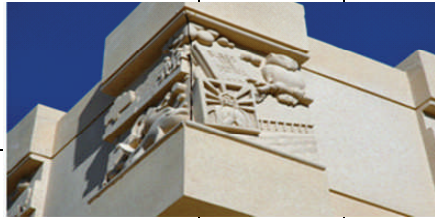


# Santa Rosa

## Main Street Downtown Master Plan



***Moving Santa Rosa Forward***  
**Santa Rosa, New Mexico**  
**January 2010**



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January, 2010

Santa Rosa MainStreet

# DOWNTOWN MASTER PLAN

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ACTION PLAN  
FUNDING MATRIX



SANTA ROSA: HISTORIC ROUTE 66



SANTA ROSA: DOWNTOWN STREETSCAPE

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## INTRODUCTION



Santa Rosa, a town of close to 2,700 people along the New Mexico Interstate-40 corridor, has entered a period of major constructive change and is poised for exciting new growth. This is a plan for Santa Rosa MainStreet to work with the City to help spearhead and shape this growth in the downtown district. Santa Rosa MainStreet is linked to and supported by the National Trust for Historic Preservation and the New Mexico MainStreet Program. This is the first plan that focuses on Santa Rosa downtown with specific direction for Santa Rosa MainStreet.

In the early 90's half of the Santa Rosa MainStreet district was vacant with buildings either boarded up or used for storage. Now Santa Rosa downtown is mostly occupied with a New City Hall and an impressive refurbished Courthouse Square. The City, through a bond issue, has invested a considerable sum that lays the groundwork for a new downtown. At the same time, there are still vacant buildings downtown and the varied retail mix that can adequately serve residents and tourists is not yet there.

Santa Rosa has unique advantages compared to other towns of a similar size. Santa Rosa's downtown has historic structures built during the turn of the century when the railroad came to town that are architectural gems and give the downtown district a unique flavor and character. Santa Rosa has recreational water resources that include seven lakes, the Pecos River and one of the most well known inland dive sites in the country - the Blue Hole.

After the regional economy got a boost from the Guadalupe County Correctional Facility and its 180 new jobs, as well as from the nearby 90 MW Argonne Mesa Wind Farm, the City began leveraging new funds for infrastructure and economic development. The courthouse square was refurbished, the City purchased the historic Ilfeld-Johnson Warehouse Building to be developed as a downtown anchor, an assisted living center was built, a softball sports complex has been completed, a new hospital is planned, new funds have been received for a wastewater facility and a small hydro electric generation plant, and the Blue Hole Dive Training and Conference Center is under construction.

The Dive Training and Conference Center in particular puts Santa Rosa in a separate league. The Center will help attract dive organizations and businesses from across the country and put Santa Rosa on the convention circuit in a specialized niche - something unheard for a town of its size.

*This tourist base, along with the fact that almost one third of Santa Rosa's population live in the downtown district means that besides the new City sponsored infrastructure, the business foundation is also there to stimulate private investment.*

Santa Rosa's economy is in a growth mode. That means that the City and downtown is ready for its next development phase. The infrastructure, supportive amenities and new economy will now support private investment coming into the downtown district. One of the primary roles of Santa Rosa MainStreet is to be the catalyst for private investment downtown.

Currently, the main area of economic activity in Santa Rosa is along the eastside and the chain motels, restaurants and truck stops that have evolved to serve transient I-40 traffic. An average of 1,000 people per night stay in Santa Rosa motels. Many motel guests ask what there is to do in Santa Rosa in the evenings. Attractive downtown development can provide that answer.

The normal I-40 transient travelers will now be coupled with Dive Training and Conference Center visitors. This tourist base, along with the fact that almost one third of Santa Rosa's population live in the downtown district, means that besides the new City sponsored infrastructure, the business foundation is there to support private investment.

## EXECUTIVE SUMMARY

This MainStreet plan presents a number of strategies to help encourage and leverage public projects to spur private investment. The plan advocates development of two new downtown anchors utilizing public/private partnerships and grant funding - the Ilfeld-Johnson Building and the Pecos Theater. The plan presents organizational and financial strategies to stimulate downtown investment.

The recommended strategy for Ilfeld-Johnson is to create a mix of a tourist-class restaurant/sports bar, a retail incubator downstairs and a Visitors Center and MainStreet office. The entire space can also serve as a Route 66 museum with Route 66 décor and amenities used throughout. There are already interested restaurateurs/entrepreneurs that have been contacted. An upscale, well managed restaurant/sports bar will be the major draw that will compliment the building's other uses, including a retail incubator, a visitors center and the MainStreet office.

A private investor will in part be lured through an attractive partnership with the City. Private investment may be incentivized to play an active role in the development of the Ilfeld-Johnson Warehouse Building, the Pecos Theater and potentially a non-MainStreet but complimentary project - a private/public fish hatchery. A New Market Tax Credit may be used to fund all three of these projects.

Originally it was thought that an EDA (Economic Development Administration) grant could fund the development of the Ilfeld-Johnson Warehouse as it was thought that private investment could count as match. An EDA grant requires a substantial amount of match based upon an economic distress formula. However, Santa Rosa was informed by the Eastern Plain Council of Governments that the match had to be new public non-federal money. Therefore, a New Market Tax Credit strategy is being advised that is solely dependent upon private dollars.



*Santa Rosa's new branding is: Santa Rosa naturally; home of natural lakes.*

This plan recommends a strategy for local business development and retention in which a *business committee* managed by MainStreet, consisting of bankers, real estate people, utility companies, City personnel, MainStreet Board Members and the Luna Community College Small Business Assistance Center, take a pro-active stance in helping businesses form and grow in the downtown area. Specific local business people have already expressed an interest in relocating and expanding downtown. It will be the human infrastructure through MainStreet and the *business committee* that will help make the difference as to if these plans become a reality.

The above strategy, along with the informed use of a suite of financial incentives, will form the centerpiece of *economic restructuring* - one MainStreet's four operational priorities. The others are *design, promotion and organization*.

**Economic Restructuring:** Specific financial mechanisms that do not involve tax increases - such as Tax Increment Development Districts (TIDD's) financing can be used by MainStreet in conjunction with the City to help attract major downtown developers. A New Market Tax Credit strategy can be used to fund catalytic economic development projects.

**Design:** The second MainStreet priority- *design* will be encouraged by other incentives. It is recommended that the City working with MainStreet revisits its historical overlay zoning, both strengthening it and providing architectural drawing design guidelines for new developments. Adherence to zoning guidelines would be required for new development.



Existing property owners would be afforded incentives to revitalize their property through a combination of matching grant funds contributed by a pool of businesses that benefit from downtown development, coupled with a low-interest loan fund sponsored by the City and area banks along with the new MainStreet revolving fund or entities interested in promoting rural development with cash balances that can guarantee bank loans. Local banks are willing to make low interest matching loans to property owners for renovations if they are guaranteed.

**Promotion:** The third MainStreet area - *promotion* - is already on its way through a Lodger's Tax Board sponsored initiative in which Santa Rosa begins to brand itself and project a coherent and unified marketing message. MainStreet will jump aboard this effort as it regards the downtown. The City has also contracted for attractive wayfinding signage throughout downtown. Santa Rosa's new suggested branding is: *Santa Rosa naturally; home of natural lakes*.

**Organization:** One of the most important MainStreet strategies that allow all the rest to happen is *organization*. Santa Rosa MainStreet needs to be strengthened. This means expanding the Board and bringing on a full-time, qualified Director. Since resources are limited and the City is taking on other related responsibilities, this plan advocates a format used successfully by the City of Los Alamos.

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Los Alamos has a non-profit Community Development Corporation (CDC) that serves as an umbrella organization for MainStreet, the Dive Training and Conference Center and Economic Development. A CDC can help to diversify funding opportunities and maximize resource use through managing all three programs.

At first a CDC Director can serve as MainStreet Director and Conference Center Director as well as work in housing and economic development. The City committed an amount of funding towards a MainStreet Director salary when the grant for this study was applied for. If the Blue Hole Conference Center is well managed and properly marketed, it should create net revenue from leasing space. There are also capacity building grants available for a housing organization and for a CDC. A CDC/MainStreet organization should be able to piece together a budget for a strong, experienced director who can build and grow the organizations under the CDC, and include MainStreet, until each division can support its own director. A CDC will afford the City additional dedicated external resources that can compliment City economic development and marketing efforts and qualify for new funding opportunities as a non-profit organization.





## A VISION FOR SANTA ROSA

It's a clear, crisp New Mexico day with azure sky and billowy white clouds. Even though business waits in Dallas, Santa Rosa is not to be missed, and is worth an extra day to unwind and relax before those meetings in Texas. I much prefer staying in Santa Rosa than in Albuquerque, with its old-time, small town charm, relaxed pace and natural surroundings. Besides, I brought along my fishing rod, and Santa Rosa is known for some of the best fishing in the Southwest. Fishing is the best way to unwind that there is, and it's pretty special to be able to turn off the main highway and fish in natural lakes, and then so conveniently get back on the road.

I know I'm in a special place as soon as I turn off I-40 and see the Santa Rosa gateway with the Route 66 neon signs and the old style refurbished motels. Santa Rosa has more Route 66 memorabilia and feel than any town along the "mother road". I usually stay at one of the modern motels on the east side of town, but this time I was lucky. I was able to book a room at the historic bed and breakfast downtown. It's almost impossible to get a room there.

After checking in and a quick walk downtown to see a few of the new art galleries and shops, I stroll over to the sports bar at the old Ilfeld-Johnson Center. Santa Rosa has such an authentic old-town western feel. I noticed that one of my favorite musical artists is playing at the Old Pecos Theater tomorrow night.

The restaurant at the Ilfeld is packed, so I put my name in and sit down with a *mojito* at one of the tables on the other side of the Ilfeld-Johnson Building, and open my laptop to check my e-mail. This side of the building has banners depicting Billy the Kid, old Puerto de Luna and the Blue Hole. There's a poster announcing a scuba diving equipment trade show at the Blue Hole Dive Training and Conference Center. I inquire at the Visitor Center counter and find out I can get in tomorrow. Since I'm an avid diver I decide to at least check it out after fishing in the early morning.

What a surprise. I had been to this restaurant before, but I didn't realize there were all those great shops downstairs. Since it's a warm night, I get an outside table and get to see a spectacular sunset as a backdrop to the downtown square, as well as watch as the Route 66 neon signs come on.

I had no idea I could get business location information at the Ilfeld. But there it is. That's one more stop after fishing tomorrow. I'd give anything to move my business out of San Bernardino, and since most of my work is web based, maybe I actually could. Santa Rosa has high speed internet. Not only is business information offered, but I get a local team of bankers, realtors and MainStreet people to assist with incentive financing and a special person to help streamline requests and permitting at City Government. This might be easier than I thought.

My family would love it here: no crime; a small town with lots of charm, and good schools with special training programs and good local employment for young

*Santa Rosa is in the midst of a rapid development phase that is being spearheaded by City Government that has so far emphasized infrastructure and public projects.*

people. The kids would have such a ball in the summertime at the lakes - fishing, swimming, boating, and even diving - with each lake fitted out for a its special activity. Then there are those great bike trails that connect all of the lakes and the nature preserve by the Blue Hole.

After a great morning fishing and releasing, I decide to keep a really big Santa Rosa Rainbow. I found out that I can bring it to the Lake City Diner and they'll actually cook it for me for lunch. There's no other place like this.

There is some new housing going up, and I can get so much more house here for the price than in California. Quality of life is what I'm after.. and Santa Rosa has it.

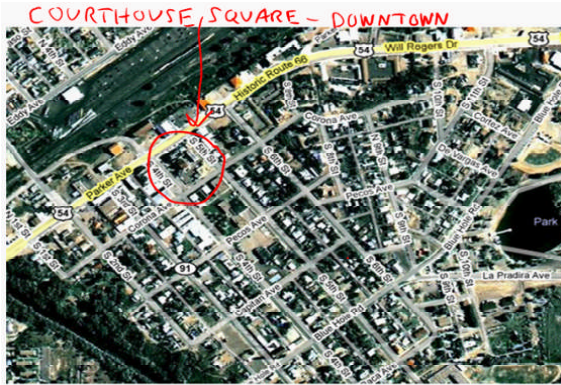
## I. BACKGROUND AND PROCESS

### I.1. PROCESS AND DATA GATHERING

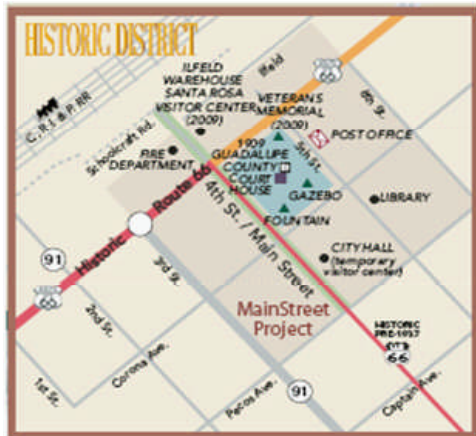
How economic development is defined differs among communities. For many years, cities' economic development activities were focused on recruiting new employers. More recently, the focus of economic development has shifted, placing a stronger emphasis on infrastructure and community development activities that improve the local workforce and business climate to help local companies grow and emerge from within the community. A healthy internal business climate in turn can attract business and investment from outside.

Santa Rosa is following this new pattern and is in the midst of a rapid development phase that is being spearheaded by City Government that has so far emphasized infrastructure and public projects. These efforts are laying a significant foundation, but will only realize their true potential if these projects are a catalyst for increasing private investment. The economic development portion of this plan provides a guide as to how best to leverage current and emerging developments in a way that will encourage private projects and workforce training.

Information for this report was gathered from diverse sources. Many community sessions were coordinated during which group and individual interviews were held. SWOT charts (*strengths, weaknesses, opportunities and threats*) were prepared based upon community input. A formal *Discovery Report* containing survey information was done for the Santa Rosa Economic Development Plan. Additional meetings were held subsequent to preparing the Discovery Report, yet the basic findings in that report remain valid. Information, options, findings and recommendations were presented at community meetings and input and feedback solicited. Many meetings were held with City Government and community leaders. Prior studies and planning documents were reviewed. Information from specialized consultants was solicited when appropriate. Meetings were held with personnel from state agencies and from economic development organizations. In addition, substantial research was carried out using journals, texts and the Internet.



Santa Rosa MainStreet District



In addition to the many meetings, photographs were taken of virtually all of the downtown businesses, and property was categorized and matched with City records. Many business owners were interviewed within their places of business. Just prior to delivering this plan, a design *charrette* and MainStreet Expo was held in the downtown area. This event brought local merchants together with financial and economic development resources. Additionally an architectural visualization artist was present who used the photos of individual business owners' establishments and sketched what they could look like with minimal refurbishments.

The focus of this plan is on implementation; therefore, this plan emphasizes an ACTION PLAN with a suggested timeline, project priorities, suggested responsibilities and funding options. A number of recommendations concern organizational development so that the organizational infrastructure will be there to carry out the suggested tasks.

Up to now, City Government has been spearheading economic development in Santa Rosa. The City has done an incredible job and accomplished much. However, in order to continue rapid growth and enter a new more mature and extensive development phase, it is recommended that Santa Rosa follow most other progressive communities in the State that have prioritized economic development and form a not-for-profit Community Development Corporation (CDC) that will work in conjunction with the City and strengthen City capacity.

Thanks to a new economic climate and progressive City Government, Santa Rosa has entered a stage where the groundwork is set for exponential growth. At such a crucial time, astute planning and a viable and practical strategy that can leverage new development and community advantages is more important than ever, so that growth happens strategically, reflecting a broad consensus regarding a desired community and a better quality of life for Santa Rosa residents.

### 1.2 PLAN SCOPE AND MAINSTREET METHODOLOGY

The Scope of Work for this plan encompasses a comprehensive development plan for the downtown business district and the MainStreet Project. The Master plan focuses on aspects of strategic development for

*The downtown area is beginning to come back through substantial City investment in a new City Hall and Courthouse Square restoration. This public investment along with other key projects will form the catalyst for a new and revived downtown.*

the downtown area for improved retail shopping, downtown amenities, public facilities, public access to historic buildings, events and activities, planned way finding, zoning and a funding budget that includes proposed phasing. This plan is being done in conjunction with other planning documents, and is compatible and complimentary to these other efforts. Relevant elements of these complimentary plans that impact the downtown district are summarized within this document and so noted.

