

**CITY OF ALAMOGORDO, NEW MEXICO
CITY COMMISSION SPECIAL MEETING MINUTES
5:30 PM, DONALD E. CARROLL COMMISSION CHAMBERS
August 28, 2025**

**SUSAN PAYNE, MAYOR
SHARON MCDONALD, MAYOR PRO-TEM
CRYSTAL GUTHRIE, COMMISSIONER
STEPHEN BURNETT, COMMISSIONER
WARREN ROBINSON, COMMISSIONER**

**JOSHUA RARDIN, COMMISSIONER
MARK TAPLEY, COMMISSIONER
STEPHANIE HERNANDEZ, ACTING CITY
MANAGER
DARRELL MORI, CITY ATTORNEY
RACHEL HUGHS, CITY CLERK**

CALL TO ORDER & ROLL CALL

Mayor Payne called the meeting to order at 5:30 PM. Roll Call was taken by the Deputy City Clerk. Commissioner Burnett was absent. Deputy City Clerk Aleshire announced there was a quorum present.

INVOCATION & PLEDGE OF ALLEGIANCE

The Invocation was given by Commissioner Robinson, and the Pledge of Allegiance was led by Mayor Payne.

APPROVAL OF AGENDA

**Mayor Pro-Tem McDonald moved to approve.
Commissioner Robinson seconded the motion.
Motion Passed with a vote of 6 - 0 - 0.**

PUBLIC COMMENT

Mayor Payne said she attended the funeral of Deanna Overstreet, the mother of Judge Overstreet. Pastor Shelby Moon of Westminster Presbyterian passed away this morning.

1. Courtney McCary-Squires said she was the community organizer for With Many Hands. Since the end of 2022, we have been working towards creating an economic development opportunity through micro farms and public gardens throughout Alamogordo. I wanted to make sure everyone is aware that our organization is working to be a part of the solution to address the vacant lot issue. The entire solution may not be micro farms, but these small changes could be a part of a bigger plan. I looked at the Local Economic Development Act. I saw there was precedent for the City to be able to partner with businesses or entities that facilitate the direct sales of growers of agricultural products, commonly known as farmers' markets. With Many Hands will take over the Alamogordo Farmer's Market in 2026. That will be a great opportunity to increase locally grown food and for residents to utilize food-benefit programs such as WIC, SNAP, and Double-Up Food Bucks. In looking at LEDA and Alamogordo's Municipal Code, it says that the City could partake in the sale or lease of City-owned property in return for pledges to provide new jobs of value commiserate with a discount from market value granted in any land, property, sale, or lease. Going into 2026, we are working towards our Urban Farmer Training Program, where we will have paid interns, job opportunities, and job development. It will teach residents how to grow food, sell at the local farmers' market, and participate in state programs.

2. Brandon Eisenberg said federal money for farmers for community programs has dried up, and prices are rising at grocery stores. Many people in the county are experiencing food insecurity, and those numbers are increasing. Building a local food structure is important. We need to build our own food system, and we need all the help we can get. I am here to support With Many Hands and their community gardens.

3. Jasmine Bratton said she worked as a volunteer in With Many Hands. There is a lot of food insecurity here. I have heard that the food in the food banks is either junk food or on the verge of going bad. I think With Many Hands could provide more produce and healthy options. I would like for us to be able to produce food that we could give to the public schools.

WORK SESSION

1. Presentation and discussion on Infrastructure as a Service for the replacement of water meters (Ryan Mast, Sustainability Partners, Tara Trafton, Energy Systems Group)

Finance Director Huff said we spoke about Infrastructure as a Service (IaaS) two meetings ago. We spoke about joining the cooperative. We wanted to give you the opportunity to have a dialogue back and forth and ask more

technical questions. This is not related to housing. It is for the water meter replacement project and maybe other infrastructure projects going forward.

Mr. Mast said he was the State Lead for sustainability partners in New Mexico. Mrs. Trafton said we have completed two phases of work with the City. This presentation introduces a new opportunity and a way to help fund some needs of the City, as far as infrastructure. Mr. Mast proceeded to give the presentation.

Commissioner Rardin said one of the slides mentioned rolling stock. Would that include police vehicles or fire trucks? It talked about buses and fuel depots. Mr. Mast said yes, it does. We have funded public safety vehicles and police vehicles. Commissioner Rardin asked if these had to be hybrid. Mr. Mast said in the provided example that they did it under a state contract, but I am sure our services can be applied anywhere; we are agnostic when it comes to that. So, if it is desired, we can find a different procurement where we can procure other rolling stock as well.

Mayor Pro-Tem McDonald asked how the water meter situation aligned with this. I know there is a delay coming up. How does this align with the overall infrastructure? Acting City Manager Hernandez said that when we originally brought the water rates to you, the water meter replacement plan was included in that initial water rate study. So this is just one way we were discussing how to fund it. We have not put it out for loan. Are we going to put \$1,000,000 away every month? Mayor Pro-Tem McDonald said the meters would be installed before we finish the infrastructure. We have \$160,000,000 worth of infrastructure. The first piece is this loan. This is an additional piece on top of that.

Commissioner Robinson asked for a ballpark estimate of how long it would take to replace the water meters. Mr. Mast said there are about thirteen thousand water meters. We would work with contractors and the city to identify and understand how long it can take. There is always a way to scale and get additional installers in. We have scaled projects where thirty-five thousand meters were done in a couple of years. There are benefits and drawbacks to going faster, but a twelve-month construction schedule is reasonable for an area like this, where you can work for the full twelve months of the year.

2. Discussion on City housing initiatives, limitations, and opportunities. (Crystal Guthrie, Commissioner)

Commissioner Guthrie said she brought this up because of the Patriot Pointe Apartments discussion. What can we do or not, what are our limitations on initiatives for builders, and what can we provide for builders? There was a lot said about what we cannot do. What options do we have? How can we incentivize people, and what is available?

