of educational attainment in Las Cruces is somewhat higher than in other parts of the state, particularly at post-secondary levels. About one in five residents of Las Cruces (25 years old and over) do not have a high school degree or equivalent, which is slightly lower than the statewide average. Of those completing high school, residents of Las Cruces are much more likely to have completed a Bachelor's Degree. This reflects the impact of NMSU in the community, and the demand for better educated workers characteristic of metropolitan areas.
- 2. Housing:** As in most parts of the state and across the U.S., housing values rose sharply in Las Cruces during the period 2001-2006, but recent data suggests that values have begun to stabilize. The rise in housing values has significantly outpaced income growth, raising concerns regarding affordability.
 - a. According to ESRI estimates, in 2006 there were 36,925 housing units in Las Cruces, an increase of 16.7 percent from the Census Bureau's 2000 count of 31,652. This is roughly consistent with the BBER's estimate of a 14.4 percent increase during the same period for Dona Ana County. The ESRI estimate of the growth of the supply of housing slightly exceeds the estimated 14.4 percent increase in the population, suggesting the likelihood of a softening in the city's housing market.
 - b. This macro perspective is consistent with a more detailed analysis of the Las Cruces MLS real estate data by Evelyn Bruder. This analysis shows that following steady appreciation of median new home values in Las Cruces during the years 2002 through 2005, the median market value of new homes began to decline slightly in 2006 and 2007. Existing housing units, representing a declining share of the overall market, have begun to show a decline in sales volume, though prices remained stable as of end-2007.
 - c. According to the MLS data, the median value of new residential units sold in 2007 was \$199,995, up 40 percent since 2001; median value of existing units sold in the market was \$183,000, up 78 percent from 2001. On a market average basis, the average value of residential properties sold in Las Cruces during 2007 was \$233,356. This is 6 percent below the statewide average, which is somewhat skewed by sales in high value areas such as Santa Fe, Taos and Ruidoso.
 - d. According to the 2000 Census, 58 percent of occupied housing units in Las Cruces were single family homes; 27 percent were multifamily units; and most of the remaining 15 percent were mobile homes. Seven percent of the housing stock was vacant, well below the statewide vacancy rate but consistent with rates in other metropolitan areas.
 - e. The housing stock in Las Cruces as a whole is relatively new – 18 percent of all housing units were built before 1970, 30 percent were built during

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the 1970s; 21 percent in the 1980s; 21 percent during the 1990s; and 10 percent since 2000.

3. **Income:**² Per capita and household incomes in Las Cruces are low relative to other metropolitan areas in New Mexico; since 1990, growth of incomes in Las Cruces has lagged behind that of other metropolitan areas as well as non-metropolitan areas.
 - a. In 1989, per capita and household incomes were a bit lower than the average for the state, but fully 26 percent and 19 percent below those of the state's other metropolitan areas (for per capita and household median, respectively)³. During the 1990s, incomes rose sharply in both metropolitan and non-metropolitan areas of the state, but incomes in Las Cruces remained relatively stagnant. By 2000, incomes in Las Cruces were fully 42 percent below other metropolitan areas, and even three percent below those of non-metropolitan areas. In 2006, the estimated per capita income in Las Cruces in 2006 was \$19,201, about 12 percent below the statewide average, and the median household income was nearly 14 percent below the state level.
 - b. Low incomes in Las Cruces are not limited to a single group, but seem to be a structural characteristic at all levels. At lower income levels, 21 percent of Las Cruces households earn \$15,000 or less, compared to 17 percent for the state; another 27 percent earn between \$15,000 and \$30,000 in Las Cruces, compared to 20 percent for the state. At higher income levels, only 9 percent of Las Cruces households earn more than \$100,000, compared to more than 13 percent across the state.
 - c. Not surprisingly, poverty rates are very high in Las Cruces, and again track with patterns more broadly evident in the analysis of income. In Las Cruces, 16,793 persons, or 23.3 percent of the town's population, lived in poverty in 2000.⁴ This is higher than the poverty rate of the state's non-metropolitan areas (20.7 percent), and much higher than the poverty rate in the state's remaining metropolitan areas (12.6 percent).
 - d. The 2000 Census provides information on the sources of household incomes, including wages & salaries, social security, retirement programs, interest and dividends, and public assistance. Here, again, we see patterns in Las Cruces that seem to have as much in common with New Mexico's non-metropolitan areas as they do with other larger metropolitan areas. First, only 78 percent of households in Las Cruces receive income for wages & salaries, about the same as in non-metropolitan areas, but well below the more than 82 percent of metropolitan households. Also, only 32 percent of local households receive income from investments, well

² Ibid

³ Albuquerque – Rio Rancho, Santa Fe, and Farmington.

⁴ In 2000, the poverty line was \$8,959 for an individual or \$17,463 for a family of four, including two children.

below the 37 percent in other metropolitan areas though higher than the 27 percent in non-metropolitan areas. Finally, the share of households receiving either social security or retirement incomes is higher than that of metropolitan areas and about equal with the state's non-metropolitan areas. The patterns may well be spurious, for instance by revealing the increasing presence of retirees in the case of Las Cruces and a very different *in situ* 'graying' of non-metropolitan populations. But given the low and stagnant incomes in Las Cruces, further research on household income patterns in Las Cruces is warranted.

- e. The unemployment rate in Las Cruces and Doña Ana County are in line with the state average – 3.4 percent (December 2007), compared to 3.1 percent for the state. Thus, the lack of jobs is not likely to explain the low level of local incomes.
- f. In general, the data is consistent in suggesting that households in Las Cruces are constrained by very low wages. Low incomes in Las Cruces are an exception to a number of rules – as a metropolitan area, one would ordinarily expect to find incomes that exceed those of non-metropolitan areas; rapid growth and the associated demand for labor has done little to increase wages; high rates of poverty are not the result of high unemployment, rather poverty in Las Cruces seems instead to be a problem of the working poor.

4. **Economy:** Las Cruces is the regional retail and service center, and has a rapidly growing market for residential development. This activity generates employment and a strong flow of gross receipts revenue, providing a solid foundation for public finances. However, jobs created by the Las Cruces economy are, on average, low paying, contributing to the high rate of poverty discussed above.

- a. **Trade Area:** **Figure 1** is a map of Las Cruces' trade area. For this study, the area encompasses a 45 minute drive from the downtown mall, but is constrained to the south by a 25 minute drive from the center of El Paso, Texas. The trade area is almost entirely within the boundaries of Doña Ana County. Retail trade data for the area is summarized in the 'Region' column in **Table 2**.

This trade area encompasses nearly 54 thousand households, about 145,380 persons, and has total estimated retail spending of nearly \$1 billion per year. About 64 percent of the households and 59 percent of the population of the trade area is within the Las Cruces city limits. In addition to the residential population, Las Cruces' trade area also includes students and employees of New Mexico State University (most students and staff are included in the residential population); visitors to the city, and travelers along I-10 and I-25.

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With the growth in Las Cruces and its surrounding communities, the population of the trade area is growing rapidly. In addition, there are a growing number of visitors to Las Cruces, adding to the trade population. Offsetting these gains, growth of travel along Interstate highways I-10 and I-25 (excluding local travelers) is expected to slow.

- b. Strengths – The strongest sectors of Las Cruces' economy are those most strongly associated with the town's function as a regional retail and service center, including health care, social assistance, educational services and retail.
 - i. Gross receipts – Gross receipts are the foundation of public finances for towns and municipalities in New Mexico, and serve as a useful indicator of a community's economic strengths and weakness.⁵ **Table 3** provides a summary and analysis of taxable gross receipts in Las Cruces for the years 2004 through 2006. The net inflow and outflow of taxable gross receipts are also shown in **Figure 2**.

In aggregate, taxable gross receipts in Las Cruces totaled about \$2.43 billion in 2006. Taxable gross receipts increased by 9.5 percent and 5.7 percent, adjusting for inflation, in 2006 and 2005, respectively. Analysis of 'pull factors' provides a snapshot of the economy in relation to other communities.⁶ In 2006, the pull factor for Las Cruces' businesses was 129 percent, indicating that, on average, for every dollar spent by a resident of Las Cruces in other parts of New Mexico, a compensating \$1.29 was spent by New Mexican residents from outside Las Cruces in local businesses. The consistency of the pull factor for the 3 years shown (129 percent, 128 percent and 129 percent, respectively, for 2004 through 2006) indicates that the growth of taxable gross receipts of local businesses is the result of the growth of total local incomes (which, as noted, is more the result of population growth than increasing per capita incomes), rather than a result of an improved capacity of local businesses to attract spending by non-local residents. In total, this analysis of pull factors indicates that in 2006 Las

⁵ It is important to note that taxable gross receipts, while the most reliable measure of local economic activity in New Mexico, does not include public and not for profit businesses, including in the case of Las Cruces, public schools, New Mexico State University, and public administration. Activities in these areas are captured in other data, including employment and location quotients. This data does include sales of food and medical expenses which, since 2005, are exempt of taxes in New Mexico.

⁶ Analysis of gross receipts is a comparison of sales of local businesses with expected expenditures of residents. Where receipts exceed expected expenditures, it is assumed that the balance derives from spending by non-residents; where receipts of local businesses fall short of expected expenditures of local residents, it is assumed that the shortfall is due to spending by local residents outside the community. These statistics are summarized in pull factors, and shown in **Table 3**. A value of 100 percent indicates that trade is in balance for the community vis-à-vis the 'rest of New Mexico'; higher values indicate a 'trade surplus' and lower values a 'trade deficit'. See the 'Explanation of Tables' for a more complete discussion of pull factor analysis.

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Cruces realized an estimated net inflow of receipts of \$545 million from the rest of the state to city businesses.

As in nearly all communities, retail accounts for the largest share of taxable gross receipts in Las Cruces, and as a regional center retail businesses draw a large volume of revenues to the local economy. In 2006, the pull factor for retail was 163 percent, down slightly from preceding years, accounting for a net inflow of nearly \$340 million. Nearly all subsectors of retail have performed well, though furnishing, manufactured home dealers, and gifts and novelty stores are notable.

Health care and social services are the strongest performers of the Las Cruces economy, relative to other parts of the state. Pull factors in these sectors regularly exceed 300 percent, drawing on average nearly \$180 million into the economy. All subsectors perform well, including hospitals and ambulatory care, nursing and residential care and child care. The strength of this sector reflects Las Cruces' role as both a regional center for higher level services and as a retirement center.

The hospitality sector, including accommodations and food services are also strong in Las Cruces. On average, this sector has a pull factor of about 150 percent, drawing on a net basis about \$55 million into the local economy. Hospitality markets in Las Cruces are twofold – business and leisure travelers, from both within and outside the region.

Finance and insurance, real estate, and information (telecommunications, media, film and sound production) also draw revenues into the local economy. The strong performance of these sectors is, again, a function of the growth of the population and the associated strength of the development markets, and the city's role as a regional center for higher level services.

- ii. Employment – Las Cruces' economy creates more jobs than are demanded by the labor force living in the city. According to the Department of Workforce Solutions' Quarterly Census of Employment and Wages (QCEW), there are 39,223 jobs in Las Cruces, while the U.S. Census Bureau estimates a local labor force of 37,364. The remaining jobs in Las Cruces are filled by residents of the county and surrounding communities.

In Las Cruces, the health services, retail and hospitality sectors are the largest employers, accounting for 17 percent, 15 percent, and 11 percent, respectively, of employment in the town. Construction and educational services account for an additional 6 percent each.

Location quotients, similar to pull factors, allow for a comparative analysis of employment patterns in a local economy, in effect indicating the areas in which a local economy is specialized.⁷ In **Table 4**, the

⁷ For location quotients, a value of 1.0 indicates that the share of total employment for a sector is proportionate to that of the base geography (that to which it is compared); values greater than 1.0

data indicates that employment particularly concentrated in educational services, where the share of employment exceeds that of the state by 61 percent, no doubt due to the presence of New Mexico State University. To lesser degrees, employment is also relatively concentrated in health care and social assistance, hospitality, information, and public administration.

Similar patterns are evident in **Table 5**, which shows relative employment shares by occupation. Here, the employment in education, training, and library occupations exceeds the state average by 55 percent, and life, physical and social sciences by 19 percent, again reflecting the impact of NMSU to composition of local employment. The data also emphasizes the importance of health care, social services, and hospitality sectors. It's notable that while architects and engineers are well represented in the local economy, with a presence 12 percent greater than in the state economy, construction trades are somewhat under represented, accounting for only 77 percent of the share of employment of the state as a whole. This suggests that residential construction methods employed in Las Cruces use a relatively higher share of higher level, up-front skills while minimizing more labor intensive construction methods.

Finally, **Table 6** shows employment shares by 'ownership' (i.e., private for-profit, private not-for-profit, local, state and federal government, and so on). The patterns evident in these data are strongly pronounced. Compared to other parts of the state, the role of state and local governments in local employment markets is very significant. This is a function of the state university, but also the presence of social assistance programs that address the very high levels of poverty. To the other extreme, private for-profit businesses have a comparatively limited presence in the Las Cruces economy, with a share of employment fully 8 percent below the state average. More specifically, self-employed workers account for a very small share. This is surprising given the typically strong association between self-employment in higher skill functions found in larger communities and, especially, university towns.

- c. Weaknesses – Despite the strength of the economy in generating gross receipts and creating jobs, Las Cruces has a number of opportunities to limit leakages, improving town finances and employment profiles. The most notable gaps are in professional services, manufacturing, wholesale trade, and transportation.
 - i. With the exception of mining, professional, scientific and technical services is by far the greatest source of lost revenues in Las Cruces. With a pull factor of 77 percent in 2006, the Las Cruces economy

indicate the level of employment in the given sector is relatively greater, and values less than 1.0 indicate the degree to which it is lower.

sends an estimated \$36.8 million per year for these services to other parts of the state. Manufacturing accounts for losses of more than \$20 million per year, with a pull factor of 51 percent, although food processing and wood product manufacturing remains a significant draw for revenues. Finally, transportation & warehousing and wholesale trade combine for losses of \$15-25 million per year. The weakness of these sectors is remarkable, given Las Cruces' advantageous location along both I-25 and I-10, its proximity to the U.S.-Mexico border (particularly maquiladora clusters near Juarez), and the city's role as the regional hub.

- ii. The principal weakness of the Las Cruces economy is that the activities that generate most jobs, in both absolute and relative terms, tend to be in low paying sectors. This includes retail, hospitality, and some subsectors of health care and social assistance. Conversely, the local economy is notably lacking in professional services, manufacturing, transportation and construction, all activities that historically have paid substantially higher wages. In large part, low wages in these sectors explain the persistence of poverty in an economy characterized by growth and low unemployment.

5. **MainStreet:** Las Cruces' MainStreet district is a study of contrasts. The district's 9-to-5 employment base is strong; adjacent residential neighborhoods are diverse and have begun to receive investment. However, the district's retail goods and services sector is badly deteriorated, and is the principal impediment to the overall revitalization of the city's downtown district.