For the purposes of this study the downtown district includes the area and neighborhoods immediately surrounding the downtown courthouse square (or plaza) as well as some distance in either direction along Route 66. The Courthouse Square is bordered by 4<sup>th</sup> Street (Main), Highway 54, 5<sup>th</sup> street and Corona Avenue. The central downtown area is from Route 66 (Highway 54) south to Pecos Avenue in between 4<sup>th</sup> and 6<sup>th</sup> streets. This area encompasses the historic courthouse and Ilfeld-Johnson Building, along with the new City Hall, the Lake City Diner Building and the Pecos Theater, and forms the historic heart of Santa Rosa. This also forms the downtown shopping district, or the Main Street or 4<sup>th</sup> Street district, that encompasses retail, entertainment, eateries, office, school administration, services and government. The central core is anchored by the post office (5<sup>th</sup> Street), the library (5<sup>th</sup> Street), and one grocery store (T&D Food Market on Parker Avenue- Route 66).

Although this District forms the heart of Santa Rosa and the historic downtown, until recently this area has been largely in state of disrepair and partial abandonment. The downtown area is beginning to come back through substantial City investment in a new City Hall and Courthouse Square restoration. This public investment along with other key projects will form the catalyst for a new and revived downtown.

In commissioning this plan, the City seeks to obtain a master plan that when implemented will provide direction for the business community, the MainStreet organization, elected officials and all interested parties that will identify, promote, design and market the location and improve accessibility and opportunities within the downtown business district. The master plan is organized in such fashion that enables the development and implementation of the downtown district through a multi-year program. The continued interest and commitment for funding downtown development has been clearly approved by local voters in the separate bond elections and several downtown projects that are identified in the City of Santa Rosa and Guadalupe County ICIP (Infrastructure Capital Improvement Plan) rankings.

This plan follows the MainStreet Four Point Approach. This is a proven methodology that has worked in small communities throughout the U.S. This approach includes the following:

**Organization** - involves getting everyone working toward the same goal and assembling the appropriate human and financial resources to implement a Main Street revitalization program.

**Promotion** - sells a positive image of the commercial district and encourages consumers and investors to live, work, shop, play and invest in the Main Street district by marketing a district's unique characteristics to residents, investors, business owners, and visitors.

**Design** - means getting Main Street into top physical shape and conveying a positive visual message about the commercial district and what it has to offer.

**Economic Restructuring** - strengthens a community's existing economic assets while expanding and diversifying its economic base.

### 1.3 HISTORIC BACKGROUND



Santa Rosa was christened in 1890. The town was named after a chapel built by Don Celso Baca. Prior to that time the town existed as a small settlement founded in 1865 called *Agua Negra Chiquita*.



Santa Rosa has gone through several distinct developmental periods. In the early years it was the center of a local agrarian economy of ranches and farms made possible by water resources - the Pecos River, natural springs and the El Rito Creek. Santa Rosa was the center of a large sheep economy. The second stage of development came with the railroad in 1901. Warehouses, mercantile, saloons, hotels and eateries sprung up rapidly with the coming of the railroad. Two of downtown's architectural gems - the Courthouse and the Ilfeld-Johnson Warehouse Building date from this period. Both of these buildings are constructed from masonry made of native Santa Rosa sandstone. Downtown Santa Rosa was laid out during this time according to the pervading style for rural towns - the courthouse square.

Guadalupe County's population in 1910 was 10,927, as compared to 4,680 in 2000. The only major means of transportation during this period was the railroad.

Santa Rosa's third developmental stage arrived with the designation of the nation's first interstate highway - Route 66. The "mother road" became the driving force of the town's economy, with restaurants and motels for automobile

*The fifth stage is partially based upon an emerging “new energy economy” and substantial public investment in both infrastructure and public/private facilities that is remaking the town and laying the groundwork for new private investment and a new business community.*

travelers that sprung up along the Route until 1972. In the early years, Route 66 went past the famous Blue Hole. In 1937 the Route was changed and followed present day Highway 54. During the period from 1937 until 1972, Santa Rosa Route 66 was known for motor courts and motels and popular cafes. Santa Rosa’s home-owned and home-operated roadside cafes and neon lights were famous up and down the highway. Establishments still in business in Santa Rosa from the Route 66 period include the Comet II (circa 1952), the Sun n’ Sand Restaurant (1966) and the Silver Moon Café (1959).

In 1972 Interstate-40 was completed, and the new super highway by-passed Santa Rosa. The I-40 by-pass seriously impacted the Santa Rosa economy, and the town began to experience substantial economic decay. The only major economic impetus during this time resulted from the construction of the Los Esteros Dam that created Santa Rosa Lake and the State Park. The long-term impact of the Lake and Park has been uneven because of fluctuating water levels. In 1991 the 4<sup>th</sup> Street (Main Street) business district had about a 50% vacancy rate and was run down.<sup>5</sup>

Santa Rosa’s fourth developmental stage can be said to coincide with the building of the Guadalupe County Correctional Facility. The correctional facility opened in 1999, creating a new local economic base with the employment of roughly 180 people. This was a major economic boon to Santa Rosa. The fourth stage of economic development also includes substantial development along I-40 on Santa Rosa’s eastside. Santa Rosa has become a stop-over point for transient travelers on I-40, with attractive chain motels, restaurants, fast-food establishments and truck stops. This area has become the primary economic driver for the town

We believe that Santa Rosa is now entering a fifth developmental stage that will be influenced by a new emerging economic paradigm tied to new public spending by the City and the strategy put forth in this plan, as well as other recent planning documents. The fifth stage is partially based upon an emerging “new energy economy” and substantial public investment in both infrastructure and public/private facilities that is remaking the town and laying the groundwork for new private investment and a new business community. Santa Rosa has unique advantages, including only partially developed recreational water resources, a location along I-40 and a downtown district with historic character. The fifth developmental stage is nothing short of remaking the town as a “desired community” with new employment opportunities and an improved quality of life. The stage for this new development is set. This plan presents a strategy on how best to get there.

### ***1.4 EXISTING PLANS AND STUDIES***

Santa Rosa has benefitted substantially from prior planning and implementation. The studies listed in the chart below have been consulted during the preparation of this report.

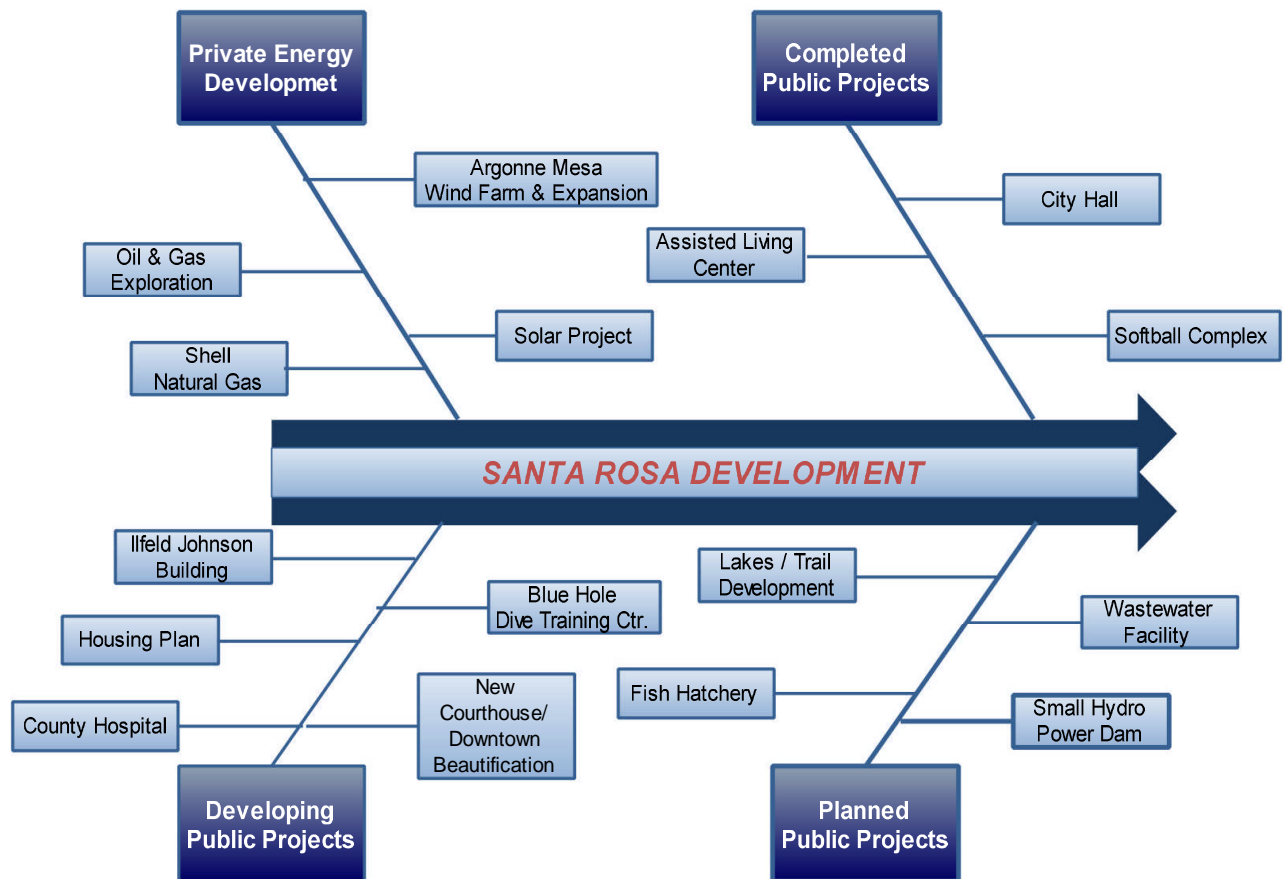
<sup>5</sup> City of Santa Rosa Community Development Department; *Community Profile*: 2007



Santa Rosa Economic Development Reports and Information			
Document	Source	Date	Information
Economic Assessment	BBER	Apr 2007	Demographics, Income, Economy, MainStreet, Issues
Ilfeld Johnson Plan	TIG	Jan 2008	Community, SWOT, MainStreet, Catalyst, Funding, Actions
Discovery Report	TIG	Jul 2008	SWOT, Resources, Economy, Priorities, Actions, Parks, Downtown
Visioning Plan	DEPAC	2004	History, Downtown, Design, Blue Hole, Ilfeld, Courthouse
Community Profile	City	2007	Business, Economy, Demographics, Infrastructure
SR Infra- Capital Improvement Plan	City	2008	Developments, Budget, Priorities
County Infra- Capital Improvement Plan	County	2008	Developments, Budget, Priorities
MainStreet Documents	MS	2007	
Economic Development Strategic Plan	TIG	Sep 2008	Economic Dvlpmnt, Downtown, Parks, Marketing, Actions
Blue Hole Business Plan	SW Planning	Aug 2005	Blue Hole, Marketing,
Pecos Theater Plan	RT 66 Assoc.	Nov 2004	Downtown, Pecos Theater, Remediation
City, County History	City		History
Lodger's Tax Reports	City	2008	Economic data
Nursing Home Page	City		Nursing Home Project
Moving Santa Rosa Forward Page	City		ED Projects, Programs
Santa Rosa Power Points	TIG		Projects, Priorities, SWOTS
Projects Completed List	City		Projects
Land & Building Inventory	City	2006	Listing, use, ownership
Calendar of Events	City	2008	Listing of events

In addition to the plans listed above, The Idea Group along with Soleil West are updating the Santa Rosa Comprehensive Plan. The Comprehensive Plan focuses on community-wide issues and is complimentary to this plan. Information on housing is taken from another recent plan that is not listed above - Plans with particular relevance to this plan include:

- *The Santa Rosa Housing Development Plan*
- *The Ilfeld-Johnson Building Development Plan*
- *The Santa Rosa Comprehensive Plan*
- *Santa Rosa MainStreet Community Assessment Plan*



## 1.5 COMPLIMENTARY DEVELOPMENTS



A discussion of Santa Rosa downtown cannot be complete without some reference to broader community developments that will have an impact on downtown. New developments in Santa Rosa are substantial and are already beginning to have economic impact. The chart above summarizes new Santa Rosa development projects.

One brand new project, recently announced, is a major solar energy project that may provide as many as 400 construction jobs and 75 permanent jobs. The project will be outside of the City, but in close proximity. This can set the stage to help fund the recommended developments in this plan through increased economic activity and tax collection, and will also put



**Map showing location of Santa Rosa planned developments, proposed wetlands area and lakes. The downtown Historic District is bordered in white.**

considerable pressure on housing.

Completed projects include the refurbished Courthouse and Courthouse square beautification project, the new City Hall, the Assisted Living Center and the Softball Complex; Developments under construction or almost complete include the Blue Hole Dive Training and Conference Center and the Wayfinding Project; Planned projects include the new County Hospital, the Ilfeld-Johnson Development, the Fish Hatchery, Power Dam and a Small Hydro Power Generation Facility, a new Wastewater Facility, lakes and trails development along with a wetlands nature preserve, and the eventual restoration of the Pecos Theater. All of these

## II. EXISTING CONDITIONS

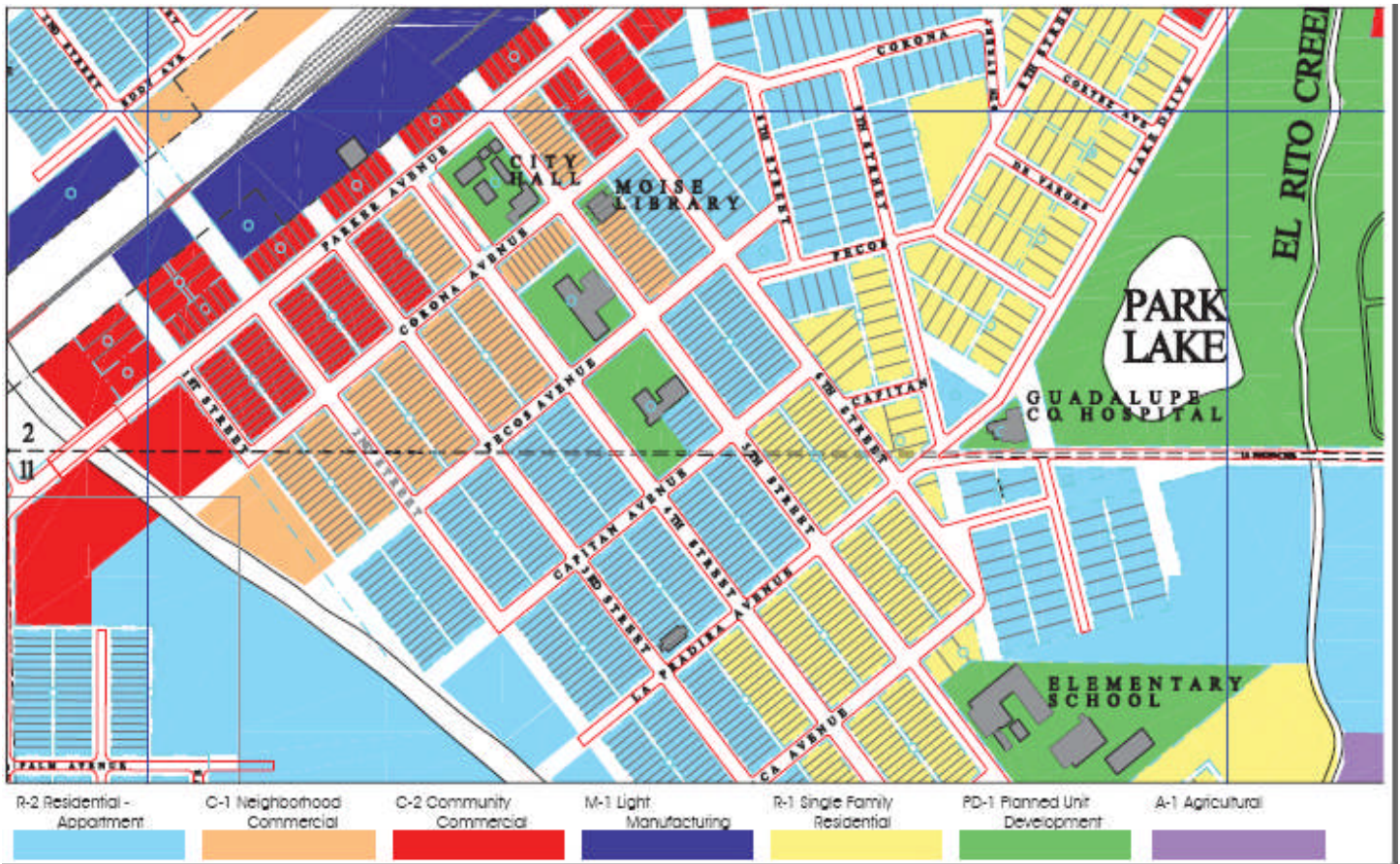
projects are either public projects or are being planned as public/private developments. The following are downtown projects:

- *Courthouse and Courthouse square beautification project*
- *The New City Hall*
- *Ilfeld-Johnson Development*
- *Restoration of the Pecos Theater*

### 2.1 LAND USE

The Historic District comprises a large portion of Santa Rosa's downtown. Although a portion of the district is residential, the downtown also encompasses commercial and city buildings and includes historic structures that are directly linked with the downtown area.

