

**CITY OF ALAMOGORDO, NEW MEXICO
CITY COMMISSION REGULAR MEETING MINUTES
6:30 P.M., DONALD E. CARROLL COMMISSION CHAMBERS
July 11, 2023**

**SUSAN PAYNE, MAYOR
SHARON McDONALD, COMMISSIONER
JOSH RARDIN, COMMISSIONER
STEPHEN BURNETT, COMMISSIONER
NICHOLAS PAUL, COMMISSIONER**

**DUSTY WRIGHT, MAYOR PRO-TEM
KARL MELTON, COMMISSIONER
STEPHANIE HERNANDEZ, ACTING CITY MANAGER
ASHLEY SMITH, CITY ATTORNEY
RACHEL HUGHS, CITY CLERK**

CALL TO ORDER / ROLL CALL / INVOCATION / PLEDGE OF ALLEGIANCE

Mayor Payne called the meeting to order at 6:30 p.m. Roll Call was taken by the City Clerk. Commissioner Burnett was absent. City Clerk Hughs announced there was a quorum present. Invocation was given by Pastor Shelby Moon and the Pledge of Allegiance was led by Commissioner Nick Paul.

APPROVAL OF AGENDA

Commissioner Melton moved to approve the agenda.
Commissioner McDonald seconded the motion.
Motion carried with a vote of 6-0-0.

PUBLIC COMMENT

Chris Lucero and Drew Smith spoke under Item 8.

CITY MANAGER'S REPORT

Acting City Manager Hernandez made the following remarks:

1. She deferred to Chief Kunihiro to speak. Dispatch made the last call for Chief Denton over the radio.

REMARKS AND INQUIRIES BY THE CITY COMMISSION

Mayor Payne made the following comments:

She thanked Police Chief Denton for his service. She said she had attended the hospital's contract signing, the Base Planning Commission Meeting, and a caregiver session. She said the 4th of July Parade was a lot of fun.

Commissioner McDonald made the following comments:

The cleanup will be held on Saturday, July 15th, at 5th and Florida. You can dump junk in a dumpster the City will provide, and we will also have a shredding company that can take your documents. If you would like to volunteer, be there at 7 o'clock. The shredding will start at 10 o'clock and end at 12. We will all be gone by 12 o'clock on Saturday.

Commissioner Rardin made the following comments:

He asked if Park staff could look at the canopy over the playground on Rutz Circle. Someone told him there were holes in it.

CONSENT AGENDA

1. Approve the minutes for the June 27, 2023, Regular Commission meeting. *(Rachel Hughs, City Clerk)*
2. Approve the statements related to the Executive Closed Session held on June 27, 2023. *(Rachel Hughs, City Clerk)*
3. Consider, and act upon, the adoption and final publication of Ordinance 1678 to amend sections of the City Charter to mirror State Statutes and the New Mexico Election Code. *(Rachel Hughs, City Clerk) (Roll Call Vote Required)*
4. Consider, and act upon the adoption and final publication of Ordinance 1679 adopting a municipal gross receipts tax. *(Stephanie Hernandez, Acting City Manager & Richard Denton, Police Chief) (Roll Call Vote Required)*
5. Consider, and act upon, approval of the Annual Reports from City Boards, Commissions, and Committees for Fiscal Year 2023. *(Rachel Hughs, City Clerk)*
6. Consider, and act upon, grant funding from the Non-Metro Area Agency on Aging FY24 contract for Direct Purchase of Services for senior programs, the total amount budgeted is \$510,892.63. *(Magdalena Morales, ASC Manager and Veronica Ortega, Community Services Director)*
7. Consider, and act upon, approval of an agreement with the New Mexico Economic Development District, Non-Metro Area Agency on Aging (NM-AAA) for the Nutrition Services Incentive Program, the total amount budgeted is \$61,016.00. *(Magdalena Morales, ASC Manager and Veronica Ortega, Community Services Director)*

City Clerk Hughs removed Item 3, and Commissioner Rardin removed Item 4 from the Consent Agenda.

Mayor Pro-Tem Wright moved to approve the Consent Agenda as amended.
Commissioner McDonald seconded the motion.
Motion carried with a vote of 6-0-0.

ITEMS REMOVED FROM CONSENT AGENDA

3. Consider, and act upon, the adoption and final publication of Ordinance 1678 to amend sections of the City Charter to mirror State Statutes and the New Mexico Election Code. *(Rachel Hughs, City Clerk) (Roll Call Vote Required)*

Item to be brought back at a later date.

