#### **NEW MEXICO MAINSTREET PROGRAM** *New Mexico Economic Development Department*

## **RESOURCE TEAM ASSESSMENT**



## Mountainair Broadway Fire Impacts and Strategies

December 20, 2016

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## Resource Team Personnel and Purpose

This initial report was prepared for the community and property owners of Mountainair as a preliminary guide to assist them in future considerations and decisions about the commercial structures and the area damaged by fire. It is based on information gathered during a site visit, follow up research, and a Hazardous Materials Site Analysis.

A catastrophic fire destroyed three historic buildings and severely damaged the Weaver Hotel in downtown Mountainair, New Mexico on December 20, 2016. Mountainair has been a designated Frontier Community Initiative with the New Mexico MainStreet Program in the Economic Development Department since 2016. After the fire, New Mexico MainStreet reached out to community leaders and offered to provide an initial assessment of the damage. The community requested technical assistance in identifying issues with the buildings and what pathways the building and business owners, city leaders and the community might have. New Mexico MainStreet responded by organizing an interdisciplinary "Resource Team" from its staff, contractors and agency partners. The team traveled to the site, visited the properties, met with owners and community leaders on March 2, 2017 and also met with the public in during an evening town hall meeting with over 60 people in attendance to hear concerns and communicate initial impressions.

#### **Resource Team Members**

- Rich Williams (advisory), Director, New Mexico MainStreet Program
- Daniel Gutierrez, Assistant Director, New Mexico MainStreet Program
- Sonya Cooper, PhD., P.E., Structural Engineer, New Mexico State University
- Charlie Deans, Principal, Community By Design, Revitalization Specialist, New Mexico MainStreet, Urban Design and Planning
- Karla K. McWilliams, Certified Local Government and Grants Program Coordinator, New Mexico Historic Preservation Division
- Keith Kjelstrom, Revitalization Specialist, New Mexico MainStreet, Economic Vitality
- Will Powell, Revitalization Specialist, New Mexico MainStreet, Design
- Sky Tallman, University of New Mexico School of Architecture and Planning, student intern with New Mexico MainStreet
- Elmo Baca, Revitalization Specialist, New Mexico MainStreet, Cultural and Historic Projects

## **Executive Summary**

A catastrophic fire on December 23, 2016 destroyed four historic buildings located on Broadway (US HWY 60) in the Town of Mountainair, NM. Three buildings owned by Karen Kendall, including the former Mountainair Emporium, Uncle Walter's Thrift Store, and Clifford's Clip Joint barber shop, were completely destroyed (see Appendix for NM Historic Cultural Property Inventory forms). The former Weaver Hotel owned by Kenneth Aguilar was nearly completely ruined, but two-story sandstone walls and front porch remain standing.

Previously in 2015-16, the Town of Mountainair had successfully applied to the New Mexico MainStreet program of the state's Economic Development Department to join the Frontier Communities program. The Town proposed a park development project for a site located north of Shaffer Hotel and just south of the Broadway commercial district. The park was successfully completed with volunteer assistance just weeks before the fire.

The Town of Mountainair contacted New Mexico MainStreet shortly after the fire in January 2017 requesting assistance in managing the consequences of the fire. New Mexico MainStreet organized a Resource Team of professionals which made a site visit to Mountainair on March 2, 2017 to inspect the site, conduct interviews with Town officials and property owners, and also convene a Town Hall meeting in the evening. This document report summarizes the Resource Team's observations and offers some preliminary recommendations for consideration by the Town and property owners.

A few key points are important to consider in developing a plan to mitigate the fire damage, stabilize and clean up the site, and develop strategies for redevelopment:

- The site is privately owned by two separate owners. The combined site (four buildings) was underinsured and so the property owners have very limited personal and financial resources to clean up the site and mitigate potential hazardous materials contained within the fire wreckage.
- A Hazardous Materials Site Analysis report on Karen Kendall's properties was completed by Assaigai Analytical Laboratories of Albuquerque on April 21, 2017. The report indicates that no dangerous levels of hazardous materials were found on the site of the former Uncle Walter's store or the Mountainair Emporium. There remain questions about the contamination and stability of the former Weaver Hotel site. (See attached HazMat report in Appendix).
- A preliminary review and research of potential financial assistance programs for Brownfields mitigation at federal, state and local levels reveals very limited programs for privately owned sites. More options are available for publicly owned (municipal) sites.
- The New Mexico Environment Department (NMED) manages a Brownfields Revolving Loan Fund which may be of assistance to the Town of Mountainair and also the private property owners. The Loan Fund and potential grant assistance may be provided through an application process and Eligibility

determination by NMED and the federal Environmental Protection Agency (EPA). The determination of hazardous materials on the site and other factors are necessary for determination of eligibility.