Acting City Manager Hernandez said we can always do something. You are the governing body. City Attorney Mori said the number one incentive brought before the City had to do with Patriot Pointe. One incentive seen throughout New Mexico is a Metropolitan Development Area. That plan has been spearheaded by the County in working with the City to declare certain areas blighted. Blighted areas have a lengthy definition with many different requirements or eligibility, like whether it is run down, there are economic struggles, or areas of dilapidation. A resolution of the Commission declaring an area blighted allows some benefits. Companies can receive State funds or tax abatement for about seven years. There are definite benefits to declaring an area blighted and then developing a redevelopment plan. There are also definite legal challenges to that. The smaller the area, the more the city needs proof and is able to design and show how the area is blighted. It needs to show how the area is struggling and how we are going to go with economic development. We need to be able to prove how the area is economically challenged. There are legal consequences if we do not do this correctly. The County has been very proactive in pushing for a redevelopment area, like those used in Albuquerque. Las Cruces did four redevelopments plans this year. I also believe that Los Alamos County and Gallup have done them. This option is the front runner of things we can do, but there are requirements. We have to have a public posting per the Open Meetings Act. In terms of development, most places are doing these blighted areas in significant sections, not smaller ones. The smaller an area of blight, the harder it is to show why a single parcel is blighted but not the area across the street, or why not the entire neighborhood. That can all be proven, but we must make sure we can prove it. The Commission previously brought up the question of property values and blight. There has been no evidence that it has decreased property values. I have researched and talked with other attorneys, the Otero County Attorney, the New Mexico Self-Insurer's Fund, and the New Mexico Municipal League. In other cities where they have done this, those attorneys said they had not seen property values decrease. However, the actual property value is from the County Assessor. The term blighted is a public perception issue, not necessarily an actual property value issue. If a citizen in or near a blighted area does not like it, they can challenge it in District Court. If they do, and we cannot prove it, then it will be reversed. Then we would be stuck with a developer who was making plans and has been given assurances for a benefit that is now taken away. Previously,

Acting City Manager Hernandez mentioned GRIP, which is also something we can do. Commissioner Rardin asked if we could reach out to the communities that had already done this and obtain photographs of areas they declared blighted. That way we can get a comparison of what we are trying versus what they are doing. We could also reach out to their attorneys to see how they are getting around challenges. City Attorney Mori said absolutely. Los Alamos declared a four-square-block area. Commissioner Rardin asked if that was vacated land or dilapidated structures. City Attorney Mori said dilapidated structures. There was also no place for groceries or any type of business at all. In March of this year, Las Cruces announced four new areas. From what I have seen, the city would find a proposed area to designate that they feel needs economic development with the help of outside funds. Then they would do some accounting, like how many people, vacant homes, and businesses are there, and what they have. Commissioner Rardin said the area here has never been developed and will never develop unless we do something similar to this. Would our situation fit the blighted category? City Attorney Mori said what area specifically. Commissioner Rardin said we could use Patriot Pointe as an example. The developer would not go in there to build single-family homes. It is going to be more of an apartment complex. City Attorney Mori said the definition of a blighted area is vast. It could be from a substantial number of deteriorated structures, predominance of inadequate street layout, faulty lot planning, defective or unusual conditions of title, improper subdivisions, or inadequate housing facilities. Something like vacant land is starting to get to inadequate housing or something similar where it is just empty. The biggest struggle seems to be just being able to back it up. Commissioner Guthrie said because of where Patriot Pointe is located, and given that it has already been purchased, how would that correlate with being deemed blighted? Is that something that can be considered in that situation? City Attorney Mori said he personally felt that one would be a struggle. It could be easily challenged. Commissioner Guthrie said so that would not really be an option in the area. City Attorney Mori said depending on how the Commission wants to go, we could look to see if it is even viable and something we can prove. Commissioner Rardin said if we do that, and they build it, it will increase the property values in the area. Can we determine it blighted, and then rescind the resolution and pull it out after it is built? City Attorney Mori said he would have to look into this, but he believed that once an area is determined blighted, it would have to stay blighted for seven years, which is what they get for like tax abatement. They are receiving the benefits of the plan. As soon as it is done, then yes, by resolution, the Commission could then say this area is no longer blighted, and it would be fixed. Commissioner Rardin said he did not understand why it had to be declared blighted for so long. Acting City Manager Hernandez said they spoke with Chris, and what happens is that it's the year of development and then six years subsequent. So you can only do it up to seven years. The Commission has the ability to make the resolution for fewer years. After seven years, the tax credit is no longer available. Mayor Payne said if we do this for seven years, and Mr. Valencia builds and sells the apartments after a year, would the tax credit forward to the new owner? City Attorney Mori said yes, it follows the area. Mayor Payne said it could be an incentive for Mr. Valencia to sell it. City Attorney Mori said to be specific yes, it could be an incentive for him, but it is an incentive for all developers. Mayor Payne said there are apartments going up right now. There is narrative that if we do not do this, and he does not build that, then we could lose Holloman Airforce Base. The apartments in Mesa Verde are geared towards airmen. There is no way we could declare anything in Mesa Verde as blighted. Acting City Manager Hernandez said Mesa Verde may qualify more because there is more need for housing on the north side of town. The definitions being used for Patriot Pointe could also be used. Mayor Payne said she did not believe that was blight. If we do not call that blight, they can not apply for that same incentive. City Attorney Mori said if it did not meet the definition of blight or if a district court decides it does not meet the threshold, then the benefit would be removed. Mayor Payne asked how much the property taxes would change, like now when it is a piece of dirt versus when the project is complete. Acting City Manager Hernandez said it is currently \$18,000. Otero County Attorney Nichols said it is currently around \$18,000. Once developed, based on the current valuation of the development, it would be around \$120,000 a year. Over the course of seven years, it would go from \$700,000 to \$800,000 that would be abated. Commissioner Rardin asked why they are currently paying \$18,000 for vacant land. Otero County Attorney Nichols said it was actually \$1,800. Mayor Payne said her concerns were that area is not blighted and that Mr. Valencia would just sell the apartments. Commissioner Rardin asked why that came into play. Mayor Payne said the new owner would get that tax break, which our taxpayers are on the hook for. Commissioner Rardin said we would still get the benefit of the investment in the community. We will still get the infrastructure, the water meters, all that income. Then after seven years, we will get the additional tax revenue. Is the \$120,000 the County or City's part? Otero County Attorney Nichols said it was the total. Commissioner Rardin asked what the City's portion was. Acting City Manager Hernandez said we have a little less than ten percent, four point something and a five point something. Commissioner Rardin said so we have ten percent of \$120,000. So it would be \$84,000 over seven years at \$12,000 a year. Commissioner Guthrie asked what decisions the County had made on this. Otero County Attorney Nichols said at the County's last meeting, they passed a resolution declaring the intent to pursue this. Commissioner Rardin said if the blighted pictures from other communities look similar, we could probably make this work. Commissioner Guthrie asked if it was too late to declare the area blighted after everything Mr.

