

Revitalization Using Metropolitan Redevelopment Area Plans

The Tools to Creating Great Downtowns



Frontier
Communities
Initiative



NEW MEXICO
arts & cultural
DISTRICT

NM Metropolitan Redevelopment Code

- NM State Statute (3-60A.1-41, 1978) that empowers municipalities with additional authorities to revitalize and redevelop areas that are deteriorated, blighted or underutilized in order to stimulate economic development and community well-being by establishing it as a Metropolitan Redevelopment Area (MRA).

- **The Metropolitan Redevelopment Area**

- An area that has existing economic and physical conditions (“blight”) such as high unemployment/low income levels, low business activity, vacant/underutilized buildings or properties, etc. The municipality approves a Designation Report that formally designates the Area as appropriate for a Metropolitan Redevelopment Area Plan.

- **The Metropolitan Redevelopment Plan**

Identifies specific redevelopment projects that when implemented will eliminate the blighted conditions and stimulate economic activity. These projects can include land/building acquisition, pedestrian and transportation improvements, community facilities, housing, and public places.

MRA Plan Economic Development Tools

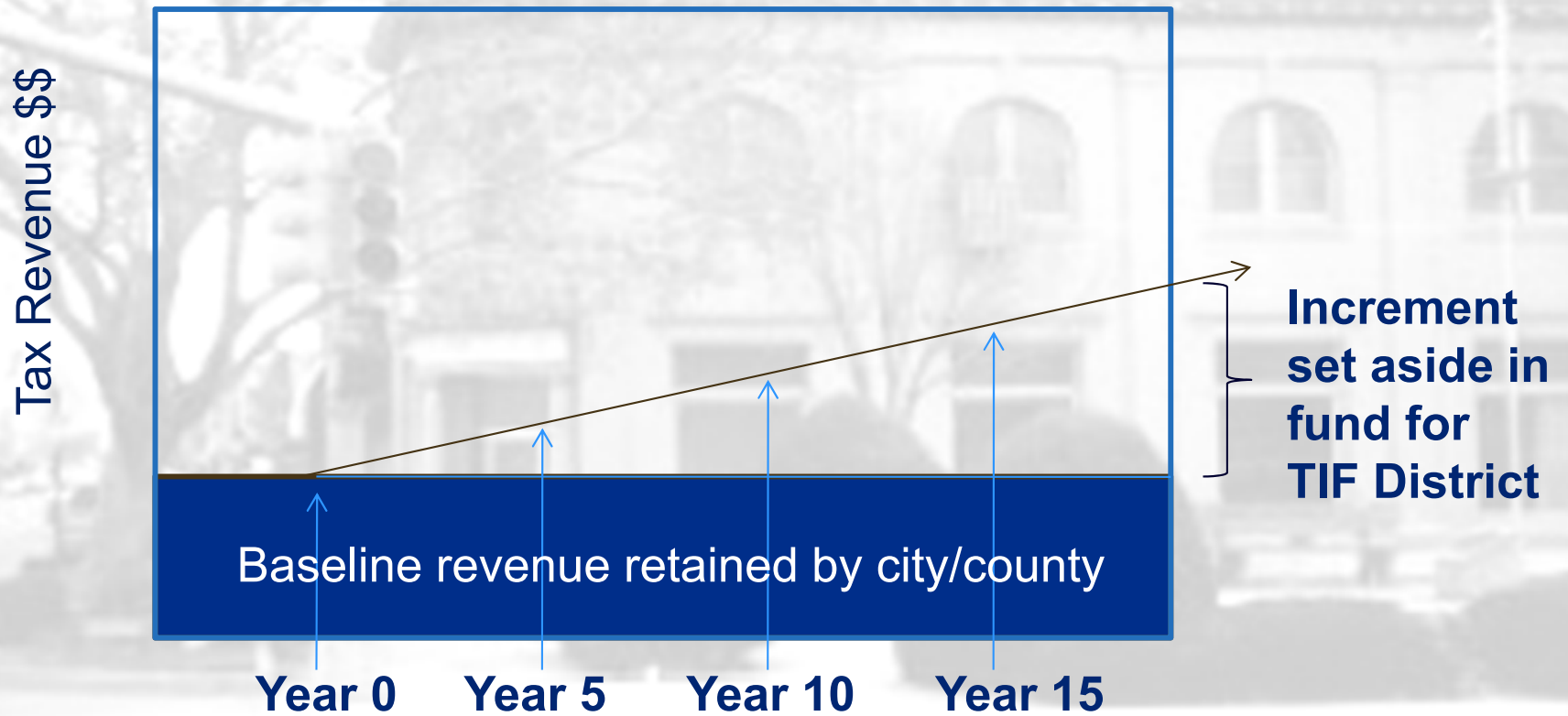
- Public/Private Partnerships
 - doesn't violate NM "anti-donation clause"
 - allows "fair value" (below appraisal) when there are tangible public benefits
 - no prohibition on "Retail uses" as in LEDA (>10,000 pop)
- Funding and financial tools
 - Tax Increment Financing (TIF) Districts
 - Property Tax deferrals or credits
 - State/Federal Brownfield funding opportunities
 - NMMFA Low Income Housing Tax Credits bonus points
 - CDBG Funding eligibility (without meeting LMI criteria)
 - NMFA Local Planning Grant for \$50,000 (no match req'ment) for MRA Plan when MRA Designation Report is approved by town.