#### Next Steps and Strategies

The immediate short-term remediation and clean up of the site is of primary concern for safety, health and appearance issues. Upon receipt of environmental testing report(s) for hazardous materials, both property owners and the Town will need to assess costs for site clean up, potential hazardous waste disposal, structural engineering and reinforcement of the remaining walls of the Weaver Hotel (if desired). A list of qualified vendors for environmental remediation is provided here in the Appendix.

In any case, the clean up and remediation of the site will be substantial and costly. Considering the circumstances of the fire and private owners, it would be prudent for both private owners and the Town to consider transfer of ownership of the impacted property to public ownership by the Town. There are simply more options available to the Town for redevelopment of the site than to private owners. The current difficult status of federal and state funding and a limited local economy are important factors to consider.

We feel that it is in the Town's best interest to consider assuming ownership of the site for remediation and potential redevelopment, as the site in its current ruined condition is depressing real estate values and may be negatively impacting the town's tourism appeal, and is also a dangerous health and safety hazard.

In the best case scenario, the Town may qualify for grant assistance through the NM Environment Department and the EPA for brownfield site assessment and remediation. This will be determined through an application process by the Town. Other options will be to investigate the Brownfields Revolving Loan Fund (NMED), loan programs through the NM Finance Authority, and potentially state capital outlay funds (longer term).

Once the determination of hazardous materials is obtained, the property owners and the Town may work together to secure cost estimates for the site remediation and potential structural engineering and reconstruction of the former Weaver Hotel. It is likely that these cost estimates will require \$5,000 to \$10,000 to develop. Raising these funds is likely the next immediate concern for spring and summer of 2017.

These cost estimates and determination of ownership will be important to consider before fall, as the EPA announces its Brownfields applications at that time. It will be important for the private owners and Town to initiate contact with NMED in preparation for the EPA Brownfields federal program announcement just a few months away.

Team Reports - Site Assessment

## Mountainair Site Visit Report The Weaver Hotel 112 W. Broadway

Initial Structural Assessment Sonya L. Cooper, PhD, P.E. Draft submitted: March 18, 2017 Final submitted: March 24, 2017



On Friday, 24 February 2017, I was notified by Charlie Deans, Principal of Community by Design, for an opportunity to join a team to assess the Weaver Hotel that was heavily damaged by fire in late December, 2016. Charlie is a consultant with NM MainStreet which has assembled a resource team to prepare a report with recommendations. A Historic Cultural Properties Inventory (HCPI) Base Form (FORM 1) prepared for this building was available for review. The team met March 2, 2017 on site. The purpose of this assessment was to perform an initial evaluation of the structural condition of the remaining components of the building in order to provide insight for 'next steps'.

The two-story sandstone building faces West Broadway (above photo) in Mountainair's downtown district, and was constructed independently of adjacent structures. The building was constructed in c. 1928 according to the HCPI Base Form. The original building occupies a rectangular footprint and had a basement level. All elevations are fenestrated with first and second level windows. The 1<sup>st</sup> and 2<sup>nd</sup> floor framing consisted of two bays of 2x10 wood joists pocketed into and supported by the exterior walls and by a central 8x10 or 10x10 wood beam supported by wood posts on the first level. The pocketed ends rested on a 2x4 wood sill. The roof framing system was wood and sloped from north to

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south, enclosed by parapets. Window lintels consisted of a concrete outer lintel and wood interior lintel, to make up the approximate 19-inch stone wall thickness. The east, west, and south walls have random bonds of different sized rough cut stone, whereas the north wall coursing and stone size are more regular. A one story clay tile addition is attached at the rear (south elevation). The south elevation could be accessed at the basement level by concrete steps and through the addition at the first floor level. The north (main) elevation could be accessed by concrete steps and porch that has a wood framed roof that serves as a balcony for the second floor. A metal railing encloses the balcony.

The Weaver Hotel, along with the buildings to the east within the town block, were burned in a fire in late December, 2016. The roof, floors, interior wall systems, and all wood components of the Weaver Hotel completely burned in the fire. The exterior stone masonry walls, portions of the rear addition, and a charred porch are the only remaining standing features of the Weaver Hotel.

#### TASKS PERFORMED

- Site visit inspection and assessment
- Evaluation and Recommendations

#### ASSESSMENT AND EVALUATION PROCESS

Assessment of structural components involves obtaining measurements and material constituents of the structural members, gathering supported load data, probing members to determine integrity, and documenting failed conditions. It is also necessary to assess system (vs. member) behavior. Review of any documentation that references alternations, repairs, maintenance, removal, etc., is necessary. A review of correspondence documents, drawings, and photographs is important. A structural evaluation includes checking a member's or system's strength and expected behavior against actual loads and conditions. Many variables must be considered due to unknown design assumptions, as-built inclusion of design specifications, and actual quality of workmanship. Relevant codes and standards must be consulted. Finally, recommendations are made if the member (system) is failing. Recommendations focus on measures to

- (a) correct conditions which are accelerating deterioration,
   (b) stabilize structural elements which can still perform load- bearing functions, and (c) identify approaches to repair or replace structurally compromised building elements.
- (b) A very important part of each of these processes involves discussions with building owner(s) and if a commercial building, as many staff personnel and users of the building as possible, to determine the history of repairs and events that may affect structural issues. Recommendations are made with due respect of user's and manager's needs and input.