### 2.2 ZONING



Santa Rosa has zoning in place for residential, light manufacturing, commercial and agricultural areas for the downtown district. In addition Santa Rosa has created an historic overlay zone as part of its comprehensive plan. The following describes the historic overlay zone: <sup>6</sup>

<sup>6</sup> Soleil West; *Comprehensive Plan*, Santa Rosa Zoning Ordinance and Subdivision Regulations; January 2005

*This zone endeavors to preserve and promote the educational, cultural and general welfare of the public through preservation and protection of the architectural character of historic Santa Rosa. It is understood that all structures within the historic zone may not be historic. However the area within the zone, and shown on the official zone map, presents an historic appearance. The appearance and style of architecture is represented by New Mexico territorial and Spanish colonial architecture during 1880's through the 1930's.*



Two buildings in the vicinity are registered with the New Mexico Historic Preservation Department and even more could potentially be added to the list. Investigating these potential historical sites will add to the registered buildings and promote visitors to their locations. The historical significance of the area will be used to further define the downtown as a point of interest for tourists. With the revitalization of the Guadalupe County Courthouse plaza a gazebo and a decorative fountain have been built. These iconic structures are a definitive landmark for many historic downtowns. Their construction helps greatly to define and revitalize downtown.



Historic District

A. The Requirements of this zone are:

- (1) *Existing structures and signs are grand-fathered, unless modified or altered after acceptance of this ordinance.*
- (2) *An historic board of at least three members, appointed by the Municipality, shall advise Planning and Zoning of any new construction, alterations, modifications, or demolition of structures within this zone.*
- (3) *A certificate of appropriateness for all new construction, alterations, modifications or demolition must be approved by Planning and Zoning.*
- (4) *A permit is required for all new construction, alterations, modifications or demolition of any structure within the overlay zone.*
- (5) *All new construction, alterations and modifications shall be of an architectural style compatible with existing structures within the zone.*
- (6) *All new construction, alteration and modifications shall be of the same materials or compatible in appearance to existing structures within the zone.*
- (7) *Permits for new construction, alterations or modifications must include exterior elevations, depicting colors and materials to be used. Acceptance of the new construction, alterations, or modifications shall be by Planning and Zoning.*

The following describes enforcement stipulations:

*The enforcement officer shall have the authority and duty to enforce the Comprehensive Zoning Ordinance. Lack of knowledge of the requirements of this Ordinance shall not justify waiver or waiver from these minimum standards.*

*Any application for permit, license, or certificate pertaining to the use of land or buildings shall be subject to the approval of the Enforcement Officer. Any such permits, license or certificate issued in conflict with the provisions of this Ordinance shall be void.*

*The Enforcement Officer or his designated representatives shall have the authority to enter any building or upon any premises for the purpose of inspection; provided that no dwelling shall be entered without the consent of the occupant unless at least 24 hours notice of intent to enter shall have been served upon such occupant.*

*In the event any building or structure is erected, constructed, reconstructed, altered, repaired, converted, or maintained, or any building, structure, or land is*



*used in violation of this Ordinance, the Enforcement Officer, in addition to other remedies, may institute any appropriate action to restrain, correct, or abate such violation, to prevent the occupation of such building, structure, or land, or to prevent any illegal act, conduct, business, or use in or about such premises.*

*Any person violating any of the provisions of this Ordinance shall be punishable, by a fine not to exceed \$300 and/or imprisonment in the jail for a period not to exceed 90 days.*

*The Enforcement Officer shall maintain an office to supply the public with information about the Comprehensive Zoning Ordinance and the Zone Map, shall maintain the only official Zone Map in its current form and shall issue certificates showing the official zoning of land when requested.*

*The regulations of this Ordinance are held to be the minimum standards to carry out the purpose of this Ordinance. This Ordinance is not intended to interfere with, abrogate, or annul any easement, covenant, or other agreement between parties, or other valid ordinances. Where this Ordinance imposes a greater restriction upon the use of land or building, or upon the height of building, or requires larger open space than is imposed by other rules, regulations, easements, covenants, agreements or ordinances, the provisions of this Ordinance control.*

### **2.3 TRANSPORTATION**

Currently there is no public transportation or shuttle service in Santa Rosa. The City of Santa Rosa has been exploring funding options for public transportation within the community. The State's Transportation Planning Organizations (RPO's) are housed within the local Councils of Governments (COGS), and funding from the Department of Transportation is allocated by district. The National Association of Development Organizations (NADO) is the federal umbrella organization that works with rural communities. It is recommended that Santa Rosa establish close ties with the Eastern Plains Council of Governments located in Clovis to work on funding and transportation issues. There is new leadership at the eastern Plains COG that can give a new opening for Santa Rosa, as there had been minimal cooperation and collaboration previously. One small mini-bus would provide for Santa Rosa's public transportation needs.

Even more important is a shuttle service that would stop at the eastside hotels and truck stops and transport people to downtown. The time to implement this service may be when there are a few more completed downtown projects - such as the Ilfeld-Johnson Building development. A coalition of hotel owners, or possibly the Lodger's Tax Board could implement this service. It may be possible to integrate this service with the public transportation system referred to above.

When travelers staying in Santa Rosa have been driving for hours, getting in a car again, even if it's to drive downtown from the eastside motels, may be the last thing they will want to do. Truckers will not want to drive their rigs into the



downtown area. Once there are developments downtown, a downtown-hotel district shuttle will make sense for the community. Downtown development will help hotel owners provide more of a quality experience to their guests.

## 2.4 TRAFFIC

A number of routes go directly through the downtown area. A hiking/biking route follows 4<sup>th</sup>/Main Street directly through the heart of downtown Santa Rosa. The proposed public transportation system also goes along 5<sup>th</sup> street, creating a number of stops for locals and visitors to easily access the area from other locations in the city.

The Route 66 Corridor is a major landmark in the city of Santa Rosa. It serves as a main road through the city and a tourist path for drivers wishing to follow the historic route. Because the corridor serves so many purposes it is important to utilize it fully and maintain areas around it. The Pre-1937 Route 66 Corridor is also important because it serves as Main Street and passes many of Santa Rosa's attractions. All of these paths are a great means for locals and visitors to travel around the city.

### Traffic Narrative

The City of Santa Rosa constantly monitors interchange traffic counts to evaluate changes through the New Mexico Department of Transportation District 4. Traffic through Santa Rosa presents several challenges. Most tourists consist of overnight stays at the chain hotels on the eastside of town. There are easy Interstate entrances and exits and signage visible from the Interstate for motels, service stations and restaurants in this area. In addition, there are billboards advertising various Santa Rosa lodging options for both westbound and eastbound traffic. However, many travelers stay at the motels and never venture into Santa Rosa proper or the downtown area. This will be addressed by both establishing an attractive downtown with tourist amenities and through the shuttle mentioned above.

This can also be addressed by a more cohesive marketing message that emphasizes Santa Rosa's attractions, such as the Blue Hole and the lakes as well as downtown amenities, rather than just lodging options. For the first time, the Lodger's Tax Board is beginning to develop a cohesive marketing strategy.

Traffic that enters Santa Rosa from the west side comes in at an unattractive entrance. The west side Interstate entrance is just a little over one mile from downtown. A number of travelers coming into town from this entrance never reach downtown and simply turn around and get back on the Interstate. The entrance has scattered and unmaintained billboards. There are several abandoned and decaying properties along the entrance.

Santa Rosa is in dire need of a Westside gateway and refurbishment, and because this is an entrance leading to the downtown district, Westside development



Transportation - Major Buildings Downtown





*The simplest and least expensive way to address the Westside issue, however, is to repair and refurbish billboards with pictures of Santa Rosa attractions and downtown amenities.*

is related directly to downtown development. Westside refurbishment may be challenging because this area is simply minimally used and frequented. Until some new developments come in not a lot will change. Although downtown property owners have been categorized, this has not been done with the Westside. There may be parts of the Westside appropriate for housing development that can benefit from the housing development strategy discussed later in this plan.

The simplest and least expensive way to address the Westside issue, however, is to repair and refurbish billboards with pictures of Santa Rosa attractions and downtown amenities. Billboard owners or property owners where billboards are located need to be contacted, and billboards leased or purchased and refurbished. The City can require standards for billboards in the Westside area. The City or, better yet, a Santa Rosa economic development corporation can lease billboard space and renovate billboards. Billboards at the strategic Westside entrance should be controlled by public interests that will adhere to attractive standards and a coherent message regarding Santa Rosa attractions. This way, at least people entering from this side will be made aware that the Westside appearance doesn't reflect the rest of the City.

Santa Rosa has contracted for new attractive wayfinding signage at strategic areas around downtown and the City, including an attractive sign along Route 66 coming in from the Westside, as well as signs along Route 66 in the downtown district. Signs will provide directions to the Blue Hole, lakes and other Santa Rosa sites. Current wayfinding and signage is inadequate. The wayfinding sign project has been funded by Scenic By-ways.

Santa Rosa is a small community, and there are no traffic "problems" in town. The new entrance to 4<sup>th</sup> street (Main Street) from Route 66, however, may present some problem for very large RV's or similar vehicles, as the entrance way was made narrow to accommodate a unique sidewalk design. At worst, however, some vehicles may be forced to back up to make the turn onto Main Street (4<sup>th</sup> Avenue.)



## 2.5 BUILDING INVENTORY



The Idea Group photographed virtually every building downtown. Business owners were able to pinpoint their building at a design *charrette* held at the Ilfeld-Johnson Building. The Idea Group made an architectural sketch artist available to business owners so that they could visualize how they could fix up their buildings.

### Business District - 4<sup>th</sup> Street

Lake City Diner	Francis Marquez	Restaurant
Town & Country Clothes	Danita Agar	Leased - clothing store
Community First Bank		Bank
Professional Building	Meneakis/McKlosky	Optometrists
NAPA Auto	Ross, Inc.	Auto Parts
V&S Variety	Sec/Delai Rivera	Merchandise Retail
Fashion Fantasy	Esther Gallegos	Clothing Retail
OK Clothiers	Arthur Gallegos	Clothing Retail
Luna Vocational		Education
Property on Corner	Luna Voacational	Parking Luna Vo-Tech
Luna Vo-Tech	Luna	Community College
Barber Shop/ Salon	Rudy Sanchez	Barber shop
Pecos Theatre	Rudy Sanchez	Movie Theater
Video Bank	Rudy Sanchez	Vacant
Storage Building	SR Schools	Storage and Maintenance
Silver Chavez Building		Vacant
The Communicator	Silver Chavez	Newspaper Publishing
Security Finance	Cara Romero	Financial Services
Grandma's Fitness	Patricio Cordova	Gym, Fitness, exercise facility
Bill's Place	Thomas Conway	Vacant Retail office or studio
OK Hotel	Tanya Williams	Vacant Residence and hotel
Cowboy Jim's Apartments	Dennis Gallegos	Rental units
Courthouse Plaza	Government	
City Hall	Government	
Delicioso	Perea Family	Deli and café
Flower Shop	Rose Perea	Retail gift and flowers
ENMR Plateau	Cooperative	Telecommunications
NM Insurance Services	Incorporated	Insurance services
Wells Fargo Bank	National Association	Banking

## Business District - 3<sup>rd</sup> Street

Sec Rivera & Son's Construction  
 State of NM Health  
 Hernandez Building  
 Geometron Survey Systems  
 Guadalupe Health Council  
 Church of Christ  
 Santa Rosa de Lima Church  
 Santa Rosa de Lima Rectory  
 Chavez Funeral Home

Sec/David Rivera  
 Rivera  
 Andres Hernandez  
 Joe Sisneros  
 Health Council  
 Church  
 Church  
 Church  
 Juan Chavez

Construction Contractor  
  
  
  
  
  
  
  
  
  
  
  
 Funeral Services



### 2.6 REGIONAL ATTRACTIONS

The state of New Mexico is divided into six geographical travel regions. Santa Rosa is located in the Northeast region, along with such communities as Tucumcari, Las Vegas, Pecos, Angel Fire, Eagle Nest and Raton. Because of its location on I-40, Santa Rosa also sits at the gateway to the Southeast region, featuring such communities as Ft. Sumner, Clovis, Roswell, Ruidoso, and Carlsbad. From a regional perspective, Santa Rosa sits right in the middle of mountains, lakes, rivers and deserts and can promote the fact that anything a visitor can want to see or do in New Mexico is close to Santa Rosa. And although not specifically in the region, both Santa Fe and Albuquerque are only 1.5 hours away.



This list of attractions in both the Northeast and Southeast regions is extensive and includes such popular destination as Capulin Volcano National Park, Carlsbad Caverns National Park, Fort Union National Monument, Fort Sumner State Monument, International UFO Museum, Mesalands Community College's Dinosaur Museum, New Mexico Museum of Space History, Pecos National Historic Park, and White Sands National Monument.



Santa Rosa in its own right has one of the biggest regional attractions of all: the Blue Hole. With the completion of the Blue Hole Dive Training and Conference Center, the awareness and usage of the Blue Hole will continue to grow. When combined with the diversity of Santa Rosa's other Lakes—Park Lake, Perch Lake, Twin Lake, the fishing holes, Rock Lake, Power Dam, and Santa Rosa Lake State Park—there is no other travel destination in the region that

*As more and more tourists visit Santa Rosa because of the lake amenities, downtown MainStreet will continue to benefit from this increased traffic flow, especially if the businesses in the downtown area offer the product and services needed by the tourist market.*

offers a better selection of aquatic resources. This is a unique positioning for Santa Rosa amongst all the other regional travel destinations. As more and more tourists visit Santa Rosa because of the lake amenities, downtown MainStreet will continue to benefit from this increased traffic flow, especially if the businesses in the downtown area offer the products and services needed by the tourist market. At the present time only a couple of lakes are developed. A major theme of the Economic Development Master Plan is to develop the lakes and create a lake/ nature trail to connect them.

Santa Rosa also has historic Route 66 and the Route 66 Auto Museum, a great attraction for Route 66 enthusiasts and car buffs. There is already substantial interest and visitation in Santa Rosa due to Route 66, but as the community continues to redevelop and revitalize the “mother road” more and more visitors will drop into Santa Rosa to experience a piece of Americana. Unlike Tucumcari, where its downtown and Route 66 are separated, Santa Rosa’s historic Route 66 intersects with downtown, thereby facilitating the opportunity to have Route 66 visitors drop into downtown.

Lastly, because of Santa Rosa’s prominent location between both the Northeast and Southeast regions, and its situation on I-40, close to the state’s GlenRio Visitor Information Center, the Santa Rosa Visitors Center (proposed for the Ilfeld Johnson Warehouse Building) will become a key factor in the success of promoting the travel attractions of Santa Rosa and the surrounding area. As more and more people stop in at the Santa Rosa Visitors Center, more will have the opportunity to experience Santa Rosa and downtown MainStreet.

## **2.7 OPPORTUNITY SITES**

There are many opportunity sites in the downtown area. Quite a few business owners came to the design *charrette* and expressed interest in refurbishing their properties. The MainStreet incentives described later in this report, along with a strong pro-active MainStreet organization, will help to make downtown refurbishments a reality.