4. Consider, and act upon the adoption and final publication of Ordinance 1679 adopting a municipal gross receipts tax. *(Stephanie Hernandez, Acting City Manager & Richard Denton, Police Chief) (Roll Call Vote Required)*

Commissioner Rardin asked if staff had looked at all the different funding sources other than passing a gross receipts tax. Acting City Manager Hernandez said yes, they have looked at grants and general funds. If you recall, we are expected to have \$1,200,000 in the general fund at the end of next fiscal year. We have looked tirelessly for at least two years and did not bring this forward lightheartedly. He

said he was talking to people about this, and if we were to reimplement the Lodger's Tax, that would free up \$1,000,000 a year we are pulling out of Fund 11, correct? She asked if he was saying that because we are funding the Lodger's Tax. He said yes, we are funding the Civic Center and promotions out of Fund 11 because we did away with the Lodger's Tax, correct? She said that was correct, but it was nowhere close. She said if she remembered correctly, the Civic Center is about \$200,000, including all events, staff, and everything that goes along with maintenance. Right now, with advertising, we are using all of the Lodger's Tax still, but we only have about \$25,000 to \$50,000. We are doing a lot of digital, so it is not that much money. He said he was just putting that out there if we were to look at that.

Commissioner Rardin said if he is reading the ordinance correctly, this is not being dedicated specifically to law enforcement; it is just going into the General Fund, correct? Acting City Manager Hernandez said it is going into the General Fund with the dedication to law enforcement so that we can use the excess for PSAP. He said it says, "The dedication is to General Fund and operational expenses." She said it is because they are funded through Fund 11 from the General Fund. He said in the future, with other commissions, could this money be used for other things if needed. She said if the need arises, probably, but she did not see that happening. Salaries are only going to go up. He said his concern was that this was a reoccurring expense. About nine months ago, we increased our payroll by \$1,500,000, and now we are increasing it by almost another \$1,000,000. In the numbers you all calculated, the \$846,850, does that include overtime or PERA? She said that is straight salaries and benefits. It includes PERA but does not include overtime. He asked if it included health insurance. She said it is budgeted at full health insurance.

Commissioner McDonald moved to approve.

Commissioner Melton seconded the motion.

Roll Call Vote was taken.

Motion carried with a vote of 6-0-0.

NEW BUSINESS

8. Consider and act upon Resolution 2023-25, declaring 1703 Dewey Lane to be so ruined, damaged, and dilapidated that it is a menace to the public comfort, health, peace, or safety and ordering its abatement. (Josh Sides, Code Enforcement Manager) (Roll Call Vote Required)

Code Enforcement Manager Sides gave his presentation and recommended approving and ordering the property's abatement.

Christopher Lucero said he is the son of the property owner, Louie Ramos, and Mr. Ramos is here today. He said he agreed with Code Enforcement Manager Sides and that the house was unsafe. He said he graduated from the National Center of Education Research of Electrical Engineering, and the jacks that Code Enforcement Manager Sides was talking about were so they could reinstall steel beams instead of wood. At this time, only himself, his wife, his father, and his brother were there. There are no children or anyone else there. They cleaned out the debris from the fire that started two years ago. It is boarded up, but there are windows there. They did not want people looking into the construction on the inside. It is under construction, and they want more time, so they can later invite the Code Inspector over so he can look at it any time he likes. We ran out of funds and just left it where it was. We tried using solar panels and a generator with batteries.

Mayor Payne asked if he was living in it. Mr. Lucero said we live in it because we had nowhere else to go. We stayed there after the fire and started doing cleanup work. We hauled six truckloads of garbage, and every charred board was replaced with a new one. Mayor Payne asked Mr. Lucero if his

father-in-law owned this. Mr. Lucero said yes, his father-in-law, who was here with him. Mayor Payne asked if he had insurance. Mr. Lucero said they had no insurance at the time; it had been coming out of their savings. We are getting it done as rapidly as we can. Every day we are working on it.

Drew Smith said he was the neighbor that lived in 1705. He did not wish misfortune upon the family that lives there, but it is a safety concern. They cannot contain the dogs within their yard, and they have chased him. He asked them to contain the dogs, and he even built a raised-up fence an extra three feet that cost him an extra \$3,500, so he could make sure his animals and family were safe. He said he has had to call Animal Control on their loose animals several times. The animals have been chained up to what seem to be power lines. From what he had seen, there was no roof, and it looked like this house could go up in a tinderbox at any moment. He said when he got his house appraised, it brought down the value of his house by at least \$30,000. He said he worked hard to get where he is, and the City needs to take a stronger approach to ensure our town looks presentable and desirable, especially if we want new economic growth. With houses like this, it will not happen, especially when they are being pushed to find a solution at the last minute. All that work Mr. Lucero was explaining was only done after the inspection of the search warrant was done. It has been like that for two years. He said he was the only neighbor that would come forward because the others were afraid of retaliation, but someone needed to speak up.