Valencia has done. City Attorney Mori said he would need to look into that. Mayor Pro-Tem McDonald said she was not against the apartments, but we have not had development in my district for around twenty to thirty years. How can you declare blight in areas with decent housing and land? We are putting so much attention to an area that is not blighted. How do you declare that one area blighted as opposed to all of District Five? How do you justify that? Acting City Manager Hernandez said the governing body can declare any area. There is not a limit on how many areas you can call blighted. It just has to be justifiable if challenged. In the bigger picture, we need to distinguish between affordable housing and market-based. With affordable housing, the State allows us to do more things like donating land. The Affordable Housing Act allows us to waive fees for infrastructure needs. I know what Mr. Valencia was asking for some of that, but his project is not affordable housing but market-based. The Metropolitan Development Area is an option in the City, but how does the Commission wish to use it? Commissioner Rardin asked if several pieces like this here and in the Walker area, could all be done as a package at the same time. City Attorney Mori said it is possible. Commissioner Rardin said we have an Affordable Housing ordinance on the books. It may have something in there for us here. Acting City Manager Hernandez said Ordinance 1246 is for affordable housing. Referring back to the bigger picture, we have around eight hundred lots that can be sold. Somerset has over three hundred, Bella Vista has thirty-four, Granada Hills has thirty, Mesa Village has eighty in the first phase, and there are more housing developments. Patriot Pointe has one hundred and fourteen. The Syndora Apartments told me they could house five hundred and twenty-eight people. Otero County Attorney Nichols said in the big picture, there is a supply and demand issue. There is not enough housing for demand, and so it is expensive or unaffordable. We don't want to just address the market rate for the Patriot Pointe development or just low-income housing. It needs to be across the board. Places do not match their rate based on military housing allowance, and that is not affordable for residents who are not military. We need to provide housing that matches military demands or professionals coming here, and also separately low income. We can address it all at the same. It is not mutually exclusive. I think the legislature should have used a term other than blight, like undeveloped. The common meaning and legislative meaning are different. (§) 3-68-48 in New Mexico is a liberal interpretation that is very broad. Our poverty rate is three times higher than the national average. We lose money every day when military members chose to live in Las Cruces rather than here. If they had housing here, it would also bring in business, which is an investment to provide jobs. We could separately attack low-income housing to take advantage of that too. This has to be a multi-pronged approach. We have the data to support any challenge. I have been working with Modrall Sperling, who the City of Alamogordo is also contracted with. They specialize in bonding. They looked at this with me and are confident it applies. They are even confident that the development in Mesa Village could apply for this. We need to incentivize people to come here and develop. Mayor Pro-Tem McDonald said we have had that issue with Holloman for the last thirty years. A lot of people choose to live in Las Cruces or even El Paso and drive here because those cities offer more. It is almost like we did not have a strategy for thirty years, and now we are trying to do something. As a Commissioner, people come to me and talk about low-income housing. We have public housing. We have housing with heritage. Those can be showcased instead of building houses just to build them. I agree we need housing, but we also need a strategy. Districts Two and Five have houses that show the culture of our area, while other Districts are mostly the same. We should take advantage of what we have. There are things we want to offer, showcase, and maintain. I am against saturating Districts Two, Four, and Five with low-income housing. It needs to be built up because of our tax base. We want something that creates wealth and gives the ability to grow city structure. There is so much more we need to do. I think we need to discuss a strategy for how we want Alamogordo to look in ten to fifteen years. County Attorney Nichols said he believed she was right. Let's declare the whole area blighted, and let's go get it developed. Commissioner Robinson asked what was stopping the County from having a comprehensive plan on housing. County Attorney Nichols said as a County, we are bigger than states like Hawaii, Rhode Island, and Delaware. Getting to be that comprehensive would be challenging. Right now, we are doing a comprehensive flood study across the County along with the Army Corps of Engineers. I say let's do this and not worry ourselves about what may or may not apply. Let someone challenge it. If they do not, let's go. The legislative intent of this is to be broad and empower cities and counties to attract investment and development. Commissioner Robinson asked if he was suggesting City-County cooperation. County Attorney Nichols said absolutely. Commissioner Robinson said the Sacramento Mountain Foundation could support this, and they have done studies on this. It is time to get started on this and build this up. I am willing to work with you. Building a comprehensive plan will take time, organization, and leadership.

Mayor Payne said an article in the Alamogordo Daily News by Eddie Valencia stated that Otero County and the Chamber of Commerce spearheaded his efforts. I take issue with that because I believe City staff have been working with Mr. Valencia on this for four years. I take issue with strong-arming. That article stated he would not build unless we did this. When that was asked of him at the last Commission meeting, I believe he said no, not necessarily. I believe he said he has already invested \$5,000,000. I find it hard to believe he will walk away and lose all that money.

I want him to build it, and I have been there since day one. I am not against the apartments, but the decision to build is his. We need to make a decision that is best for our taxpayers.