- a. **Figure 4** is a map of the of the Las Cruces downtown area, bordered by a three minute driving radius. **Figure 5** is a more detailed map of the downtown, including the adjacent neighborhoods of Alameda and Mesquite.

The MainStreet district has a large, stable employment base, with average wages and salaries more than 50 percent higher than other parts of the city. In 2006, the 191 employers that were located in the downtown district employed a total of 4,444 workers – 11 percent of the jobs in the city. The total payroll of these businesses was nearly \$182 million – about 17 percent of the total payroll of all employers in Las Cruces.

- i. **Tables 7, 8 and 9** present data on the number of business establishments, employment and average wages, respectively. **Figure 6** shows employment by industry and local geography; **Figure 7** shows the composition of employment in MainStreet by industry. The data in these tables and figures is disaggregated by location, including MainStreet district, other parts of Las Cruces, and Doña Ana County outside of Las Cruces. The source of the data is the New Mexico

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Department of Workforce Solution's ES-202 database, which includes all employees covered by unemployment insurance.

The structure of employment in the MainStreet district is dominated by 9-to-5 employers. By far, the largest sector in the MainStreet area is public administration, with 1,494 employees or one-third of downtown employment. This sector includes the city and county government, and courts. Other sectors with high levels of employment are: information, which includes the newspapers and media, with four employers and 334 employees; finance & insurance, with 23 employers and 291 employees; and transportation & warehousing, with 4 employers and 285 employees. In addition, there are 12 restaurants (accommodations & food services), with 281 employees; three utility companies with 263 employees; educational services, including the Las Cruces Public Schools administrative offices; professional, scientific and technical services; health care & social assistance offices; and administrative services. This mix of employers provides for a very stable employment base – in general organizations engaged in public administration, information, and educational services tend to be least vulnerable to cyclical patterns of employment.

Compared with the city as a whole, those working downtown are well paid, earning on average 62 percent more than those working in other parts of the city. There are two reasons for this: the businesses located downtown tend to be in relatively high paying industries (e.g. utilities, public administration, professional and technical services), and within these industries senior administrative functions are concentrated downtown.

- ii. Notably absent in the downtown business mix are retail goods and personal services. In 2006, only 11 retail businesses, with total employment of 105, were located in the MainStreet district. This accounts for only 1.6 percent of all retail activities in the city, and only 2 percent of all employment in the downtown district. In vibrant commercial districts across New Mexico, retail activities account for 20 to 25 percent of downtown employment. Similarly, there are very few personal service businesses (hair salons, dry cleaners, florists, and so on) within the MainStreet area.

The MainStreet district has a small cluster of restaurants and bars, but there is again substantial opportunity for expansion. In 2006, there were 12 food services and drinking establishments in the area, with 281 employees. Finally, there are no accommodations available in the downtown area. With more than 1,900 businesses operating in the area, including most of the city and county offices, the absence of accommodations is a missed opportunity.

The low level of retail and service activity, and the scarcity of restaurants and other evening and weekend related business in Las

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Cruces' downtown cannot be entirely explained in terms of market conditions for two reasons. First, businesses and public entities in the MainStreet district employ 4,444 workers, and pay \$182.7 million per year in wages in salaries. Second, as discussed in the next section, there are 1,281 households, and 3,118 persons within or immediately adjacent to the MainStreet district; retail expenditures of these households is more than \$18 million per year. Further, employees and residents of the immediate area should be considered only one of multiple markets for the district. The revitalization of the downtown district should establish the area as a market center for a broader range of specialty retail and services, for both residents of and visitors to Las Cruces. The small but emerging cluster of arts related businesses at Las Cruces Avenue on the Downtown Mall is evidence of the potential for developing these markets.

- b. Las Cruces' downtown residential communities include relatively few households immediately within the boundaries of MainStreet's primarily commercial district, but there are much larger and diverse communities immediately adjacent to the district, including the Alameda and Mesquite neighborhoods. These neighborhoods are severely underserved with nearby retail goods and services.
 - i. 3,118 persons, or fewer than 4 percent of the city's population, live in the MainStreet district and the adjacent communities of Alameda and Mesquite. The demographic profiles of the three communities vary significantly, and reflect the diversity of the city as a whole. **Tables 10** and **11** show demographic, economic, and housing data, and retail trade data for the individual neighborhoods in downtown Las Cruces.
 - The residential community immediately within the MainStreet boundaries is very small. An estimated 134 persons live in 70 households. The majority is Hispanic (62 percent); the households are small, with few children, and a large share of working age adults. The MainStreet population is very well educated – only 10 percent over the age of 25 do not have a high school degree, while nearly 2/3 have at least a Bachelor's Degree with high labor force participation and high levels of educational attainment, per capita and median household incomes are high – well above the citywide levels. Two thirds work in white collar positions, most as professionals. Most live in rental housing; less than one-third are home owners. The cost of owner occupied housing in the area is high. Average annual retail spending by this small population is \$16,341 per year; it is disproportionately allocated to 'food away from home' (restaurants), entertainment and recreation, and especially, various household services.

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- The Alameda neighborhood has 439 households and a population of 874. Compared to the city's overall population, the population of this neighborhood tends to be relatively better educated, white collar/professionals, with higher incomes, slightly older with smaller households and fewer children than found in other parts of the city. Home ownership rates are low in Alameda, though the community is in transition, with relatively high and increasing property values. The estimated average household income in Alameda is \$43,762, about 10 percent below the city average; with small households, per capita incomes are about 15 percent higher than the average for the city. In aggregate, residents of Alameda spend nearly \$7 million per year on retail goods and services. At its furthest point, less than ½ mile separates Alameda neighborhood from the MainStreet district.
- The Mesquite neighborhood has 772 households and a population of 2,110; since 1990 the population of the neighborhood has grown faster than other communities in the downtown area. The population is predominately Hispanic (87 percent) and is much younger than the population of other parts of Las Cruces, with more children and larger households. Incomes in the Mesquite neighborhood are very low compared to other parts of downtown and Las Cruces as a whole – per capita incomes are only 2/3 that of city average. Fully 45 percent of the neighborhood's population 25 years old and over do not have a high school degree; only 8 percent have received a Bachelor's Degree. Few work in professional occupations, while proportionately more work in 'blue collar' occupations. Compared to other parts of the downtown area, home ownership rates are slightly higher, though still well below the citywide average; property values are low, with a median value about 70 percent of that of the city (2000 Census data). Compared to other parts of downtown, a large share of the housing units in the Mesquite neighborhood are single family homes; there are very few housing structures with 10 or more units. As in other parts of the central portion of the city, housing units are relatively old. Because of its relatively large population, total spending by households in the neighborhood is significantly higher than other downtown neighborhoods, including Alameda. Total retail spending by neighborhood households is estimated to be \$10.1 million per year; annual spending on groceries nearly \$2.2 million; spending on entertainment and recreation accounts for another \$1.2 million, and apparel adds another \$800 thousand.
- Beyond the immediately adjacent neighborhoods to a 3 minute driving radius from the center of the MainStreet district, there are 4,220 additional households with an additional population of nearly 10,500. This population has many of the characteristics of the

Mesquite neighborhood, though with somewhat higher income and educational levels. Annual retail spending by all households within the 3 minute drive radius is nearly \$77 million.

6. Opportunities and Challenges:

- a. With a population of more than 85,000, Las Cruces is the second largest city in New Mexico, and among the state's most rapidly growing cities. Yet, the city's growth has not been accompanied by the economic development found in the state's other metropolitan areas. The structure of Las Cruces' economy remains overly dependent on low wage service industries such as retail, accommodations and food services, real estate and public assistance, and lacks a significant presence in higher wage areas such as manufacturing, transportation, and professional, technical and management services. Consequently, average incomes in Las Cruces are very low. Per capita incomes are more than 40 percent below the average of New Mexico's other three metropolitan areas (Albuquerque-Rio Rancho, Santa Fe and Farmington); at more than 23 percent, poverty rates in Las Cruces are twice the national average and higher even than New Mexico's non-metropolitan areas.
- b. The downtown district embodies some of the best and worst that Las Cruces has to offer. On the positive side, the MainStreet's 9-to-5 economy is very strong. Within the boundaries of MainStreet, nearly 200 businesses and organizations employ 4,444 persons at wages that are 62 percent above the citywide average. Adjacent to downtown are diverse and growing residential communities, including Alameda and Mesquite. Nearly 14 thousand persons live within a three minute drive of downtown, a density greater than any other part of the city. On the negative side, the downtown area is largely devoid of the kinds of activities that are increasingly characteristic of vibrant urban economies. There is little urban entertainment, only a few restaurants, very minimal retail presence, and no accommodations. That which is emerging as a showpiece and an engine of economic growth in most U.S. metropolitan communities is an eight block strip of disinvestment in Las Cruces.
- c. Strategies for downtown revitalization in Las Cruces should draw upon the area's existing assets to address its principal weaknesses. Specifically, initiatives should emphasize evening and weekend-oriented activities, including urban entertainment, restaurants and retail, and later incorporate residential development and ultimately accommodations. With progress in these areas, downtown businesses and their MainStreet advocates can work to broaden the area's appeal to residents of other parts of the city, and eventually improve the links of the historical center to the city's growing tourism industry.
- d. The logic of this sequencing of development – commonly and successfully used in downtown revitalization programs in other cities – is to first create

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a sense of vitality and to re-establish the sense of place with urban entertainment, restaurants and specialty retail, and with these activities in place to expand the market base to include more residential and out of area markets. The available data suggests that a market adequate to support the first stages of this process exists. The downtown area has a large 9-to-5 working population, with combined earnings of more than \$180 million, and a nearby residential population of nearly 14,000 with combined incomes of more than \$215 million.

e. The six phase development proposed by UniDev⁸ is an ambitious and creative plan to provide workforce housing and to revitalize the downtown by generating residential-based demand for retail goods and services. The plan is original in a number of regards – its use of land-lease arrangements for owner-occupied residential development; its use of New Market Tax Credits to finance residential development as a lead-in to commercial development; and its strong emphasis on residential supply to initiate downtown revitalization. However, the proposal does raise concerns both in regard to the viability of the project and its broader impact on the downtown revitalization strategies. Specifically:

- i. What is the impact of recent developments in housing and financial markets on both the demand for entry-level housing and the availability of mortgage financing?
- ii. If initial phases of the plan succeed in creating demand for real estate in the downtown area, will the cost of properties held by private owners in the downtown area become prohibitive for incorporation at later phases?
- iii. To what extent is the demand for residential housing expressed by the target population dependent on availability of initially unavailable commercial services and amenities?
- iv. Will the strong emphasis of the first phase of development to housing and parking (164 residential units and 277 parking spaces), and the very limited incorporation of commercial space (9,600 square feet) preclude the viability of the pedestrian based activities during later phases?
- v. Does the proposed design adequately integrate use of the downtown area with existing uses in adjacent neighborhoods?

f. Perhaps the principal impediment to the revitalization of the MainStreet district is the reluctance of key property owners to make available properties for redevelopment at a reasonable market value. This concern is documented by UniDev in its Feasibility Analysis Report. This property management practice is common to most cities and towns in New Mexico, and has multiple causes. Specifically, downtown property ownership has

⁸ UniDev, LLC. October 2007. *Feasibility Analysis Report. Downtown Area Implementation Plan for the City of Las Cruces, NM.*

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great historical and cultural significance; properties often have been owned by families for multiple generations, and carry no mortgage; property taxes in New Mexico are among the lowest in the country; and building codes are often lax and un-enforced. Consequently, property owners bare few costs and have little disincentive to hold property vacant pending speculative windfalls. Strategies to motivate property owners to bring these properties into the market include measures to increase the cost of abandonment, including the stringent application of building code standards. Delaying measures to incorporate these properties significantly lessen the attractiveness of the area to all markets, including both commercial and residential users, and over the long term the public costs associated with their incorporation will almost certainly rise.

Downtown revitalization has emerged as a key aspect of economic development because economic development that generates higher wage jobs requires a city to offer something unique, and the historical downtown typically represents the greatest concentration of this quality. Without offering something unique, a community can compete over the long term only by offering lower costs, including lower wages.

Las Cruces already has assets in place to promote the revitalization of its downtown. The area has a strong 9-to-5 working population; adjacent communities are diverse and growing; residents depend on the area for various services, particularly public administrative and financial services; and the area has retained much of its historical character. In pursuing the revitalization of the area, it is important to build upon and consolidate these assets, ensuring continuity and integration of the area.

EXPLANATION OF TABLES

Selected Demographic, Housing, and Economic Characteristics

Source: ESRI® ArcGIS Business Analyst 9.2, which uses the U.S. Bureau of the Census 2000 Census of Population and Housing for 2000 data, and Acxiom's InfoBase® household database residential delivery statistics and residential postal delivery counts from the U.S. Postal Service, and residential construction data from Hanley Wood Market Intelligence, as well as other undisclosed ancillary sources for its 2006 forecasts. (These ancillary sources and the company's forecasting formulas are considered proprietary information.)

Data is provided for Las Cruces' MainStreet, the city, and the state of New Mexico for the years 2000 and 2006. Values are given in absolute terms and in percentages.

More information on the demographic forecasting methodology used by ESRI® can be found in "ESRI® Demographic Update Methodology 2006/2011, An ESRI® White Paper", Redlands, CA, June 2006.

Location Quotients

Source: Census 2000 Summary File 3 (SF3); Tables 59-61. Calculations by the University of New Mexico's Bureau of Business and Economic Research (BBER).

A location quotient indicates the relative concentration of employment by industry, occupation, and type of business ownership of the residents of a given community, county, or region. The measures are relative to that of a 'base geography'. A location quotient is calculated as the ratio of local employment in a given industry, occupation, or ownership type to total employment, in relation to the same ratio for the base geography. Thus, a value of 1.00 indicates that employment of residents in a given industry, occupation, or type of business ownership, compared to total employment in the economy, is in exact proportion to that of the base geography. Values greater than 1.00 indicate that the industry, occupation, or ownership type is more than proportionate to that of the base geography; a value less than 1.00 indicates the opposite.

The location quotient can be used to indicate the structure or 'role' of a local economy within its larger geography. This applies equally to the role of a community's economy within the county or state, or a county's economy within the state. As with pull factors, which are described below, a location quotient helps to define the relative strengths and weaknesses of a local economy, measured in this case in terms of industrial, occupational, and ownership structures. This information can inform policies that aim to strengthen weaknesses or exploit strengths; the decision is one of practicality and strategy, rather than theory.

Taxable Gross Receipts and Pull Factors

Source: New Mexico Taxation and Revenue Department (NMTRD); calculations by UNM/BBER. Pull factors and net gain/loss were calculated using personal income data from the Regional Economic Information System, Bureau of Economic Analysis, U.S. Department of Commerce.