Mr. Lucero said that Mr. Smith moved in about three or four months ago and is already claiming the whole neighborhood. Mr. Lucero said they have been there eighteen years and get along with all the neighbors. Their three dogs ran into our house and attacked us, and they tried to attack our dog, but our dog bit his dog. He said he went to his door to tell him to get a hold of his dogs, and he would not respond. The dogs were inside his house. Acting City Manager Hernandez said this is outside of the scope of the item.

Mayor Payne said she did not believe it was safe for Mr. Lucero to live there. Adults, kids, it does not matter. With what she is looking at, there is no way. It is not healthy or safe. She did not agree that he should be allowed to continue living in this house. She agreed that it was not fair to the neighbors. She asked how long the trash and stuff in the yard had been there. Mr. Lucero said it has been like that since they got the debris out. We bagged it up and separated everything. Mayor Payne asked Code Enforcement Manager Sides if the pictures were taken before that. Code Enforcement Manager Sides said the pictures were taken before. Mayor Payne asked if it was cleaned up now. Code Enforcement Manager Sides said he had not gone back. Mr. Lucero said they have been cleaning it up as they have been moving along. Mayor Payne asked Mr. Lucero if he only started cleaning it up after they were cited. Mr. Lucero said no, we have been cleaning up since the day of the fire. Mayor Payne said if you have been cleaning it up since the day of the fire, you must have had a lot of stuff. Mr. Lucero said it was just us two then. Mayor Payne asked about the roof, can you see from the inside to the outside? Code Enforcement Manager Sides shook his head no. Mr. Lucero said they closed the part of the roof where it was on fire. We put two double doors, and another door separates our house from that room. Mayor Payne asked if he had electricity hooked up right now. Mr. Lucero said no, they have a generator. Mayor Payne asked if it was a gas generator. Mr. Lucero said no, a little converter gives us 120 volts of power. It is not 220v, so we use propane for the stovetop. We are just asking for a little more time to clean it up. He said his father-in-law should be getting help from the VA.

Mr. Smith said his only concern with maintenance is that what is being done is unprofessional. He said he has had debris come into his yard where he is planting his trees, and it hit him in the back with two-inch nails. Fortunately, they were facing the other way. The maintenance is not professionally sound, and it cannot hold up to inspection whatsoever. It is just boards, nails, and that is it. If it is going to be done, it should be done professionally so there is no risk of fire, leaks, flooding, or sinkholes. It is bringing down the property value for everyone in the neighborhood.

Code Enforcement Manager Sides said that Mayor Payne brought up trash. He said there is an ongoing municipal court case on this property regarding the trash in the backyard.

Commissioner Rardin asked if the fire burnt through both roofs. Code Enforcement Manager Sides said in so many years, there has been some work done, but he was unsure if the fire burnt through both roofs. There are portions of the residence where you can walk out a door and see the sky. Commissioner Rardin said so part of it was inhabitable and part of it was not. Code Enforcement Manager Sides said yes sir, part of the living room and kitchen.

Commissioner Rardin asked Mr. Lucero if the house was paid off. Mr. Lucero said it was. Commissioner Rardin said that when the property owner was here, he believed in giving them more time. Because it was paid off, he may be able to go to a bank and borrow money against the property to at least get a roof over it. He may not have the interior done, but he could get electrical service and a heating and cooling system. Mayor Payne asked Mr. Lucero if there was plumbing. Mr. Lucero said yes.

Mayor Payne said she does not see this as inhabitable. Commissioner Rardin said that it is not by Construction Industries Division standards, but it could be very quickly. Mayor Payne said she did not believe the Health Department would consider it. Commissioner Rardin said he did not know if they have any say in it, but it would be more Construction Industries Division that would have a say, one way or the other. He said he had fixed burned structures like this before. If they are willing and able to get a loan against the property, if the property is paid off, they can at least go in and get this structurally sound. Mayor Payne asked how they would get a loan on this. Commissioner Rardin said they could go in there and get a mortgage on the house. It would just be like building a home. More than likely, they would need a contractor to come in and get the roof portion fixed. He said he couldn't support kicking Mr. Lucero out of his house.

Mayor Payne said that if she drove by tomorrow, would that trash be gone? Mr. Lucero said he guaranteed it, both in the front and back yard.