Commissioner Rardin asked if staff could bring the Commission what was asked regarding other communities. Regarding low income, if we have a 501(c)3, a nonprofit, set up, I believe we can partner with them to do something here. Maybe have that for low income, other parts for other portions, and look at Districts Five, Two, and Four to declare areas blighted. Maybe we could also do infield development programs in several Districts. I think we do not want to see this as just one project but the whole City. Commissioner Guthrie said the goal is to also educate the community regarding what our options are or not, what can be done, why we have not done anything yet, and what the plan is moving forward. I know we talk about it behind the scenes, but it is time to start making decisions. In the event that blight can't help and isn't an option, what are the City's other options for investors and builders to come here? Do we have other ideas, or have they been discussed in the past? How can we make this happen? Acting City Manager Hernandez said a conversation is still happening about the rewrite of our ordinances to make it less complicated, but not lessening the standards. That could help with timeframes. Regarding density, you could help with setbacks so they are denser. That is for market-based. For affordable housing, one thing we are looking at now is that we can either lease, sell, or let a private developer develop for affordable or low-income. In this case, it would be homeless. That would be any City property the Commission agrees to. We are working on that in the background, but it would come to the Commission to say yes that you authorize the use of a parcel for homeless housing. Alamogordo MainStreet let me know we have a Metropolitan Development Plan, Resolution 2019-010, signed in 2019. Commissioner Rardin asked if it was the beginning or end of 2019, and if it was for the downtown. Acting City Manager Hernandez said it was for the downtown metropolitan redevelopment area plan. Commissioner Guthrie said it was for downtown specifically. Acting City Manager Hernandez said it talks about downtown but also inventory of other areas. I would like to revisit this and maybe update it. Commissioner Rardin asked for staff to send that to the Commission. That area used to be an SBA Hub Zone, too. Acting City Manager Hernandez said City Attorney Mori had been looking at the areas in Las Cruces, and it looks like downtown Las Cruces, like Motel Boulevard and Picachio. Commissioner Rardin said there is a lot of vacant land there. Acting City Manager Hernandez said that makes sense, that is where a lot of the homeless population is. The Community of Hope is in that area. City Attorney Mori said that specific area is from Motel Boulevard to BNSF Rail with Valley, going down the middle, and Picacho. Acting City Manager Hernandez said the other area is south of where Young Park was. We can dig into this and send it out. Commissioner Rardin said he agreed with Otero County Attorney Nichols. Let's try and see. Let someone challenge us. That'll be the only way we will know, one way or another. It is kind of a gamble. Acting City Manager Hernandez said that was true. We can work with distressed cities and a persistent poverty technical assistance program to help us achieve a housing strategy. They will help us give a road map to where we go, and do a study on the whole housing area. I want something comprehensive so we can tell everyone that the Commission approved this or that. Commissioner Guthrie asked for the timeframe on something like that. Acting City Manager Hernandez said she did not know, but we have people on-call that we can ask for a quote and see how fast it can get going. The fact that something was started downtown gives us a road map, even if it is condensed to an area. City Attorney Mori said it looks like the metropolitan downtown redevelopment area in downtown was designated by the Commission in 2017. The resolution was passed in 2019. So they take some time. For example, some of the ones in Las Cruces went faster or slower, but one started in April 2024, was officially designated, then started to proceed in March 2025. It seems to vary on time. Otero County Attorney Nichols said he spoke with Modrall Sperling, and we were going to try it when we thought Patriot Pointe needed more done, like in six months. However, they said six months to a year is normal for what Patriot Pointe is asking for. They need evidence and documentation to provide to HUD and the feds by the middle of October. A simple resolution doing the process identifies the area of the project and the goal, which would be a seven-year RTA redevelopment tax abatement. That is all that is needed by mid-October to proceed with financing. A resolution with that information would be needed from the City and County. Modrall Sperling is ready to go and accomplish this for both of us. Commissioner Guthrie asked if that needed to be done jointly or separately. Otero County Attorney Nichols said we each have to do it. The County does not have to be involved. The County Commission wanted to facilitate this, which is why they are involved, but since this is in the City, it needs concurrence from the City.

Mayor Pro-Tem McDonald asked if we agreed to things like Mr. Valencia's proposal, like the sidewalks and everything else. Mayor Payne said no. Commissioner Rardin said it is just a property tax abatement. Acting City Manager Hernandez asked if the Commission could clarify exactly what they were asking. Commissioner Guthrie said she would like the question answered about the Patriot Pointe specific area. For example, could it be considered blighted? City Attorney Mori said he would say definitely, but it does appear that if somebody owns a building, like an actual building there, the area would still be considered blighted, and they would have to make substantial

improvements to be eligible. So it is not like you are out of luck if you already have a building. You could receive benefits if you are improving and acting upon the plan to improve. I believe in this case, using Patriot Pointe as a specific example, even though they own the property, if it was designated as a blighted area, they would still be able to receive benefits as long as they are making substantial improvements to the area, which a building would do. Acting City Manager Hernandez said to Mayor Pro-Tem McDonald's question, Mr. Valencia was asking for both from the City. He is only asking for the tax abatement from the County. We have a separate letter that came to the City requesting an incentive. I cannot remember the exact amount. Mayor Pro-Tem McDonald asked if the total was for \$445,000. Acting City Manager Hernandez said she was not sure of the amount, but she did not believe it was that much. Mayor Pro-Tem McDonald said there were two. One for the sidewalks at \$159,000, and another for a total of \$445,000. Commissioner Guthrie said those were not on the table anymore. Commissioner Rardin said it isn't that stuff, it is the property tax abatement. Acting City Manager Hernandez said Mr. Valencia asked for that from the County, which is why they are doing it. He asked for other stuff from the City. Commissioner Rardin said as far as sidewalks, I do not believe there is a lot the City can do. Commissioner Guthrie said I believe we are all on board to say we are specifically discussing the tax abatement. Commissioner Robinson said so, not the sidewalks. Commissioner Rardin said yes, none of the other stuff on the list he brought a few meetings ago. I do not believe we can reasonably do any of that. Commissioner Guthrie said that was also her understanding.