Data is provided for the years 2004, 2005, and 2006 and presented in 2006 dollars. Starting January 1, 2005, as a result of the passage of HB625 during the 2004 New Mexico legislative session, sales of most food and medical items were no longer subject to gross receipts tax. The New Mexico Taxation and Revenue Department estimates the amount of food and medical deductions made by businesses and this amount has been added (by BBER) to the taxable gross receipts (TGRs) for 2005 and 2006 in order to make the data consistent with the 2004 data.

Pull factors are calculated by dividing the ratio of the community's TGRs divided by the total personal income for that community by the same ratio for the state, i.e.,

$$\frac{\text{TGR}_{\text{Community}} / \text{Income}_{\text{Community}}}{\text{TGR}_{\text{New Mexico}} / \text{Income}_{\text{New Mexico}}}$$

There are several problems associated with gross receipts data.

- The data does not account for the value of the products sold. Rather data is categorized according to the type of business; i.e., sales of food from gasoline convenience stores are included in gasoline stations and groceries sold at Wal-Mart are included in Miscellaneous Retailers.
- Businesses are self-classified, and sometimes inaccurately so.
- Not all products are taxable as gross receipts in New Mexico; a notable example is gasoline.

A 'pull factor' indicates the capacity of an industrial sector (e.g., services, retail, and so on) to draw revenues into the local economy. A value of 100% is the break-even point. Values greater than 100% indicate that the business sector is drawing revenues into the local economy (more money is spent in the economy by those whose income is earned outside the community than money is spent by locals outside the community), whereas values less than 100% indicate that the sector is leaking money to other communities. Net gain/loss is derived from the pull factors. It is calculated as the difference between actual gross receipts and the 'expected value' of gross receipts (i.e., that which would be associated with a pull factor of 100%).

Note that it is natural that not all sectors will have a positive balance – every economy has its strengths and weaknesses. From a policy perspective, policies that reduce leakages and that exploit strengths are equally valid. The decision is a practical one – should energies be spent plugging holes or exploiting existing strengths?

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Businesses by Industry, in MainStreet Service Area

Source: NM Department of Labor, ES-202 (Covered Employment Statistics), 2006; calculations by BBER.

ES-202 data is provided to BBER by the New Mexico Department of Labor under terms of confidentiality. Under the terms of this agreement, data can be reported only in aggregate or summary format, so that it is not possible to infer information pertaining to a specific business.

ES-202 data used in this report are ‘establishment-level’, meaning that BBER has information on industrial classification (NAICS), employment, and wages of each business establishment in the study area. “Establishment-level data” are for each individual establishment; i.e., as opposed to a chain or brand. The key advantage of establishment-level data is that BBER is able to code the data according to the specific address of the establishment, allowing for analysis on a micro-geographical scale. In this report, BBER has coded the data according to locations within the MainStreet district (MS), in other parts of the community (community name) or in unincorporated parts of the county (county).

MainStreet Geographical Definitions and Trade Area Maps

Sources: New Mexico Department of Labor, ES-202 (Covered Employment Statistics), 2005; Bureau of Labor Statistics, Product Line Data, calculations by BBER; ESRI® ArcGIS 9.2 Business Analyst; ESRI® StreetMap™ USA. ESRI data sources include: Bureau of Labor Statistics, Consumer Expenditure Surveys (CEX), 2001, 2002, and 2003; U.S. Bureau of the Census, Population Division. (“ESRI® Demographic Update Methodology 2006/2011, An ESRI® White Paper,” Redlands, CA, June 2006. Available at

www.esri.com/library/whitepapers/pdfs/demographic-update-methodology.pdf

The city of Las Cruces provided boundaries for its MainStreet district. Utilizing latitude and longitude coordinates for business locations provided in the ES-202 data (Covered Employment Statistics) from the Department of Labor, BBER created a polygon on a map in ESRI® ArcGIS 9.2. BBER replaced the names of businesses with a numeric key in the ES-202 data due to the proprietary nature of the information. The location of these businesses was established through the use of X and Y coordinates included within the ES-202 data. These coordinates allowed for the construction of polygons that included all business points within the MainStreet district.

Trade areas were created using two methods in Las Cruces. The first was trade areas based on geographical location. These included the MainStreet boundary plus a ¼ mile buffer for walking distance, the city boundaries, and state boundaries. The second method utilizes drive-time polygons to create regional trade areas. Drive-time polygons are based upon drive times to the MainStreet site and are generated using actual street networks and related data available through ESRI® StreetMap™ such as road access, road types, and speed limits.

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Trade areas were determined by creating drive time polygons on two different scales: local and regional. Polygons were calculated at the local scale for 3 minute drive times. This time was chosen to reflect a short and convenient route from a home or hotel. On a regional scale, a drive time polygon was calculated at 45 minutes, except for the area within a 25-minute drive of downtown El Paso. The regional scale represents travel for dedicated purposes, such as supply replenishment, large item purchases, etc. The 25-minute scale was chosen as a break point just less than half the distance between Las Cruces and El Paso to the southwest. This break point takes into account consumer choice on expenditures, as Las Cruces is limited as a choice for consumers who live between Las Cruces and El Paso.

Trade area reports were generated for each of the drive time polygons and the Main Street buffer, as well as for the city and state boundaries. Reports included demographic, marketing, and retail expenditure data. All of the population and marketing data for a particular polygon is representative of the people living within the boundaries of that region. This data is derived from ESRI® ArcGIS 9.2 Business Analyst. The population data provided by this program are geographically derived at the census block level. The demographic, income, and expenditure data and projections utilized by ESRI® are derived from the U.S. Census Bureau and the Bureau of Labor Statistics' Consumer Expenditure Surveys.

APPENDIX: TABLES AND FIGURES

LAS CRUCES MAINSTREET – COMMUNITY ECONOMIC ASSESSMENT

TABLE 1: SELECTED DEMOGRAPHIC, HOUSING, AND ECONOMIC CHARACTERISTICS

	Downtown	LAS CRUCES	REGION ¹	NEW MEXICO
DEMOGRAPHICS				
Population (2006)	3,118	85,195	145,380	1,956,417
2000-2006 Annual Growth Rate		2.32%	2.23%	1.22%
2006-2011 Annual Growth Rate		2.26%	2.04%	1.19%
Households (2006):	1,281	34,275	53,853	745,219
2000-2006 Annual Growth Rate		2.72%	2.49%	1.59%
2006-2011 Annual Growth Rate		2.40%	2.24%	1.40%
Average Household Size (2006)	2.42	2.43	2.60	2.57
Hispanic Origin (2006)	75%	56%	59%	44%
Age Distribution (2006)				
Under 19 y/o	30%	28%	30%	29%
20-39 y/o	31%	31%	30%	27%
40-64 y/o	27%	28%	29%	32%
65 y/o and Over	13%	13%	12%	12%
Median Age (2006)		31.8	31.7	35.2
Median Year Householder Moved In (2000)		1996	1996	1995
INCOME				
Per Capita Income (2006)	\$16,239	\$19,201	\$19,014	\$21,756
Household Income (2006)				
\$<15,000	29%	21%	19%	17%
\$15,000-\$29,999	28%	21%	21%	20%
\$30,000-\$49,999	22%	23%	23%	22%
\$50,000-\$99,999	15%	26%	26%	28%
\$100,000 or more	5%	9%	11%	13%
Median Household Income (2006)		\$35,866	\$37,315	\$41,539
Average Household Income (2006)	\$38,720	\$47,345	\$50,276	\$56,341
Poverty Rate (2000)		23.3%		18%
Households by Net Worth (2006)				
\$<15,000	43%	41%	38%	32%
\$15,000-\$49,999	15%	12%	13%	14%
\$50,000-\$249,999	23%	26%	27%	29%
\$500,000 or more	18%	21%	22%	25%
Median Net Worth		\$38,896	\$46,529	\$64,802

¹ Forty-five-minute drive from center of MainStreet area (211 N. Downtown Mall), except for area within twenty-five-minute drive of downtown El Paso.

Source: ESRI® ArcGIS 9.2 Business Analyst, using U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI® forecasts for 2006.

LAS CRUCES MAINSTREET – COMMUNITY ECONOMIC ASSESSMENT

TABLE 1: SELECTED DEMOGRAPHIC, HOUSING, AND ECONOMIC CHARACTERISTICS, CONTINUED

	Downtown	LAS CRUCES	REGION ¹	NEW MEXICO
LABOR FORCE CHARACTERISTICS				
Educational Attainment (2000, 25 y/o and over)	1,860	43,908	74,652	1,134,801
No HS Diploma	34%	20%	23%	21%
High School Degree	27%	23%	23%	27%
Some College or Associate Degree	17%	29%	28%	29%
Bachelors Degree or Higher	22%	28%	26%	23%
Employment Status (2000, 16 y/o and over)	2,445	57,359	96,212	1,369,176
Civilian Employed	61%	55%	55%	56%
Civilian Unemployed	5%	5%	5%	4%
In Armed Forces	0%	0%	0%	1%
Not In Labor Force	36%	40%	39%	39%
Employment by Industry (2006)	1,591	37,364	62,009	871,638
Agriculture/Mining	1%	1%	3%	4%
Construction	8%	7%	9%	9%
Manufacturing	5%	3%	3%	4%
Wholesale Trade	1%	2%	2%	3%
Retail Trade	9%	11%	10%	11%
Transportation/Utilities	3%	3%	4%	4%
Information	5%	2%	2%	2%
Finance/Insurance/Real Estate	3%	5%	5%	6%
Services	58%	54%	51%	47%
Public Administration	7%	11%	11%	9%
Employment by Occupation (2006)	1,593	37,364	62,009	871,638
White Collar	51%	62%	59%	58%
Management/Business/Financial	5%	9%	9%	11%
Professional	19%	28%	26%	23%
Sales	10%	12%	11%	11%
Administrative Support	16%	14%	14%	13%
Services	30%	21%	20%	19%
Blue Collar	19%	17%	21%	23%
Farming/Forestry/Fishing	0%	0%	1%	1%
Construction/Extraction	8%	6%	8%	9%
Installation/Maintenance/Repair	2%	3%	4%	4%
Production	4%	3%	3%	4%
Transportation/Material Moving	4%	4%	5%	5%
Travel Time to Work (2000)	1,423	31,355	52,168	759,177
Worked at Home	3%	3%	4%	4%
0-19 minutes	72%	68%	60%	52%
20 minutes or more	25%	28%	37%	44%

¹ Forty-five-minute drive from center of MainStreet area (211 N. Downtown Mall), except for area within twenty-five-minute drive of downtown El Paso.

Source: ESRI® ArcGIS 9.2 Business Analyst, using U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI® forecasts for 2006.

LAS CRUCES MAINSTREET – COMMUNITY ECONOMIC ASSESSMENT

TABLE 1: SELECTED DEMOGRAPHIC, HOUSING, AND ECONOMIC CHARACTERISTICS, CONTINUED

	Downtown	LAS CRUCES	REGION ¹	NEW MEXICO
HOUSING				
Housing Units (2006)	1,445	36,925	58,424	855,433
Owner Occupied Housing Units	36%	55%	61%	61%
Renter Occupied Housing Units	53%	38%	32%	26%
Vacant Housing Units	11%	7%	8%	13%
Number of Homes Sold (2006)²		2,435		21,195
Number of Homes Sold (2007)²		2,002		17,477
Average Home Sales Price (2006)²		\$218,657		\$234,184
Average Home Sales Price (2007)²		\$233,356		\$246,961
Owner Occupied Housing Units by Value (2000)	517	17,117	30,246	474,435
\$<50,000	26%	20.1%	25.7%	22.7%
\$50,000 - \$99,999	56%	47.9%	39.6%	31.1%
\$100,000 - 199,999	14%	28.4%	28.0%	33.4%
\$200,000 or more	4%	3.6%	6.8%	12.8%
Average Home Value (2000)	\$82,303	\$90,150	\$96,061	\$121,651
Median Home Value (2000)		\$82,169	\$81,172	\$94,594
Housing Units by Units in Structure (2000)	1,446	31,701	50,992	780,579
1 unit	67%	58%	57%	66%
2 - 9 units	26%	15%	11%	8%
10 to 19	1%	4%	3%	2%
20 +	5%	8%	6%	5%
Mobile Home	0%	14%	24%	19%
Other	0%	1%	1%	1%
Housing Units by Year Structure Built (2000)	1,445	31,700	50,993	780,579
1995 to March 2000	1%	14%	14%	14%
1990 to 1994	1%	10%	11%	9%
1980 to 1989	7%	24%	25%	20%
1970 to 1979	80%	33%	30%	36%
1969 or Earlier	11%	19%	20%	21%
Median Year Structure Built		1979	1980	1977

¹ Forty-five-minute drive from center of MainStreet area (211 N. Downtown Mall), except for area within twenty-five-minute drive of downtown El Paso.

² This information is furnished by local boards/Associations /MLS's and NM Multi-Board MLS. It does not reflect sales not included in the MLS. Data from the the third quarter of 2006 and 2007 are not included.

Source: ESRI® ArcGIS 9.2 Business Analyst, using U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI® forecasts for 2006.

LAS CRUCES MAINSTREET – COMMUNITY ECONOMIC ASSESSMENT

TABLE 2: LAS CRUCES MARKET AREA CONSUMER SPENDING

	Downtown	LAS CRUCES	REGION ²	NEW MEXICO
CONSUMER SPENDING (2006, in Thousands \$)				
Retail Goods	\$10,100	\$582,969	\$978,297	\$15,274,537
Average Spent per Household	\$14,541	\$17,009	\$18,166	\$20,497
Apparel & Services	\$800	\$46,940	\$77,362	\$1,186,955
Men's Apparel	\$158	\$9,435	\$15,525	\$237,347
Women's Apparel	\$242	\$14,792	\$24,312	\$370,989
Children's Apparel	\$166	\$8,943	\$14,925	\$232,175
Infant Apparel (Under 2 Years)	\$50	\$2,698	\$4,433	\$0
Footwear	\$83	\$4,737	\$7,805	\$120,140
Watches & Jewelry	\$68	\$4,345	\$7,183	\$109,151
Apparel Products & Services	\$87	\$4,688	\$7,611	\$117,153
Computers & Accessories	\$93	\$6,155	\$10,065	\$152,617
Computers & Hardware for Home Use	\$81	\$5,391	\$8,814	\$133,740
Software & Accessories for Home Use	\$12	\$764	\$1,251	\$18,877
Entertainment/Recreation	\$1,181	\$75,966	\$126,786	\$1,962,440
Fees & Admissions	\$201	\$13,896	\$22,919	\$347,923
TV/Video/Sound Equipment	\$444	\$25,789	\$42,629	\$656,419
Pets	\$166	\$10,453	\$17,742	\$279,357
Toys & Games	\$70	\$4,556	\$7,557	\$116,798
Recreational Vehicles & Fees	\$118	\$8,932	\$15,509	\$248,147
Sports/Rec/Exercise Equipment	\$58	\$4,010	\$6,696	\$103,145
Photo Equipment/Supplies	\$50	\$3,317	\$5,476	\$83,552
Reading	\$74	\$5,015	\$8,259	\$127,098
Food at Home	\$2,165	\$114,595	\$191,491	\$3,005,686
Bakery & Cereal Products	\$311	\$16,744	\$27,929	\$438,347
Meat/Poultry/Fish/Eggs	\$595	\$30,074	\$50,497	\$796,380
Dairy Products	\$228	\$12,401	\$20,689	\$324,889
Fruit & Vegetables	\$383	\$19,813	\$33,063	\$519,804
Snacks/Other Food	\$649	\$35,563	\$59,313	\$926,266
Nonalcoholic Beverages	\$16,440	\$9,849	\$16,440	\$257,996
Food Away from Home	\$1,369	\$78,900	\$130,466	\$2,009,504
Alcoholic Beverages	\$221	\$13,792	\$22,344	\$339,524
Investments	\$1,427	\$97,019	\$160,829	\$2,516,088
Health Care	\$1,496	\$84,923	\$143,825	\$2,268,502
Health Insurance	\$729	\$41,392	\$70,094	\$1,109,613
Nonprescription Drugs	\$49	\$2,703	\$4,508	\$70,324
Prescription Drugs	\$249	\$13,229	\$22,607	\$359,652
Eyeglasses & Contact Lenses	\$31	\$1,976	\$3,299	\$51,228
Life & Other Personal Insurance	\$238	\$14,610	\$24,951	\$389,932

¹ Forty-five-minute drive from center of MainStreet area (211 N. Downtown Mall), except for area within twenty-five-minute drive of downtown El Paso.