T&D Grocery is one such opportunity site. The owner’s son will be taking over the business. If T&D expands it will better serve the community. There are energy grants and low interest financing that can help the grocery grow to meet community needs. T&D Grocery is an example of a business that can be supported by Santa Rosa’s business retention program described later in this report.

Recently, Santa Rosa implemented a pilot façade squad program. More than 25 volunteers came out to help paint and renovate downtown properties. The first Santa Rosa façade Squad was a huge success and should be continued.

Several Santa Rosa business owners have expressed an interest in establishing facilities in the downtown area, including a showroom for the rock quarry and a new radio station office. Santa Rosa MainStreet and the recommended business committee needs to follow up with these and other individuals and facilitate new business owners moving into downtown.



The major opportunity/ catalytic project sites downtown are the Ilfeld-Johnson Warehouse and the Pecos Theater. These sites are described in some detail later in this report. In addition, the City has expressed an interest in acquiring the Wilbur Young Building, downtown next to the Pecos Theater for use as a Youth Center.

### III. MARKET ANALYSIS

#### 3.1 MARKET OVERVIEW



Downtown Santa Rosa is still economically depressed. The downtown district lost its pre-eminent economic stature when businesses began moving out of the downtown area to the Route 66 strip during the Route 66 heyday. However, Santa Rosa is one of the few communities where downtown and MainStreet actually intersect, with the Courthouse Square adjacent to the historic Route 66 Highway. The post Interstate depression impacted Route 66 businesses heavily. During the mid eighties, however, local businesses people began tearing down, refurbishing and replacing some of the old Route 66 properties.

The downtown area filled up with local businesses after the nineties, so that currently there are only a few vacancies, even though prior to that time downtown Santa Rosa was half vacant. Yet the businesses that moved in did not provide the required retail mix to attract locals or tourists. Santa Rosa downtown from a commercial, retail and use perspective remains underutilized.

One of the overarching economic development themes for Santa Rosa is the creation of a vibrant downtown that offers an attractive place to shop, stroll, sightsee and conduct business. Important anchors that are already in the downtown market area include the post office, City Hall, the Courthouse and library. An existing and desired retail market mix is outlined in section 3.3 below.

The hotel owners along the eastside strip have estimated that an average of 1,000 overnight travelers stay over in Santa Rosa as an I-40 stopover. Many of these travelers ask hotel personnel what there is to do or see in Santa Rosa in the evening. Apart from a smattering of local restaurants, there isn't much. The overnight I-40 travelers constitute a built-in market for a downtown with shops, galleries, eateries,

Many of these travelers ask hotel personnel what there is to do or see in Santa Rosa in the evening.

attractive amenities, walking areas and a Visitors Center/ Museum Complex. A well managed Blue Hole Conference Center will put Santa Rosa on a national specialty niche convention circuit. This is a unique opportunity for a town of this size, and will bring in additional guests for extended stays, creating an additional customer base for a new downtown. This tourist base will compliment increased resident usage once development reaches a critical point.

Santa Rosa is fairly isolated geographically even though it is on major highway and rail transportation routes. The nearest medium sized cities are Santa Fe (101 miles) and Albuquerque (133 miles). The towns of Vaughn (population 599) and Fort Sumner (population 1,249) are 40 and 44 miles away, respectively. Residents of Fort Sumner are more likely to travel to Clovis for shopping (60 miles away) because of the city's larger retail and service markets. *Given the static growth of Santa Rosa's population and the high penetration of the passenger market, the best opportunity to expand markets is to engage passengers in activities beyond those commonly associated with highway traffic.*<sup>5</sup> This is one of the overarching downtown development strategies. The new Blue Hole Conference Center has the potential now to expand this strategy to convention goers.

Another important market factor for the downtown area is that 700 people live within the downtown district which represents one third of the community (excluding the inmate population). This creates a natural and convenient domestic market for downtown. This residential community is under-served by nearby retail and personal service businesses. By integrating various markets, with the residential community as a stable foundation, the MainStreet district can support a number of well chosen retail and service businesses.<sup>6</sup>

### 3.2 DEMOGRAPHICS

The official population of Santa Rosa is close to 2700 people. However this number includes roughly 500 inmates that are housed at the Guadalupe County Correctional Facility and are not a part of the normal town's population. Santa Rosa has been losing population during the last decade. Between 1990 and 2000, the birth rate in Santa Rosa fell sharply, as the number of children under 5 years old declined from 271 in 1990 to only 159 in 2000, a decline of 41%. Similarly, indications are that families with young children moved away from the community. In 2000, Santa Rosa had 18 percent fewer children between 6 and 12 years old compared to 1990. Further, the senior population declined. The only population sector increase was that of the prison population and its associated workforce.

According to the Santa Rosa MainStreet Assessment Document prepared by the Bureau of Business and Economic Research at UNM, *the implication is that future population growth in Santa Rosa - apart from the inmate population - will not come from within; rather, the town must continue to attract workers for its businesses.*<sup>7</sup>

<sup>5</sup> Mitchell, Jeffrey; *Santa Rosa MainStreet: Community Economic Assessment*, University of New Mexico, Bureau of Business and Economic Research; April 2007

<sup>6</sup> Ibid

<sup>7</sup> Ibid

*we believe that once the economy shows signs of new and significant growth, native youth from Santa Rosa will decide to stay, and former Santa Rosa residents that have moved away will start to return.*

We believe that this is only partially true. While it is important to attract a competent work force, young people and families with children from outside of Santa Rosa to help support an economic turnaround, we believe that once the economy shows signs of new and significant growth, native youth from Santa Rosa will decide to stay, and former Santa Rosa residents that have moved away will start to return.

At this time Santa Rosa is a predominately Hispanic community with Hispanics comprising about 87% of the town's population. As Santa Rosa's economy continues to grow, the Native Hispanic population will probably be diluted, The City should make a concerted effort to influence young people to stay in Santa Rosa by encouraging amenities, activities and opportunities for youth, as well as help people who have moved away stay in touch and notify them when there may be new employment opportunities in Santa Rosa that they could return to. Although the community needs to welcome new comers, Santa Rosa as a community should also reserve a special place and treatment for its "Native Sons".

As of 2007, Santa Rosa population stood at 2,534, a 7.6% decrease from 2000. In 2000, the population figure stood at 2,744, so during the period between 2000 and 2007 Santa Rosa lost 210 people. In 1995 the population was 2,295, so from 1995 to 2000 the community gained over 400 people, but this includes inmates. Although exact population figures for 2009 are not yet available, data suggests that population is beginning to stabilize.

A better picture comes from an analysis of the economy. The estimated median household income in Santa Rosa in 2007 was \$29,944. This represents close to a 20% increase over the 2000 level. In 1990, nearly 36% of Santa Rosa's population lived below the poverty line; by 2000, the rate fell to 23.2 percent and this number is continuing to improve. New Mexico median household income in 2007 was \$41,452. The cost of living index for Santa Rosa in 2007 was 16% Lower than the U.S. average.

Education statistics (2007) are as follows;

*For population 25 years and over in Santa Rosa:*

- High school or higher: 71.3%
- Bachelor's degree or higher: 6.7%
- Graduate or professional degree: 2.6%
- Unemployed: 6.6%
- Mean travel time to work: 11.7 minutes

Santa Rosa public schools spend \$6,660 per student. The average school expenditure in the U.S. is \$6,058. There are about 14 students per teacher in Santa Rosa.

### 3.3 SERVICES AND RETAIL

There are a few exceptions to downtown Santa Rosa's prior run-down look. Lake City Diner is in an attractive historic building that constitutes a downtown historic landmark. The Comet restaurant is actually across Route 66 from downtown, and does a good business. A soda fountain/ ice cream and food establishment recently closed its doors when the middle school moved from the downtown area. Current downtown businesses include video stores, an old time general merchandise store, a clothing store that just closed, insurance and loan companies and a branch office for Luna Community College. Community 1<sup>st</sup> Bank, based in Las Vegas, New Mexico, just opened up a new branch on 4<sup>th</sup> Street.

As of 2007, the MainStreet district was the location of 18 businesses (21 percent of Santa Rosa's total) and 75 jobs (about 8 percent of Santa Rosa's total employment). On average, wages paid by MainStreet businesses are slightly above average for Santa Rosa, but this is skewed by government employment. Downtown job sectors include health and social services, public administration, food service and finance and insurance, with some retail.<sup>8</sup>

There has not been much to attract people to downtown Santa Rosa. City investment in downtown beautification is changing that. Prior to the City's efforts there was a negative perception of the downtown area that is just starting to be overcome.

Most very small towns have a retail base limited to only a few convenience-oriented businesses. Small town retailers typically include restaurants, bars/ taverns, building material suppliers, convenience stores, specialty food shops and grocers. At the same time an analysis of the retail mix in small towns<sup>9</sup> also shows that even within these communities, there can be a wide range of retail stores, many that one would not expect to see. Examples include sporting goods shops, appliance stores, boat dealers and art galleries. Each community has a unique mix of these specialty retailers that often serve a more regional market.

Data from the analysis cited above<sup>10</sup> indicates that towns further away from major discount department stores such as Wal-Mart have significantly more retail establishments. The chart provided below presents a retail mix analysis from a survey of a large base of Midwestern communities in Wisconsin more than fifteen miles distant from a major retail department store.

The following numbers are for towns with not more than 1,000 people. Santa Rosa is more than twice that size. Santa Rosa has eight fast food establishments and at least eleven full service restaurants and two bars. There is one grocery

<sup>8</sup> Mitchell, Jeffrey; *Santa Rosa MainStreet: Community Economic Assessment*, University of New Mexico, Bureau of Business and Economic Research; April 2007

<sup>9</sup> Ryan, Bill, et al, *Retail Mix in Wisconsin's Tiny Towns*; University of Wisconsin, Center for Community Economic Development.

<sup>10</sup> Ibid



store in town, and no specialty foods groceries. There are least five service station convenience stores. Santa Rosa Lumber is downtown and sells lumber and hardware. There is at least one auto supply store. There are no pure gift stores, but there is a florist. Two real estate offices are listed in Santa Rosa. There is no sporting goods store. Santa Rosa has a local radio station (KSSR) and a small airport. There is one weaving/ handcraft store and gallery in the downtown area.

The following retail mix chart is from a survey of Wisconsin small towns of under 1,000 population:

SIC Code	Type of Business	Frequency
5812	Eating Places	5.1
5813	Drinking Places	4.8
521, 523	Building Materials	1.8
541103	Food-Convenience	1.5
	Other	2
542-549	Specialty Foods	1.4
541104/5	Groceries	1.1
551-552	Auto-Truck	1.3
5947	Gift	1.6
553	Auto Supply	1.1
5941	Sporting Goods	1

The number and types of retail establishments are affected by proximity to other population centers, demographics and income factors and cultural attributes among other characteristics. The above list is abbreviated to include only establishments represented by one or more stores on average in very small towns. This survey is from a very different part of the country, but it does suggest that Santa Rosa is under represented in most retail areas. The point of this data is that as Santa Rosa's economy grows, there should be room for retail expansion. Retail expansion will remain a major goal of downtown development.

### 3.4 COMPETITIVE SECTORS

Additional commercial developments that have occurred since the 1990's have been the opening of a rail transportation hub for autos in the downtown area, as well as new hotels, restaurants and new truck stops within the eastern motel strip. The auto hub has laid off about half of its customary workforce of 14 people due to the economic slowdown and its impact on the auto industry.

The most competitive sector in Santa Rosa is the tourist industry based almost entirely on catering to transient overnight travelers along Interstate-40. This sector is centered exclusively on the east side and is serviced by attractive chain franchises. There are eight chain motels in Santa Rosa. There are at least five smaller independent motels along the old Route 66 that extend towards the downtown area.

The other major attraction in Santa Rosa is the Blue Hole. This is a well known and utilized inland dive site, and is a tourist attraction in its own right. The City

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allows swimming and rock diving in the Blue Hole in addition to dive training and recreation. The natural, bell-shaped pool is 80 feet deep and has astonishing clarity and a constant water temperature of 64 degrees. There are two dive training platforms at 20 and 25 feet. Another diving attraction is a twin-engine plane 55 feet down at the bottom of nearby Perch Lake.

The softball complex built by the City has been a major success. Softball teams from across New Mexico now travel to Santa Rosa for tournaments and games.

As already mentioned, there is considerable room to improve the retail mix in Santa Rosa. The downtown area currently does not have tourist amenities other than two restaurants. One obvious strategy to support downtown development is to make downtown a tourist draw. A major economic sector for the downtown area is local government, as both County and City offices are located downtown. This provides a significant base for downtown activity and the downtown economy, especially since both County and City buildings have been recently renovated.

### *3.5 MARKET TRENDS*

The primary market trend that is impacting downtown is public investment in infrastructure and facilities. Besides the Correctional Facilities, this includes the Conference Center, downtown public buildings and beautification, the softball complex, the Assisted Living Center, the planned County Hospital, planned lake development and planned downtown anchor projects. These projects are resulting in increased employment in and around the downtown area which will help Santa Rosa downtown support additional retail.

In summary, the major trends are projected increased tourism through the Conference Center, eventual development of the lakes and a coherent community branding and marketing strategy. Part of the downtown development strategy is to attract private development that can capitalize on increased tourism and a growing downtown market. MainStreet can provide incentives, organizational support and community branding and marketing to help jump start this effort.

### *3.6 REGIONAL I FLUENCES*

A major regional influence that has already impacted Santa Rosa and will provide more of an economic base going into the future is the regional energy economy. When energy prices were high (last year), there was considerable exploration, principally for gas wells in the Tucumcari Basin around Santa Rosa. The Tucumcari Basin is considered a frontier basin in that there are very few productive operating wells within the area. The basin spans portions of the counties of Guadalupe, Quay, Curry and DeBaca and encompasses 5,000 square miles. There has been on-again, off-again exploration in the area since 1909.

In 1998, The New Mexico State Land Office sponsored research by the New Mexico Bureau of Geology and Mineral Resources that ultimately led to a 'mega sale' in 2003 when over \$1M of mineral leases were signed in the Basin. Much of the state and federal lands were leased throughout the area, and several companies began

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to make their holdings contiguous by filling in with fee holdings through leasing the larger ranches. During this spate of activity CKG Energy drilled eight wells - including some that were sited along Interstate 40 where they flared gas.



Shell Oil operation near Santa Rosa



Part of Argonne Mesa Wind farm—Santa Rosa

Industry analysts believe that Shell Oil has made a significant discovery which is why they have acquired more than 30,000 acres in their area of interest in addition to spending large sums of money on well development. It had been expected Shell was likely to drill a good number of wells to help them determine the extent of their field. It is not known how the latest precipitous drop in energy prices is impacting these plans; however, industry analysts are almost unanimous in projecting that energy prices will again turn to higher levels once the economy begins to recover. These activities can portend to have a major impact on the regional economy into the future, as there is evidence that the Tukumcari Basin may turn out to be one of the newer and larger fields to be discovered in the U.S., where most oil fields have been exploited and are in decline.

There are not a lot of drilling crews available in the Tukumcari basin area. Most of the crews will have to be brought in from northwest or southeast New Mexico. This means that once the energy economy starts to recover, and if the new investments are followed up, workers will most likely be moving into the Santa Rosa area, putting additional pressure on an already inadequate housing stock.

The other area of energy development concerns the *new energy*, or renewable energy sector. Babcock and Brown has already built a 90 megawatt wind farm just outside of Santa Rosa called Argonne Mesa. The power from the farm is sold to Arizona Public Service Company and the farm produces enough power to fulfill the energy needs of 23,000 homes. Babcock and Brown is planning to build a new similar sized wind farm in the same area.

The Guadalupe County Manager has stated that the County expects to receive 43.3million over a 30 year period (averaging out to \$1.4M annually), primarily from gross receipts taxes, while the school district will receive another \$1.9MM from property taxes due to new wind farm development. The City of Santa Rosa close to doubled its gross receipts tax intake during the construction period of the first wind farm. This should happen again when the new farm is built.

*Specific downtown opportunities will include private/public strategies for the development of the two principal catalytic downtown projects.*

A new planned development just announced is the prospective construction of one of the largest solar energy installations in the country (300MW) by a Spanish energy company - Gestamp. This project has the potential to impact Santa Rosa's economy more than any thing else.