Commissioner Melton said he was generally in favor of giving leeway to owners, but the fire happened years ago. He said he wanted to give the owners the benefit of a doubt, but with generators in there and a subpar electrical set-up, if a fire happens and spreads, that is a lawsuit on us because we did not handle it.

Mayor Payne said she deals with these situations on a daily basis; she understands low income and being displaced. She said her issue was that it was only once we started putting pressure on Mr. Lucero that he understood the urgency. We have to consider everybody that lives around them. It does not matter what area of town it is in; fair is fair. If this happened in Mayor Pro-Tem Wright's District, would we be having this discussion? Commissioner Rardin said no, because those houses would have already been rebuilt. Mayor Payne said maybe, but that is not the point. The point is, would we be having this discussion? We would not be. Somebody would have thrown a fit, and that house would have been fixed. We should not view it differently because it is in a different part of town. The neighbors deserve the same respect as anyone that lives in any part of town.

Commissioner Rardin said he felt that we should handle this like we did with the property on White Sands Boulevard across from AutoZone. The gentleman is here, and they are trying to do it. Let's give them three or six months. If they don't have something substantially done, then we take action at that point. Mayor Pro-Tem Wright said his concern with that is a realistic timeline. It has been sitting like this for three years, and they have had every opportunity. Commissioner Rardin said they went through

COVID and may not have had the financial means to do that. Mayor Payne asked Commissioner Rardin to convince her they would see significant progress in ninety days. Commissioner Rardin said we could do the ninety days and then do an inspection. If there is no significant progress, then we can take action. If there is, we can give them up to six months. Finding a contractor and getting a loan may take a while.

Commissioner Paul said his concern is that it is literally a hazard, not only for the family living there but for neighbors as well. If he is running a generator, who knows the condition of the wiring in that place? If it goes up and burns another house, and somebody dies as a result, that is pretty substantial. He said his opinion was that Mr. Lucero would not get a loan from a bank. He would have to go to a hard money lender to get anything done. The house has no value to a bank in its current state. He asked Mr. Lucero what the likelihood was, barring financing from an outside source, that you guys could come up with the funds to rebuild the roof and put the electrical back to a safe and working condition? Mr. Lucero said they would get a VA loan, and he was pulling out of his stocks. He may be getting disability, and when he got that money, it should fix the whole house. He said the VA was supposed to help him out, but something did not come through. We thought we could do it ourselves. Everything there is safe, and he guaranteed it would not start fires. Commissioner Paul said without having a licensed electrician in there, who knows? Is there an ability for you all to find temporary housing in the interim? Mr. Lucero said they tried that, but it was expensive, and motel rooms were too expensive. If we did that, we would not have money to purchase materials for the house. We would end up with no gas or food. We have not asked for any help from the City. We are trying to do it on our own. Maybe that was the wrong thing for us to do. His father-in-law is not asking for handouts and is paying out of his own money and retirement.

Mayor Payne asked if Mr. Lucero was employed. He said he was, and he was working for the IBW Electrical Workers Local 234. We are going to start a project, but he cannot go to work because he felt he was sick. He said he got bronchitis and was sick for about four months during that time and has not been back to work since then. He has been collecting unemployment and using that money to fix the house. The rooms in the back have smoke and carbon dioxide detectors in the ceiling. They are electrically wired with battery backups.

Acting City Manager Hernandez asked Mayor Payne if they could do a median where you pass the resolution, come back in three months, he can show what was done, and if the Commission is satisfied, it will delay the demolition. Mayor Payne asked if that was what we did with the last one. Acting City Manager Hernandez said no. Commissioner Rardin said he agreed with staff on that. He would also like to stipulate that Mr. Lucero will have all the debris outside that place cleaned up within the next two weeks. Mr. Lucero said it would be done.

Mayor Payne asked the other members of the Commission how they felt. Commissioner Melton said he could support that, but he was worried about the precedent we are setting, where someone that has had damage existing for three years can come in and expect the same results. Usually, when these circumstances arise, it is recent damage, maybe a year. There is a big difference between a year and three years. He said he would support the ninety-day plan but is hesitant about what that does to the Commission in the future.

Commissioner Rardin said we are the government, we are not here to steal or tear people's property down, and he feels that is where we are at. When they do not show up and come to us, or if they just sign it over, that is one thing. Mayor Payne said but we are infringing on other people's property rights. Everybody has a right to live healthy, clean, and free of concern. There could be kids in that neighborhood, and it could be dangerous. She said the issue is that four grown adults have been in that house since 2020. Mr. Lucero's finances are none of our business, but do we take Mr. Lucero at

his word? Mr. Lucero said that two of the adults cannot really do anything. His father-in-law is seventy-five years old and could hurt himself. Mayor Payne asked if the father-in-law had income. Mr. Lucero said he was the only one out there. The other adult is going to school and is only there partially. His wife is on disability, and so is his father-in-law. He said he was the only one and doing the best he could.