Source: ESRI® ArcGIS 9.2 Business Analyst, using U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI® forecasts for 2006.

LAS CRUCES MAINSTREET – COMMUNITY ECONOMIC ASSESSMENT

**TABLE 2: LAS CRUCES MARKET AREA CONSUMER SPENDING,
CONTINUED**

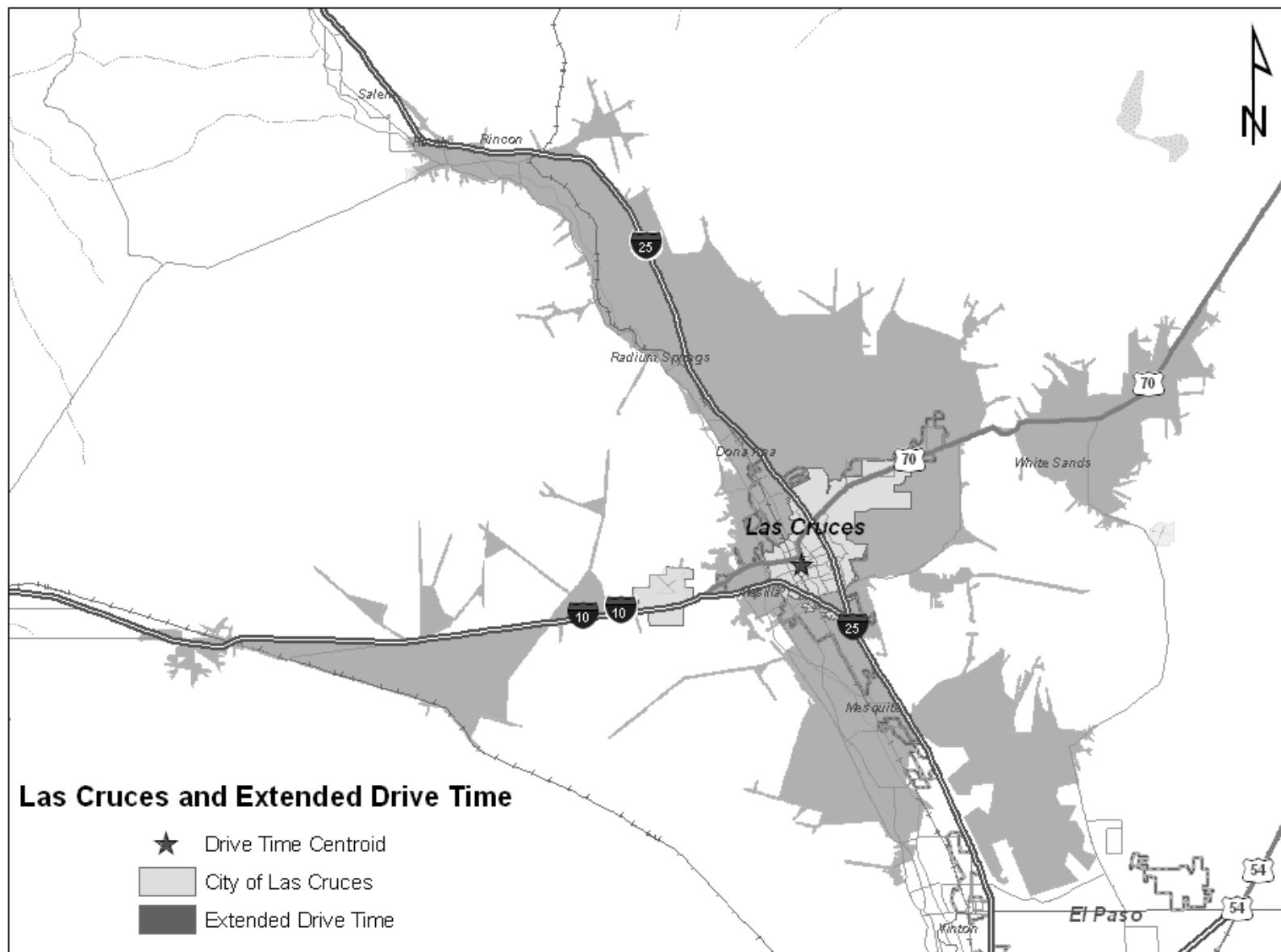
	Downtown	LAS CRUCES	REGION ¹	NEW MEXICO
CONSUMER SPENDING (2006, in Thousands \$)				
Smoking Products	\$195	\$11,870	\$19,515	\$305,224
Personal Care Products	\$194	\$10,751	\$17,863	\$276,292
Housing:	\$5,465	\$325,023	\$537,988	\$8,349,143
Mortgage Payment & Basics	\$2,925	\$181,615	\$310,707	\$4,808,937
Maintenance & Remodeling Services	\$561	\$38,353	\$65,549	\$1,020,863
Maintenance & Remodeling Materials	\$113	\$7,910	\$13,525	\$214,491
Home Improvement Services	\$571	\$38,877	\$66,377	\$1,034,547
Home Improvement Materials	\$120	\$8,271	\$14,105	\$224,172
Utilities/Fuel/Public Services	\$1,830	\$99,381	\$166,904	\$2,600,753
Telephone Services	\$645	\$34,824	\$57,949	\$900,334
Insurance - Owners & Renters	\$181	\$10,191	\$17,580	\$273,652
Household Furnishings & Equipment	\$729	\$44,541	\$74,508	\$1,151,460
Household Textiles	\$50	\$3,063	\$5,100	\$78,649
Furniture	\$248	\$14,270	\$23,916	\$369,852
Floor Coverings	\$26	\$1,807	\$3,043	\$47,090
Major Appliances	\$110	\$6,495	\$11,007	\$172,613
Housewares	\$31	\$1,925	\$3,218	\$49,960
Small Appliances	\$14	\$860	\$1,427	\$22,213
Household Services:	\$64	\$44,609	\$74,851	\$1,167,191
Computer Information Services	\$151	\$3,941	\$6,548	\$100,884
Child Care	\$153	\$9,514	\$15,629	\$239,893
Lawn & Garden	\$153	\$9,565	\$16,473	\$262,131
Moving/Storage/Freight Express	\$23	\$1,279	\$2,098	\$31,962
Housekeeping Supplies	\$310	\$17,467	\$29,257	\$457,331
Housekeeping Services	\$47	\$2,844	\$4,845	\$74,990
Education	\$430	\$29,572	\$46,790	\$668,548
Transportation (Local):	\$4,229	\$239,198	\$403,631	\$6,315,931
Vehicle Insurance	\$572	\$32,016	\$53,741	\$838,658
Vehicle Purchases (Net Outlay)	\$2,427	\$138,442	\$234,441	\$3,669,251
Gasoline & Motor Oil	\$796	\$43,681	\$73,598	\$1,155,258
Vehicle Maintenance & Repairs	\$434	\$25,058	\$41,850	\$652,763
Travel	\$624	\$41,108	\$68,406	\$1,048,567
Airline Fares	\$138	\$9,017	\$14,879	\$226,926
Lodging on Trips	\$128	\$8,882	\$14,900	\$229,655
Auto/Truck/Van Rental on Trips	\$15	\$1,009	\$1,675	\$25,722
Food & Drink on Trips	\$162	\$10,644	\$17,720	\$271,244

¹ Forty-five-minute drive from center of MainStreet area (211 N. Downtown Mall), except for area within twenty-five-minute drive of downtown El Paso.

Source: ESRI® ArcGIS 9.2 Business Analyst, using U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI® forecasts for 2006.

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FIGURE 1: LAS CRUCES REGIONAL TRADE AREA



Source: ESRI® StreetMap™, UNM-BBER

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TABLE 3: LAS CRUCES TAXABLE GROSS RECEIPTS AND PULL FACTORS, 2004-2006

LAS CRUCES	TAXABLE GROSS RECEIPTS*			PULL FACTOR			NET GAIN/LOSS		
	2004	2005	2006	2004	2005	2006*	2004	2005	2006*
Agriculture, Forestry, Fishing and Hunting	2,570,738	1,929,902	1,421,439	86%	59%	46%	(418,883)	(1,351,644)	(1,683,977)
Mining	D	53,390	109,071	D	0%	0%	(50,300,157)	(63,679,217)	(78,871,911)
Utilities	69,180,166	70,596,695	75,842,047	99%	94%	99%	(954,462)	(4,442,110)	(583,456)
Construction	254,840,656	300,491,056	387,076,569	119%	126%	136%	40,420,734	62,567,620	102,277,106
Building, Developing, and General Contracting	182,312,394	198,125,556	244,706,451	151%	147%	159%	61,931,948	63,110,176	90,891,989
Residential Building Construction	9,857,654	22,458,900	44,516,376	264%	266%	421%	6,124,862	14,023,779	33,947,463
Highway, Street, Bridge, and Tunnel Construction	5,309,102	13,046,341	6,029,654	63%	161%	59%	(3,126,989)	4,945,562	(4,195,942)
Other Heavy Construction	8,809,306	21,852,311	35,518,785	163%	265%	308%	3,409,036	13,605,406	23,971,796
Special Trade Contractors	38,802,807	38,634,772	43,642,165	62%	58%	57%	(23,598,668)	(27,758,740)	(33,089,823)
Manufacturing	19,709,456	23,945,328	26,109,235	51%	56%	51%	(18,983,648)	(18,545,595)	(24,647,635)
Food Manufacturing	3,148,624	3,005,933	2,848,073	605%	635%	600%	2,628,373	2,532,778	2,373,511
Wood Product Manufacturing	1,347,950	2,204,010	2,393,660	144%	212%	200%	409,513	1,163,124	1,195,092
Printing and Related Support Activities	5,058,967	7,919,353	7,476,482	79%	126%	114%	(1,360,580)	1,619,428	930,986
Nonmetallic Mineral Product Manufacturing	2,369,172	2,936,304	114,558	133%	189%	9%	592,507	1,378,912	(1,131,611)
Primary Metal Manufacturing	968,809	1,089,805	1,813,854	71%	73%	92%	(402,256)	(411,130)	(163,418)
Machinery Manufacturing	122,068	105,145	121,998	13%	10%	14%	(808,713)	(920,184)	(734,778)
Wholesale Trade	70,536,690	82,695,979	103,780,997	79%	83%	95%	(18,358,090)	(16,893,968)	(5,720,626)
Retail Trade	840,033,996	867,863,672	877,812,160	165%	166%	163%	331,005,265	344,683,845	339,808,879
Automobile Dealers	13,163,129	14,838,655	14,337,497	143%	157%	152%	3,932,191	5,387,198	4,899,202
All Other Motor Vehicle Dealers	840,321	2,520,961	3,054,704	83%	210%	314%	(170,050)	1,322,567	2,082,836
Automotive Parts, Accessories, and Tire Stores	24,310,873	21,353,878	23,010,883	180%	146%	154%	10,813,414	6,734,459	8,041,504
Furniture and Home Furnishings Stores	33,618,306	32,991,382	33,034,137	254%	235%	319%	20,388,003	18,932,346	22,684,837
Building Material and Supplies Dealers	11,870,203	12,804,200	15,864,424	163%	172%	206%	4,599,942	5,362,704	8,169,907
Grocery Stores	93,197,190	94,634,912	168,549,726	128%	128%	148%	20,357,382	20,862,873	54,479,511
Beer, Wine, and Liquor Stores	4,587,527	4,275,340	4,215,596	219%	204%	189%	2,489,047	2,179,572	1,986,689
Pharmacies and Drug Stores	14,754,224	18,398,635	18,356,175	162%	167%	161%	5,633,041	7,363,655	6,919,536
Other Health and Personal Care Stores	1,752,019	1,765,254	3,486,007	213%	145%	223%	930,377	547,888	1,919,510
Gasoline Stations	4,714,163	3,758,546	3,136,534	77%	71%	61%	(1,420,440)	(1,540,088)	(1,970,758)
Clothing Accessories Stores	29,950,867	25,940,017	27,383,642	160%	147%	158%	11,205,082	8,278,204	10,090,320
Department Stores	70,931,374	60,430,637	59,779,534	277%	250%	256%	45,334,531	36,269,990	36,450,072
Florists	388,066	444,355	363,163	606%	434%	302%	323,991	341,935	242,865
Gift, Novelty, and Souvenir Stores	6,224,946	5,345,995	5,790,229	598%	480%	451%	5,183,141	4,232,382	4,506,669
Manufactured (Mobile) Home Dealers	11,098,678	9,355,326	11,791,218	393%	343%	364%	8,276,213	6,626,194	8,548,404
Vending Machine Operators	331,025	312,121	279,258	456%	323%	195%	258,414	215,454	135,718
Transportation and Warehousing	10,072,350	9,524,978	10,053,968	87%	61%	52%	(1,548,481)	(6,164,013)	(9,264,365)
Air Transportation	289,866	413,908	544,765	76%	80%	106%	(89,803)	(101,329)	28,624
Truck Transportation	8,176,552	7,111,100	6,772,160	115%	79%	66%	1,062,777	(1,874,079)	(3,498,958)
Transit and Ground Passenger Transportation	1,251,058	997,455	461,331	66%	38%	18%	(634,304)	(1,643,033)	(2,123,917)
Taxi Service	59,718	107,848	166,881	829%	910%	932%	52,513	95,996	148,977
Information	41,466,361	40,309,701	44,532,285	119%	116%	111%	6,713,573	5,663,901	4,309,822
Motion Picture and Video Industries	7,152,469	7,291,745	7,926,698	267%	294%	306%	4,469,564	4,814,383	5,336,163
Radio and Television Broadcasting	1,699,532	2,081,758	2,091,083	86%	111%	108%	(272,685)	203,575	159,549
Telecommunications	30,418,473	28,084,437	31,578,573	105%	99%	99%	1,394,979	(407,406)	(186,736)