Metropolitan Redevelopment Area Implementation

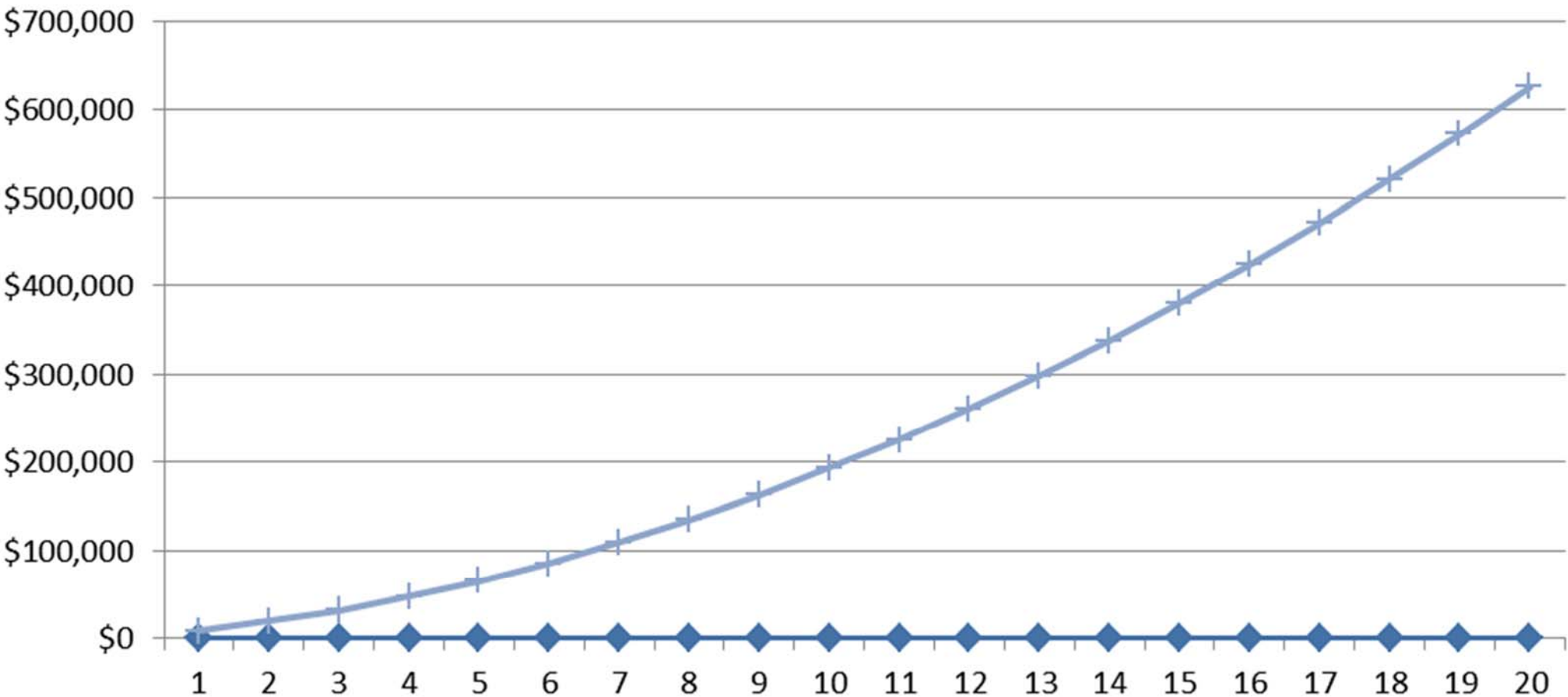
- Public/Private Partnership through a development agreement that specifies:
 - City role: land and/or building, streetscape improvements, infrastructure, parking facilities, public amenities, funding tools, tax incentives
 - Developer/Owner role: commitment of funds, market study, site plan and architectural constructions docs, financial stability