Acting City Manager Hernandez said to address Commissioner Melton, the objective that we as staff were told from the beginning was to beautify and clean up Alamogordo. If we have declared this dilapidated and give him ninety days, that is the best of both worlds. If we don't, the City has to clean it up. She said she understood it had been three years, but this way gives us teeth. If nothing has been done and it does not satisfy the Commission by ninety-one days, then you can tell staff to go knock it down or put it on a list, whatever the direction would be. She said she didn't think it was about precedent because our objective is to clean-up Alamogordo. Her opinion was that it would behoove us to pass this, so we have some teeth on day ninety-one. Mayor Payne asked for a specific date. Commissioner Rardin said October 11th. Acting City Manager Hernandez said yes. Commissioner Rardin said we should stipulate that Mr. Lucero has two weeks to get all that debris out of that backyard to keep the neighbors happy. Acting City Manager Hernandez said the closest City Commission meeting was on October 10th, which is eighty-nine days. Mayor Payne said that October 10th is the ninety-day mark for the next Commission meeting. If, by day ninety-one, there is no significant progress, she will vote to tear it down.

Commissioner Melton said if we declared it dilapidated, could the four of them live there? Acting City Manager Hernandez said no. Mayor Payne said so Mr. Lucero could not live in it and would have to figure something out for the next ninety days. Mayor Payne asked if that was correct. City Attorney Smith said that was correct. Mr. Lucero asked if they could get a camper and live on the property. Mayor Payne said no, that is against the ordinance. Mr. Lucero said they lost everything. All of his stuff is burned and gone, and that place is home. You will probably see us at the gas station sleeping in a car. It will be bad for us, but we will respect your decision, regardless of what it is.

Mr. Smith said he was okay with how the Commission is planning this out. He said he had a heart and understood that they were trying. It has been them living in it for the time being. He wants to see it get fixed, not torn down or them out on the street, but he also doesn't need to worry about his safety either. He said he would be more than happy to help when he could, but we should not throw them out on the streets if they have been living there. Mayor Payne said she did not know if we had a choice. Commissioner Rardin said that they cannot live there once we declare it. Mr. Smith said that is the Commission's call. His intention is just to clean it up. Commissioner Rardin said if we do not declare it tonight and wait ninety days to declare it, do staff have to go back with their warrants and start over? Code Enforcement Manager Sides said not necessarily. As long as he is given consent by the property owner, then no. If he does not, then yes, he would need a warrant. Commissioner Rardin said we need to go back and see what they have done workwise. Code Enforcement Manager Sides said the other side of that is that he has already done a search warrant once, so getting a judge to do it again is not impossible, but they are going to ask many more questions about why we are doing it again.

Commissioner Rardin said the issue is that this house is very easily fixed. He has fixed houses that burned similar to this. If you go in and knock it down, it will be a vacant lot for the rest of our lives. No one will go in and rebuild a house on this property. Commissioner McDonald asked if a roof would cost \$12,000 or so. Commissioner Rardin said he did not know.

Commissioner Melton asked City Attorney Smith that if we gave them thirty days without ruling it dilapidated, and there is a family of four, and someone gets injured while doing the repairs we told them to do, is there any liability for the City. City Attorney Smith said that given the fact that we knew

about it being potentially uninhabitable, they could. A court could rule that we had some liability there, yes. Commissioner Melton said that was his concern. Mayor Payne said that was her concern too.

Commissioner Rardin said he did not want to kick these people out of a place to live but he wanted to give them time. Mayor Payne said she did not want to kick them out either, but they cannot live like this. It has been three years. Commissioner Rardin said we know about the liability, but it is not our structure or property. He did not understand how we would be liable in the event something happened. Mayor Payne said we got a judge to sign off on an administrative warrant. That implies that we thought there was something wrong with the house. Commissioner Rardin said if they are staying there, that is of their own free will. If someone breaks in and gets hurt, they illegally went in. He did not see how that would fall on us.