LAS CRUCES MAINSTREET – COMMUNITY ECONOMIC ASSESSMENT

TABLE 3: LAS CRUCES TAXABLE GROSS RECEIPTS AND PULL FACTORS, 2004-2006, CONTINUED

LAS CRUCES	TAXABLE GROSS RECEIPTS*			PULL FACTOR			NET GAIN/LOSS		
	2004	2005	2006	2004	2005	2006*	2004	2005	2006*
Finance and Insurance	13,402,600	14,175,226	17,705,603	129%	136%	162%	3,046,668	3,771,841	6,759,971
Commercial Banking	7,636,010	6,341,556	7,567,939	167%	143%	182%	3,050,477	1,913,113	3,415,996
Savings Institutions	599,632	709,175	475,803	264%	278%	221%	372,464	453,780	260,862
Credit Unions	211,735	156,407	155,044	20%	16%	16%	(864,002)	(834,807)	(831,801)
Securities, Commodity Contracts, and Other Financial Investments and Related Activities	1,263,290	2,160,355	2,845,589	77%	119%	141%	(386,694)	341,176	823,470
Insurance Carriers and Related Activities	2,699,884	2,698,238	3,818,445	137%	138%	176%	725,268	743,200	1,652,745
Real Estate and Rental and Leasing	25,359,957	33,079,570	38,177,963	110%	125%	133%	2,291,410	6,708,720	9,461,932
Real Estate	20,450,195	26,537,890	28,801,052	123%	139%	155%	3,864,599	7,400,180	10,262,848
Professional, Scientific, and Technical Services	109,998,777	111,572,186	122,774,798	73%	68%	77%	(40,941,898)	(52,530,488)	(36,771,194)
Professional, Scientific, and Technical Services	57,626,034	58,068,771	61,420,748	99%	95%	111%	(654,313)	(2,945,663)	5,866,631
Legal Services	22,618,135	21,631,302	20,953,357	106%	103%	98%	1,284,615	594,799	(358,934)
Tax Preparation Services	306,117	1,002,571	2,049,797	66%	179%	354%	(154,790)	442,355	1,470,608
Other Accounting Services	59,138	289,322	425,196	44%	89%	88%	(73,766)	(35,715)	(55,568)
Architectural, Engineering, and Related Services	17,793,554	15,754,717	16,578,137	107%	90%	94%	1,166,950	(1,821,314)	(1,120,504)
Management, Scientific, and Technical Consulting Services	305,846	2,115,459	5,289,099	14%	46%	105%	(1,921,828)	(2,447,714)	237,551
Scientific Research and Development Services	260,925	65,844	127,395	1%	0%	0%	(45,214,037)	(49,765,409)	(44,405,117)
Advertising and Related Services	52,383	53,591	240,436	11%	11%	32%	(404,452)	(450,854)	(506,387)
All Other Professional, Scientific, and Technical Services	5,173,339	5,269,211	6,534,619	207%	202%	161%	2,670,014	2,655,148	2,464,344
Management of Companies and Enterprises	90,272	106,388	145,396	4%	5%	9%	(1,937,961)	(1,997,514)	(1,443,056)
Admin & Support and Waste Mgt & Remed Svcs	2,208,375	4,334,671	5,633,721	50%	59%	16%	(2,240,138)	(3,036,047)	(29,606,127)
Educational Services	10,357,147	5,664,088	4,694,244	198%	107%	79%	5,132,954	366,592	(1,258,365)
Health Care and Social Assistance	244,250,168	259,615,120	281,642,442	305%	318%	321%	164,063,800	177,912,007	193,914,594
Ambulatory Health Care Services	109,348,906	91,366,492	93,395,764	287%	255%	267%	71,225,224	55,599,469	58,445,309
Medical and Diagnostic Laboratories	7,945,592	33,836,738	34,445,739	581%	1877%	1863%	6,578,802	32,034,364	32,596,842
Hospitals	72,428,944	85,504,674	95,867,130	257%	315%	363%	44,243,750	58,359,887	69,461,302
Nursing and Residential Care Facilities	17,898,019	17,310,648	15,053,584	329%	330%	257%	12,457,021	12,067,222	9,189,472
Child Day Care Services	2,018,999	4,821,852	2,914,787	446%	718%	432%	1,566,508	4,150,148	2,240,364
Arts, Entertainment, and Recreation	4,173,360	5,491,588	5,507,998	79%	100%	101%	(1,102,384)	6,668	38,967
Accommodation and Food Services	154,039,468	163,770,626	177,411,206	145%	150%	155%	47,685,991	54,864,397	63,123,115
Accommodation	31,849,439	33,173,282	39,716,974	131%	130%	148%	7,520,882	7,708,739	12,917,205
Food Services	121,444,969	130,010,000	137,182,995	148%	157%	158%	39,663,753	47,031,592	50,196,791
Full-Service Restaurants	106,116,584	110,708,066	116,097,451	155%	160%	162%	37,632,221	41,632,582	44,475,681
Limited-Service Eating Places	4,055,488	4,269,659	4,856,673	123%	113%	114%	756,140	479,234	595,214
Special Food Services	1,185,375	4,853,301	6,051,420	56%	232%	184%	(921,219)	2,761,298	2,759,335
Drinking Places (Alcoholic Beverages)	10,087,523	10,178,975	10,177,451	128%	127%	130%	2,196,611	2,158,479	2,366,560
TOTAL	2,099,981,768	2,220,381,935	2,432,100,596	129%	128%	129%	477,049,937	489,184,132	545,065,841

* 2005 personal income figures were used to calculate 2006 pull factors and net gain/loss because 2006 figures were not available.

D indicates non-disclosure of data. Blank cells indicate years in which no gross receipts were reported.

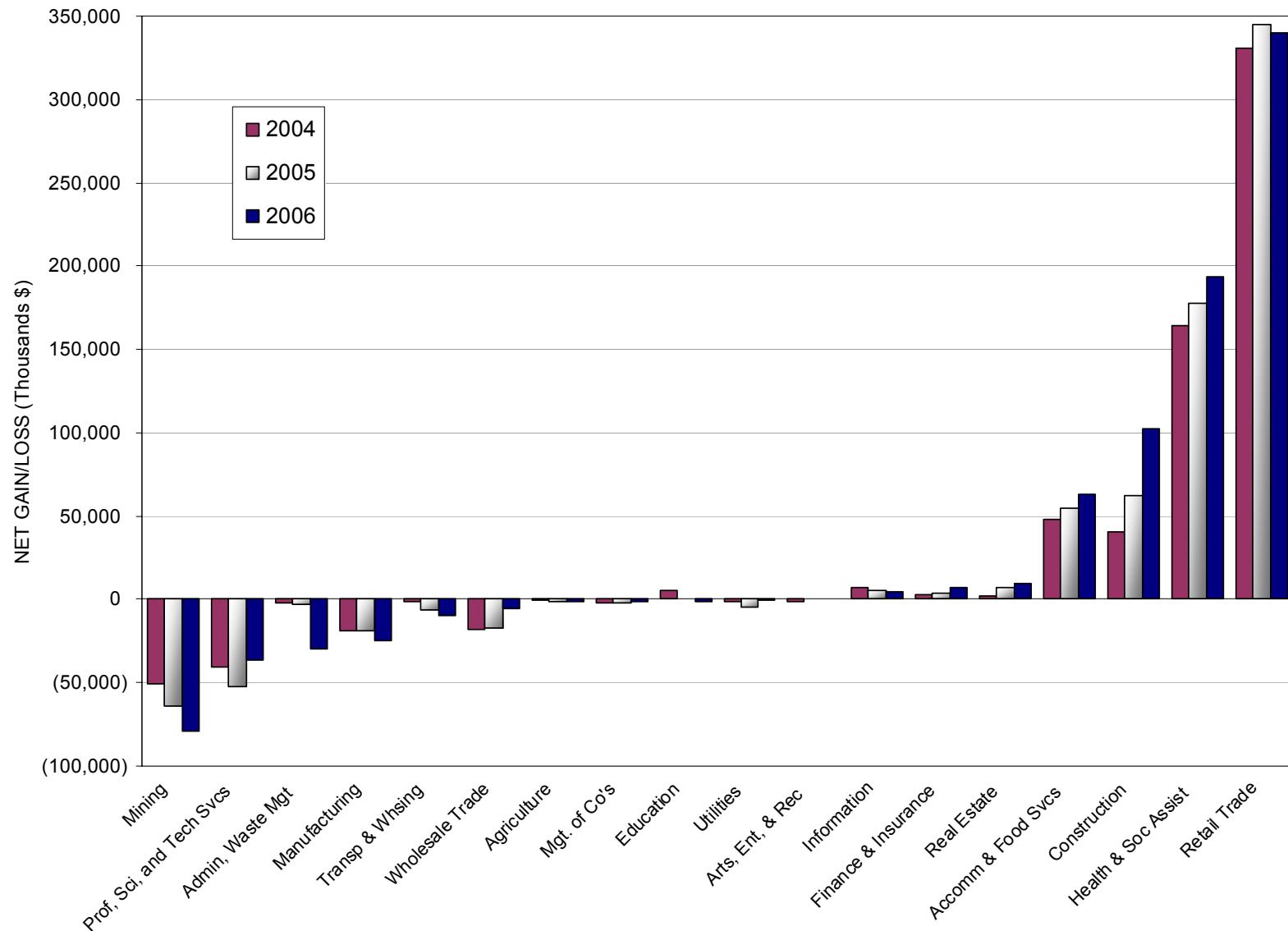
All values are adjusted for inflation and are reported in terms of 2006 dollars.

Data is classified by North American Industry Classification System (NAICS). Two-digit NAICS sectors are shown in bold; non-bold, indented rows represent more detail (i.e., 3-, 4-, 5-, or 6-digit NAICS) for a sector. Sector totals may not sum to the total due to non-disclosure and because sectors that have zero taxable gross receipts for all three years are not shown. Sub-sectors are not nested in sectors, and not all sub-sectors are shown; therefore, sub-sectors do not sum to sector totals.

Source: State of New Mexico Taxation and Revenue Department Combined Reporting System; Report No. 80 – NAICS Code Version; Calculations by BBER, 2007.

LAS CRUCES MAINSTREET – COMMUNITY ECONOMIC ASSESSMENT

FIGURE 2: LAS CRUCES TAXABLE GROSS RECEIPTS GAIN/LOSS BY INDUSTRY, 2004, 2005, AND 2006



Source: State of New Mexico Taxation & Revenue Department Combined Reporting System; Report No. 80 -- NAICS Code Version; calculations by BBER, 2007.

LAS CRUCES MAINSTREET – COMMUNITY ECONOMIC ASSESSMENT

TABLE 4: LOCATION QUOTIENT: LAS CRUCES EMPLOYMENT BY INDUSTRY IN RELATION TO DOÑA ANA COUNTY AND NEW MEXICO, AND DOÑA ANA COUNTY EMPLOYMENT BY INDUSTRY IN RELATION TO NEW MEXICO

	LAS CRUCES	DOÑA ANA COUNTY	NEW MEXICO
		DOÑA ANA COUNTY	NEW MEXICO
Agriculture; forestry; fishing and hunting; and mining		0.36	0.33
Agriculture; forestry; fishing and hunting		0.32	0.54
Mining		1.12	0.10
Construction		0.80	0.81
Manufacturing		0.64	0.69
Wholesale trade		0.91	0.73
Retail trade		1.06	1.05
Transportation and warehousing; and utilities		0.68	0.66
Transportation and warehousing		0.67	0.70
Utilities		0.73	0.55
Information		1.23	1.15
Finance; insurance; real estate and rental and leasing		1.11	0.93
Finance and insurance		1.17	0.91
Real estate and rental and leasing		1.02	0.96
Professional; scientific; management; administrative; and waste management services		1.10	0.83
Professional; scientific; and technical services		1.17	0.71
Management of companies and enterprises		0.00	0.00
Administrative and support and waste management services		1.03	1.08
Educational; health and social services		1.15	1.38
Educational services		1.14	1.61
Health care and social assistance		1.16	1.15
Arts; entertainment; recreation; accommodation and food services		1.18	1.08
Arts; entertainment; and recreation		1.06	0.86
Accommodation and food services		1.21	1.15
Other services (except public administration)		0.91	0.91
Public administration		1.09	1.13

Source: Census 2000 Summary File 3 (SF 3) - Sample Data; P49. Universe: Employed civilian population 16 years and over. Calculations by BBER, 2007.