Commissioner Guthrie asked how we moved forward with declaring something blighted. What is the process? Are we willing to declare that it is something we are considering and working on, so they can submit it? Commissioner Rardin said as far as the resolution, that should be added to the next meeting so we can discuss and vote on it. Acting City Manager Hernandez asked if the resolution was just for Patriot Pointe. Commissioner Guthrie said yes, because they need it. Acting City Manager Hernandez said so the resolution is not for the whole city. Commissioner Guthrie said no. Commissioner Rardin said it is for declaring our intent to declare the area blighted. Does this need to be a big area or can it just be that vacant area? City Attorney Mori said the statute is purposely broad to allow a city declare the area it needs. The Commission would decide the area. A bigger area could have more data to support it. However, if the Commission is confident in its decision, it could be the size of a lot. Commissioner Rardin said so if we do something similar for Mesa Village, could we just declare the area where the apartments to be built as blighted? City Attorney Mori said in theory, you absolutely could. It just needs to be able to stand up to judicial scrutiny if challenged.

Mayor Payne asked why we are doing this piece by piece instead of creating a program. Commissioner Rardin said in this case, due to time constraints, but Districts Two, Five, and Four still need to be addressed. Commissioner Guthrie said she agreed that all of those needed to be addressed. Commissioner Rardin said we need to come up with a plan. Mayor Payne said this could apply to not just apartments but housing developments as well. Every builder in Alamogordo should come apply to do the same thing. Mayor Pro-Tem McDonald said so if we are just doing this for Patriot Pointe, does that open us up to every builder who wants to go into an area and declare it as blighted? Do we need to do that each time? Acting City Manager Hernandez said that Chris Muirhead had said there would be legal challenges. If you call that area blighted, then you can call Granada Hills or the Somerset Division blighted. They can all come and do that. Commissioner Guthrie said you could say that every area in the City has its areas with blight in them. Mayor Payne said there was a section off Hamilton Road that French Brothers was working on. Could we declare that blighted? Commissioner Guthrie said I do not believe that is what we are focusing on. We are focusing on areas that we know for sure to be blighted. City Attorney Mori said to address the Mayor's question, yes, it does open up the City to that if a developer wants the same type of treatment. There are good pros and serious cons to this. Commissioner Guthrie said we if we do not take a chance and do something, we are just sitting on this. City Attorney Mori said that is why we are at this meeting, doing research, meeting with council, meeting with the County, and meeting with the New Mexico Municipal League. We are trying to present the information so the Commission can make an informed decision as the elected body. Commissioner Rardin asked if there was a lot of case law pertaining to this. City Attorney Mori said not a lot because it has only mainly be used in Albuquerque. Other cities only started using it within the last five to six years. Those cities are answering the same questions as the Commission is. There are still other possibilities, but this option is the one brought to the forefront.

Commissioner Rardin said staff should revamp the GRIP ordinance and bring it back as an alternative. If an area can't be blighted, we could utilize GRIP. It is good for smaller projects. It wouldn't be good for a larger project like this, we would have to put a cap on the amount of money we would give back. Commissioner Guthrie said it needs to have a cap anyway. Commissioner Rardin said GRIP previously went away because the hospital did a \$60,000,000 deal and then COVID hit. We were going to get hit with \$1,000,000, which would kill us. That is why we repealed it at the time. Commissioner Guthrie asked staff to look into GRIP, see what was wrong when we did it

before, and see how it could be revamped. Mayor Payne said there wasn't anything wrong with it, GRIP was a very good program. Acting City Manager Hernandez said the biggest issue with it was that it did not have a cap, but yes, it worked well.

Commissioner Guthrie said she would like to push forward with a resolution for Patriot Pointe to say we are working on something, so that they can move forward. Mayor Pro-Tem McDonald said she was not against moving forward, but we had a different problem because there were no comps. From what I have heard, the other cities in New Mexico have not had those problems and are able to move ahead. I think we need to look at this closely. I would like to have incentives for people to build here, but there are other issues to be considered before we strike out. I have not been to a city or town where they have not built apartments in over twenty years, with no comps to go with it. Commissioner Rardin asked if staff had what they needed to move forward with this. Acting City Manager Hernandez said yes.

3. Discussion of the process and listing of City properties regarding vacant, dilapidated, and abandoned structures. (Crystal Guthrie, Commissioner)

Commissioner Guthrie said she brought this up because she was curious about what the City owned, what was being done with them, and if they could be sold. We have investors in town who are willing, able, and want to purchase and rebuild buildings for low-income. Acting City Manager Hernandez said I want to start at the beginning. We are currently researching fifty-one lots that may or may not belong to the City. It depends on foreclosure. We will get that listing out. These are all lots. Commissioner Guthrie asked if they were vacant. Acting City Manager Hernandez said they were researching that. I know that some of these are no longer in the City's possession. There are one hundred and twenty-one dilapidated structures in different stages. Before we get into what we can do, I will ask Code Enforcement Manager Sides to discuss the process. Code Enforcement Manager Sides explained the dilapidation process to the Commission.

Acting City Manager Hernandez said ninety days is the invoice period. Then, Legal gets the paperwork and files the lien. After the lien, you foreclose. After the judge awards the foreclosure, there is a one-year redemption period. It is technically still not ours even after foreclosure because of that redemption period. The original property owner can come back and pay the lien and everything else to get the property back. It can take three or more years for the City to be the true owner. Once that happens, we file with the County to see these are now in the City's name. Commissioner Guthrie asked how many properties have cleared the entire process. Acting City Manager Hernandez said that is what we are looking into. Of the fifty-one, there are probably around eighteen that have cleared. We are still trying to verify the rest.