Acting City Manager Hernandez asked Mayor Payne if we could push this to the next meeting to see if there is anything significant that would not cause any issues with declaring it dilapidated. Give them two weeks to see if they can do anything. Just push it down so we are not tabling the item indefinitely, and we are not doing the ninety days. Mayor Payne said what if we give two weeks, and in two weeks, Mr. Lucero has to come back with a written plan and how he will execute it. She said she agreed with Commissioner Paul and did not believe that Mr. Lucero's property had value or that he would get a conventional loan from a bank. If he does, it will not be enough to do anything significant. Commissioner Rardin said he thought a bank would loan on that if they had a contractor that went in and gave them a bid. If they took that bid to the bank and the bank said okay, if it is free and clear, once it is finished, the bank would finish it and take it from them if they did not get it finished. Commissioner Paul said the bank is not in the business of owning real estate. His opinion is to go with two weeks, let them come back, and then they can approach anybody they can find financing to complete this project. If they cannot at that time, then we will continue moving forward with the decision we need to make. Commissioner Paul said he would recommend looking into the option of selling the home as a backup plan. At the end of the day, you would at least have some money to go and make a new fresh start. He said he knew it was hard to hear that. Mayor Payne said that Mr. Lucero needs to understand that it is not over when he returns in two weeks with the plan. Just to reiterate, it is not enough to say you have a plan. We need to see you execute a plan. You cannot come in, and that will be the end of it. She said she would keep an eye on this. We have to be fair to everybody. She said that Mr. Lucero needs to think critically, come up with a plan, and then figure out a way to execute it. That is the only way she will support this. Commissioner Rardin said that within the next two weeks, Mr. Lucero also needs to take care of the yard, the debris, and the trash. He would like to see photos of the yard to ensure it is cleaned up.

Commissioner McDonald gave Mr. Lucero a handout of the District Five Cleanup this upcoming Saturday and said it was free.

Commissioner Melton said we need to specify that the plan should entail financing as part of moving forward. He does not need to secure it. Just have a plan.

Commissioner Rardin moved to table this until July 25th, and that the homeowner will have the front and back yards cleaned up, and he will come forward with a plan of how he will repair or sell the structure or what else he will do.

Mayor Pro-Tem Wright seconded the motion.

Motion carried with a vote of 6-0-0.

9. Consider and act upon Resolution 2023-26, declaring 1109 Michigan Avenue to be so ruined, damaged, and dilapidated that it is a menace to the public comfort, health, peace, or safety and ordering its abatement. (Josh Sides, Code Enforcement Manager) (Roll Call Vote Required)

Code Enforcement Manager Sides gave his presentation and recommended approving and ordering the property's abatement.

Commissioner Rardin asked how long ago this one burned. Code Enforcement Manager Sides said about the same time as the other one. Commissioner Rardin asked if it was in 2020. Code Enforcement Manager Sides said he believed it was in October.

Mayor Payne asked how old the person living there was. Code Enforcement Manager Sides said older, probably early sixties. Mayor Payne asked if the man living here was disabled. Code Enforcement Manager Sides said he did not appear to be when they made contact to execute the search warrant.

Commissioner Rardin asked if we knew if it was insured when it burned. Code Enforcement Manager Sides said from his understanding the property owner now was not the property owner when it burned. It has gone through two other property owners that he could tell.

Acting City Manager Hernandez said the City went and looked at this about a year ago, around when the hotel burned, and it has only gotten worse. We did not bring it to the Commission because we tied up our funds with the hotel. It was a different owner then. Mayor Payne asked if the property owner was here tonight. Code Enforcement Manager Sides said no, but he invited him.

Commissioner Rardin said our abatement budget just rolled over, correct, so we are back in a new budget? Acting City Manager Hernandez said yes sir. Commissioner Rardin asked if we expended everything we had on the last one. Acting City Manager Hernandez said yes sir, on the hotel. Commissioner Rardin asked if we still had what we had budgeted. Acting City Manager Hernandez said yes sir. Commissioner Rardin said this house may have asbestos in it from remodels over the years.

Commissioner Melton asked if the owner gave any indications that they were making efforts to address these issues. Code Enforcement Manager Sides said no, the owner thought it was structurally sound, and this resolution would not pass tonight. He knew the owner was in the process of trying to sell it because a realtor called. Commissioner Melton said he did not feel we had a choice with this one. Commissioner Rardin said we kind of do not. In the event we declare it, and it sells to somebody willing to remodel and repair it, can we pull it back off? Acting City Manager Hernandez said we can pull it back off as long as they have a contract or something in writing that says this is what they are going to do. It cannot just be they are selling the house, there has to be something in place, and we would work with them. Commissioner Rardin said after we declare it, how quickly could we get a state contract to get it demolished? Acting City Manager Hernandez said we have others, so we would have to prioritize them to see where it would fall into. Commissioner Rardin said it could be a few months before it was torn down. Acting City Manager Hernandez said she would say so.