In the case of a fire or other event that has destroyed most of the building such as this one, much of the above work is not applicable. Also, this initial assessment does not include results of interviews with the owner. Therefore, overall observations instead of recommendations are presented.

#### EVALUATION & OVERALL OBSERVATIONS

The remaining exterior walls are severely compromised due to: 1) weakened masonry structural strength from fire and heat exposure to bricks and mortar, 2) loose and fallen stone, 3) unpinned lateral support due to absence of roof and floor framing, and 4) insufficient load paths due to missing components or improper original design. Of significant concern are the east wall and east sections of the north and south walls heavily damaged from heat due to the proximity of the origin of the fire. The heat has cracked the sandstone and significant spalling has occurred.



Figure 1. Photograph of exterior of east wall showing delaminated and fallen sandstone. Photo also shows random sizing and bonds of stonework.

If the desire is to restore or rehabilitate these walls, significant repointing and reworking of the stone must be done from the interior and exterior. The wall thickness contains layers of stone, not laid in distinct wythes.

This work would have to occur over all areas of the east wall and the majority of the north and south walls. The west wall requires less area. Careful excavation and reinsertion of loose, missing, or cracked stones and mortar in prescribed sequential sectioned areas and preferably in a checkerboard pattern, should be accomplished by a qualified, licensed mason experienced in historic restoration work. Existing sandstone (maintaining structural integrity) should be used to the extent possible with a mortar designed to match the constituents of the historic mortar.

 When repairing the stonework system, the work must allow for

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sufficiently sized lintels at the openings with proper bearing length to adequately transfer loads around the openings without stressing narrow columns of stone adjacent to the openings.



Figure 2. Photo of interior of east wall showing remnants of interior plaster, joist pockets, stove chimney, and burned interior lintels.



Figure 3. Detail of section through 1<sup>st</sup> floor window showing cracked stone and plaster.



Figure 4. View of interior looking south

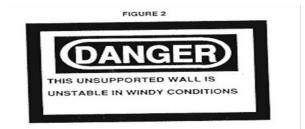
The wall height and wall length to thickness ratio requires lateral support in the horizontal and vertical direction. The total unsupported height and length were not measured on site. The International Building Code stipulates a 20:1 height or length to thickness ratio. At a minimum, a reconstruction of the roof, floor at original first floor level, and interior walls to meet the horizontal code requirement, are recommended. The cost for the above work will be significant.

Another option could include construction of a structural frame within the stone walls. This frame would be designed to withstand applied loads for the new use of the building, and support the stone walls. This option would lessen the requirement of totally reworking and repointing some wall sections, and lateral support requirements. Stonework would still have to be stabilized.

Probably the most favorable approach in terms of cost is to raze the east wall, corners, and east sections of the north and south walls, and reconstruct these areas. This option would allow better access for debris removal.

All options above require shoring of walls as soon as possible. Shoring and ember/debris removal must be carefully designed and performed by a qualified licensed shoring/demolition contractor. The bracing design shall not use an anchoring system that requires an impact or blow to the wall. Danger signs shall be placed in conspicuous locations either on the wall or anywhere within the collapse area. The danger signs shall be maintained in place and in a legible condition until the masonry wall is permanently supported.

Example:



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Inspections and responsibility after installation, high winds, heavy rains, etc., shall be addressed.

Before clean-up and shoring work can begin on this building, the fence should be checked frequently for proper perpendicular distance from the building to take into account a collapse zone 1.5 x building height).

Please do not hesitate to contact me for further clarity or questions.

### Mountainair field observations 03-02-17

#### By Will Powell, NMMS Architect

Upon first arriving at the site of the December 20<sup>th</sup> fire in Mountainair, I was struck by how much damage occurred to the four structures. It appears the fire temperatures were extremely high due to the amount of damage inflicted on the structures. This was especially evident by the fractured sandstone rocks that make up the exterior walls on the Weaver Hotel. In structure fires timber components are often damaged or somewhat consumed during the fire. Items such as roofing, beams and flooring will often remain in a burned state after the fire has been suppressed. Many of these structures and in particular the Weaver Hotel have very little timber and wood elements left within the debris.

Historic buildings often have massive wall construction and the walls can be salvaged and rebuilt upon. We will have to wait for the conclusions from the structural engineer for direction. It does appear that some of the Weaver's four exterior walls have been compromised to a degree. The eastern most building (108 West Broadway - H&E Cafe) has the most integrity of the four buildings. Unfortunately this is the least significant in terms of historic integrity and uniqueness. Likely this building will be fully demolished as work progresses. The two adjacent buildings (also listed as 108 West Broadway – Barbershop and The Emporium) have been demolished by the fire with little left to save.