LAS CRUCES MAINSTREET – COMMUNITY ECONOMIC ASSESSMENT

TABLE 5: LOCATION QUOTIENT: LAS CRUCES EMPLOYMENT BY OCCUPATION IN RELATION TO DOÑA ANA COUNTY AND NEW MEXICO, AND DOÑA ANA COUNTY EMPLOYMENT BY OCCUPATION IN RELATION TO NEW MEXICO

	LAS CRUCES		DOÑA ANA COUNTY
	DOÑA ANA COUNTY	NEW MEXICO	NEW MEXICO
Management; professional; and related occupations			
Management; business; and financial operations occupations	1.14	1.09	0.95
Management occupations; except farmers and farm managers	0.97	0.81	0.83
Farmers and farm managers	1.02	0.83	0.82
Business and financial operations occupations	0.41	0.59	1.44
Business operations specialists	1.07	0.81	0.75
Financial specialists	0.97	0.69	0.71
Professional and related occupations	1.15	0.92	0.80
Computer and mathematical occupations	1.22	1.24	1.01
Architecture and engineering occupations	1.30	1.12	0.86
Architects; surveyors; cartographers; and engineers	1.19	1.12	0.95
Drafters; engineering; and mapping technicians	1.28	1.20	0.93
Life; physical; and social science occupations	1.01	0.99	0.98
Community and social services occupations	1.30	1.19	0.91
Community and social services occupations	1.17	1.31	1.12
Legal occupations	1.27	1.20	0.56
Education; training; and library occupations	1.62	0.90	1.33
Arts; design; entertainment; sports; and media occupations	1.16	1.55	0.75
Healthcare practitioners and technical occupations	1.27	0.96	0.86
Health diagnosing and treating practitioners and technical occupations	1.27	1.09	0.86
Health technologists and technicians	1.28	1.09	0.87
Healthcare practitioners and technical occupations	1.00	1.09	1.08
Healthcare support occupations	1.27	1.09	1.08
Protective service occupations	1.62	1.07	1.03
Fire fighting; prevention; and law enforcement workers; including supervisors	1.09	1.30	1.00
Other protective service workers; including supervisors	1.13	0.81	1.15
Other protective service workers; including supervisors	1.02	1.18	0.80
Food preparation and serving related occupations	1.14	0.95	1.04
Building and grounds cleaning and maintenance occupations	0.78	1.18	1.22
Personal care and service occupations	0.96	1.02	1.07
Personal care and service occupations	1.13	1.10	0.97
Sales and office occupations	1.13	1.10	0.97
Sales and related occupations	1.15	1.09	0.97
Office and administrative support occupations	1.12	1.10	0.96

LAS CRUCES MAINSTREET – COMMUNITY ECONOMIC ASSESSMENT

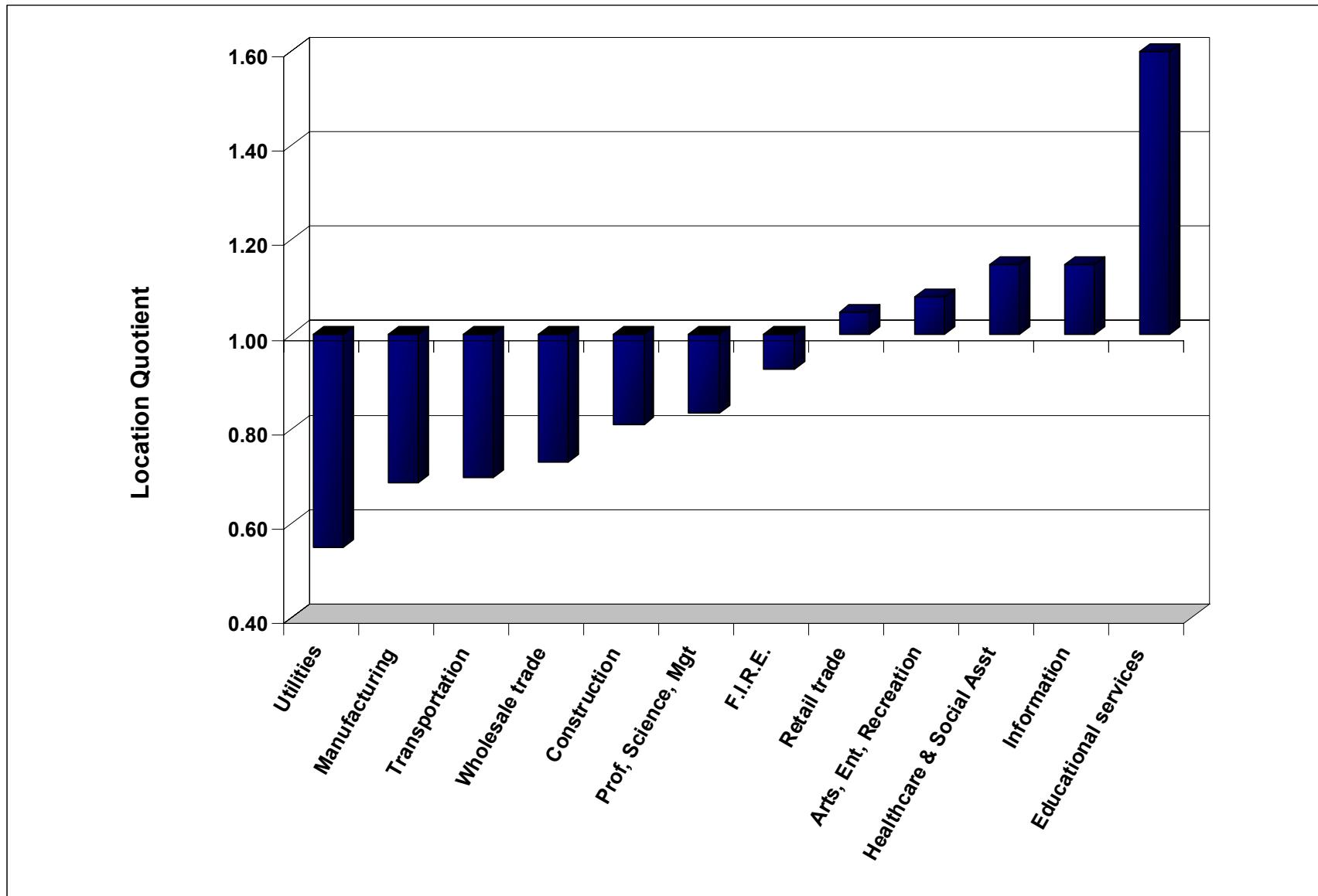
TABLE 5: LOCATION QUOTIENT: LAS CRUCES EMPLOYMENT BY OCCUPATION IN RELATION TO DOÑA ANA COUNTY AND NEW MEXICO, AND DOÑA ANA COUNTY EMPLOYMENT BY OCCUPATION IN RELATION TO NEW MEXICO, CONTINUED

	LAS CRUCES		DONA ANA COUNTY
	DOÑA ANA COUNTY	NEW MEXICO	NEW MEXICO
Farming; fishing; and forestry occupations	0.13	0.24	1.79
Construction; extraction; and maintenance occupations	0.77	0.74	0.96
Construction and extraction occupations	0.78	0.74	0.94
Supervisors; construction and extraction workers	0.93	0.72	0.77
Construction trades workers	0.76	0.79	1.04
Extraction workers	1.48	0.17	0.11
Installation; maintenance; and repair occupations	0.75	0.74	0.99
Production; transportation; and material moving occupations	0.66	0.72	1.08
Production occupations	0.70	0.75	1.07
Transportation and material moving occupations	0.63	0.69	1.10
Supervisors; transportation and material moving workers	0.61	0.35	0.57
Aircraft and traffic control occupations	0.41	0.27	0.66
Motor vehicle operators	0.68	0.79	1.16
Rail; water and other transportation occupations	1.18	0.69	0.58
Material moving workers	0.51	0.60	1.18

Source: Census 2000 Summary File 3 (SF 3) - Sample Data; P49. Universe: Employed civilian population 16 years and over. Calculations by BBER, 2007.

LAS CRUCES MAINSTREET – COMMUNITY ECONOMIC ASSESSMENT

FIGURE 3: LAS CRUCES LOCATION QUOTIENTS BY INDUSTRY IN RELATION TO NEW MEXICO



Source: Census 2000 Summary File 3 (SF 3) - Sample Data; P51 Universe: Employed civilian population 16 years and over. Calculations by BBER, 2007.

LAS CRUCES MAINSTREET – COMMUNITY ECONOMIC ASSESSMENT

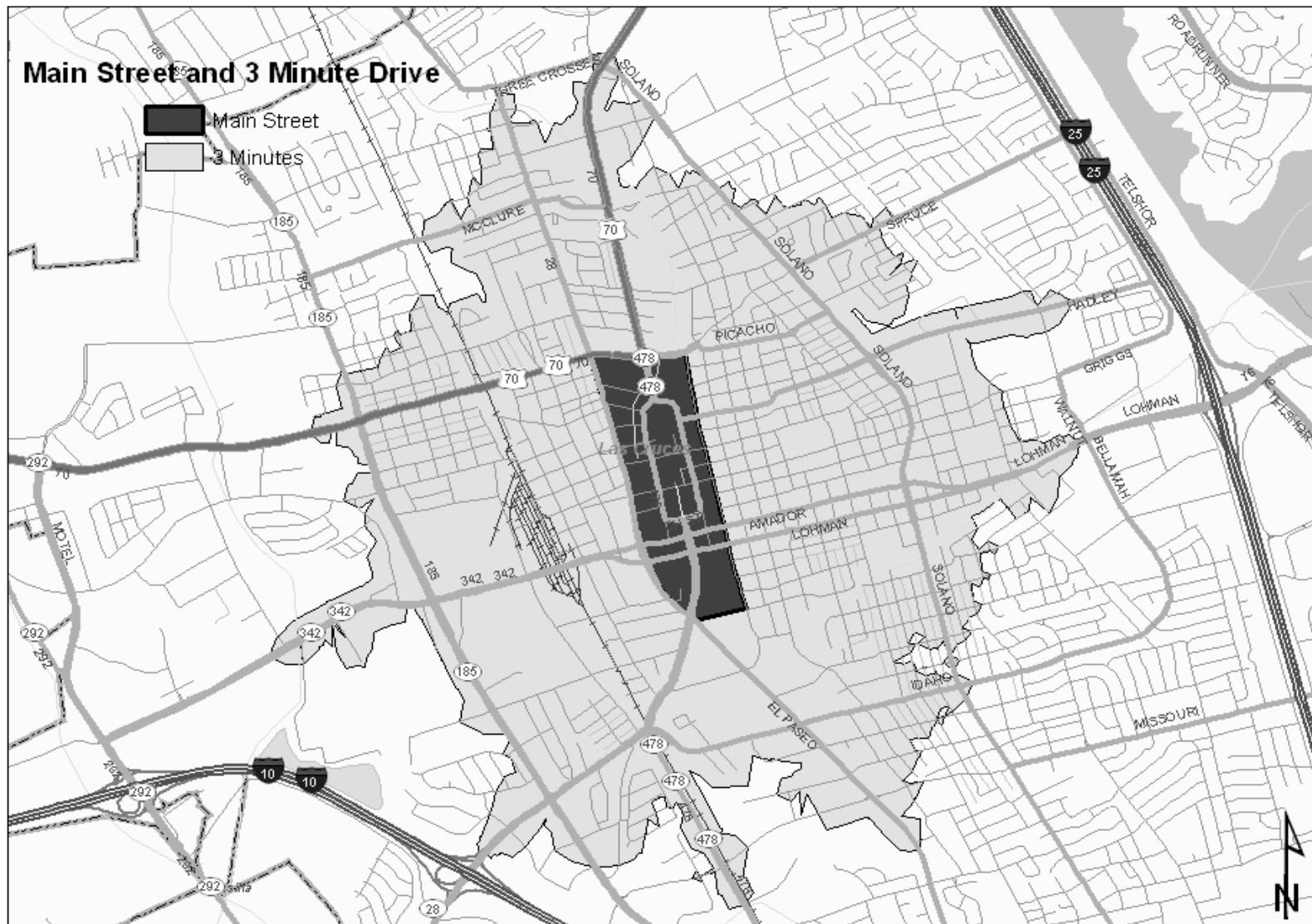
TABLE 6: LOCATION QUOTIENT: LAS CRUCES EMPLOYMENT BY BUSINESS OWNERSHIP TYPE IN RELATION TO DOÑA ANA COUNTY AND NEW MEXICO, AND DOÑA ANA COUNTY EMPLOYMENT BY BUSINESS OWNERSHIP TYPE IN RELATION TO NEW MEXICO

	LAS CRUCES		DOÑA ANA COUNTY	NEW MEXICO	NEW MEXICO
	DOÑA ANA COUNTY	NEW MEXICO	DOÑA ANA COUNTY	NEW MEXICO	NEW MEXICO
Private for-profit wage and salary workers			0.94	0.92	0.98
Employee of private company	0.94	0.94			0.99
Self-employed in own incorporated business	0.87	0.68			0.78
Private not-for-profit wage and salary workers	1.21	1.05			0.87
Local government workers	1.05	1.08			1.03
State government workers	1.17	1.62			1.38
Federal government workers	1.07	0.96			0.89
Self-employed workers in own not incorporated business	0.95	0.88			0.92
Unpaid family workers	0.71	0.68			0.96

Source: Census 2000 Summary File 3 (SF 3) - Sample Data; P49. Universe: Employed civilian population 16 years and over. Calculations by BBER, 2007.

LAS CRUCES MAINSTREET – COMMUNITY ECONOMIC ASSESSMENT

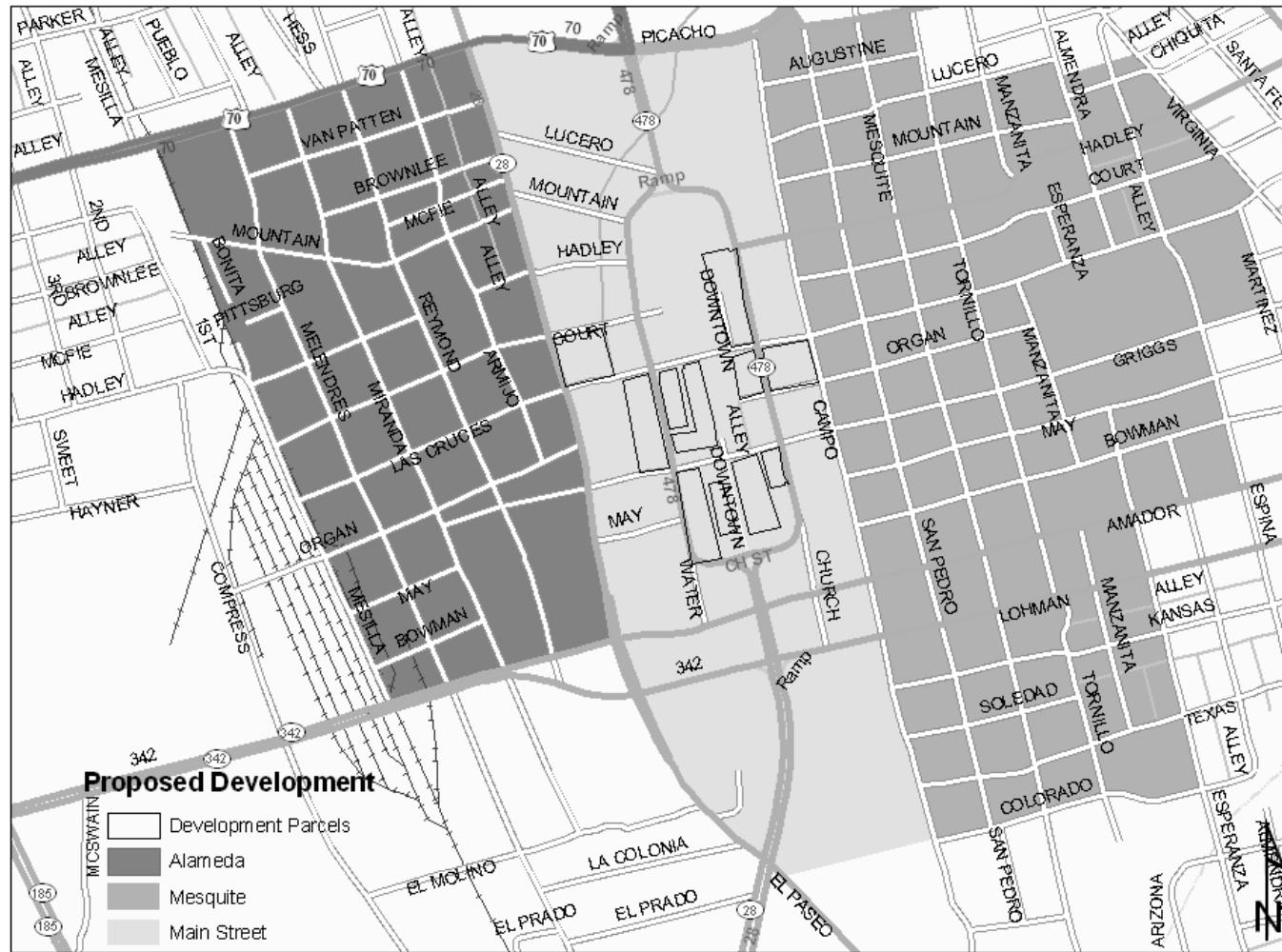
FIGURE 4: LAS CRUCES LOCAL MARKET AREA



Source: ESRI® StreetMap™, UNM-BBER

LAS CRUCES MAINSTREET – COMMUNITY ECONOMIC ASSESSMENT

FIGURE 5: LAS CRUCES MAINSTREET



Source: ESRI® StreetMap™, UNM-BBER

LAS CRUCES MAINSTREET – COMMUNITY ECONOMIC ASSESSMENT

TABLE 7: LAS CRUCES BUSINESSES BY INDUSTRY BY LOCAL GEOGRAPHY, 2006

	MS ¹	LAS CRUCES ²	MS% ³	COUNTY ⁴	TOTAL ⁵
Agriculture, Forestry, Fishing and Hunting	2	19	10%	138	159
Mining		2		2	4
Utilities	3	6	33%	21	30
Construction	9	258	3%	253	520
Manufacturing	4	68	6%	56	128
Wholesale trade	1	66	1%	43	110
Retail Trade	11	329	3%	94	434
Transportation & Warehousing	3	40	7%	93	136
Information	4	31	11%	8	43
Finance & Insurance	23	132	15%	28	183
Real Estate, Rental & Leasing	6	154	4%	51	211
Professional, Scientific & Technical Services	36	177	17%	68	281
Mgt of Companies	2	7	22%	2	11
Administrative & Support Services	9	83	10%	52	144
Educational Services	3	45	6%	35	83
Health Care and Social Assistance	18	313	5%	56	387
Arts, Entertainment and Recreation	1	17	6%	19	37
Accommodations & Food Services	12	202	6%	49	263
Other Services	18	178	9%	97	293
Public Administration	26	27	49%	24	77
Other		3			3
Total	191	2,157	8%	1,189	3,537

¹ MainStreet District.