Mayor Payne asked if there was electricity in this house. Code Enforcement Manager Sides said no, but in the mother-in-law suite, there is, and they are running an extension cord from it to the main building. Mayor Payne said so the brother lives in the mother-in-law suite. Code Enforcement Manager Sides said the mother-in-law suite's property is not bad other than the flooring. The older brother lives in the three-story house on the living room floor.

Commissioner McDonald moved to approve.

Mayor Pro-Tem Wright seconded the motion.

Roll Call Vote was taken.

Motion carried with a vote of 6-0-0.

10. Consider, and act upon, Ordinance 1670 for the first publication to approve a Local Economic Development Project for Secured Assistance Proposed by Learn New Mexico. (Michelle Perry, CEO Learn New Mexico LLC) (Roll Call Vote Required)

Acting City Manager Hernandez said this ordinance needs to be corrected. Instead of Ordinance 1670, it is 1680.

Michelle Perry said the City has a LEDA application, Local Economic Development Act Funds. These funds are used explicitly to grow the economy. She had to follow an application process that will be discussed tonight. She said she took the opportunity to apply for funds. She proceeded with her presentation.

Commissioner Melton said it says that you have a plan for one business storefront to rent out. Ms. Perry said she does. Commissioner Melton asked what she was thinking in terms of minimizing disruptions, assuming there are customers, to other people there? Ms. Perry said it would be a business whose priorities and goals align with hers. She has been in talks with the Center of Commerce so they can come along and be that storefront, which makes sense for economic driving.

Mayor Payne asked what Ms. Perry thought the future would look like. Ms. Perry said the future looks like we have an innovation space where people come from other places to gather and use the space for conferences and meetings. They can come to use our internet, our Wi-Fi, to get a cup of coffee. They come to hot desk and the semi-private office they have rented. They come to network. Most importantly, and near and dear to her, is that she is utilizing the space to teach and educate. We are providing the space as an educational venue, and that can mean many things. We need to address the skill shortage we have in this community, and she wants to be part of that solution. She wants to educate our community to become a better one. Mayor Payne asked if she would be open to anything. Ms. Perry said it is an innovation center, so anything innovative she would adore and love to bring aboard there. The space in the building allows for lots of different types of activities, from hot desks, where you can come and rent a hot desk for a minute so you can have a meeting, up to a conference room where you can have more than one person and have it kind of private, to a large conference space equipped with technology.

Mayor Payne said that LEDA is based on job creation, so maybe she is missing something. Mayor Pro-Tem Wright said like how the payback works. Ms. Perry said she has not attended to the specifics of the payback except in one slide. In the last attachment, there is a proposed payback plan. Acting City Manager Hernandez said there is an analysis of where it will be paid back on a spreadsheet. Mayor Payne said she loved this idea and was excited to see what could be done with it.

Commissioner Rardin asked if a private individual owned the property. Ms. Perry said a private individual owns this.

Acting City Manager Hernandez said this is brand new for Alamogordo and not what we have traditionally been looking at for economic development. We did Medline Ramps and the Cookie Factory and have done more on the manufacturing side. She said she went to the State first, and this does not qualify for State LEDA, but in talking with them, it does qualify for municipalities under forty thousand. LEDA allows municipalities to grant awards for businesses that are needed in Alamogordo and not defined by the state statute in those boxes. There are some things to note. Although Ms. Perry has requested \$1,300,000, we can only go up to \$1,000,000 because LEDA must be very specific. In this case, it would be for the building, land, and any permanent renovations. Ms. Perry can not use the money to outfit a kitchen or any other rooms, so there has to be a component where she has to kick

in some funds, and that has been discussed with her, and she has done her due diligence on how she is going to supplement to outfit the building. There was a lot of support from the community; you have letters of support from leaders such as Senator Griggs. It is really a unique business within New Mexico itself. Another thing to talk about is that some of the companies we have given LEDA to have gone under; they left, and we have not been able to collect. It is important to note here that they have strong ties to Alamogordo and are not just going to up and leave us. She said although she believed this could be successful in this community, it is always what happens if it is not successful and how we will recover. Well, we will put a mortgage on the building and follow that. She said she went on a walkthrough of the building, took people around it, and it is a very useable building for the City. It is almost like the Civic Center, and it will be upgraded and would be something the City could absorb with minimal cost on our side, as opposed to just a rentable space for us. She said she put the participation agreement in there that spells out exactly what is expected, such as jobs that she is going to create, training that she needs to do, events for the networking of the community, and the number of individuals that she has to train to go into the workforce. Documentation was going to be a hard one, so I had to go work with Finance to determine how we were going to document all of that. If she is training individuals to go out into the workforce, that is not her economic development, but how can we track that? Ms. Perry already has a plan for how they are going to if they are going to go through here. She has the documentation down for how she is going to prove that she is training people, and they are going out and making a minimum of \$15 an hour. Mayor Payne said it is really important we get those numbers, and it would be good for us as a City as well for a multitude of reasons.