The Weaver Hotel's (112 West Broadway) façade still stands along with its other three exterior walls. Constructed of local sandstone with concrete lentils over the windows, this building is similar in materials to other buildings of the era in New Mexico. Dating from 1928, the Weaver is certainly a part of our Architectural legacy in New Mexico. The portal on the north elevation is not original and badly damaged from the fire. During our site visit it was also discussed that this portal may need to be removed to address temporary life safety concerns regarding its proximity to the barricades. Reconfiguring the barricade around the building should be considered if this portal is to remain on the building. Currently the portal could fall on areas outside of the barricade's location. A discussion with NMDOT should take place to determine if the barricades can be placed further outward on the highway without disrupting traffic.

Proceeding forward, the next first step will be an environmental assessment to determine the clean up cost involved and direction forward. As we learned during our site visit these costs increase significantly if hazardous materials are found within the site.

Public comment from our community meeting favored the cleanup of the three buildings located at 108 West Broadway. The Weaver Hotel elicited a different response as few (if any) wanted the structure to be demolished. Partially due to its unique historic character, rootedness in the community and the fact that most of the exterior walls remain. There was discussion if costs are prohibited to the full reconstruction of the building that possibly the remains of the historic hotel be stabilized for other uses. A few alternatives uses discussed were an outdoor café or a performance venue. Mountainair Post-Fire Assessment Karla K. McWilliams New Mexico Historic Preservation Division March 22, 2017



photo from google maps



Photo taken on March 2, 2017

- Four buildings were heavily damaged in a fire in late December, 2016. These include Uncle Walter's Thrift Store, 108 W. Broadway; Barber Shop/Clifford's Clip Joint, 108 West Broadway; The Emporium, 108 W. Broadway; and the Weaver Hotel, 112 W. Broadway.

- All four buildings were included in the Mountainair Historic Resources Survey of about 30 resources in downtown Mountainair completed in February 2016 by consultant, John Murphey.
- All four buildings were listed as "Contributing" to a potential historic district listed in the State Register of Cultural Properties.
- Insights/Site Visit Observations:
  - <u>Planning</u>. The shock of the fire has left the property owners and the community in a quandary as to how to proceed. There are many options to explore and this will take time. It will be important for the City to work with the property owners to identify the best plan for moving forward. This is an important block to Mountainair, right in the heart of its downtown.
  - <u>Three Easternmost Buildings</u>. The Fire damage is very extensive. The three buildings at 108 W. Broadway sustained the most damage as only the front façade and east façade wall of the easternmost building remain. Charred remnant remain. It is likely that complete demolition will be required of the three buildings.
  - 0 Weaver Hotel. The Weaver Hotel was the last two-story building standing on Broadway and it retained a high degree of architectural integrity. Its native sandstone walls were distinctive among other brick and plaster-covered building facades on West Broadway. The sandstone walls have withstood the high heat of the fire however wood elements in the roof, floor joists, and lintels were burned away in the fire. This leaves the structure without a roof and with walls vulnerable to water exposure - especially the side of the walls that used to be on the interior of the building. Most of the wood lintels at window openings were burned away in the fire, however, the stone lintels remain. Reconstruction of the building or rebuilding around the walls is a definite possibility. The structural composition of the walls must be evaluated to ensure their stability and to determine if the heat of the fire may have compromised mortar or the composition of the sandstone. Bracing may be necessary to prevent collapse while the building is evaluated for future plans. Per Sonya Cooper's statements on site (she was the engineer from NMSU) the front porch of the Weaver Hotel may be an imminent threat. HPD recommends locating a professional to evaluate the remaining building walls. HPD may be able to provide technical services related to planning and design.
  - <u>Site</u>. The site should be sufficiently secured so that no entry is possible. This is necessary to ensure the site is protected from vandals and from the possibility of injury or harm. The evaluation crew was easily able to enter the site by moving the existing chain link fencing to the side. Every measure should be made so that no entry is possible and monitoring should occur on a regular basis. With the possibility of the front porch collapse, fencing should be moved further into the state highway right-of-way of Broadway or a shoring wall should be erected to serve as protection. This will likely require consultation with the NM Department of Transportation. A letter asserting the imminent threat may be necessary to facilitate this.
  - <u>Site Clean Up</u>. Environmental testing must first occur to evaluate if environmental factors exist in the buildings' remains. If no environmental issues are present, clean up may proceed. If environmental issues are present, building remains will have to be disposed of using approved methods. Identify if there are ways to accomplish clean up using local resources.
  - State Emergency Funds/Environmental Clean Up Funds. Investigate if state

emergency funds or environmental clean-up funds are available, specifically for buildings that are an imminent threat.
 <u>Fire Remediation</u>. Identify what companies provide this service. Work together to raise the funds to pay for this service.