Although Santa Rosa will not share in direct gross receipt tax revenue, the City will benefit from indirect gross receipt taxes from increased spending in town from construction workers and later from wind and solar energy technicians who will most likely settle in Santa Rosa. Santa Rosa will also benefit from the school district revenue increases. Although the exact timing of these projects may still not be known, the increase in gross receipts taxes during the construction phase of the new wind farm and solar installation will allow Santa Rosa to finance new projects internally.

### *3.7 OPPORTUNITIES*

New employment, a growing regional energy economy, exciting new energy projects, a new focus on tourism development, and public downtown projects all lay an attractive framework for new private investment in downtown. It is incumbent upon the public and not-for-profit sectors, including MainStreet, to come together and build an organizational structure that will support new private development. This plan is primarily based upon strategic recommendations to accomplish that.

Specific downtown opportunities will include private/public strategies for the development of the two principal catalytic downtown projects - the Ilfeld-Johnson Building and the Pecos Theater. In addition, there will be substantial opportunity for retail development that will be supported by a community business development organization and the idea of a retail incubator as part of the Ilfeld-Johnson development. Santa Rosa will take advantage of specific incentive programs to structure downtown development projects and market them to targeted investors. There will also be a major push to promote existing businesses through retention and growth strategies.

There is also considerable opportunity to capitalize on the historic character of downtown to address design guidelines. This will be facilitated through the City beautification projects already completed or underway. A specific strategy is laid out that addresses design guidelines for new development and existing structures, along with incentives for property renovation.

Finally, as Santa Rosa grows and new amenities are put in place, making Santa Rosa more attractive, new marketing and community branding opportunities will arise. A cohesive marketing strategy is already being developed through the Lodger's Tax Board.

One of the biggest opportunities confronting Santa Rosa that will have a major community-wide and downtown impact is the development of Santa Rosa's recreational water resources and lake complex. This strategy is addressed within the Comprehensive Economic Development Master Plan.

*As new amenities are built and additional professional level jobs are created in Santa Rosa, a new workforce from outside the community will begin to move in as well as some old-time residents return.*

### 3.8 GAPS AND SKILLS

Historical analysis of gross receipts data suggests that Santa Rosa has slowly lost market share in relation to the I-40 based businesses. However, the greatest loss has been in construction rather than lodging. Construction loss is unavoidable as highway construction projects have a finite life. Beyond this trend, the greatest difficulties facing Santa Rosa are persistently high poverty rates and the long term decline in the labor force.<sup>11</sup>

Although the above is the conclusion of the Bureau of Business and Economic Research as of 2007, recent trends and new developments point in the direction of rapid income growth. As income continues to grow, at some point the labor force decline will begin to reverse itself. As new amenities are built and additional professional level jobs are created in Santa Rosa, a new workforce from outside the community will begin to move in as well as some old-time residents return. A major constraint on this process that needs to be addressed is an inadequate housing stock.

While prison development increased business revenue and the local tax base and set the stage for Santa Rosa's fifth and current development period, it also made the supply of labor more of an issue for the rest of the business community. Many of the town's most competent workers found employment at the correctional facility. This trend is being exacerbated through additional venues that are creating high paying positions in Santa Rosa, such as the Assisted Living Center and the new Hospital. Many Santa Rosa employers complain that they cannot find good workers.

At the same time, other Santa Rosa employers have been interviewed who say that they have an excellent, stable and responsible work force and did not have a difficult time recruiting them locally. We found that the major difference appears to be salary. If employers pay well, there is a responsible work force. Because Santa Rosa has gone through a recent period of economic hardship and has a history of low per capita incomes, many local employers are simply not used to paying high wages.

Income levels are going up rapidly in Santa Rosa. Wage levels are a balancing act. Employers are reluctant to pay high wages until they feel assured that their businesses will earn sufficient income over the long-term. Business income is starting to increase in Santa Rosa, but there is a natural lag. Until business owners develop enough history and confidence around increased business income they will be hesitant to pay more. Even then, there may be some reluctance, as wages in Santa Rosa have been depressed for so long. Until this cycle works itself out there will be tension in the business community around labor.

One way to address this problem and help shorten this cycle is for Luna Community College to step forward with aggressive training programs and work study programs. Fortunately, this is already happening. These efforts need to be expanded and supported.

<sup>11</sup> Mitchell, Jeffrey; *Santa Rosa MainStreet: Community Economic Assessment*, University of New Mexico, Bureau of Business and Economic Research; April 2007.



Specific sectors in which training can be provided to address skill gaps are in business, hospitality, natural resource development and energy fields. One other gap to address in Santa Rosa is providing support for entrepreneurs.

### 3.9 HOUSING ANALYSIS

While the opening of the prison created close to 180 new jobs at the same time it put pressure on housing, which does not currently meet local needs. Just as workforce availability is concerned, new developments that will create new professional level jobs will put even more pressure on an inadequate housing stock.

Housing in general, and affordable housing in particular, are great challenges for Santa Rosa, because few new homes have been built in recent years and the old housing stock is deteriorating. With newly found purchasing power and few housing options, some residents of Santa Rosa have purchased manufactured homes instead of making an investment in a site-built home. The lack of capacity in the community—from home buyer counseling to financial institutions—coupled with the lack of housing stock itself, have caused residents to become “stuck” in their housing situations, with little room for change.<sup>12</sup>

Santa Rosa’s housing needs are across the board. There is documented need for the following:

- Low income subsidized housing and rentals
- Homeless/emergency shelter and transitional housing
- Senior subsidized housing
- Supportive services housing
- Rehabilitation and homeowner support
- Demolition and reconstruction
- Home buyer counseling
- Higher-end professional housing

A strategy to deal with Santa Rosa’s housing issues is presented within this report.

### 3.10 USE FEASIBILITY - ECONOMIC POSITIONING

Commercial district revitalization works within an existing district that has clearly identifiable boundaries based upon construction features or types of services. Usually, there are adjacent residential neighborhoods that the commercial district once served prior to district disinvestment. In many cases these districts have fallen prey to another more competitive or flexible environment. These characteristics fit Santa Rosa downtown.<sup>13</sup>

<sup>12</sup> Abeyta, Monica; *Santa Rosa Housing Plan*; The Regional Development Corporation, 2008.

<sup>13</sup> Williams, Rich; *Commercial District Revitalization Opportunities*; Tierra Madre Consultants, June 1998.

*The over arching economic goal for Santa Rosa is to reach a critical mass of development in which a virtuous cycle of investment is created.*

There are three methods to change the physical look of downtown: development, redevelopment and revitalization. New development is associated with new construction. Redevelopment alters and changes the built environment to meet new needs and increase the financial value of property. Revitalization uses existing structures and adapts or rehabilitates properties by building additional capacity to property without altering a basic purpose.

A strong, comprehensive revitalization strategy usually involves: <sup>14</sup>

- Capacity building of a non-profit partner that can provide coordination and management
- Business technical services and support to assist in retention and expansion
- A recruitment strategy within a marketing program
- A sustainable source of funding

These elements have been built into the organizational framework put forth in the recommendation section.

The dynamics behind successful revitalization are normally as follows: <sup>15</sup>

1. Business revitalization is market or private sector driven
2. Public investment needs to be targeted and partnered with corresponding private investment
3. Private sector non-profit, community based economic development partners must be in place to coordinate public sector dollars to leverage private investment

Measures of economic development success are new jobs and new businesses created as well as new buildings and structures either built or rehabilitated. Other important measures of economic development success are increasing salary levels, increasing standards of living and a growing tax base for the community that can be leveraged into additional economic development. The over arching economic goal for Santa Rosa is to reach a critical mass of development in which a virtuous cycle of investment is created. For example, the best way to recruit new business to a community is to promote a thriving business sector. When a potential entrepreneur or a business person is exposed to a growing business sector, they are more easily influenced to set up shop and take advantage of the opportunity that an expanding economy presents.

### **3.11 TOURIS**

As mentioned above in Regional Attractions (section 2.6), Santa Rosa is ideally positioned as a tourist destination and already has a long history of driving tourism business to the community because of its lakes and Route 66. Currently, Santa Rosa

<sup>14</sup> Developed from - Williams, Rich; *Commercial District Revitalization Opportunities*; Tierra Madre Consultants, June 1998.

<sup>15</sup> Ibid

*There is concern regarding the scarcity of housing, a lack of opportunities especially for young people, and an inadequate work force.*

is working hard to expand and enhance its lake offerings and will soon open the Blue Hole Dive Training and Conference Center. As these amenities are completed, Santa Rosa will have a substantial aquatic destination to promote to yet an even broader outdoor activities market. Although still in discussion, the giant water slide acquired from The Beach - a former Albuquerque water park - is just such an amenity that can expand tourism visitation to Santa Rosa. Although there has been controversy regarding the aesthetics of the slide, the City should work to address these concerns and erect the slide in an appropriate location.

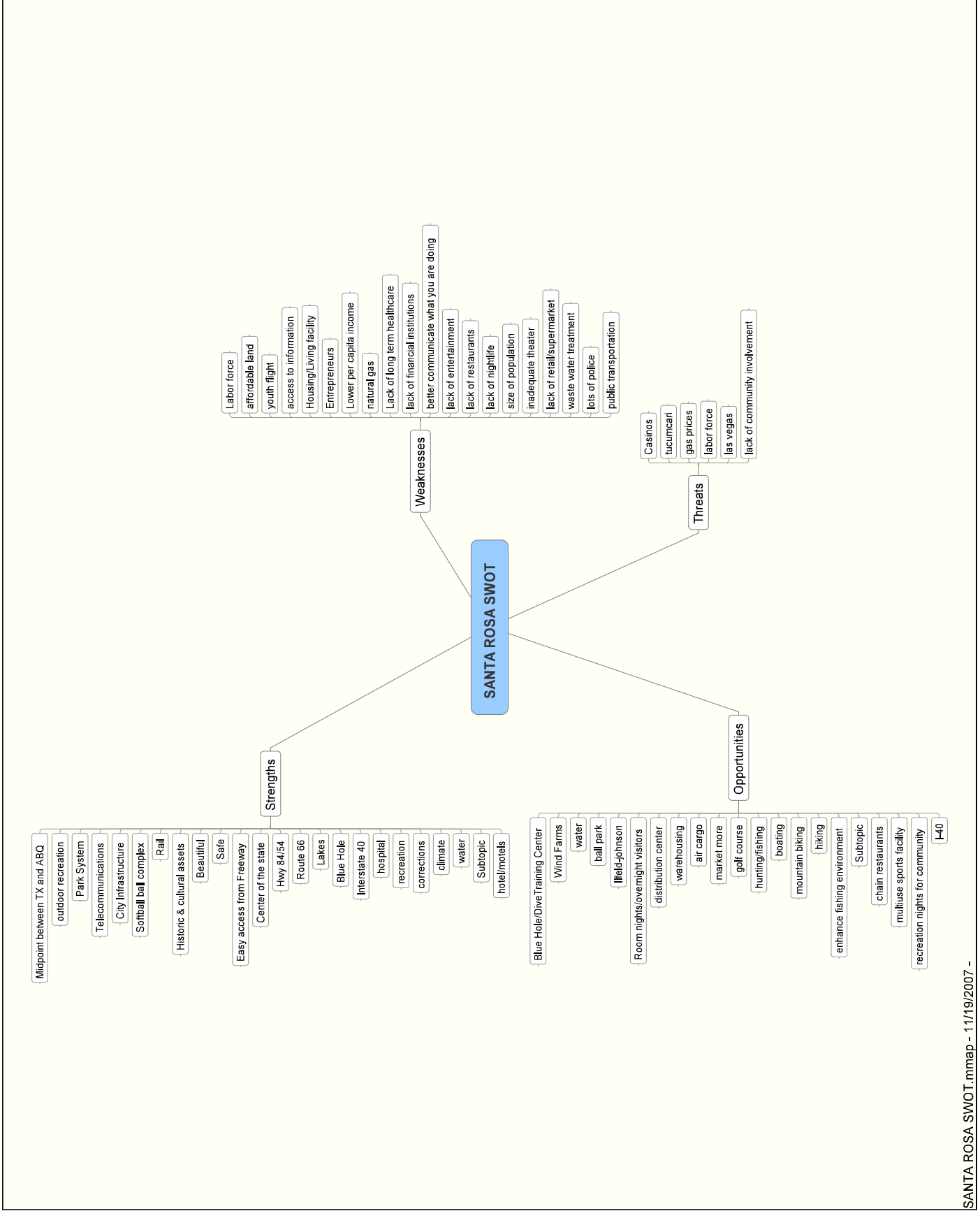
Tourism is a central part of the economic base in Santa Rosa. Downtown development will play a major role in developing and strengthening that base. A revitalized downtown will not only be the heart of the City for residents, but will also become the tourist base - a place where tourists go to find information and orient themselves, to eat and shop and to soak up the atmosphere of an historic, attractive small town anchored in Route 66 and railroad history with an Hispanic heritage.

Primary tourist amenities will be found downtown such as the Visitor's Center and museum, Route 66 memorabilia and an atmosphere in an outdoor setting and the main shopping/art district with character and style. It is imperative, however, that once the tourist find downtown that Santa Rosa provides them with things to see or do. The smart development of the Ilfeld Johnson Warehouse Building is key as a catalytic project to help kick-off new downtown development.

The national trends in tourism paint a promising picture for ongoing Santa Rosa visitation. "Staycation" is the new buzz word, implying that more and more travelers are driving to their destination or taking short plane trips to find their vacation or weekend adventure. They are taking fewer trips each year but staying longer at that destination whenever possible. Tourists are looking for value and scrimping to save precious dollars. And they want real experiences and authenticity. Santa Rosa can position itself to offer all of the above.

The GlenRio Visitor Information Center, on the New Mexico-texas line east of Santa Rosa, shows that Texas, Oklahoma, California, New Mexico, and Arizona are the top five visiting states to New Mexico with an average of approximately 35,000 visitors per month. International top travelers include Canada, England (UK), Germany, France and Mexico. Santa Rosa is geographically close to the GlenRio Visitor Information Center and is currently developing a state-of-the-art information kiosk to better promote Santa Rosa to these targeted visitors at the Center.





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## IV. VISION AND MASTER PLAN

### 4.1 PROJECTS AND COMMUNITY INPUT

Community members have brought out many ideas and concerns through a series of community meetings and one-on-one interviews. Community members are concerned about a downtown that has been allowed to deteriorate without a convenient mix of businesses. Residents want better shopping and more to do downtown. People are aware that if downtown was developed it would increase the quality of life for residents as well as influence tourists to stay longer and spend more in Santa Rosa. An attractive downtown would also be an incentive for business relocations to Santa Rosa. There is also unanimous desire to see the lakes developed with increased recreational opportunities, public access and a trail system.

There is concern regarding the scarcity of housing, a lack of opportunities especially for young people, and an inadequate work force. Work force issues may be addressed both through increasing educational and training opportunities, as well as by providing for real careers with good pay in Santa Rosa through a strategy for business retention and development (described in the subsequent section). The low per-capita income that is prevalent in the region is a disincentive for the development of a strong work ethic within the community and an incentive for young people to leave. However, income levels in Santa Rosa are increasing. Community residents appreciate the safe atmosphere, natural and recreational amenities, historic assets, new city infrastructure, telecommunication infrastructure and the climate.

### 4.2 CONSERVATION PLAN - FUTURE USE

Several primary economic development goals are salient for the long-term growth of downtown Santa Rosa:

- The creation of an appealing downtown that will attract additional tourism dollars and spending from the eastside tourist facilities
- The growth of a new tourist base through the development and marketing of Santa Rosa's water and nature resources, including lakes, lake trails and wetlands and the Blue Hole Dive Training and Conference Center that will create a new customer base for downtown
- The development of a downtown retail mix that will cater to both tourists and residents
- The preservation of historic buildings and character along with downtown development that meets principals of *New Urbanism* or *Smart Growth* (see below).
- The development of key anchor sites (catalytic downtown projects).
- The creation of an organized business support system to promote downtown business retention and expansion
- The development of an explicit strategy to promote private investment into the downtown district

Major objectives will lead to the following outcomes

*Imbue Santa Rosa's downtown/Route 66 district with an attractive historic character*

**Leading to:**



*Thriving downtown commercial center*



**and:**

- *New Business Development*
- *New Employment*
- *Commercial Convenience for Residents and Tourists*
- *Attraction of New Residents*
- *Increased Tourism Stays*
- *Increased Quality of Life for Residents*
- *Augmented City Resources Through Additional Taxable Activities*

*One overarching theme for Santa Rosa development will be to develop a level of professionalism that is unique for a small town.*

*Develop Santa Rosa's recreational and natural amenities*

**Leading to:**



*A pristine and attractive natural environment with recreational opportunities that will blend with and respect nature*



**and:**

- *New Business Development*
- *New Employment*
- *Attraction of New Residents and Businesses*
- *Increased Tourism Stays*
- *Increased Quality of Life*
- *Augmented City Resources Additional Taxable Activities*

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The style of Santa Rosa downtown development will follow precepts of *New Urbanism*. The goal of this style of development is to capitalize on new trends that are having a substantial impact in the nation. Demographics shifts are beginning to hollow out the suburbs. Compact urban areas are growing, as well as small towns that can provide a comfortable and livable lifestyle with a level of sophistication without the loss of small-town charm and character. Both urban downtowns and small town downtowns lend themselves to *New Urbanism* development principles for a livable community.