Commissioner Paul asked for a walkthrough of the cost recovery on the job creation side of things. He said he sees a project manager listed here in year four and then the Innovation Center Director. Are all those direct positions going to be within the Innovation Center? Ms. Perry said correct. Commissioner Paul asked if the twenty-four newly trained employees would be people you are sending back into the workforce. Ms. Perry said correct. Commissioner Paul said for those twenty-four employees, what types of jobs are you expecting to train people into? What are we going after? Ms. Perry said she believed that soft skills training is one that she has heard a lot of business owners say they would love. Anything that has to do with business startup. Being an entrepreneur coming along SBDC and being able to promote those trainings because they speak to the same delivery message. She said she mentioned that she is the sole person in the community that does Serve Safe Food Manager Courses and exams, and she has had over one hundred people come through her courses in the last two and a half years. That also contributes to the individuals I would track into the community.

Mayor Payne asked if Ms. Perry saw people from elsewhere, like Ruidoso, utilizing this because she thought they could. Ms. Perry said she believed that people from all different corners of our state would be in good hands at our Innovation Center. She said she is thinking along the lines of journeymen in electricity, plumbing, and construction, their trainings and meetings coming to a generalized location. In her previous career, there was a joke that they always had to go to Albuquerque to have all their meetings. As time has progressed, Las Cruces has become quite the hub, but you go to these large cities for these trainings. Her goal is to pull some of that traffic here to Alamogordo. Mayor Payne said that would not only be good for the Center but also for Alamogordo as a whole. She said she completely agreed with Ms. Perry. We need a better-trained workforce; if people have those opportunities, we will get them. She said she could see people not wanting to do years of college and instead wanting to do something now. This sort of fills in that gap, where they will have more immediate opportunities. Ms. Perry said that personal connections and relationships have been a cornerstone in the training and development done at the company. We are very conscientious about anybody that comes to our training programs about really promoting their livelihood. Her staff goes to great lengths to ensure success for people; honestly, that is a real attribute of the kind of people we have here in

our community. We have people that want to help each other. She said she wants to capitalize on that for the community and have a place where people can join that energy.

Mayor Pro-Tem Wright said he was looking at some of the examples. Have you tracked any of the traffic or success rates of some of those in other communities? Ms. Perry said she had to a certain extent. She started this project many months ago and visited a couple of those locations. They do quite well. For the general scope, what is the money to be made in this kind of venture? She said she did research, and we are talking about over sixteen billion dollars in potential revenue by 2027 on the Innovation Center or co-workspaces. This is not a new thing, but this is something new to our location. As for it being a viable business and a viable sector, all her indications are that this is a viable business plan. This is a model that succeeds and does well, especially as it is not just office space. It is beyond and more than that. There is more to the story. Mayor Pro-Tem Wright asked if there was a potential possibility in expanding into the trades with NMSUA. Ms. Perry said that NMSUA has its programs, and she would point anyone towards NMSUA to say hey, want to go get a certification through the college or university? Our programs will be more training based. She said she was most interested in stackable certificates and badging. It is a different way to look at education. She said she felt that education has room for improvement in general.

Commissioner McDonald said she read through the entire document twice, and sometimes you see a person that has succeeded in businesses; over the years that she has seen Ms. Perry work, she had the general knowledge of what is needed here, and not just here, but within the state. She said one thing that was missing was a coffee shop. Ms. Perry said she agreed, and there is a cool bar in one of these rooms, and that will be our coffee shop.

Commissioner Melton asked Ms. Perry if she had an understanding with the owner of the building. She said she had an understanding with the real estate agent, who has an understanding with the owner. Commissioner Melton said so it is not like you do not know what it would cost. Ms. Perry said no, they had been in constant communication. She invited him to be here tonight.

Mayor Pro-Tem Wright moved to approve Ordinance 1680.

Commissioner McDonald seconded the motion.

Roll Call Vote was taken.

Motion carried with a vote of 6-0-0.

Mayor Pro-Tem Wright moved to adjourn at 8:22 p.m.

Commissioner McDonald seconded the motion.

Motion carried with a vote of 6-0-0.

ADJOURNMENT

ATTEST:


City Clerk Rachel Hughes


Mayor Susan L. Payne

(Prepared by Dylan Aleshire, Deputy City Clerk)
Approved at the Regular Meeting held on July 25, 2023.