Photographs of the buildings from 2016. From top, left, Uncle Walter's Thrift Store; Barber Shop/ Clifford's Clip Joint; The Emporium; and the Weaver Hotel.



Front of the Weaver Hotel



Weaver Hotel and The Emporium, front



Emporium (pink at right) and Clifford's Clip Joint/Barber Shop



Interior view of the Weaver Hotel, looking towards front of building; Sonya Cooper 7 Charlie Deans standing in the ruins fo the Weaver Hotel



Weaver Hotel, interior view of west wall



Interior view of Uncle Walter's Thrift Store



Interior view of The Emporium



View of rear wall, Uncle Walter's Thrift Store



Interior view, Uncle Walter's Thrift Store



Interior view of The Emporium at the back of the store

## Economic Revitalization Strategies

## Local Economic Context

While Mountainair's population is small, economic data nevertheless indicate that there are opportunities to expand business activity to better serve local demand. As shown in the table below, the community has lower incomes, more poverty, and lower home values than the county, state and nation.

Mountainair <u>Torrance</u> <u>Ne</u>	<u>w</u> <u>United</u>
<u>Town</u> <u>County</u> <u>Mexic</u>	<u>o States</u>
1,137 15,853 2,084,11	7 316,515,021
360 5,370 763,60	3 116,926,305
3.16 2.95 2.7	3 2.70
ne \$22,500 \$32,083 \$44,96	3 \$53,889
erty 53% 32% 21'	% 15%
36.7 43.3 37.	0 37.6
69% 41% 47	% 17%
589 7,769 909,56	5 133,351,840
61% 69% 84	% 88%
39% 31% 16	% 12%
g 79% 83% 68	% 64%
g 21% 17% 32'	% 36%
\$80,000 \$106,400 \$160,30	0 \$178,600
	\$160,30

Mountainair Demographics, 2015

SOURCE: 2011-2015 American Community Survey 5-Year Estimates, United States Census Bureau

Local residents, however, still have considerable buying power. Based on consumer expenditure patterns in New Mexico low and moderate income communities, typical demand for retail goods plus purchases in food and drink establishments average about \$10,000 per person per year. The 1,137 residents of Mountainair would therefore have an estimated demand for retail goods and restaurant purchases that totals \$11,370,000 per year.

Gross receipts statistics from the New Mexico Taxation and Revenue Department show that retail and food services businesses located in Mountainair have total annual sales of about \$3,880,000. Although these data sources are not perfect, they can be used to roughly estimate that a total of \$7,490,000 in local demand "leaks" outside of Mountainair as residents make their purchases elsewhere.

In addition to local residents, US Highway 60 and NM Highway 55 also provide local businesses access to the important markets of travelers and area destination visitors.

## Business Development Recommendations

Keith Kjelstrom, NMMS Revitalization Specialist, Economic Vitality

Preserve the remaining walls of the Weaver Hotel Building as a potential economic asset. As discussed at meetings with community members, the assessment team learned that the remaining walls at the Weaver Hotel site are recognized as a historic, cultural and economic asset. The walls represent a unique locational feature constructed of indigenous materials. They embody community history, identity and image, and therefore could potentially be incorporated into a compelling attraction for both locals and visitors. While the currently weak local economy may prohibit capitalizing on this asset in the near term, a stronger economy in the future could make it feasible to someday fully rehabilitate the site.

Maintain and enhance local sales. After a disaster strikes a commercial district, it is reasonable to expect business owners, property owners and residents to experience deflated spirits. To ensure that this is only a temporary condition and that the fire does not take a long-term toll on the local economy, community members must come together and work to consciously turn things around. As witnessed at the March 2nd community forum, Mountainair is rich in the ideas, talents, and passion that will enable all to rise up from the ashes of the fire. An essential part of the community healing process is to devote a strategic focus to district economic revitalization activities that sustain and enhance the local economy.

- Convene a meeting with the owners and operators of the community's approximately 40 businesses. Discuss cooperative marketing and promotion strategies. Identify appropriate leadership roles for economic development organizations such as the Manzano Mountain Art Council.
- · Maintain and expand marketing and events.
- As alternatives, or augmentations, to offering goods and services from bricks and mortar locations, explore creative methods for businesses to gain greater access to consumer markets. These include pop-up businesses, seasonal businesses, carts and kiosks, festivals, shared spaces, and e-commerce.
- Support the launching of the grocery store planning to open soon.
- For events that serve visitors and locals, utilize the new community park across from the Shaffer Hotel building and next to the Salinas Pueblo Missions National Monument Visitor Center.

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#### Mountainair Public/Private Partnerships

Charlie Deans, Community by Design

There are a number of financing, funding and partnership tools that can be utilized to achieve the project's construction costs and private reinvestment targets. This is an overview of the most applicable sources and tools that exist and is not intended to include all that are possible.