² Town, not including MainStreet District.

³ MainStreet District as a percentage of entire town.

⁴ County, not including town.

⁵ County total.

Source: NM Department of Labor, ES-202 (Covered Employment Statistics), 2006. Calculations by BBER, 2008.

LAS CRUCES MAINSTREET – COMMUNITY ECONOMIC ASSESSMENT

TABLE 8: LAS CRUCES EMPLOYMENT BY INDUSTRY BY LOCAL GEOGRAPHY, 2006

	MS ¹	LAS CRUCES ²	MS% ³	COUNTY ⁴	TOTAL ⁵
Agriculture, Forestry, Fishing and Hunting	95	425	18%	2,911	3,430
Mining		31		9	40
Utilities	263	115	70%	164	541
Construction	112	2,680	4%	1,916	4,708
Manufacturing	43	1,264	3%	1,716	3,023
Wholesale trade	26	564	4%	666	1,255
Retail Trade	105	6,699	2%	744	7,547
Transportation & Warehousing	285	638	31%	576	1,498
Information	334	782	30%	24	1,140
Finance & Insurance	291	997	23%	180	1,467
Real Estate, Rental & Leasing	19	621	3%	126	767
Professional, Scientific & Technical Services	254	1,358	16%	969	2,581
Mgt of Companies	45	80	36%	5	130
Administrative & Support Services	202	1,498	12%	918	2,618
Educational Services	254	2,424	9%	7,891	10,569
Health Care and Social Assistance	217	7,462	3%	1,649	9,328
Arts, Entertainment and Recreation	1	273	0%	828	1,103
Accommodations & Food Services	281	4,577	6%	733	5,590
Other Services	125	867	13%	277	1,269
Public Administration	1,494	1,424	51%	2,595	5,513
Other		2			2
Total	4,444	34,779	11%	24,895	64,118

¹ MainStreet District.

² Town, not including MainStreet District.

³ MainStreet District as a percentage of entire town.

⁴ County, not including town.

⁵ County total.

Source: NM Department of Labor, ES-202 (Covered Employment Statistics), 2006. Calculations by BBER, 2007.

LAS CRUCES MAINSTREET – COMMUNITY ECONOMIC ASSESSMENT

TABLE 9: LAS CRUCES AVERAGE WAGES BY INDUSTRY BY LOCAL GEOGRAPHY, 2006

	MS ¹	LAS CRUCES ²	MS% ³	COUNTY ⁴	TOTAL ⁵
Agriculture, Forestry, Fishing and Hunting	\$20,135	\$13,965	59%	\$17,843	\$17,426
Mining		\$20,668		\$41,725	\$25,377
Utilities	\$40,051	\$55,132	42%	\$51,464	\$46,703
Construction	\$35,596	\$26,863	57%	\$24,245	\$26,006
Manufacturing	\$58,230	\$26,267	69%	\$40,017	\$36,011
Wholesale trade	\$34,369	\$34,895	50%	\$29,497	\$32,021
Retail Trade	\$18,849	\$19,674	49%	\$17,454	\$19,443
Transportation & Warehousing	\$50,660	\$24,359	68%	\$40,105	\$35,411
Information	\$27,366	\$28,051	49%	\$65,338	\$28,636
Finance & Insurance	\$41,026	\$35,597	54%	\$39,691	\$37,174
Real Estate, Rental & Leasing	\$23,498	\$22,580	51%	\$24,645	\$22,943
Professional, Scientific & Technical Services	\$40,818	\$36,073	53%	\$58,613	\$45,002
Mgt of Companies	\$34,811	\$39,078	47%	\$78,706	\$39,136
Administrative & Support Services	\$27,660	\$25,293	52%	\$25,412	\$25,517
Educational Services	\$79,267	\$27,271	74%	\$35,728	\$34,836
Health Care and Social Assistance	\$28,625	\$31,187	48%	\$31,021	\$31,098
Arts, Entertainment and Recreation	\$42,911	\$10,769	80%	\$20,427	\$18,061
Accommodations & Food Services	\$9,714	\$10,767	47%	\$11,488	\$10,809
Other Services	\$25,896	\$17,962	59%	\$17,943	\$18,740
Public Administration	\$40,736	\$40,090	50%	\$69,417	\$54,069
Other		\$75,788			\$75,788
Total	\$41,129	\$25,026	62%	\$34,448	\$29,800

¹ Main Street District.

² Town, not including MainStreet District.

³ MainStreet District as a percentage of entire town.

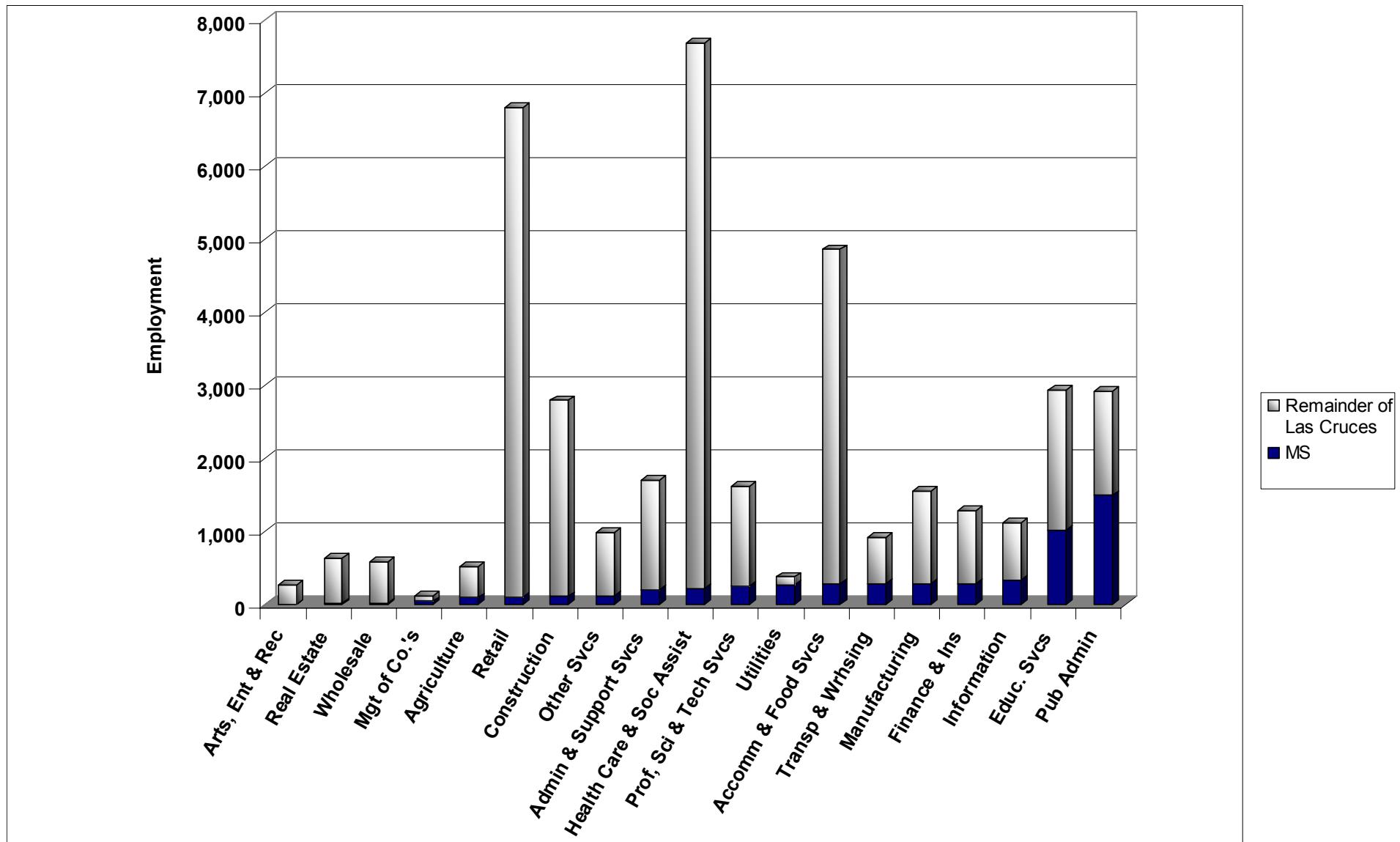
⁴ County, not including town.

⁵ County total.

Source: NM Department of Labor, ES-202 (Covered Employment Statistics), 2006. Calculations by BBER, 2007.

LAS CRUCES MAINSTREET – COMMUNITY ECONOMIC ASSESSMENT

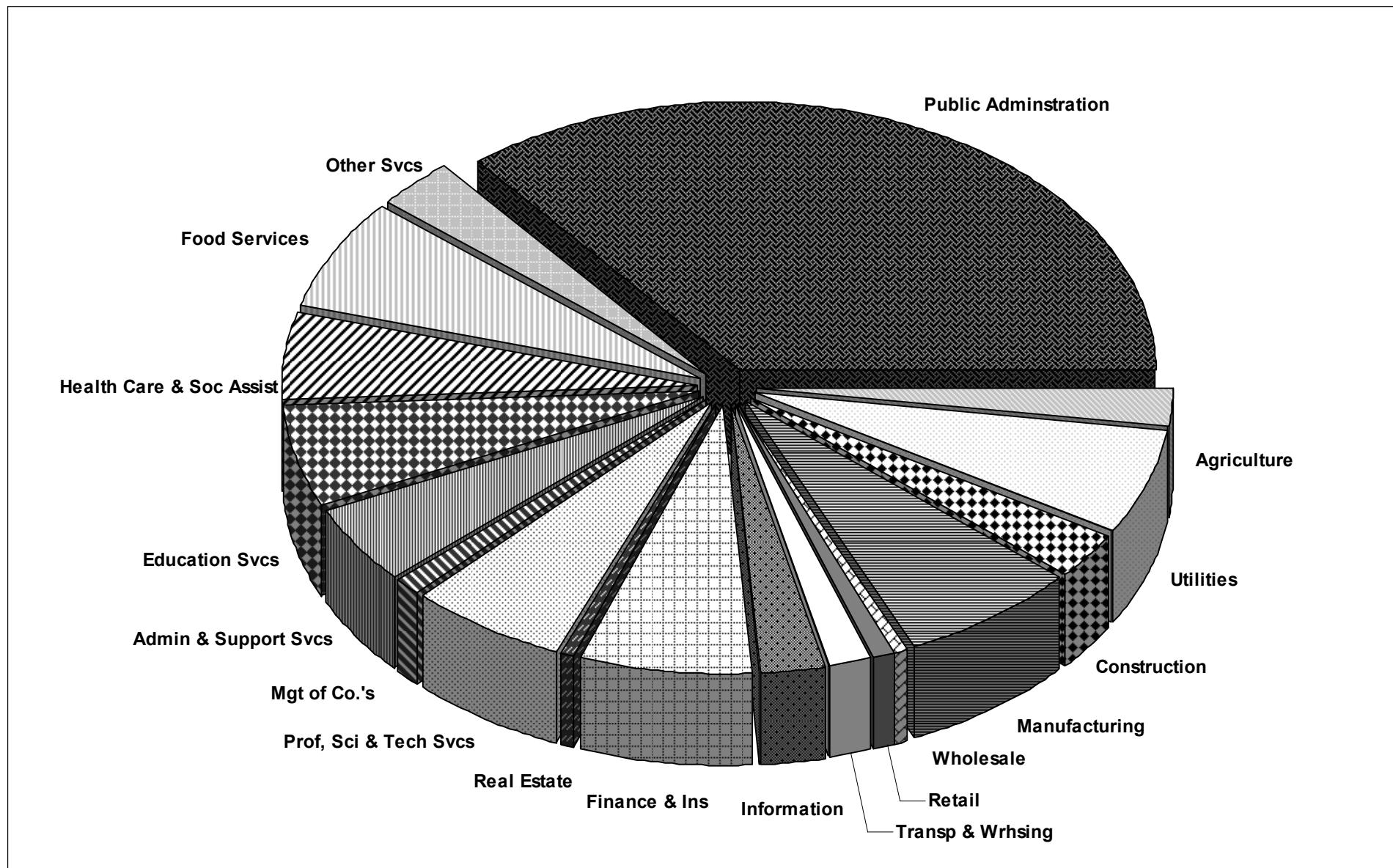
FIGURE 6: LAS CRUCES EMPLOYMENT BY INDUSTRY AND LOCAL GEOGRAPHY, 2006



Source: NM Department of Labor, ES-202 (Covered Employment Statistics), 2006. Calculations by BBER, 2007.

LAS CRUCES MAINSTREET – COMMUNITY ECONOMIC ASSESSMENT

FIGURE 7: EMPLOYMENT IN MAINSTREET AREA BY INDUSTRY, 2006



Source: NM Department of Labor, ES-202 (Covered Employment Statistics), 2006. Calculations by BBER, 2007.