Tax Increment Financing Districts

How TIF works...



Downtown Silver City TIF District Projection

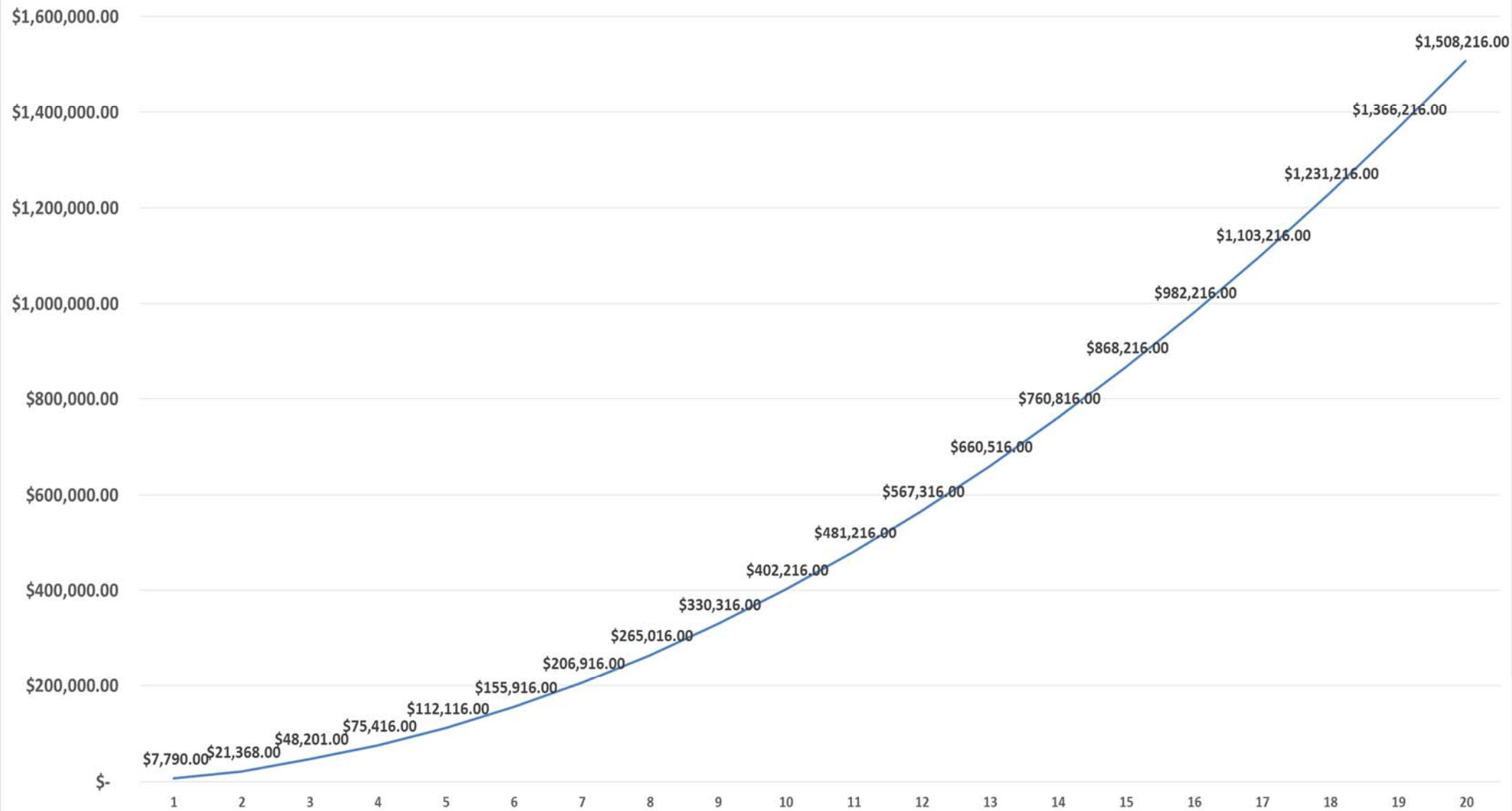


Downtown Silver City TIF District Projection

YEAR 1	\$ 8,310.00	\$8,310.00
2	\$ 11,237.00	\$19,547.00
3	\$ 12,787.00	\$32,334.00
4	\$ 15,735.00	\$48,069.00
5	\$ 17,500.00	\$65,569.00
6	\$ 20,000.00	\$85,569.00
7	\$ 24,000.00	\$109,569.00
8	\$ 25,500.00	\$135,069.00
9	\$ 28,000.00	\$163,069.00
10	\$ 30,000.00	\$193,069.00
11	\$ 32,000.00	\$225,069.00
12	\$ 35,500.00	\$260,569.00
13	\$ 37,500.00	\$298,069.00
14	\$ 39,500.00	\$337,569.00
15	\$ 42,500.00	\$380,069.00
16	\$ 44,500.00	\$424,569.00
17	\$ 46,500.00	\$471,069.00
18	\$ 49,000.00	\$520,069.00
19	\$ 52,000.00	\$572,069.00
20	\$ 54,000.00	\$626,069.00
TOTAL	\$ 626,069.00	

Downtown Las Vegas TIF District Projection

Tax Increment Accumulated Over 20 Years



Tax Increment Financing (TIF) Districts

- Only requires City Council approval (no election or petition).
- Uses existing property tax for the increment - not a new tax or tax increase. Can include the County's increment with BoCC approval.
- TIF funds generated in the district are spent in the district.
- TIF funds can be used for plan projects and **operational purposes**.
- City Council is Redevelopment Board and controls how funds are spent within district.
- Revitalization results in increased GRT and property tax revenues.

MainStreet Communities with MRA Plans:

- **Las Cruces**- MRA plan/TIDD district approved
- **Abq DAT**- MRA Plan/TIF district approved
- **Nob Hill/Abq**- MRA Plan/TIF district approved
- **Lovington**- MRA Plan/TIF district approved