Mountainair Town Center Metropolitan Redevelopment Area (MRA) Plan: The project site is within the city's MRA Plan and allows public/private partnerships between the city and private sector entities that will not violate the State's anti-donation clause. These partnership agreements, also known as development agreements, for improvements to buildings and infrastructure can be negotiated on a "fair value" basis that provides tangible benefits to all the partners. Typically, State statues require that local governments have to use fair market or appraised values as the basis for working with private entities; the fair value clause in the State Redevelopment Code provides for these negotiations to be approved by the town council and property owner in a mutually beneficial agreement. A MRA Designation report is the first step in this process that defines the area that is blighted as per the NM Redevelopment Code state statute. Following this designation, the MRA Plan is prepared and adopted by the Town Council that identifies redevelopment projects and revitalization strategies to eliminate the blighted conditions. A planning grant is from the NM Finance Authority is available to fund the preparation of the MRA Plan.

Upon adoption of the MRA Plan, the town can work with the private property owners within the site to provide resources and assistance to the property owners without violating the NM anti-donation clause. As a partnership, all parties will reach an agreement on expectations, performance measures, outcomes and timing of performance.

#### Funding and Finance Tools

The NM Redevelopment Code also provides some funding and financing tools as part of incentives to encourage private reinvestment and partnerships.

#### MRA Tax Increment Financing (TIF) District

This allows the town to create a district that establishes a special redevelopment fund. This fund is derived from any increase in city property tax (the "increment") that results due to the reinvestment and improvements that occur in the redevelopment area. This is not a new tax and takes several years for the increment to accumulate in the fund, but it shows a commitment by the town on setting aside this dedicated fund to improving the area, which stimulates private reinvestment.

#### **Property Tax Abatement**

The State Redevelopment Code also allows for the town to defer or abate the city property tax on specific parcel(s) for property owners for up to 20 years. While this is often not a very large sum of money to a property owner, if the town works with the county and both the town and county property tax are deferred for 20 years, this sum of deferred tax dollars can serve as an incentive for private reinvestment through the public/private partnership.

#### USDA-RD/EDA/HUD/EPA/CDBG Funding

These federal funding sources can provide funding for specific purposes on the site and business improvements. As a brief overview, for example, the Town of Mountainair meets the state definition of Low-Moderate Income (LMI) criteria and would be eligible for

Community Development Block Grant (CDBG) through the NM Department of Finance (DFA) Local Government Division. Another example is with the MRA Designation report identifying the site as blighted will also assist in securing funding from the Economic Development Authority (EDA) as per their "distressed area" criteria for funding for improvements to the public and private properties. The blight designation also provides an opportunity for funding from the NM Environment Department NMED) who administers the EPA Brownfield development funding. Aloo of these federal funding sources do require an application process and working with the Middle Rio Grande Council of Governments (MRCOG). The MRCOG can provide technical assistance to the Town on the process and applications to these various agencies.

## Resources

## **New Mexico Environment Department**

## Brownfield Cleanup Revolving Loan Fund

It is usually easier to find funding for redevelopment of a site than for cleanup. NMED offers low-interest loans with favorable terms that can be used for remediating contamination at an eligible brownfield site. The funds may also be used for asbestos removal or abatement. The availability of cleanup funding can leverage the other funding needed – on average, <u>\$18 for</u> every dollar of brownfields funding.

Contact us to discuss the eligibility of your project and the application process.

## Application forms:

<u>private entities</u> <u>governmental entities</u>	•	non-profit entities
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## **Environment Protection Agency (Federal)**

An excellent document put together by the EPA Office of Brownfields and Land Revitalization outlining a number of sources of funding and strategies for cleaning up a brownfield site:

https://www.hudexchange.info/course-content/rural-gateway-conference-call-creating-su stainable-communities-in-rural-america1/EPA-Brownfields-Grants-and-Technical%20As sistance-Slides.pdf

Includes:

- Assessment grants
- · Revolving Loan Fund Grants
- Environmental workforce development Job Training (EWDJT) which can be a way of rewarding community involvement in the remediation process while building community capacity to respond.
- Area Wide Planning Grants
- Sources for Technical Assistance

EPA Brownfields Program

EPA Region 6 Brownfields Team

(214) 665-6780

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## EPA Region 6 Brownfields Web site (http://www.epa.gov/region6/brownfields)

#### Brownfield Assessment Grant Program

Applicants can apply for up to \$200,000 over three years per brownfield site and can submit up to three separate, site-specific cleanup proposals.

*Brownfield Economic Development Initiative (BEDI)*: Available to public entities and must be used in conjunction with HUD's Section 108 Loan Guarantee Program.