*New Urbanism* or *Smart Growth* is a movement to help make communities more livable and add to the quality of life. The principles of *New Urbanism* can be applied to projects at the full range of scales from a single building to an entire community. *New Urbanism* is the revival of the lost art of place-making, and is essentially a re-ordering of the built environment into the form of complete cities, towns, villages, and neighborhoods - the way communities have been built for centuries around the world.

New Urbanism involves fixing and infilling cities, as well as the creation of compact new towns and villages. *New Urbanism* promotes the creation and restoration of diverse, walkable, compact, vibrant, mixed-use communities composed of the same components as conventional development, but assembled in a more integrated fashion. These contain housing, work places, shops, entertainment, schools, parks, and civic facilities essential to the daily lives of the residents, all within easy walking distance of each other.

The principles of *New Urbanism* include:

**1. Walkability**

Most things within a 10-minute walk of home and work; Pedestrian friendly street design (buildings close to street; porches, windows & doors; tree-lined streets; on street parking; hidden parking lots; garages in rear lane; narrow, slow speed streets); Pedestrian streets free of cars in special cases.

**2. Connectivity**

Interconnected street grid network disperses traffic & eases walking; A hierarchy of narrow streets, boulevards, and alleys; High quality pedestrian network and public realm makes walking pleasurable

**3. Mixed-Use & Diversity**

A mix of shops, offices, apartments, and homes on site; Mixed-use within Neighborhoods, within blocks, and within buildings Diversity of people - of ages, income levels, cultures, and races

**4. Mixed Housing**

A range of types, sizes and prices in closer proximity

**5. Quality Architecture & Urban Design**

Emphasis on beauty, aesthetics, human comfort, and creating a sense of place;

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Special placement of civic uses and sites within the community; Human scale architecture & beautiful surroundings that nourish the human spirit

### **6. Traditional Neighborhood Structure**

Discernible center and edge; Public space at center; Importance of quality public realm; public open space designed as civic art; Contains a range of uses and densities within 10-minute walk; Transect planning: Highest densities at town center; progressively less dense towards the edge.

### **7. Increased Density**

More buildings, residences, shops, and services closer together for ease of walking, to enable a more efficient use of services and resources, and to create a more convenient, enjoyable place to live; New Urbanism design principles are applied at the full range of densities from small towns, to large cities.

### **8. Smart Transportation**

Pedestrian-friendly design that encourages a greater use of bicycles, rollerblades, scooters, and walking as daily transportation.

### **9. Sustainability**

Minimal environmental impact of development and its operations; Eco-friendly technologies, respect for ecology and value of natural systems; Energy efficiency; More local production; More walking, less driving.

### **10. Quality of Life**

Taken together these add up to a high quality of life.

These principles should be taken into account as much as possible by City Government, planners and Santa Rosa MainStreet in all planning and zoning decisions. Some of the benefits of this style consist of:

**For residents:** Better places to live, work, and play; Higher, more stable property values; Less traffic congestion & less driving; Healthier lifestyle with more walking, and less stress; Close proximity to main street retail & services; Close proximity to bike trails, parks, and nature; Pedestrian friendly communities offer more opportunities to get to know others in the neighborhood and town; More freedom and independence to children, elderly, able to get to jobs, recreation, and services without the need for a car or someone to drive them; More diversity and smaller, unique shops and services with local owners who are involved in community; Better sense of place and community identity with more unique architecture; More open space to enjoy that will remain open space; More efficient use of tax money with less spent on spread out utilities and roads.

**For Business:** Increased sales due to more foot traffic; More profits due to spending less on advertising and large signs; Better lifestyle by living above shop in live-work units; Economies of scale in marketing due to close proximity and cooperation with other local businesses; Smaller spaces promote small local business incubation; Lower rents due to smaller spaces & smaller parking lots; Healthier lifestyle due to more walking; More community involvement from being part of community and knowing residents.

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**For Developers:** More income potential from higher density mixed-use projects due to more leasable square footage; more sales per square foot; Faster approvals in communities that have adopted smart growth principles; Cost savings in parking facilities; Lower cost of utilities due to compact nature of New Urbanist design; Greater acceptance by the public; Faster sell out due to greater acceptance by consumers from a wider product range resulting in wider market share

**For Municipalities:** Stable, appreciating tax base; Less spent per capita on infrastructure and utilities than typical suburban development due to compact, high-density nature of projects; Increased tax base due to more buildings packed into a tighter area; Less traffic congestion due to walkability of design; Less crime and less spent on policing due to the presence of more people day and night; Less resistance from community; Better overall community image and sense of place; Greater civic involvement of population leads to better governance.

One over arching theme for Santa Rosa development will be to develop a level of professionalism that is unique for a small town. This will be evident in the hospitality and business sectors and will also carry over to economic development. Santa Rosa has reached a stage where competent and professional people should be providing resources and directing economic development initiatives as far as an independent community development corporation (CDC), a MainStreet Program and a convention and visitors strategy are concerned. This will involve a funding commitment from the City, but will result in economic development pay-off, so City funding will be looked upon as an investment. Increasing professional standards within the economic development infrastructure as well as within the business sector will be tied to workforce training initiatives and an increasing pay scale as increased professional standards begin to impact the bottom line for both local government and business.

According to economic analyst, Dr. Jack Lessinger, the next long-term wave of development beyond suburbia will focus on small towns whose residents will live more modestly and perceive themselves as the protectors, rather than the exploiters, of their environment.<sup>16</sup> This vision is finally coming to fruition spurred by increased fuel and energy costs, concerns about global warming and the digital revolution where the workplace is tied more to the internet landscape than physical geography. More and more, site selectors for businesses recognize the benefits of escaping the urban jungle for the wide-open spaces, a clean environment and the “homey” atmosphere of a small town. This trend is manifesting itself across the country. Santa Rosa can position itself to take advantage of these trends through controlled and tasteful downtown development along with the continued development of its natural water resources combined with an astute marketing strategy.

One major advantage that Santa Rosa has that has not been adequately publicized is high speed internet capability through two major fiber optic intrastate lines. Businesses in Santa Rosa can obtain high speed DSL or T-1 data lines.

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<sup>16</sup> Lessinger, Jack Dr.; [Penturbia, Where Real Estate will Boom After the Crash of Suburbia](#), USA Socioeconomics, 1991.

### 4.3 ZONING RECOMMENDATIONS

If Santa Rosa is to enhance a character, flavor and style for its downtown, the City needs to implement design guidelines enforced through a zoning overlay within specific areas of the commercial district. Design guideline enforcement can become controversial if not done carefully. Two implementation methods can be used. Incentives for property owners to make improvements according to City adopted guidelines can be put in place. This can motivate the upgrading of existing properties. The second implementation method can be for new developments, whereby the prospective developer must submit plans to the City that fall within minimum design guideline requirements in order for the City to issue a construction permit. It is common for existing structures to be “grandfathered in” when a community creates new zoning enforcement

For special districts within a community environment it is common for a municipality to legislate the creation of overlay zoning districts. The overlay district is popular because it allows a higher level of protection or quality within a specific, defined district. It also allows flexibility in the application of standards that are spatially limited. It provides more discretion than outright rezoning in situations that are politically sensitive. Some of the more common uses for such zones coincide with environmental protection or quality growth goals. For example, overlay districts may be employed to maintain the integrity of historic areas or to preserve views.

Overlay zoning creates a second, mapped zone superimposed over existing, conventional zoning districts. The overlay district, like a conventional zoning district, consists of districts with mapped boundaries with written text. The mapped boundaries of the overlay district do not necessarily coincide with other zoning district boundaries, and may not follow parcel boundaries. Often, natural features define its spatial limits.

Some overlay district implementation guidelines include:

- Purpose Statement - The overlay is tied to the goals and objectives of a community’s comprehensive plan, public necessity behind the intent is cited as well as a direct connection to protecting the public health, safety, morals, general welfare and/or aesthetics.
- Spatial Definition - The boundaries should be as simple and understandable as possible.
- Review Board - A Review Board can provide more opportunity for public input, more political cover” and a broader perspective than reviews by staff.
- Resolution of Conflicting Provisions - If the overlay intends to add new provisions above those existing in the underlying zoning districts, then it will be necessary to prescribe which set of standards takes precedence in case of a conflict.



Santa Rosa has a Historic Overlay District described in the section on *Existing Conditions*. Overlay zoning should be revisited and extended up to Route 66. There may be some confusion about existing properties in the district. Existing properties can be grandfathered in.

#### 4.4 CATALYTIC PROJECT RECOMMENDATIONS

The two major downtown projects that lend themselves to a private/public partnership and will be downtown anchors are the Ilfeld-Johnson Warehouse Building and the Pecos Theater.

Recommendations have been developed for the Ilfeld-Johnson Building with the following goals:

- Provide an anchor for additional downtown development
- Preserve historic downtown
- Serve locals and tourists alike
- Attract business from the hotel strip
- Create a minor new destination for Santa Rosa
- Lay-out a strategy for sustainable development
- Focus on local economy and character
- Involve a mix of public and private sectors



The central best-use recommendation for the Ilfeld-Johnson Building is for a quality restaurant with indoor and outdoor seating that would serve steaks, healthy contemporary cuisine and some New Mexican dishes. The restaurant would have creative contemporary décor with an historic and regional themes, have a full bar that featured New Mexico beers and wines and have a large screen panel TV that would focus on sporting events. The level of quality of the ambience and food would create a new standard for Santa Rosa and be unique among small, rural New Mexico towns.

Restaurants are inherently risky. In order to attract the required private sector entrepreneurial talent and help ensure sustainability, it is recommended that the City would invest in the restaurant build-out and provide some type of incentivized lease under LEDA (Local Area Economic Development Act).

The restaurant would share the main floor with a Visitors Center with quality displays of regional geology, recreational attractions and history that would double as a museum. The Visitors Center would be operated by the City under their



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current budget and would be complimentary to the restaurant. A farmer's Market would operate outside next to the Ilfeld-Johnson in season. The first floor would also feature a "third place" environment where people could grab a coffee and set-up a lap top with a high speed internet connection.

Finally, the downstairs would have a retail incubator space with art and memorabilia shops which vendors would be required to stock with inventory and pay a percentage of gross sales as rent, while a city employee would be in charge of sales. This arrangement would eliminate risk for potential retailers, and help serve to easily lease up space. The retail incubator would help establish retail downtown business and move the successful ones out into a downtown space. The MainStreet office would also be in this building.

One way to fund this venture is to use the LEDA incentives to attract a private investor for the restaurant. There are entrepreneurs who have already expressed an interest. This could be coupled with commitments from retail incubator tenants. Committed private investment, however, cannot be used as match for an EDA grant so non-federal public funds must be found. EDA requires that an application be part of a regional CEDS (Comprehensive Economic Development Strategy), which Santa Rosa already has done. Since there are no identified public funds to finish the Ilfeld-Johnson development (which could cost as much as \$2MM), another viable strategy that can be used for all of the catalytic projects, including the fish hatchery, is a New Market Tax Credit. This would potentially make private capital available and is explained later in this study.

The goal for the Pecos Theater is to restore it and create a multi-purpose entertainment, arts and culture facility downtown. The City has been attempting to purchase the property, but an acceptable purchase price has not been reached. One potential way out of this impasse that has not been seriously looked into is to create a public/private partnership with the current owner using a New Market Tax Credit strategy combined with other projects. A renovation plan has been developed for the Pecos Theater with phased improvements. The budget for all of the recommended improvements comes to roughly \$250,000.

Besides the New Market Tax Credit, alternative funding sources could be used for the Pecos Theater renovation including:

- National Endowment for the Arts (NEA), provides support related to feasibility studies for the renovation, restoration, or adaptive reuse of facilities or spaces for cultural activities, architectural studies, projects that address cultural tourism or the revitalization or improvement of cultural districts. Funding is not available for actual renovation or construction costs. <http://www.nea.gov/>
- National Trust for Historic Preservation, which provides information and advice to preservation groups, administers grant and loan programs, etc. <http://www.nationaltrust.org/help/statewide.org.asp>

- U.S. Department of Agriculture, which provides loans, loan guarantees, and sometimes, small grants to develop community facilities that are essential to the quality of life in rural areas and towns of up to 20,000 in population. <http://www.rurdev.usda.gov/>
- U.S. Department of Housing and Urban Development (HUD) via the Community Development Block Grant (CDBG) program, has funded numerous theatre restoration [projects. www.hud.gov](http://www.hud.gov)
- U.S. Environmental Protection Agency (EPA) Brownfields Cleanup and Redevelopment Program, which provides funding for rehabilitating effected historic properties. [http:// www.epa.gov/brownfields/index.html](http://www.epa.gov/brownfields/index.html)
- U.S. Department of Transportation (DOT) has provided funding for restoration projects through Transportation Enhancement funds, which are administered through NMDOT.
- Save America’s Treasures, which is a federal matching grant program that funds restoration projects. <http://www.cr.nps.gov/hps/treasures/>
- League of Historic American Theatres (LHAH), an international non-profit member service organization whose mission is to advocate, promote, and facilitate the rescue, restoration, reuse, and sustainability of historic theaters.
- Theatre Historical Society (THS), an organization which documents and preserves the architectural, cultural, and social history of American theatres.

#### **4.5 NEW MARKET TAX CREDITS**

The development of catalytic projects as discussed earlier in this study is seen as a requisite to jump-starting downtown development. Catalytic projects will create an infrastructure that will help to leverage private investment. These projects will serve to attract both residents and tourists to downtown and start to breathe new life into the district. A primary challenge is figuring out how to finance these projects when public funds are limited and private funding is difficult to raise. One answer may lie in the use of New Market Tax Credits.

The New Market Tax Credit program (NMTC) is designed to encourage investments in low-income communities that traditionally have had poor access to debt and equity capital. The NMTC program has proven to be extremely popular with the financial services industry. In the four rounds to date, applicants have requested approximately \$107 billion in credit allocations versus the \$ 2 billion in allocations awarded - almost 9 times oversubscribed. New Mexico currently has its own allocation through the New Mexico Finance Authority (NMFA) which makes this program more available to New Mexico projects.

New Markets Tax Credits and the Historic Renovation Tax Credit are natural allies as they work well together. The Historic Renovation Tax Credit is a straight 20% credit that can be taken on the cost of rehabilitating designated historic structures.

A New Market Tax Credit is more complex than a Historic Tax Credit. In the case of Santa Rosa, several renovation or construction projects can be bundled together. Total investment should total at least \$3MM. An equity investor, that is often a bank, but can be a private investor, agrees to invest an amount of equity into designated projects. As part of a leveraged tax credit, which is generally more attractive,

equity is coupled with debt. The investor places funds into an intermediary organization (in this case a CDE-Community Development Entity) that makes the investments in qualified projects. The investor takes no ownership, nor do they have any managerial control. And they cannot take money out of the project until after a seven year period. The investor makes money through taking a 39% tax credit over the seven year life of the Tax Credit. A major benefit to the investor is the fact that the credit can be taken on both the equity and the debt, which can dramatically increase the return on equity from the credits. At the end of a seven year period, it is common for the investor to forgive all or a portion of the equity investment. At the end of seven years, whatever remains of the debt, which may be the whole amount, and any un-forgiven equity, must be refinanced.

The following chart is an example. It is possible to combine a NMTC with grant funding in order to bring down the asset income to cost ratios as well.