Mayor Payne asked Code Enforcement Manager Sides to clarify the section regarding cleaning up the property. Code Enforcement Manager Sides said after I send the letter to them identifying a blighted or dilapidated structure and a list of all the things they are violating, as well as how to correct them, they have thirty days to get in contact with me. If there was a consent inspection, they already know it's coming and have been in contact with me. If there was a search warrant, I send this to the property owner. At the bottom of letter it states you have thirty days to get into contact with me or correct all violations. If not, a resolution will go forward before the City of Alamogordo's Commission to condemn the property. She asked what if he was contacted. He said from there, I start working with them. I give the list of violations and ask how long they think they need. If I tell them two years, and they only need six months, they usually wait. If they tell me that they can get things done in six months, will I come back in six months with a condemnation? No. I will make contact and ask what happened. My general rule of thumb is six months. She asked what if nothing was done within six months. He said he would contact them again and ask what happened. From there, by International Property Maintenance Code (IPMC), I have to give them more time. She asked if we had to give them up to two years. He said if the windows and doors are boarded, I can give them one year. If I send a crew to board that because of safety, I will give them two years. If they do it, I will give them one year. Then we can talk about more time. She asked what happened after two years if nothing was done. He said Code Enforcement has a contract with a construction company that does asbestos testing, abatement, and demolition. I get a task order together and send it over for signatures, and then get them mobilized to start demolishing. She asked what a realistic time frame for that would be. He said it was pretty quick with the new contractor. I had three I sent out for signature last Friday. It was signed and completed on the following Wednesday, which took longer because of an internet outage. I had purchase orders that I sent to him on Thursday. He applied for CID permits on that Thursday as well. As soon as he gets them, he mobilizes. She asked what Code Enforcement was limited to versus another agency. He said one complaint they get a lot was for abandoned vehicles on streets.

Code Enforcement does not handle anything on the street. We send those over to the Police Department, and generally, public services takes care of it. However, vehicles parked on private property or on jacks are our realm. We can come in, do an investigation, and send notices. With procedural due process, we have to give everyone fifteen days unless specific things are met, like a public safety or health risk. Something like leaking sewage is a three-day notice.

Commissioner Rardin said after two years, doesn't the Commission still have to declare it condemned before it is demolished? Code Enforcement Manager Sides said the two years come before the condemnation now. Commissioner Rardin said so in two years, it will come to us for a resolution, and then you can tear it down. Code Enforcement Manager Sides said correct if it is a situation where I made contact two years ago and nothing has been done. Commissioner Rardin said you said skipped that part earlier. You said you could just get a PO and tear it down. Commissioner Guthrie said he mentioned that the first time. Code Enforcement Manager Sides is it has to be condemned, which in the State of New Mexico is by the local governing body. Mayor Payne said once we condemn a piece of property, they have time to clean it up. Once condemned, can it be uncondemned? Code Enforcement Manager Sides said yes, we have done that. I have a resolution coming in September to uncondemn several more. She said so what if we condemn it and they do nothing with it? Is the only alternative to tear it down? He said yes. We have to abate the violations. One property I did a few years ago had a structure that was sound; it was just the amount of trash there. We abated it and went through the lien process. Mayor Payne asked if the City decides if a structure is sound. Acting City Manager Hernandez said there is an ability for that, but it is not an ability the City currently has. If it was structural, we could build it up. However, we do not have money, and it is not our area. For us, the remedy is demolition. Mayor Payne said so if the structure was bad, we could not sell it at that point, right? Acting City Manager Hernandez said we could. There have been situations where they have been sold in-between like that. The condemnation follows the property. I do not know about the timeframe. Code Enforcement Manager Sides said that is where the IPMC puts a lot of leeway on the Code official. The Code official makes decisions on code yes, but also what is reasonable. I have had that come back uncondemned because it was sold, and the new property owners remodeled the whole thing. There are instances where, a year into the process, I have conversations with property owners about whether they are selling it, but I ask them to let me know who the new property owners are so we can get a plan going. She said so, there is window there even after we condemn it, because they technically still own it, where they can sell it. He said technically yes, but it was a small ten-day window. Acting City Manager Hernandez said yes, it does work in some instances. Commissioner Rardin said a house that was referenced before had burned but was still structurally sound. If it gets torn down, it will probably just be a vacant lot for the rest of our lives. Are there State programs in place for rehabilitation? Acting City Manager Hernandez said there are programs for rehabilitation through the State, but they are for single-family dwelling homeowners. Commissioner Rardin asked if there was anything we as the City could do to rehabilitate it. Acting City Manager Hernandez said we could rehabilitate it, but there is an issue. It would not be ours at that time. It isn't ours until we do something, put money into it, lien it, and then foreclose it. That is where it can get tricky. Commissioner Rardin said some of the structures we declared in the last few years could have been rehabilitated. As a builder, I have issue because I can see the potential for those. It would not cost much money to make those livable again versus tearing them down and ending up with a vacant lot. Acting City Manager Hernandez said that is an option for the Commission, if you want to put in a plan to implement it. I do not know the technicalities because we have not done that. We have to fix the code violations, and we can bring it up, but there is funding to consider. Demolition is cheaper for the City to do. There is also the issue of putting money into it, liening it, and foreclosing it. We are not builders here. It is a Commission decision to go down that road. Commissioner Rardin asked if we could let the homeowners know in the two-year period if there were state programs they could apply for. Acting City Manager Hernandez said we could always do that. Commissioner Rardin said that maybe they could get them rehabilitated in the two-year period. Mayor Pro-Tem McDonald said funding does not work that fast. There are people on the list, approved for MFA, and it can sometimes take five years. Mayor Payne said applying for those programs takes a long time, and there is a huge waiting list. I would like to see these houses rehabilitated, but my concern is how unfair it is for homeowners who take care of their home to have something next door that somebody else chooses not to take care of. I am adamant on either clean it up or tear it down. Things like that bring down property values. Code Enforcement Manager Sides to address Commissioner Rardin, the IPMC is rewritten every three years. A new IPMC came out in 2024, so that is why there have been changes in the ways things are done. Regarding structural integrity, I now have the ability to tell the property owner they need to get a structural engineer to assess this, and provide me with a stamped copy that says it is structurally sound. Mayor Payne asked about rodents or insects. Code Enforcement Manager Side each has different codes. Mayor Payne asked if they could be cited for that. Code Enforcement Manager Sides said yes.

Acting City Manager Hernandez asked Code Enforcement Manager Sides how many officers he had and how much area they covered. There is a misconception that Code isn't doing enough. Code Enforcement Manager Sides said Alamogordo has five sworn Code Enforcement officers, including myself. I deal primarily with dilapidated structures, leaving each of the other four to have a quadrant in the city. They typically rotate every six months. Mayor Payne asked how many citations they had. He said they have taken one thousand, four hundred, and ninety-three cases this year. Each case could have dozens of violations of ordinance or IPMC. She asked if that was calendar year. He said yes. We average nearly three thousand cases a year with four officers. Honestly, that is not enough. We are very reactive, meaning citizens call us. We are not able to get out and be proactive. I would love to be proactive in dilapidation. I could tell people they could paint a peeling house and how much money they would save now versus in ten years. We are reactive because we just do not have the staff.