The municipality can apply for Section 108 loan guarantees to put toward "economic development, housing rehabilitation, public facilities, and other physical development projects, including improvements to increase their resilience against natural disasters. This flexibility makes it one of the most potent and important public investment tools that HUD offers to state and local governments."

New Mexico is eligible for about another \$5mil in Section 108 loans.

*Brownfields and Lands Revitalization*: local governments can apply for funding for planning/assessing brownfield redevelopment and site cleanup/restoration.

*Superfund application*: The process for applying for Superfund funding begins with a pre-CERCLIS screening by the EPA, followed up by a preliminary assessment. If the site scores high enough to make it on the National Priorities List, it can be eligible for Superfund cleanup assistance.

### If the redevelopment involves mixed-use:

Assessment, Revolving Loan Fund and Cleanup Proposals are made available every Fall during a 60 day window. 2017 proposals are not yet available. Here is a link on how to prepare for making a proposal:

https://www.epa.gov/sites/production/files/2016-07/documents/getting\_started\_early\_arc\_0.pdf

It looks like applications for 2018 are not yet posted, but here is application information from 2017 applications.

#### US Department of Agriculture (USDA) Rural Development Program

*Rural Community Development Initiative*: to facilitate community facility and community and economic development projects. Grants of \$50,000-\$300,000 can be applied for by priveate non-profit or public organizations in low-income communities. Grants can be used to develop capacity and ability of awardees to carry out needed projects. Matching funds required.

*Business and Industry Loan Guarantees*: For businesses or lenders to create jobs, stimulate rural economies. Lender and borrower negotiate terms.

*Intermediary Relending Program Loans*: 30 year loans at 1% interest to establish revolving funds for business facilities and community development projects. Can be applied for by public bodies, non profit corporations tribes and cooperatives. Purposes include community development, expansion of business, creation or saving of rural jobs.

*Rural Business Enterprise Grant Program*: To promote economic development in rural areas and assist businesses in creating and or saving jobs.

#### Other Considerations:

- Whereas a TIF or TIDD takes the difference in taxes collected to be used toward a development project, the town could also have a referendum to impose a one-time tax on property or incomes to rehabilitate the site to have cash on hand sooner than would happen with a TIF. With a population of 885 and a median income of 22,710, a .5% income tax might bring in around \$100,000.

- create downtown land trust to buy back and develop land.

## Appendix

Historic Cultural Property Inventory survey forms (impacted properties)

For HPD Office use only:				
HCPI No District No 1. Name of property:	NRHPSRCP 2. Location:	Criteria _A _B _C _D 3. Local Reference Number:		
1. Name of property:	z. Location:	N/A		
Barber Shop/Clifford's Clip Joint	108 West Broadway			
Darber Grop/Gimord 3 Grip Some	Mountainair	4. Torrance		
	mountaintai			
5. Property Type:				
_x_Building Structure Site Object	And			
		gritti		
6. Date of Survey:				
January 23 & 30, 2016	Manager and Man			
7. Previous Survey Date(s):	Harrison and the second s			
_x_ Yes: May 2, 1980; April 1998				
No				
8. Name of Project:				
New Mexico MainStreet Architectural Survey –				
Mountainair Frontier Community				
·····,				
9. Lat/Long:				
34.520126, -106.241044				
		and the second se		
	e: FirstLight Consulting View of	f: North elevation, facing south.		
11. Brief Description of the Property:		-		
		ave been incorporated into one business. Each small		
		wider than the similar window on the east. The entries,		
		ete step. Painted vertical wood siding was been applied		
over the bulkheads. The transoms are covered with pieces of painted plywood. The façade is faced with stucco, which been painted a tan color. A				
simple straight cornice crowns the building. The rear is faced with a rough coat of gray stucco. Exposed areas reveal its brick construction. The back				
	elevation is fenestrated with a steel door and a steel casement window set. Another opening holds a door of unknown type and material. The building takes up nearly 60% of its lot, and does not appear to have increased in footprint with an addition.			
takes up hearly 00 % of its lot, and does not appear				
12. Who uses the property? Barber				
13. Construction Date:				
Date: Pre-1940sKnown _x_Estimated Source: Photographs				
14. Setting:				
Suburban Rural _x_ Village Urba		rial ResidentialPublic		
15. Relationship to Surroundings: _x_SimilarDissimilar				
Comments:				

