

“SOLE SOURCE” PROCUREMENT JUSTIFICATION

Sole source purchases are goods and services available from only one vendor. There may be just one vendor because of patents or copyrights or simply because the vendor is the only one which supplies the good or service. Using Department must provide a written explanation as to why only this particular product/service is acceptable and why no other will be suitable or acceptable to meet the need. A quote must accompany this form.

Department name: Community Development Department

1. Name of product or service: Economic-based, Business Attraction and Retention & Expansion, Economic Development Program
2. Name of product manufacturer: Mesilla Valley Economic Development Alliance (MVEDA)
3. Name of “sole” product supplier or service provider: Mesilla Valley Economic Development Alliance (MVEDA)
4. Describe in general terms the product/service you are requesting and the intended application.

For the purposes of enhancing the economic vitality of Dona Ana County, and in accordance with the Economic Objectives of the Dona Ana County Comprehensive Plan for attracting more money and investment into the local economy, we require a seasoned vendor who has local knowledge along with local, regional, and state economic development partnerships to implement a turn-key, economic-based, job creation strategy to attract and retain businesses.

5. Describe the unique features/capabilities/characteristics that distinguish it from other products/services.

MVEDA is the only economic development organization in Dona Ana County that provides a regional approach to economic based, job creation efforts, with the mission of attracting new dollars into the local economy. In addition, the NM Economic Development Department works through MVEDA as a unique central point of contact providing site selection services and assistance to industries considering relocating and expanding into the area. Furthermore, they are the only entity entrusted by the New Mexico Economic Development Partnership, the Borderplex Alliance, and the Border Industrial Association to manage client recruitment leads and projects brought into Dona Ana County. Based on MVEDA's local knowledge and their economic development partnership contacts, they are the only vendor capable of providing Dona Ana County with a turn key economic based service. In addition, because MVEDA brings matching private sector funding support to the program for the sole benefit of Dona Ana County, the ability to leverage dollars are in the best interest of the taxpayer.

6. How did you determine there was only one source for the product or service? Provide information on the research that was performed to locate suppliers for this product(s) or service(s). (Please furnish names, addresses and other documentation).

Through the creation of the Dona Ana County Comprehensive Plan and the Border Area Economic Development Strategy (BAEDS), both developed through 3rd Party Consultants, and the Regional Leadership Committee, MVEDA was identified as a unique and critical partner in attracting new investment into the local economy. The BAEDS plan specifically referred to "MVEDA works "on the ground" to pursue and develop leads for new business." (P21 BAEDS). No other entity was called out in this plan as conducting this activity.

Additionally, although local chambers work on business advocacy and educational needs, MVEDA is the only entity that has experience with and is actively engaged in economic based marketing and business attraction efforts. As also noted in the BAEDS plan, the Border Industrial Association (BIA) "works at the state level to support economic development policy initiatives."

7. What product supplier or service provider has your Department used until now to satisfy similar requirements?

In the past, Dona Ana County Government has used MVEDA exclusively to provide economic based job creation and retention & expansion services.



Signature of Department Head

5/30/23

Date

(Attach Quote and Use Additional Sheets As Necessary)

**This form is used by Purchasing Department to determine if a "Sole Source" procurement criterion is met. Completing this form does not guarantee approval of this type of procurement.



To: Doña Ana County Procurement

Re: Proposal for Economic Development Services

From: Mesilla Valley Economic Development Alliance (MVEDA)

Timeline: July 1, 2023 - June 30, 2024

First Year Funding Request: \$300,000.00

Purpose

The Mesilla Valley Economic Development Alliance (MVEDA) is singularly focused on attracting and retaining businesses and companies that bring new jobs, capital investments, new tax revenues and overall prosperity and economic growth to Doña Ana County and the State of New Mexico. The creation of economic-base jobs positively impacts almost every other industry in the region, whether a restaurant, grocery store, or a local vendor at the farmer's market. New job creation leads to wealth for the residents and greater spending throughout the local economy.

Funding from Doña Ana County augments the contributions of MVEDA's 80+ other funding partners in continuing its mission of growing the wealth of Doña Ana County. This funding supports an aggressive year-round business attraction program as well as an active local business retention and expansion program. It also provides the organization with the resources necessary to continue to provide capacity building assistance and economic development advisory services as detailed in the Scope of Services.