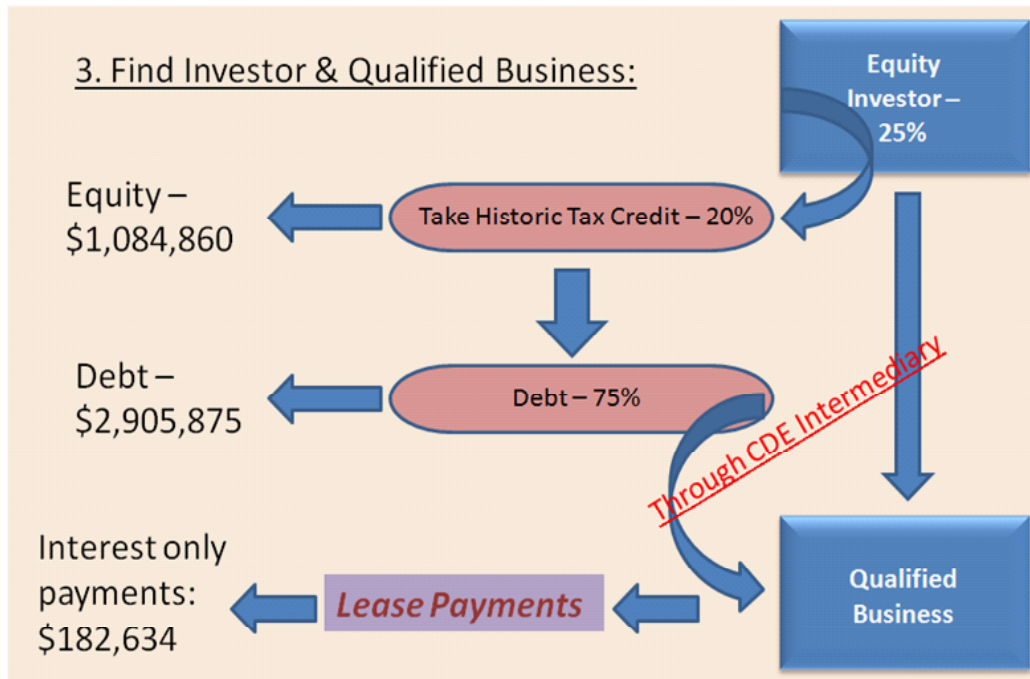
• <i>Project A</i>	\$1.75MM
• <i>Project B</i>	\$1.25MM
• <i>Project C</i>	\$1.35MM
• <i>Project D</i>	<u>\$ .375 MM</u>
<b>TOTAL</b>	<b>\$4.725MM</b>

In order to make a NMTC project work and justify debt, firm cash flow or revenue streams that are attached to the projects must be developed. In this case, forward leases may be called for. Public revenue can count as a qualified revenue source for a NMTC project. The following is a potential revenue budget:

• <i>Project A</i>	lease 3,000 sq. ft. @ \$20	\$ 60,000
• <i>Project B</i>	lease 3,000 sq. ft. @ \$20	\$ 60,000
• <i>Project c</i>	lease 6,000 sq. ft. @ \$20	\$120,000
• <i>Project D</i>	pchse./lease:	<u>\$ 18,000</u>
<b>TOTAL</b>		<b>\$258,000</b>

The numbers listed in Projects A-D are purely speculative.

In this example, the total project cost is discounted by 18% using Historic Tax Credits, the \$4.725MM project cost then comes to a discounted cost of \$3,874,500. In this case, an investor may place 25% of the project plus fees of 3% into a qualified CDE (Community Development Entity) of \$1,084,860. The rest of the total project (2,905,875) would be debt. In this example the debt is financed through a bank loan (51% of the total debt at 8%) and the rest through the New Mexico Finance Authority Smart Money Program (NMFA - 49% at 4.5%). At these rates interest only payments on the debt come to \$182,634. This is paid through lease income which may be as much as \$258,000. The profit (remainder) would be put into an interest bearing sinking fund account.



The equity investor receives federal income tax credits (offsets) of 39% over seven years on both the debt and equity according to the following schedule. (This assumes that the investor forgives  $\frac{3}{4}$  of the equity - \$750,000 - at the end of seven years.) This would provide an internal rate of return on the investment of \$1,084,860 of 12% over the seven year period.

Investor Return		
YEAR	%	RETURN
1	5%	193,725
2	5%	193,725
3	5%	193,725
4	6%	232,470
5	6%	232,470
6	6%	232,470
7	13%	482,470
TOTAL	46%	\$1,761,055

One way to make this work is for the City to agree to buy-back the properties at the end of seven years. The value of the properties at that time is estimated at \$5.386MM, which is derived from their cost plus a 2% per annum appreciation rate. However, the City will be able to purchase the properties for \$2.915MM. This is derived from the loan pay-off (\$2,905,875), plus \$250,000 of equity purchase, less the amount

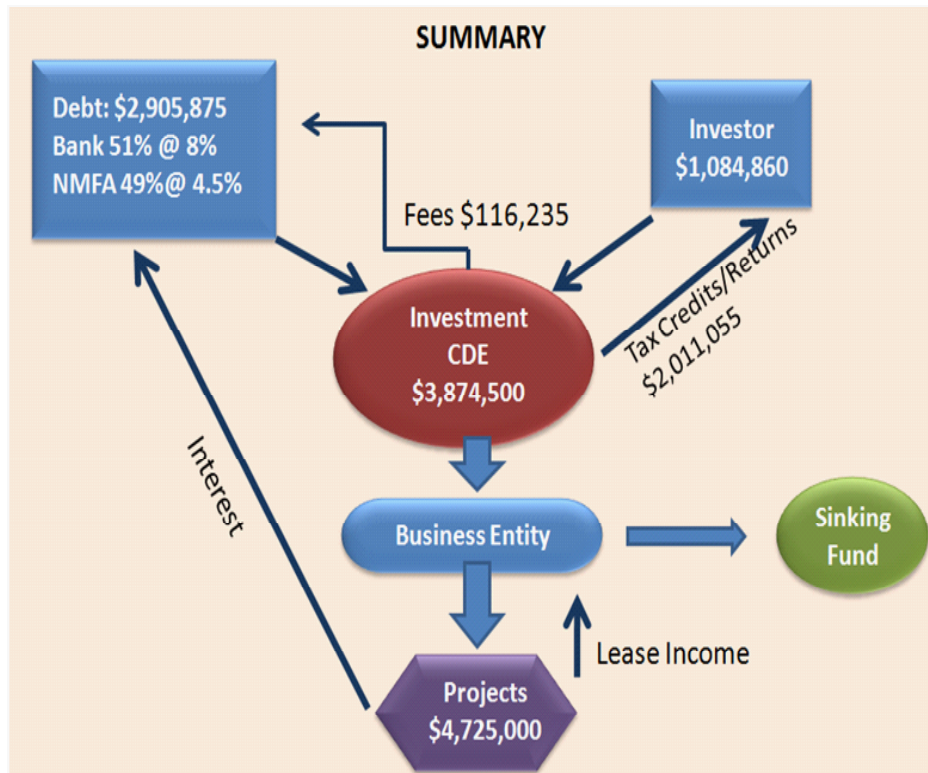
of money in the sinking fund (calculated at \$240,869 - the difference between the annual rent less the debt interest only payments for seven years earning 3% interest, plus \$50,000 per year for operating expenses). At this time the properties will have seasoned tenants and long-term leases. If the City is able to finance the purchase with a bond at 4.5% amortized over 20 years, then the debt service on the bond would come to approximately \$221,301.

**The following is a summary of the prospective City purchase.**

**Hypothetical example:**

Project	Book Value
Project A	1,750,000
Project B	1,250,000
Project C	1,350,000
Project D	375,000
Ttl	<u>4,725,000</u>
Appreciation - 14%	<u>661,500</u>
Estimated value:	<u>5,386,500</u>
<b>Cost:</b>	
Loan pay-off	2,905,875
Less profit (sinking fund)	-240,869 *includes op cost
Equity purchase	250,000
	<u>2,915,006</u>
<b>City: (purchase/take-out)</b>	
Avoided lease/ income	258,000
Bond pymnt (20yrs @ 4.5%)	221,301

**Hypothetical New Market Tax Credit project summary:**



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## STRATEGIES AND ACTIONS:

### V. MAINSTREET PROCESS AND RECOMMENDATIONS

#### 5.1 ORGANIZATION

A Community Development Corporation with a professional director and a competent board will provide a level of continuity and professionalism to move economic development forward within the community. A mission to carry out economic development projects along with a singular dedication towards this goal will compliment City efforts while taking an amount of burden away from City staff. This is mentioned here because it is recommended that Santa Rosa MainStreet operate as part of the CDC. There is precedence for this in New Mexico. This type of organizations works well in Los Alamos. Important advantages can accrue to Santa Rosa if major community economic development organizations are part of an umbrella CDC, including the Conference Center management, housing and MainStreet. Funding can be shared, and initially one director can be hired to oversee all of the organizations until additional designated resources are found for individual program directors. In addition, if the organizations work under one umbrella non-profit there will be less duplication of efforts and this structure will facilitate cooperation and synergy. This can be especially significant in a small community with limited resources, volunteers and board members.

This can also be especially important for Santa Rosa MainStreet. Santa Rosa MainStreet is a relatively new organization. Not enough resources have been dedicated to MainStreet in Santa Rosa, which meant that a strong director who could have built a well functioning organization was not brought on board. Now the MainStreet Director is a City employee with many other duties, who also is not in a position to dedicate adequate time and energy to the MainStreet project. If a CDC director also runs MainStreet during its developing phase there will be enough complimentary duties and synergy within the other functions of the CDC so that the Director can perform effectively for MainStreet. The recommendations in this plan cannot be brought to fruition without a strong MainStreet Director and organization.

The 501 (c) (3) designation of CDC will allow for increased funding opportunities. Santa Rosa has reached a stage where a professional and dedicated economic development organization is needed to adequately pursue important projects and priorities. The focus of economic development activity in Santa Rosa should move from planning to implementation. A CDC can help to make this happen. Santa Rosa MainStreet under the CDC will play the major role in Downtown Master Plan implementation.

CDC funding can come from several sources. The City may be able to justify a level of funding, providing a measure of stability and matching funds to help leverage other sources. The City already committed to fund the salary of a MainStreet Director. An amount of City revenue can be derived from prospective increased economic activity from new energy projects. Additional revenue can come from the Blue Hole Dive Training and Conference Center, which can also be under the CDC. The CDC may also be able to take on

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housing issues. There are capacity building grants through HUD and other sources to help fund the CDC, especially if it works on housing. It is assumed that the City can provide in-kind support to the CDC/MainStreet through office space, computers and so forth.

The City can help to ensure that a talented professional is at the helm of this new organization by ensuring that an adequate salary is offered. The City can work with the committee on a strong recruitment campaign. An operating plan will be developed for the CDC and MainStreet with measurable goals and an economic impact analysis tied to new business development and commensurate tax increases based in large measure on this plan. This can serve as a rationale for investment by the City in this type of an organization with a projected return in increased tax revenue from new economic activity. CDC/MainStreet can then be held accountable for achieving performance goals.

Additional funding can come from public sources, private foundations and private business. The lower-income economic status of the community and the potential for new development can help make Santa Rosa competitive for public and private foundation funding. Donations can be solicited from businesses that will directly benefit from increased regional economic development - and these donations can be seen as an investment. If necessary, formal proposals can be devised to appeal to target industries. These sources can include banks, utility companies, energy companies, real estate companies and others. Having representatives from these industries on the MainStreet Board can help in the solicitation process.

These companies should be convinced of the capacity of MainStreet to make a difference in the community. A strong operating plan and the involvement of strong, experienced individuals as director, staff and board members from both outside and inside the community will assist in this effort.

The MainStreet Board and committee structure will remain in place, but the MainStreet Director will report to the CDC Board as well as the MainStreet Board. This will provide an extra measure of accountability and ensure that the CDC and MainStreet work together on compatible goals as well as share resources. At first these boards can overlap.

**GOAL 1: Improve the overall economic development of the community by improving Santa Rosa's organizational economic development infrastructure.**

**Strategy One:** In order to develop an effective economic development support infrastructure in Santa Rosa, an independent not-for-profit economic development organization with ties to the community and City will be created and will be charged with carrying out a number of the recommendations contained in this plan. The non-profit 501(c)(3) Community Development Corporation (CDC) will have an accomplished executive director and proactive board of that will partner with the City, while acting as an independent entity charged with economic development project implementation.

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***Actions:***

**5.1.1 *Organize and fund a Community Development Corporation (CDC) that will oversee MainStreet.***

- An economic development committee will be formed that will oversee incorporation and application for 501(c)(3) not-for-profit status that can evolve into a Board of Directors. This board should have representation from MainStreet.
- The new CDC will incorporate MainStreet and the MainStreet Board
- MainStreet will work closely with other economic development partners on business retention and development.
- The economic development committee will work closely with the City to develop a budget and funding for the CDC and MainStreet. (See funding matrix.)
- The focus of MainStreet will be fund raising and project implementation.

In order to ensure that the Board serves a good purpose and MainStreet is effective, the CDC/MainStreet organization and Board should be given deference by the City and community, consulted regularly and looked to for guidance. It will be seen as an honor to serve on the CDC/MainStreet Board. The CDC/MainStreet Board will be enhanced through participation from committed experts from outside the community through an advisory board that will be closely integrated with the regular MainStreet Board. The Board will meet at least quarterly, and the CDC/MainStreet Director will be charged with setting the Board agenda, briefing the Board prior to meetings and bringing significant projects to the Board's attention, as well as taking overall direction and ideas from the Board for MainStreet implementation. A strong Board that will hold the CDC/MainStreet Director and organization accountable for achieving measurable results that will lead to enhanced Santa Rosa economic activity and increased City revenues can help to justify City investment in the CDC and MainStreet.

**Strategy Two: Establish an advisory council of local and state business leaders and economic development professionals to provide ongoing guidance to the CDC as part of its Board structure.**

***Actions:***

**5.1.2 *Set-up an Advisory Council as part of the MainStreet with members that can include:***

- Marketing consultants
- Representatives from local utility companies
- Departments of Tourism and Economic Development representatives



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- Member of the Media
  - Energy business representatives
  - Private developers
  - Financial company/ bank executives
  - Representatives of “cluster” businesses or businesses with development potential
  - Political leaders

The Advisory Board will meet at least bi-annually and provide input and feedback to the regular local CDC board.

**Strategy Three: Establish a proactive business friendly community mind set that will serve to benefit downtown and increase business activity. The City of Santa Rosa working with a new CDC will create and support a thriving economic development environment by working together to foster planned growth through retention, expansion, start-ups and recruitment among businesses that align with its heritage and nature of the community and its surroundings. Santa Rosa will become known as a great place for doing business.**

*Actions:*

*5.1.3 Promote business in Santa Rosa through internal marketing and action.*

- A supportive attitude towards business will be consciously promoted throughout Santa Rosa by the Community, the economic development organization, the City and by the business community.
- A P.R. campaign will be embarked upon geared towards branding Santa Rosa as a “business friendly community”. This will be pursued by the City and CDC/MainStreet.

Community residents will start to understand that new business development will help to provide their “desired community” goals. Business development will lead to enhanced shopping and services, an attractive and livable downtown, opportunities for young people in Santa Rosa and an increased standard of living and quality of life. A campaign can include regular articles in the local press regarding new projects and the steps the City, the CDC and MainStreet are taking, working together, to prioritize new developments, along with what these development will mean for the community. Regular community meetings or significant City Council meetings where these developments are discussed in an open forum will be promoted. The City Council and Mayor will help to ensure a responsible pro-growth policy, helping to streamline permitting and assistance to businesses that are responsible as far as environmental and community priorities are concerned. Business people from Santa Rosa, or those considering setting-up shop, need to feel that they are supported by community residents, local business organizations, MainStreet and City Government.

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**Actions:**

**5.1.4 set-up and utilize a community business support task force**

- Create a task force made up of community business leaders and assistance providers such as realtors, bankers, Luna personnel, City representatives, utility company people and others who will act as a one-stop-shop and support both new and existing businesses in Santa Rosa.
- This task force will be an important part of a pro-active business promotion strategy for downtown carried out by MainStreet.