For HPD Office use only: HCPI No. District No. NRHP SRCP Criteria A B C D			
1. Name of property:	2. Location:	3. Local Reference Number: N/A	
D. H. Womack General Merchandise-Rexall Dru Co./Mountainair Emporium	g 108 West Broadway Mountainair	4. Torrance	
5. Property Type: _x_Building Structure Site Object			
6. Date of Survey:			
January 23 & 30, 2016			
7. Previous Survey Date(s): _x_ Yes: May 2, 1980; April 1998 No			
8. Name of Project:			
New Mexico MainStreet Architectural Survey – Mountainair Frontier Community			
9. Lat/Long: 34.520093106.241165			
	e: FirstLight Consulting View of	f: North elevation, facing southwest.	
11. Brief Description of the Property:			
The building holds what were once two separate storefronts, now combined into one business. The original mirrored storefronts were double flush doors bracketed by large, square display windows on low bulkheads. Above were integral divided wood transoms. The current west side of the building represents this original design. The east side has been modified, including the alteration of one window into a second door. This alteration additionally removed the original transoms. It is unclear when the alterations were made to the east storefront. The building is faced with stucco currently painted purple. Originally a stepped parapet rose from its center. The rear elevation is finished with rose-colored stucco. Each former store is fenestrated with a flush single-leaf door and a square clerestory window. The building takes up nearly 70% of its lot, suggesting there may have been an addition to the rear during the period of significance.			
12. Who uses the property? Store 13. Construction Date:			
Date: c. 1920s Known x Estimated Source:			
14. Setting:			
SuburbanRuralVillage _x_Urban If Urban: _x_CommercialIndustrialResidentialPublic			
15. Relationship to Surroundings: _x_ Similar Dissimilar			
Comments:			

For HPD Office use only:			
1. Name of property:	2. Location:	3. Local Reference Number:	
Weaver Hotel	112 West Broadway Mountainair	N/A 4. Torrance	
5. Property Type: _x_BuildingStructure SiteObject			
6. Date of Survey:			
January 23 & 30, 2016			
7. Previous Survey Date(s): _x_Yes: May 2, 1980; April 1998 No			
8. Name of Project: New Mexico MainStreet Architectural Survey – Mountainair Frontier Community			
9. Lat/Long: 34.520126, -106.241326			
	: FirstLight Consulting View of	: North elevation, facing south.	
11. Brief Description of the Property: Constructed of native sandstone, the former Weaver Hotel is a two-story, free-standing building breaking the street wall of the south side of the 100 block of West Broadway. The sturdy building presents to the street a grid of dressed blocks. A non-original balcony spans the upper façade, which is fenestrated with two one-over-one single-hung wood windows and a wood plank door. The windows are surmounted by heavy concrete lintels; a long concrete header, once used as a signboard, spans the center of the wall. The ground level fenestration includes a centered entry framed by one fixed picture window and a one-over-one single-hung wood window. The rock technique of the front porch suggests it is not original. The side elevations show rough cut blocks of sandstone. These elevations are fenestrated with a regular pattern of sash windows with aluminum storm units. The rear, south, elevation has a second-story door and an irregular pattern of original wood sash windows. The roof slopes to the south and is framed by parapets on the east, west and north elevation. A lower, one-story stucco-faced addition is attached to the rear. The original building occupies 60% of the lot, with the addition, standalone sheds and a wood fence, taking the cumulative development to the edge of the alley.			
12. Who uses the property? Residence/apartme	ents		
13. Construction Date: Date: c.1928 Known x Estimated Source: State business directory entry			
14. Setting:			
SuburbanRural _x_VillageUrban If Urban: _x_Commercial Industrial ResidentialPublic 15. Relationship to Surroundings: x_Similar Dissimilar			
Comments:	_		

For HPD Office use only:			
HCPI No District No 1. Name of property:	NRHPSRCP	Criteria _A _B _C _D 3. Local Reference Number:	
n nume of property.		N/A	
H. & E. Café/Uncle Walter's Thrift Store	108 West Broadway Mountainair	4. Torrance	
5. Property Type:			
_x_Building Structure			
SiteObject			
6. Date of Survey:			
January 23 & 30, 2016	Construction     Construction		
7. Previous Survey Date(s):	Tableting Finances (Statements)	And Annual Social Annual Social Socia	
Yes: May 2, 1980; April 1998			
No			
		gincle Walter;	
8. Name of Project:		THRIFT STORE	
New Mexico MainStreet Architectural Survey –			
Mountainair Frontier Community			
9. Lat/Long:			
34.520123, -106.240968			
10. Photo Information Digital Imag	e: FirstLight Consulting View of:	North elevation, facing south.	
11. Brief Description of the Property:		Ŧ	
		The façade is faced with long pink and yellow split-face	
		d storefront. Arranged at an angle, it is dominated by a e building. It is approached by a concrete ramp. The	
		tions. The exposed east and south elevations are clad	
		ted with non-original windows. The building takes up	
nearly 60% of its lot, and does not appear to have increased in footprint with an addition.			
12. Who uses the property? Thrift Store			
13. Construction Date:			
Date: Pre-1940s, with c.1960s replacement facade Known _x_ Estimated Source: Photograph			
14. Setting:			
-			
SuburbanRural _x_VillageUrban If Urban: _x_CommercialIndustrialResidentialPublic			
15. Relationship to Surroundings:x_Similar Dissimilar			
Comments:			
comments:			