Mission and background

The mission of the Mesilla Valley Economic Development Alliance (MVEDA) is to "grow the wealth of Doña Ana County through the creation of economic-base job opportunities for its residents". MVEDA accomplishes this by focusing on recruiting new economic-base employers into the region and by supporting existing local economic-base employers thorough an effective Business Retention and Expansion program. Its services are provided at no cost to all qualified economic-base employers.

MVEDA is a private-public partnership and 501 (c3) Corporation incorporated in 1994 by public, private and educational leadership with a common goal of providing a comprehensive and integrated approach to growing and improving economic-base opportunities and jobs for residents within the Mesilla Valley region.

MVEDA is the first economic development effort in Southern New Mexico to bring together the regional input of diverse leadership to create one comprehensive and unified mission and strategy on economic development in Dona Ana County.

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Scope of Services

MVEDA provides services in four interconnected quadrants: Marketing and Attraction, Existing Business Retention and Expansion, Capacity Building, and Economic Development Advisory.

I. Marketing and Attraction

MVEDA engages in a multi-faceted marketing campaign to communicate the business advantages of the region. The campaign identifies and markets to targeted industries, site selectors and corporate executives in industries and geographic markets to which our region offers a competitive advantage. It utilizes a variety of communication tools (print, web, social media, direct mail, etc.) and relies heavily on personal relationships developed during sales missions and tradeshow attendance to regions throughout the U.S. as well as its aggressive social media campaigns developed in response to the COVID-19 pandemic. MVEDA collaborates with other regional economic development agencies such as the New Mexico Economic Development Department, the New Mexico Partnership, the Border Industrial Association, and the Borderplex Bi-National Alliance in representing Doña Ana County in responding to the needs of potential clients investigating the region for business expansion.

II. Existing Business Retention and Expansion

MVEDA supports existing economic-based companies in Doña Ana County and aid potential economic-based companies to become goods and/or services exporters by personally contacting companies throughout the County to determine their individual needs, evaluating potential solutions to address those needs and engaging other resources at the regional, state and national levels to address gaps in client's requirements. Plans for expansion of the services in FY '24 include enhanced services and expanded canvassing in the rural areas of Doña Ana County.

MVEDA also provides support to retain and expand the presence of major industries in the region such as Spaceport America, the Las Cruces Innovation & Industrial Park, the Industrial Parks located in and around Santa Teresa, NASA White Sands Test Facility, and White Sands Missile Range.

III. Capacity Building

MVEDA's staff and its core of experienced volunteers provide support for other agencies and organizations to address issues such as workforce development, infrastructure needs and the lack of capital to support emerging industries. MVEDA communicates industry workforce needs to lead agencies such as Doña Ana Community College, New Mexico State University, the Bridge of Southern New Mexico, the New Mexico True Talent Collaborative, and local public-school districts. It actively works with the City of Las Cruces, Doña Ana County and other organizations such as the Border Industrial Association to seek LEDA funding and other resources to address the infrastructure needs of its clients.

MVEDA's staff and board of directors are actively involved in legislative issues that affect economic development locally and at the state level. Two of MVEDA's senior staff sit on various boards and committees that participate in developing legislative issues at the state level. MVEDA board members regularly communicate with state legislators on the needs of Doña Ana County and Southern New Mexico.

In FY '24, MVEDA will continue with the expanded Workforce Identification Strategy and the already conceived Tradeport which the County already supports.

Workforce Identification Strategy:

Industries across all sectors are moving to incorporate advanced manufacturing processes into their facilities and production lines. Over the last couple of years, MVEDA has seen an increased number of RFIs/PROs

requiring advanced manufacturing skill sets. MVEDA has commissioned a multi-phase study to help us better understand the needs of advanced manufacturing with respect to degrees, certifications, skill sets, and transferable skills and to cross reference such needs against existing training programs at our technical schools and colleges, and within the existing workforce in the region. The results will help us better market the region and help position our workforce and businesses for advanced manufacturing and automation opportunities.

Tradeport:

The Tradeport concept and its corresponding application for consideration by the USDOT as a Regional Infrastructure Accelerator has developed interest by regional and state stakeholders. MVEDA will continue to provide efforts to support the effort and be the liaison between the County and private sector industry to grow the effort. Additionally, MVEDA will continue to incorporate the Tradeport into our marketing plans to enhance the visibility of the project and as an asset for economic development within Doña Ana County.