LAS CRUCES MAINSTREET – COMMUNITY ECONOMIC ASSESSMENT

TABLE 10: DOWNTOWN DEMOGRAPHIC, HOUSING, AND ECONOMIC CHARACTERISTICS

	MAINSTREET	Alameda	Mesquite	3-MINUTE DRIVE ¹	LAS CRUCES
DEMOGRAPHICS					
Population (2006)	134	874	2,110	13,614	85,195
2000-2006 Annual Growth Rate	-0.49%	-0.58%	0.31%	0.40%	2.32%
2006-2011 Annual Growth Rate	1.31%	1.29%	1.18%	1.41%	2.26%
Households (2006):	70	439	772	5,501	34,275
2000-2006 Annual Growth Rate	-0.24%	-0.26%	0.64%	0.57%	2.72%
2006-2011 Annual Growth Rate	1.66%	1.50%	1.34%	1.54%	2.40%
Average Household Size (2006)	1.87	1.96	2.73	2.44	2.43
Hispanic Origin (2006)	62%	48%	87%	71%	56%
Age Distribution (2006)					
Under 19 y/o	21%	21%	34%	29%	28%
20-39 y/o	36%	36%	28%	30%	31%
40-64 y/o	32%	30%	25%	28%	28%
65 y/o and Over	10%	12%	13%	13%	13%
Median Age (2006)	33.9	33.9	29.8	32.1	31.8
Median Year Householder Moved In (2000)	1996	1996	1995	1995	1996
INCOME					
Per Capita Income (2006)	\$24,177	\$22,130	\$13,294	\$15,970	\$19,201
Household Income (2006)					
<\$15,000	23%	27%	30%	25%	21%
\$15,000-\$29,999	18%	23%	32%	27%	21%
\$30,000-\$49,999	27%	22%	22%	22%	23%
\$50,000-\$99,999	23%	19%	13%	20%	26%
\$100,000 or more	10%	8%	3%	6%	9%
Median Household Income (2006)	\$37,980	\$29,555	\$22,790	\$28,156	\$35,866
Average Household Income (2006)	\$44,370	\$43,762	\$35,340	\$38,926	\$47,345
Poverty Rate (2000)					23.3%
Households by Net Worth (2006)					
<\$15,000	39%	43%	44%	42%	41%
\$15,000-\$49,999	13%	14%	16%	14%	12%
\$50,000-\$249,999	28%	22%	24%	26%	26%
\$500,000 or more	20%	21%	17%	17%	21%
Median Net Worth	\$41,676	\$29,366	\$24,102	\$29,786	\$38,896

¹ Three-minute drive from center of MainStreet area (211 N. Downtown Mall).

Source: ESRI® ArcGIS 9.2 Business Analyst, using U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI® forecasts for 2006.

LAS CRUCES MAINSTREET – COMMUNITY ECONOMIC ASSESSMENT

TABLE 10: DOWNTOWN DEMOGRAPHIC, HOUSING, AND ECONOMIC CHARACTERISTICS (CONTINUED)

	MAINSTREET	Alameda	Mesquite	3-MINUTE DRIVE ¹	LAS CRUCES
LABOR FORCE CHARACTERISTICS					
Educational Attainment (2000, 25 y/o and over)	94	562	1,204	8,102	43,908
No HS Diploma	10%	14%	45%	31%	20%
High School Degree	14%	27%	28%	26%	23%
Some College or Associate Degree	13%	12%	19%	24%	29%
Bachelors Degree or Higher	64%	47%	8%	18%	28%
Employment Status (2000, 16 y/o and over)	124	765	1,556	10,182	57,359
Civilian Employed	65%	71%	55%	53%	55%
Civilian Unemployed	7%	5%	5%	6%	5%
In Armed Forces	0%	0%	0%	0%	0%
Not In Labor Force	28%	29%	39%	41%	40%
Employment by Industry (2006)	79	534	978	5,669	37,364
Agriculture/Mining	0%	2%	0%	1%	1%
Construction	3%	12%	6%	9%	7%
Manufacturing	4%	2%	6%	4%	3%
Wholesale Trade	0%	2%	1%	2%	2%
Retail Trade	3%	4%	13%	11%	11%
Transportation/Utilities	0%	1%	4%	4%	3%
Information	6%	8%	3%	3%	2%
Finance/Insurance/Real Estate	3%	2%	3%	4%	5%
Services	62%	58%	58%	54%	54%
Public Administration	20%	9%	6%	9%	11%
Employment by Occupation (2006)	77	536	980	5,669	37,364
White Collar	62%	61%	45%	54%	62%
Management/Business/Financial	8%	5%	5%	6%	9%
Professional	42%	34%	10%	21%	28%
Sales	0%	6%	13%	12%	12%
Administrative Support	13%	15%	17%	15%	14%
Services	35%	22%	35%	27%	21%
Blue Collar	3%	17%	21%	19%	17%
Farming/Forestry/Fishing	0%	1%	0%	0%	0%
Construction/Extraction	3%	10%	8%	9%	6%
Installation/Maintenance/Repair	0%	3%	2%	3%	3%
Production	0%	1%	6%	3%	3%
Transportation/Material Moving	0%	3%	5%	4%	4%
Travel Time to Work (2000)	78	500	845	5,257	31,355
Worked at Home	3%	1%	4%	4%	3%
0-19 minutes	79%	79%	68%	73%	68%
20 minutes or more	18%	20%	28%	23%	28%

¹ Three-minute drive from center of MainStreet area (211 N. Downtown Mall).

Source: ESRI® ArcGIS 9.2 Business Analyst, using U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI® forecasts for 2006.

LAS CRUCES MAINSTREET – COMMUNITY ECONOMIC ASSESSMENT

TABLE 10: DOWNTOWN DEMOGRAPHIC, HOUSING, AND ECONOMIC CHARACTERISTICS (CONTINUED)

	MAINSTREET	Alameda	Mesquite	3-MINUTE DRIVE ¹	LAS CRUCES
HOUSING					
Housing Units (2006)	83	476	886	6,085	36,925
Owner Occupied Housing Units	25%	33%	38%	46%	55%
Renter Occupied Housing Units	59%	59%	49%	44%	38%
Vacant Housing Units	16%	8%	13%	10%	7%
Owner Occupied Housing Units by Value (2000)	20	169	328	2,738	17,117
<\$50,000	0.0%	3.0%	39.0%	24.4%	20.1%
\$50,000 - \$99,999	30.0%	63.3%	54.6%	63.1%	47.9%
\$100,000 - 199,999	50.0%	24.2%	6.1%	11.2%	28.4%
\$200,000 or more	20.0%	9.5%	0.3%	1.2%	3.6%
Average Home Value (2000)	\$147,362	\$105,726	\$63,624	\$70,572	\$90,150
Median Home Value (2000)	\$137,500	\$90,517	\$60,566	\$67,233	\$82,169
Housing Units by Units in Structure (2000)	82	490	874	5,930	31,701
1 unit	59%	56%	74%	65%	58%
2 - 9 units	35%	30%	23%	20%	15%
10 to 19	4%	1%	1%	2.9%	4%
20 +	2%	12%	2%	4.2%	8%
Mobile Home	0%	1%	0%	7%	14%
Other	0%	0%	0%	0%	1%
Housing Units by Year Structure Built (2000)	81	490	874	5,930	31,700
1995 to March 2000	0%	0%	2%		14%
Median Year Structure Built	1940	1942	1950	1959	1979

¹ Forty-five-minute drive from center of MainStreet area (211 N. Downtown Mall), except for area within twenty-five-minute drive of downtown El Paso.

Source: ESRI® ArcGIS 9.2 Business Analyst, using U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI® forecasts for 2006.

LAS CRUCES MAINSTREET – COMMUNITY ECONOMIC ASSESSMENT

TABLE 11: DOWNTOWN MARKET AREA CONSUMER SPENDING

	MAINSTREET	Alameda	Mesquite	3-MINUTE DRIVE ¹	LAS CRUCES
CONSUMER SPENDING (2006, in Thousands \$)					
Retail Goods	\$1,144	\$6,783	\$10,100	\$76,856	\$582,969
Average Spent per Household	\$16,341	\$15,623	\$13,762	\$14	\$17,009
Apparel & Services	\$103	\$594	\$800	\$6,297	\$46,940
Men's Apparel	\$22	\$120	\$158	\$1,249	\$9,435
Women's Apparel	\$33	\$187	\$242	\$1,965	\$14,792
Children's Apparel	\$18	\$106	\$166	\$1,216	\$8,943
Infant Apparel (Under 2 Years)	\$6	\$36	\$50	\$371	\$2,698
Footwear	\$11	\$61	\$83	\$642	\$4,737
Watches & Jewelry	\$9	\$53	\$68	\$565	\$4,345
Apparel Products & Services	\$11	\$67	\$87	\$662	\$4,688
Computers & Accessories	\$15	\$79	\$93	\$801	\$6,155
Computers & Hardware for Home Use	\$13	\$69	\$81	\$701	\$5,391
Software & Accessories for Home Use	\$2	\$10	\$12	\$100	\$764
Entertainment/Recreation	\$148	\$885	\$1,181	\$9,784	\$75,966
Fees & Admissions	\$27	\$166	\$201	\$1,783	\$13,896
TV/Video/Sound Equipment	\$56	\$321	\$444	\$3,465	\$25,789
Pets	\$18	\$114	\$166	\$1,321	\$10,453
Toys & Games	\$9	\$54	\$70	\$592	\$4,556
Recreational Vehicles & Fees	\$13	\$84	\$118	\$1,037	\$8,932
Sports/Rec/Exercise Equipment	\$8	\$46	\$58	\$502	\$4,010
Photo Equipment/Supplies	\$7	\$40	\$50	\$429	\$3,317
Reading	\$10	\$61	\$74	\$656	\$5,015
Food at Home	\$231	\$1,386	\$2,165	\$15,702	\$114,595
Bakery & Cereal Products	\$34	\$204	\$311	\$2,287	\$16,744
Meat/Poultry/Fish/Eggs	\$59	\$357	\$595	\$4,158	\$30,074
Dairy Products	\$25	\$150	\$228	\$1,690	\$12,401
Fruit & Vegetables	\$40	\$243	\$383	\$2,751	\$19,813
Snacks/Other Food	\$74	\$432	\$649	\$4,816	\$35,563
Nonalcoholic Beverages	\$20	\$9,849	\$16,440	\$1,336	\$9,849
Food Away from Home	\$173	\$991	\$1,369	\$10,573	\$78,900
Alcoholic Beverages	\$35	\$189	\$221	\$1,849	\$13,792
Investments	\$154	\$1,216	\$1,427	\$13,029	\$97,019
Health Care	\$147	\$928	\$1,496	\$11,297	\$84,923
Health Insurance	\$71	\$450	\$729	\$5,504	\$41,392
Nonprescription Drugs	\$6	\$33	\$49	\$367	\$2,703
Prescription Drugs	\$22	\$140	\$249	\$1,779	\$13,229
Eyeglasses & Contact Lenses	\$4	\$22	\$31	\$258	\$1,976
Life & Other Personal Insurance	\$22	\$146	\$238	\$1,856	\$14,610

¹ Three-minute drive from center of MainStreet area (211 N. Downtown Mall).

Source: ESRI® ArcGIS 9.2 Business Analyst, using U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI® forecasts for 2006.

LAS CRUCES MAINSTREET – COMMUNITY ECONOMIC ASSESSMENT

TABLE 11: DOWNTOWN MARKET AREA CONSUMER SPENDING, CONTINUED

	MAINSTREET	Alameda	Mesquite	3-MINUTE DRIVE ¹	LAS CRUCES
CONSUMER SPENDING (2006, in Thousands \$)					
Smoking Products	\$28	\$154	\$195	\$1,583	\$11,870
Personal Care Products	\$23	\$134	\$194	\$1,461	\$10,751
Housing:	\$638	\$4,026	\$5,465	\$43,522	\$325,023
Mortgage Payment & Basics	\$234	\$1,700	\$2,925	\$22,823	\$181,615
Maintenance & Remodeling Services	\$48	\$358	\$561	\$4,736	\$38,353
Maintenance & Remodeling Materials	\$10	\$71	\$113	\$965	\$7,910
Home Improvement Services	\$50	\$367	\$571	\$4,815	\$38,877
Home Improvement Materials	\$11	\$77	\$120	\$1,017	\$8,271
Utilities/Fuel/Public Services	\$189	\$1,147	\$1,830	\$13,372	\$99,381
Telephone Services	\$73	\$432	\$645	\$4,743	\$34,824
Insurance - Owners & Renters	\$14	\$95	\$181	\$1,307	\$10,191
Household Furnishings & Equipment	\$85	\$514	\$729	\$5,793	\$44,541
Household Textiles	\$6	\$36	\$50	\$402	\$3,063
Furniture	\$26	\$164	\$248	\$1,881	\$14,270
Floor Coverings	\$3	\$19	\$26	\$228	\$1,807
Major Appliances	\$11	\$70	\$110	\$845	\$6,495
Housewares	\$4	\$23	\$31	\$250	\$1,925
Small Appliances	\$2	\$10	\$14	\$114	\$860
Household Services:	\$80	\$47	\$64	\$5,847	\$44,609
Computer Information Services	\$8	\$116	\$151	\$517	\$3,941
Child Care	\$19	\$96	\$153	\$1,258	\$9,514
Lawn & Garden	\$14	\$96	\$153	\$1,188	\$9,565
Moving/Storage/Freight Express	\$3	\$18	\$23	\$179	\$1,279
Housekeeping Supplies	\$33	\$203	\$310	\$2,339	\$17,467
Housekeeping Services	\$4	\$29	\$47	\$366	\$2,844
Education	\$90	\$431	\$430	\$3,824	\$29,572
Transportation (Local):	\$462	\$2,749	\$4,229	\$31,394	\$239,198
Vehicle Insurance	\$61	\$374	\$572	\$4,269	\$32,016
Vehicle Purchases (Net Outlay)	\$264	\$1,562	\$2,427	\$17,990	\$138,442
Gasoline & Motor Oil	\$87	\$509	\$796	\$5,792	\$43,681
Vehicle Maintenance & Repairs	\$50	\$304	\$434	\$3,343	\$25,058
Travel	\$80	\$480	\$624	\$5,303	\$41,108
Airline Fares	\$18	\$111	\$138	\$1,184	\$9,017
Lodging on Trips	\$15	\$97	\$128	\$1,118	\$8,882
Auto/Truck/Van Rental on Trips	\$2	\$12	\$15	\$130	\$1,009
Food & Drink on Trips	\$21	\$124	\$162	\$1,370	\$10,644

¹ Three-minute drive from center of MainStreet area (211 N. Downtown Mall).

Source: ESRI® ArcGIS 9.2 Business Analyst, using U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI® forecasts for 2006.