- **Las Vegas**- MRA Plan/TIF district approved

- **Silver City**- MRA Plan approved/TIF district in process
- **South Valley/Bridge**- MRA Plan approved/TIF district in process

- **Clovis**- MRA Plan approved
- **Barelas/Abq**- MRA Plan approved
- **Farmington**- MRA Plan approved
- **Deming**- MRA Plan approved
- **Truth or Consequences**- MRA Plan approved
- **Belen**- MRA Plan in process
- **Raton**- MRA Plan in process
- **Gallup**- MRA Plan in process

Old Abq High School 1983 MRA Plan



- Abq HS was closed in 1974 by APS district.
- City approved the MRA Plan in 1983.
- Purchased by City of Abq in 1996 after sitting vacant 22 years.
- City received funding from State and EPA for clean up of the site as a brownfield.
- In 2001 entered into a Development Agreement with private developer on a “fair value” basis.
- Building redeveloped as apartments, condominiums, retail and offices

Clovis 2006 MRA Plan



Hotel Clovis Adaptive Reuse:
Mixed Use Residential/Retail Project
negotiated on a “fair value” long term lease.

Farmington 2009 MRA Plan

CDBG Façade Improvement Program

- \$150,000 grant for 14 buildings on Main St.



Las Vegas 2010 MRA Plan



Gallinas River Walk Plaza

- City and adjoining property owners can negotiate a development agreement on “fair value” for an enhanced River Walk area.



The background is a faded, grayscale photograph of a street scene. On the left, a large, leafless tree stands in a landscaped area. In the center and right, a multi-story building with arched windows is visible. The overall image is semi-transparent, allowing the text to be clearly legible.

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