IV. Economic Development Advisory

MVEDA provides advisory services to the City of Las Cruces and Doña Ana County in the areas of strategic planning by serving on a wide variety of planning committees and taskforces to provide recommendations for future economic development growth objectives, providing advisory information about the competitive landscape, incentive climate, and new state programs, and evaluating economic development projects and initiatives to provide the City of Las Cruces and Doña Ana County with recommendations and economic impact analysis on the projects.

Measurements of Success

MVEDA is performance driven organization with measurable objectives in fiscal responsibility, marketing, business development, and stakeholder satisfaction. The MVEDA Board of Directors annually sets a specific set of performance objectives for which staff is accountable. MVEDA staff report monthly on the status of its progress in achieving the goals in prospect generation; completed projects; jobs created; average salary and payroll generated; and capital investment. At the end of the fiscal year, the board rates the staff on its implementation of the board approved marketing plan and all partners and stakeholders are surveyed on their overall satisfaction of the organization's progress in expanding the economy.

The FY 2022-2023 performance objectives are:

**MVEDA Performance Objectives
FY 2022-2023**

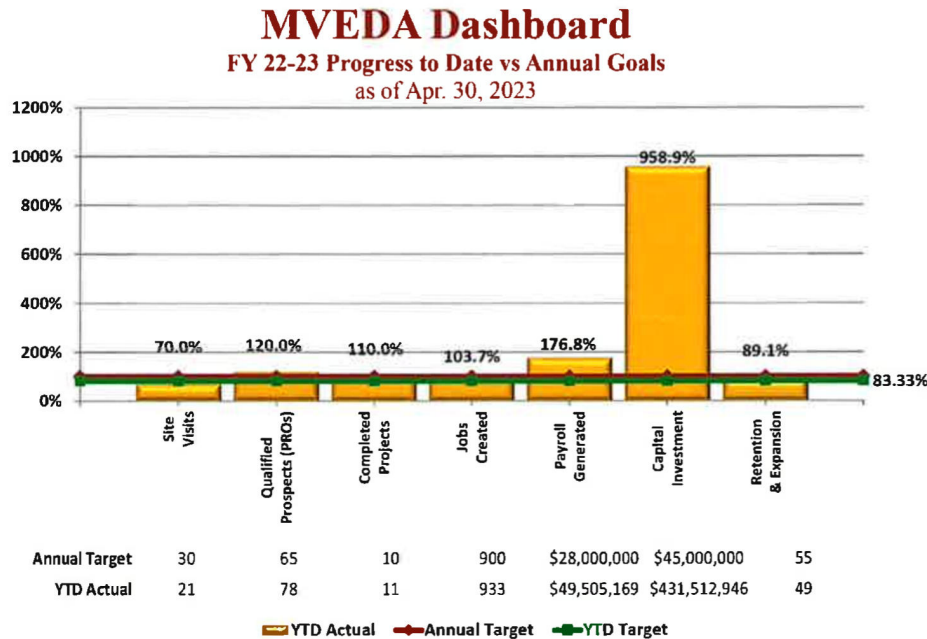
Objectives:	Weight %	5 yr Median FY18-FY22	Threshold	Target	Stretch
Financial:					
Reserve (months of expenses)	0%	6.0	8	9	10
Private Partner Investment (cash basis)	5%	\$251,880	\$240,000	\$260,000	\$280,000
Marketing:					
Marketing Plan Implementation (scored by board)	15.0%	9.2	8.5	9.0	9.5
Qualified Prospects (Proposals)	15.0%	55	55	65	70
Business Development:					
Prospect Site Visits	5%	21	25	30	35
Completed Projects	2.5%	7	9	10	12
Jobs Created	15%	612	800	900	1,000
Wealth created (payroll)	15%	\$24,329,507	\$25,000,000	\$28,000,000	\$31,000,000
Retention & Expansion Visits	20%	37	45	55	60
Capital Investment	5%	\$58,711,000	\$40M	\$45M	\$50M
Stakeholder Satisfaction:					
Stakeholder satisfaction - MVEDA partner survey (% rating performance "very satisfied" or "satisfied")	2.5%	100%	85%	90%	95%

Results

As noted above, each month MVEDA staff produces reports detailing its progress in meeting the performance objectives in marketing and business development. The reports include a Dashboard reflecting YTD progress and summary reports from MVEDA's proprietary database.