Acting City Manager Hernandez said there was list of dilapidated structures. Code Enforcement Manager Sides said there are about one hundred and fifty-four. Acting City Manager Hernandez asked him to explain the ranking system process. I compiled a ranking system to identify what is what. Rank Three are the most dilapidated structures, typically structure fires. Rank Two are not as bad, but they need attention. They could be peeling paint, broken windows, or missing shingles. A Rank One is I can deal with it when I can, but I need to deal with Rank Threes and Twos first. The ranking system was mainly meant for me to make sense of the given list. Acting City Manager Hernandez said that going back to what we have, there are nine total items on the list for demolition. Once we demolish them, we have the cost, can lien them, and foreclose them. Sometimes there is also weed or trash abatement, so we can take care of health hazards. Technically, we could do it in the redemption period, but the problem is the owner can go back and get the house from the person who purchased it. If that person put money into it, then that person is out of the money. They only have to satisfy the City's portion, not any improvements that the new owner has. That is why it is safer to go past the one-year redemption period. We will get the list and go through it. There are different ways we can handle this. By state statute, we have to do it on the courthouse, but we can do it in different ways. We can do it in lots together for a developer. That is one way to get away from this lot is next to me, and so I want to tear it down. If you want to do the process of rebuilding the infill, you can sell them like bid lots on the courthouse steps. You could also choose to sell them individually. We need to do something with these lists because some of them have been here since 2022. We have to maintain these, and we just need to get rid these. Commissioner Guthrie said so, all of those are sold by auction, correct? Cash purchase only? Acting City Manager Hernandez said yes. We have done those typically individually. Once Legal does research as to when it's okay to do some of these, we need to bring them forward. Commissioner Guthrie asked how often auctions were done. Acting City Manager Hernandez said we have not done one in a while. In 2023, there was a real push to get these filed. We were eating the costs, but we are not going to recover the costs. I can say that the City has the right to set the starting price. We could set it at \$0, we could set it at what it cost us to demolish, or it could be somewhere in between. We cannot make a profit. Anything that goes over goes back to the property owner.

Mayor Pro-Tem McDonald said some of District Five is in a flood zone. Would the City consider backfilling that land so people could afford it? I do not know how much it would cost to backfill. Could that be an incentive done by the City, or would it be done strictly by the purchaser? Acting City Manager Hernandez said that it is a tricky question we need to look into. When we own the lot, we can do whatever we want with it. Commissioner Rardin said what would be difficult with that is, if we are talking about base flood elevation on those lots, is that each lot will be different. We would have to do a flood determination. A surveyor would have to come in and give us a base flood elevation. Then the City would need to build it up to that point. Each would be different. It would really fall more on whoever purchases or develops it. It would be very cost-prohibitive for the City to do that. Mayor Pro-Tem McDonald said it was supplying dirt. Commissioner Rardin said there is more to it than that. Mayor Pro-Tem McDonald said \$20,000 or \$30,000 for the dirt, or you could have a foundation. Would we need to change the ordinance for that? Acting City Manager Hernandez said once we own the property, we can do what we want with it, so that is not the issue. I don't know if it's cheaper to do a foundation or dirt work. Commissioner Rardin said that would be on the developer. There are so many variables. You don't know what size house will go on that. It is easier to just knock them down, clear them, and then sell them to someone who can handle all of that. Mayor Pro-Tem McDonald said she was looking at it as an incentive. Commissioner Rardin said he did not know how we would do that. I guess we could if we had a bunch of material. Mayor Payne asked how we would know the type of foundation. Commissioner Rardin said if we just do the dirt pads where they were built up to base elevation, but not a foundation. Mayor Payne said right, because we would not know what they were to build on that property. Commissioner Rardin said right. There are so many variables. Mayor Pro-Tem McDonald said she was thinking about possibilities. You could do a basement. Commissioner Rardin said no, you still need to know what size structure would go on there before you build a basement. Mayor Pro-Tem McDonald said the lots are small, so houses are probably under one thousand five

hundred square feet. Commissioner Rardin said again, I would leave that up to the developer or builder. Maybe we could throw material on there to build it up.

Commissioner Guthrie asked what we could do in terms of donations for the land we own. Can something be done instead of auctioning everything off? Can we donate to microfarms or other things that can help the City? Acting City Manager Hernandez said if it is a foreclosed property, we cannot just give it. We have to sell it per state statute. If something was just donated to us, then yes, we can do something like that. If you wanted to do infield types like those done at Dudley School, it would still be our lot because it's a foreclosure. Most of these in the City are foreclosure. We could keep the property and enter into an MOU or something similar. That is what we do for the community garden next to Dudley School. Commissioner Guthrie said she was thinking about community incentives for gardens or something like the lots in Mayor Pro-Tem McDonald's district. We would still own it but something could be done for the community. Commissioner Rardin said in the past, I bought foreclosed property from the City. At the time, you would go into community development and put a sealed bid on it. I think it is still in our ordinance that way. Acting City Manager Hernandez said it may be that way in our ordinance, but that would violate state statute. Commissioner Rardin said that one was given to us in a bankruptcy proceeding or something. It was a foreclosure that was put up as collateral for a special assessment district where we put water and sewer lines in. I think it is questionable as to how we obtained it. Acting City Manager Hernandez said that one is different because it isn't a foreclosure. They put it up for collateral. It is almost like our LEDAs where if they fail, we take the property, and then we would be able to sell that property if we chose. We wouldn't have to auction it. Commissioner Rardin said that we have to put any dilapidated structures that are foreclosures on the courthouse steps. Acting City Manager Hernandez said yes.

