LOS ALAMOS COUNTY

Metropolitan Redevelopment Area (MRA) Designation Overview

County Council Work Session – May 18, 2021



Overview of Metropolitan Redevelopment Areas (MRAs)

• NM State Statute that empowers local governments to rehabilitate and redevelop areas that are deteriorated, blighted or underutilized in order to stimulate economic development and community development.

 Part of Statewide Code: Metropolitan Redevelopment Area Statute Chapter 3-60A-1 to 3-60A-48

MRA Examples

- Albuquerque: 20+ areas with adopted plans
- MRA Plans that evolved out of Downtown Master Plans:
 - Grants, Tucumcari, Las Vegas, Farmington, Alamogordo, Aztec, Belen, Carlsbad, Carrizozo, Deming, Galisteo, Gallup, Las Vegas, Las Cruces, Lordsburg, Lovington, Mosquero, Mountainair, Questa, Raton, Roswell, Santa Rosa, Silver City, Tucumcari, Tularosa and more...

What Does the MRA Designation Allow?

• Contribution of **Public** Resources to **Private** Redevelopment Projects without violating the Anti-Donation Clause









LAND/PUBLIC PROPERTIES

TIME/STAFF EXPERTISE

INFRASTRUCTURE
DEVELOPMENT FOR PRIVATE
PROJECTS

DIRECT PUBLIC CONTRIBUTION (SUBSIDIES, DEVELOPMENT EXPENSES, ETC.)

Benefits of MRA Designation

| | Possible without MRA | NOT possible without MRA |
|--|----------------------|--------------------------|
| Public Infrastructure Improvements | X | |
| Infrastructure Improvements for Businesses | | X |
| Incentives (tax abatements, sale + lease below market value) to attract private investment | | X |
| Public Private Partnerships | | X |
| Tax Increment Financing (TIF) | | X |
| Tax Increment Development District | X | |
| Direct Contributions to Specific Projects | | X |
| Staff Technical Assistance | | X |

Note: LEDA allows some of these items, but only for projects that result in job creation. MRA brings more flexibility to support community improvement projects

WHITE ROCK MRA ASSESSMENT FINDINGS





MRA Eligibility Criteria – White Rock CC Findings

- An area that has existing economic and physical conditions such as:
 - high unemployment/low income levels
 - low business activity
 - vacant/underutilized properties
 - deteriorating buildings and/or public infrastructure
 - unsafe conditions
 - housing deficit
 - zoning conformance issues
 - obsolete planning/platting

MRA DESIGNATION & PLANNING PROCESS

MRA ASSESSMENT

- Evaluation of boundary
- Determination of Need
- Completion of MRA Designation Report

MRA DESIGNATION

- Public Notice (2x)
- Council Hearing
- Adoption of Resolution

MRA PLAN

- Application to NMFA for reimbursable \$50K grant
- Hire Planning Consultant
- MRA Plan Development
- NMMS/NMFA Review for scope compliance
- Public Hearing/Adoption
- NMFA reimburses grant (8-12 months)

PLAN IMPLEMENTATION

- Projects only proceed with Council approval
- Partner with LACDC and Los Alamos MainStreet
- Create MRA Implementation Committee / Fund
- NMMS Implementation Toolkit (months to years)

MRA Project Examples

Lovington

DRYLANDS BREWERY — PUBLIC PRIVATE PARTNERSHIP

- Former gas station, burned down in the 1970's
- City inherited the property, tried to sell for many years
- Site sold to developer for \$100 after RFP issued
- Funding:
 - NMMS/NMRA support for business development
 - \$80,000 Local LEDA funds for manufacturing facility (microbrewery)
 - \$100,000 in State LEDA funds
 - Developer funding (\$900,000)
- Opened in 2017 super cool place!







REINVESTMENT STATISTICS

JANUARY 2008 -- JUNE 2016



NEW BUSINESSES

51

BUSINESS EXPANSIONS





BUILDING REHABS

90

PRIVATE REINVESTMENT \$1,480,567





PUBLIC INVESTMENT \$1,949,031

> NEW JOBS 178





SPECIAL EVENTS

VOLUNTEER HOURS



Lovington

MATCHING GRANTS FOR BUILDING IMPROVEMENTS

- County provides funds to Lovington MainStreet, who administers a grant program
- Businesses have the opportunity to apply for funds for building improvements
- Las Cruces also has similar program

Farmington

BOON'S THAI RESTAURANT MOU

- Allows use of public parking space for their dumpster, allowing them to keep it away from the business entrance
- Precedent for allowance of public parking/ROW for outdoor retail





Farmington WAREHOUSE REMEDIATION

- Recommended project in the MRA Plan
- Municipality acquired warehouse and remediated it
- Incentivized tenants to occupy rent-free for one year, pay utilities, and upon completion of one year term negotiate market rate lease

Albuquerque

HOUSING + MIXED USE

- 20+ Designated Metropolitan Redevelopment Areas
- Housing + Mixed use in 2020
 - De Anza (multi-family, hospitality, office) MR investment \$1.4M (\$9.3M total)
 - Nuevo Atrisco (mixed income + live-work lofts) MR investment \$770,000 (\$17M total)
 - Highlands Development (hotel + multifamily housing) 7 year tax abatement (\$47M)
 - Zocalo (multifamily + retail) MR investment \$613,000 (\$7M)
 - El Vado (multifamily, motel, restaurant)
 - Lofts at Albuquerque High (residential, office, retail, parking garage)
 - Sawmill Land Trust (affordable homeownership, multifamily, retail, office)

White Rock

POSSIBLE PROJECTS

- Matching grant program (administered by Los Alamos MainStreet) to business/property owners for building improvements
- County purchases select vacant properties, issues RFP for private mixed use/housing development meeting criteria outlined in MRA plan, incentivize through below market purchase or lease agreement and other support like waived fees, provision of staff time and/or infrastructure/utility improvements
- County enters agreement with vacant property owners to rehabilitate property for development recommended in MRA Plan
- County allows businesses use of public right-of-way for outdoor retail
- Housing
- Infrastructure improvements, realignment of roadways

White Rock Town Site Master Plan Recommendations









White Rock Town Site Master Plan Recommendations

- Leverage the Metropolitan Redevelopment Area
 - Create TIF district to fund public infrastructure improvements
 - Create a Façade Improvement Program (matching grants)
- Develop Strategies that Incentivize Redevelopment of Vacant Properties
- Develop Strategies to Keep Commercial Rents Affordable
 - "Lease to own" or "Buy your building" programs
 - Property tax credits