MVEDA's current fiscal year ends June 30, 2023. Preliminary results indicate that, in spite of the economic slowdown, MVEDA has met or exceeded its objectives in 5 of the 7 objectives. To date, staff have hosted 21 site visits, developed 78 qualified prospects and made 49 retention and expansion visits. The final results will be compiled shortly after the end of the fiscal year, and they will be made available to all MVEDA Partners and Stakeholders. The Dashboard below reflects results through April 30, 2023.

Using software based on the current IMPLAN input-output database, staff is able run an impact analysis report for the 11 projects completed thus far in FY '23. The 933 announced new jobs that will be created will create \$49.5M in new payroll. These new projects will support \$152M in new household spending over 5-years. Doña Ana County tax revenues (property and gross receipts) over the 5-year period are expected to exceed \$7.5M. Additional tax revenues will be generated in future years.



Budget

MVEDA has historically provided Doña Ana County with the services described in the Scope of Services above and requests FY '23 funding in the amount of **\$300,000**.

Service Description	Time Allocation	FY '24 Budget
Marketing & Business Attraction	65%	\$195,000.00
Retention and Expansion	24%	\$72,500.00
Economic Development Advisory	2%	\$6,000.00
Capacity Building	9%	\$26,500.00
Total Funding Request		\$300,000.00



May 25, 2023

Christina Ainsworth
Community Development Director
Doña Ana County
845 N. Motel Blvd.
Las Cruces, NM 88007

Dear Ms. Ainsworth:

Thank you for taking the time to consider the Mesilla Valley Economic Development Alliance as a sole source contractor to Doña Ana County for FY '2024. The requested contract will be used for the implementation of a turn-key, economic based program which focuses on the (1) marketing and recruitment of economic based companies to the region, as well as (2) the retention and expansion of existing companies in the region. As you are aware, we have been servicing the Doña Ana County region exclusively in this area for over 20 years and as a result there is not another entity in Doña Ana County and in the Borderplex Region that has the depth of localized and institutional knowledge, spanning the multiple target industry target clusters from aerospace to value added agriculture to border related logistics and manufacturing, which we have obtained to perform this economic based attraction and retention effort. The definition of economic base is rooted in attracting new dollars into the local economy in order counteract the flow of dollars leaking out of our economy. As such, we feel our mission and experience is uniquely aligned with the "Economic Objectives" of Doña Ana County's Comprehensive Plan and the Border Area Economic Development Strategy (BAEDS) of (1) getting more money to circulate in the local economy, (2) bringing new money into the local economy, and (3) getting investment into the local economy.

Our uniqueness of service is further rooted in our program implementation and the partnerships we have already in place to further the objectives of the Comprehensive Plan. These include:

1. MVEDA is the only EDO or entity in Dona Ana County which focuses on and has experience in economic-based, job creation strategies to include business attraction and retention & expansion.

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2. MVEDA is the only economic development agency (EDO) in Doña Ana County entrusted by the New Mexico Partnership (the State of New Mexico's economic development marketing arm) to respond to lead generation and to manage project implementations on their behalf.
3. MVEDA, through a signed MOU, is the sole representative for lead generation and projects brought to Doña Ana County on behalf of the Borderplex Alliance.
4. MVEDA is the sole designated agent entrusted to manage leads and projects identified by the Border Industrial Association (BIA).
5. MVEDA is the only EDO with a historical successful track record of economic-based job creation in Doña Ana County.
(Refer to MVEDA Contract History and Scope of Work with Doña Ana County Government)
6. Finally, and most recently, MVEDA has been entrusted by the Southern New Mexico Community Foundation and the El Paso Electric Economic Development Fund to provide project funding recommendations and follow-up for the NMBorderplex Closing Incentive which focuses specifically on investments into economic based projects and job creation.

In addition to the above unique features of our organization and service, MVEDA has regional partners and board members from the public sector, educational sector and private sector who come together to focus solely on economic based strategies and implementation, dedicating hundreds of volunteer hours and financial resources to this effort to attract more dollar flow into the region. Their investment leverages Doña Ana County Government's investment 4:1, with the entire investment to focus on Dona Ana County, not other regions of the State or Country. There is no other economic-based focus agency providing this leverage to Dona Ana County for the purposes of an economic development services contract. We believe this directly benefits the taxpayers in Doña Ana County.

We thank you for your consideration.



Davin Lopez
President/CEO