Commissioner Rardin said he had spoken to builders regarding District Five and ways to incentivize them. The problem there is that the lots are very narrow and deep. The size of the home you could build on there would not be very profitable for them to build. Unless you are building forty or fifty at a time, there is not a lot of profit in building a twelve to fifteen-hundred-square-foot house. Acting City Manager Hernandez said that is where the thought came about to sell these as lots. They sell for relatively cheap. If we call and tag them as affordable housing, there are certain restrictions that the State will come in and say and do. If we do not call and say they are affordable housing, we can still sell them as bid lots. The sewer and taps are there, which reduces some costs. The thought is that it is not worth it for one developer and one lot. If we have fifty of these and split them into ten by zone, that may be worth it. Commissioner Rardin said those in that area are typically thirty to forty feet wide, but one hundred to one hundred and fifty feet deep. We have discussed this before in zoning, but if we do acquire those, maybe split them in two as one parcel but you can build two structures. Acting City Manager Hernandez said something we can look at is rezoning some of these, checking our ordinances, and reducing setbacks as long as they are still safe for Fire and all of that. Some of the issue too is property lines. Our property goes straight through the parking. We would probably have to get them surveyed.

Mayor Payne asked if it was less expensive to put up a modular home. Mayor Pro-Tem McDonald said they were more expensive. Commissioner Rardin said they are much faster to put up. I believe I saw some in Las Cruces, where they were \$150,000. You drag it in, set it up, and you are done. Mayor Pro-Tem McDonald said modular homes usually run about \$175,000. Commissioner Rardin said you still have to build a foundation to put it on. Mayor Payne said Habitat for Humanity used to have a program where, if you owned a lot and a house was in disrepair, they would tear down the house and put up a modular house for you. Commissioner Rardin said things like Habitat can go in there, and they are not worried about making a profit. The answer down there may be to partner with Habitat for Humanity and an investor. Build a few and see what they do. Mayor Pro-Tem McDonald said Habitat will not be ready to do anything until next year. They are renaming themselves and will no longer be Habitat for Humanity. Mayor Payne said there may be other nonprofits in the country that can do something. Acting City Manager Hernandez said in all housing conversations, it is usually the same conversations where we can do this but not that. One of those conversations is about the land. So far, and this is the land City owns outright, not foreclosed on, there is only one developer that has come forward with a feasible plan. That is Tommie Herrell and Valor Point Village. He wants to first focus on homeless veterans. He wanted an area for that project, but the area did not have utility hookups. He met with Utilities Director Nunnelley and myself, and we identified another location that was more feasible. He only wanted around two acres or so to build little domes on. In all these housing discussions, the City can do something. However, for him to do that, he has to create a nonprofit 501(c)3. They are in the process of creating that. We have that information, but we have not brought this forward because he has to get it in place before we can even consider donating land to him or allowing him to use it. Like if they no longer do this project, does it revert back to the City, or however the Commission wishes to structure that? Again, those have to be considered

affordable low-income type projects. Commissioner Rardin asked how many lots the City owns in District Five or Walker area. Do we own many? Acting City Manager Hernandez said no, most of our areas are down around Maryland Avenue, New York Avenue. We do not have many, and they are scattered. I do not know where all those areas are. Mayor Pro-Tem McDonald said lots are not cheap anymore. Some are asking \$30,000 just for the lot. Commissioner Rardin said \$30,000 is cheap for a lot. Mayor Pro-Tem McDonald said people here are not willing to pay it. Commissioner Rardin said there is a risk. If product was selling, builders would be building it. Right now it is not moving or selling, at least until interest rates come down and things happen. The profit margins on some of that stuff are just not there. You make five times the amount working on a bigger house rather than a little one. Commissioner Guthrie said that goes back into other organizations like Habitat for Humanity. Mayor Pro-Tem McDonald said it is not only contractors or builders. You have to look at investors. It is being done, but you must get a good deal.

Commissioner Guthrie asked when we could do an auction. Acting City Manager Hernandez said I wanted to do it as soon as possible, but Legal needed to finish researching these. Once we get that, we need the Commission to let us know how they want to sell the properties and how. Will they be as lots? Do you want them individually? Back to Commissioner Rardin's point, some of these houses do not need to be knocked down. Can we sell them at an auction but maintain the lien so they have to do something with it? I have not figured that out, but I am letting City Attorney Mori figure that part out. It would be fantastic if we could do this by November. Mayor Payne asked when the last time we did something like this was. Acting City Manager Hernandez said 2021, I believe, but I am not sure. Did we sell all the Black properties? Commissioner Rardin said no, I believe the City still owns six or seven out there. There are two or three on White Street, plus one or two on Grey Street. There is a surplus property list.

Commissioner Guthrie asked how, why, can we, or can we not accept funds from the Sacramento Mountain Foundation? Acting City Manager Hernandez said we could. The Sacramento Mountain Foundation is not a 501(c)3. I believe they are a 504. We have to be careful because they can engage in lobbying activities. That can get tricky if we accept the money. We would have to be careful to avoid funneling the money. They can give money to us as the government, but if they were to give us money just for Patriot Pointe, that would be a violation on us. A donation cannot have strings attached. So we can accept money for community-based things that share the vision of both entities. Commissioner Guthrie said so Patriot Pointe would not be an option because of how it is done. Acting City Manager Hernandez said yes. If they gave us \$2,000,000 to help any developer, we could do that. It would not have restrictions. We would then have to set up criteria and a fair process for every developer to do it. Money for one person would be a violation.

Mayor Payne said she felt this was a good discussion, especially concerning Code Enforcement. Acting City Manager Hernandez said something important to understand is that after Code Enforcement does their thing, it then goes to the judge. The judge has the right to defer, give more time, or throw it out. For example, a person can have one hundred tickets, but if the judge does not hold that to them, or defers them, that would not be on Code Enforcement. Mayor Payne said that was a huge piece of it.

ADJOURNMENT

Commissioner Rardin moved to adjourn at 8:19 PM.

Commissioner Robinson seconded the motion.

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



ATTEST:

Rachel Hughes

 City Clerk Rachel Hughes

Susan Payne

 Mayor Susan Payne