A regionally based team that includes consistent contacts with economic development partners and resources will mean that there is a convenient “one-stop-shop” dynamic or network supporting entrepreneurial development within the community. The CDC/ MainStreet director will coordinate the team, and the team will meet at least quarterly so that the team feels it is a cohesive, functioning unit. The team will not be the board of the CDC or MainStreet, but there may be some overlap. The real estate people, bankers, utility people and others on the team will participate because being on the team will help them to secure additional business. The team will be briefed regularly on all of the various available business and economic development resources.

The value of the team to the business person or potential entrepreneur is that the team can work together to find the appropriate resources that will help a business to realize its goals. Business development is facilitated when realtors, bankers, utility companies and others work together to support business. MainStreet can help link a new business to economic development incentive programs run by the State, SBA and other entities, as well as to such organizations as the Small Business Development Center Network, the New Mexico Manufacturing Extension Partnership and others. The MainStreet Director will track new businesses and entrepreneurs that interact with MainStreet and the business team and report the progress made by those businesses to the team and to the MainStreet Board. The MainStreet Director will help to ensure that the team is utilized and effective by being pro-active in working with existing businesses in Santa Rosa as well as in recruiting businesses.

One of the most important activities that a new MainStreet and business response team can do is to promote “entrepreneurial mining” in which local entrepreneurs are contacted and supported. For example, the stone quarry business just outside of town is interested in setting up a showroom and a shipping area near downtown Santa Rosa by the rail line. The company would then promote people coming into the community to see their line of stone products with the ability to make factory direct purchases. At this stage, this is just an idea and a desire of the quarry entrepreneur. Similarly, another young person in Santa Rosa has plans to renovate a downtown building and move a local radio station downtown. Both of these projects should be receiving strong community, governmental and organizational support so that they are implemented the best way possible to fit in with an overall downtown development strategy and so that any implementation gaps are

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addressed, the entrepreneurs feel supported and these projects become a reality. These are just two examples that surfaced during community interviews. An “entrepreneurial mining program” will uncover more.

Small business people normally have limited time to pursue long-term goals, but if the community assists by mobilizing around these goals to help them to become a reality, then new developments and a new downtown are implemented, new jobs are created and local residents begin to thrive, creating a viable business atmosphere that leads to more development.

## 5.2. DESIGN

It is recommended that MainStreet work with an architect to develop sketched design guidelines of an architectural style so that developers seeking permits can attempt to match elements of the designated style. A review board should be created and developments that meet stylistic guidelines should be expedited as far as permitting is concerned. Developers seeking to complete new projects within the district should be given style drawings. Developers should be encouraged to work closely with the City Design Review Board to develop new projects.

Of course the above organizational infrastructure will only be relevant if there are developers and property owners who are motivated to make improvements. Some of this can be incentivized, but equally important will be a pro-active CDC/MainStreet that will contact property owners, talk about investments, incentives and property values, market Santa Rosa to outside developers and try and put sales together and make an on-going push to create deal flow for downtown properties. Natural allies in these endeavors will be local realtors and banks.

An important element of design implementation is to create incentives for existing property owners to modify their structures. This can be done through a grant program and a low-interest loan fund. Property owners within the historic overlay district that agree to modify their property according to design guidelines would qualify for an amount of grant funding as well as a low-interest loan to improve their property. The grant fund can be set-up through solicitations from area banks, real estate businesses and utility companies. The City can agree to open a small loan guarantee deposit at a local bank on the condition that the bank make low interest loans to historic zone property owners and work in conjunction with the MainStreet Revolving Loan Fund as well as The Loan Fund based in Albuquerque, as well as other pro-development entities, that have expressed an interest in participating in this strategy. A combination of using a guaranteed bank loan and the MainStreet/Loan Fund funds will keep rates very low. The MainStreet The program would be publicized and coordinated by Santa Rosa MainStreet/CDC, and strategic property owners would be solicited to take advantage of these resources.

**GOAL: Create an alluring downtown that emphasizes Santa Rosa’s historic nature and unique character.**

Rationale: Investing funds into downtown infrastructure and beautification will help to lay the groundwork for private investment that will lead to downtown businesses and the

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development of a thriving downtown area. Public investment has already been invested or earmarked. It is time to encourage private deal flow.

**Strategy one: Santa Rosa will establish a community-wide beautification program with short-term and long-term benchmarks that adds a cohesive look and character to Santa Rosa downtown/Route 66 areas, including a central district with a degree of density and mixed use facilities that can serve as an attractive town center.**

**Actions:**

- 5.2.1 *Santa Rosa will analyze property ownership and create or upgrade a land use plan with designated districts where specific types of development can be mandated or encouraged. This will include extending, strengthening and enforcing the Historic Overlay Zone, making sure it extends through the downtown district and encompasses part of Route 66.*
- 5.2.2 *A design committee will be established by the Community to help strengthen overlay zoning precepts and guidelines and develop an architectural style that will be published as sketches and used as a guideline to encourage stylistic development. Committee members should be familiar with New Urban or Smart Growth principles, and include design professionals.*
- A town center needs to have a level of density, be pedestrian-friendly and contain a diverse mix of attractive buildings and developments that fulfill a variety of uses. Public buildings should be part of the town center. Santa Rosa is doing a good job in this regard with the new City Hall and Courthouse developments. Precepts of *New Urbanism* or *Smart Growth* provide excellent guidelines from which to establish historic zoning ordinances that will give the downtown area a consistent and attractive look and maintain and enhance its historic character.
  - An architectural design booklet will be prepared and used by the City to work with potential developers.
- 5.2.3 *Property owners and investors should be involved in Community plans. The City, the CDC and MainStreet should work in conjunction with outside resources to target potential developers as well as existing property owners interested in downtown development. The public development consortium should use incentive programs to encourage downtown development by existing property owners or sales and development of property to new developers as appropriate.*
- An important incentive for appropriate development will revolve around the creation of attractive plans and the development of design amenities funded by the Community. Property owners will be included in these plans as they are developed. The plans for design amenities and the establishment of a downtown district will increase property values.

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- If landowners are involved conditionally up front, and told that these plans will only proceed with their cooperation to either invest in appropriate development or sell to people who will, it may be possible to obtain private commitments before community funded development proceeds. The Community will identify one or two strong developers who will work in harmony with community plans. The incentive is the increasing property values that will result from community planning and complimentary infrastructure. A strong developer will be in a position to purchase and improve strategic properties.

#### 5.2.4 *Establish incentives for renovation*

- If landowners within a designated improvement district agree to renovate their property according to Community design guidelines, then they may be eligible to receive low interest financing and/or an amount of matching grant funds. The City can coordinate a low interest loan and matching grant program as delineated above under *Design*. A bank may also be able to justify favorable terms as part of their Community Reinvestment Act requirements.

#### 5.2.5 *The Community should look at the feasibility of employing Tax Increment Development Districts or Metropolitan Redevelopment Areas (MRA's) for design and other enhancements that will help to make the downtown and Route 66 areas attractive. A TIDD Program does not normally involve tax increases or raising the tax rate.*

- A TIDD is a tool to use future gains in gross receipts taxes to finance the current improvements that will help create those gains. When a public project such as a road or public design enhancement project is carried out, it can be coordinated with and used to incentivize new private investment. New private investment increases tax revenues. The increased tax revenues are the “tax increment.” Tax Increment Financing dedicates that increased revenue stream to finance City debt issued by the City to pay for the project and can be used to repay a municipal bond or other type of City debt or allocation.
- A TIDD is designed to channel funding toward improvements in areas to provide incentives to development where it would not otherwise occur. A TIDD creates funding for public projects that may otherwise be unaffordable to localities. Both projected increases in property tax and gross receipts tax streams as a result of new development may be used in this process. They can be used in conjunction with a special assessment district.
- Eligible uses are as follows: *Beautification components & related hardware, bike lanes in street right of way, bridge construction & repair, building acquisition, convention centers, curb & sidewalk work, debt service, decorative pavers, drainage facilities, environmental remediation, force*

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*mains, hiking & biking trails, land acquisition & relocation, landscaping, lift stations, lighting, park improvements, parking structures, pathways that facilitate inter modal transportation, pedestrian bridge systems that link commercial centers to transit systems, pedestrian platforms for rail or light rail transit systems & similar facilities, planning costs, public buildings, public roads, public tunnel systems for private buildings, publicly owned & maintained utilities, sanitary sewers, sewer expansion & repair, sewer pump stations & related equipment, sidewalks, storm drainage, street construction & expansion, traffic signals & related equipment, transmission lines, wastewater treatment facilities, water supply, schools.*

- TIDD financing should be used strategically to entice major developers to undertake large downtown projects that will directly benefit through City infrastructure, beautification or renovation funded by a TIF financing mechanism.
- An MRA can be designated by the City Council, and can consist of an area or even one building. LEDA (Local Economic Development Act) can be used to legalize municipal support of manufacturing enterprises, but an MRA can be used to legalize municipal support or contributions to a private retail or service business. For example, through an MRA the City could decide to employ grant funding to help subsidize a strategic business lease for a period of time of a City owned property.

### **5.3. PROMOTION**

The success of the downtown district as well as other strategies, including economic development and business growth, tourism growth, parks and lakes development and business recruitment will all depend in large measure for their success on marketing. Marketing the community is basic and a key element to all other development goals.

**Goal 3: Develop a comprehensive marketing approach that supports and complements all aspects of current and planned economic development, including business development and tourism.**

**Strategy One: Form a Marketing Advisory Team (MAT) that includes Santa Rosa's economic development/tourism partners.**

5.3.1 Form a Marketing advisory team that Includes representatives from the City (including the Tourism and Parks and Recreation Departments), the Lodgers Tax Board, MainStreet, local organizations, the hospital, the schools, the arts, and local developer(s) and real estate sales as well as "at large" business and/or community members.

- The purpose of the Marketing Action Team is to engage on an ongoing basis all the key stakeholders. This will encourage broad-based cooperation and collaboration as plans unfold, and facilitate leveraging

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of all available (public and private) resources.

5.3.2 Create a marketing and advertising budget and identify sources of revenue to support it.

- Use funds available through the new non-profit CDC as well as MainStreet, the Lodger's Tax Board and the City to focus on priorities identified by the Marketing Advisory Team, ensuring that economic development and tourism marketing are well coordinated to make best use of available dollars.
- Research and follow up on opportunities to obtain grant dollars to further support marketing efforts. It's likely that the CDC can anticipate limited marketing resources. Therefore, the Marketing Action Plan focuses on leveraging existing resources, along with an aggressive public relations effort, to tell the "Santa Rosa. Naturally" story. As described above, existing resources include community residents and visitors as well as marketing efforts of strategic partners and Santa Rosa's own tourism-oriented marketing. While this near-term approach should have significant impact, every effort must be made to research opportunities to obtain additional long-term funding for recruitment and marketing.

**Strategy Two: The CDC/MainStreet Director along with the assistance of the Marketing Action Team will manage and market events and meetings.**

An emphasis on active management and marketing of events and meetings at the new Conference Facility will expand overall economic development and tourism while serving to highlight Santa Rosa's overall brand promise and specific opportunities relating to visitors and business development opportunities.

5.3.3 Work with the CDC, Lodgers Tax Board, MainStreet, and private partners to identify gaps and opportunities regarding events and meetings/conferences and to create a coordinated strategic plan to move forward.

5.3.4 Develop new events to capitalize on amenities and offerings of Santa Rosa. Possibilities include:

- Santa Rosa Dive-In!: a weekend centered on scuba diving and snorkeling. Use Blue Hole Conference Center to host trade show and divers "swap-meet". Also provide introductory dive instruction, special dives, and ability to test scuba gear in water setting.
- Santa Rosa Wet and Wild!: boat and RV Extravaganza, a weekend centered on water-based recreation (ski boats, fishing boats, jet skis, sail boats, wind surfing, canoes and kayaks, etc.) along with RVs, trailers, campers, pop-ups, and tents.
- Santa Rosa's Over the Rainbow!: a weekend centered on fishing for trout in Santa Rosa. Ponds are stocked with Rainbow Trout, with fishing derby

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type contests offered. Have fish fry and invite restaurants to prepare special trout recipes.

**Strategy Three: Modify the Santa Rosa brand.**

Santa Rosa can hold a city-wide brand roll-out/celebration event sponsored by the City, CDC, Lodgers Tax Board, City tourism and MainStreet to use as a forum to announce the MainStreet plan internally and to kick off a new level of community relations. A campaign that engages and connects residents, business leaders and the City at large with “Santa Rosa. Naturally” will enable everyone to believe it, live it, and communicate it.

**5.3.6 Re-brand Santa Rosa as “Santa Rosa Naturally” in conjunction with “Home of Natural Lakes”.**

- In order for the community brand to be recognizable and effective, it must be used consistently by all “official” Santa Rosa marketing entities. Encouraging local businesses to also adopt the brand will further enhance its visibility and public recognition. This strategy can be facilitated by providing specific elements (brand graphic, key messages) to all parties to incorporate into their own advertising. a new logo should be designed and utilized.

**5.3.7 The City, tourism and the CDC will begin to use “Home of Natural Lakes” in lieu of “City of Natural Lakes” to better convey the appeal of the community and its natural lakes offerings.**

- “Home of Natural Lakes” emphasizes the small town flavor of Santa Rosa, rather than calling Santa Rosa a “City”.

**Strategy three: Develop comprehensive system of informational and wayfinding signage.**

***Actions:***

It is difficult to find the various lakes, the blue hole and other sites in Santa Rosa with the current signage. Signs can be made more attractive, interesting and intriguing as to what they are pointing to. Signs can help to bring people through the downtown area. *There is a critical need in Santa Rosa for wayfinding signage, and this has been discussed many times. Rapid funding and implementation according to previous plans is now required and is actually under way.*

*The City needs to prioritize refurbishing the old peeling signs that are visible when entering Santa Rosa from the west. (This is already in Progress)*

**5.3.8 Wayfinding will be carefully structured with attractive, singular design and will lead travelers past the new downtown and Route 66 areas. .**



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## 5.4 ECONOMIC RESTRUCTURING

Economic development activity can be divided into several aspects. Traditional aspects are: *development* - the encouragement of start-up businesses with a community; *retention* - support given to existing businesses to help them grow and prosper; and *recruitment* - attracting businesses and investment into Santa Rosa from outside of the community. These aspects are largely addressed in the section on Organization, where the CDC and business committees take charge of this economic development focus in Santa Rosa.

As far as downtown property development is concerned, economic development can be divided into: *development* - new construction; *redevelopment* - building or changing the built environment to meet new needs; and *revitalization* - rehabilitating existing structures and providing new capacity or potential within the framework of a similar use. Downtown development necessarily encompasses redevelopment and revitalization.

**GOAL: Improve the overall economic development of the community by implementing a downtown revitalization program, including organizational dynamics and the development of catalytic anchors.**

**Strategy one: Implement the organizational structure to ensure that strong revitalization dynamics are in place**

The Ilfeld-Johnson Warehouse is an historic building at a strategic location along Route 66 in the downtown area, and is highly visible. Suggested developments include a tourist-class, sports bar restaurant that will attract guests from the hotel area of town into the downtown area, a well-designed Visitors Center with historic exhibits, a “third place” with wi-fi access, the Santa Rosa MainStreet office and a downstairs retail incubator. Outdoor space for a Farmer’s Market is also part of the Ilfeld-Johnson development plan. This will create a business/tourist class gathering spot with enough attraction and draw as to form the anchor for additional downtown development.

**Strategy two: Aggressively pursue implementation of the Ilfeld-Johnson Warehouse Building Plan.**

***Actions:***

**5.4.1** *The CDC, along with the City and MainStreet will aggressively implement the Ilfeld-Johnson Warehouse development Plan.*

- The Ilfeld-Johnson Warehouse development according to the plan is meant to serve as an important downtown anchor that will help to catalyze additional downtown development as well as bring additional revenue to the City and downtown businesses by giving overnight visitors and others a reason to visit downtown.
- The Ilfeld-Johnson Warehouse development ACTION PLAN will be

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followed as closely as possible. Outside resources can be brought in to assist with the implementation process.

A Farmer's Market will attract farmers from surrounding communities and be well publicized. This will help to bring back the local farm economy, provide a place for local restaurateurs to purchase fresh produce, serve as an outlet for arts and other merchandise, establish downtown as a new gathering place for the local community and attract people from outside of Santa Rosa.

There have been repeated attempts to organize a Farmer's Market in Santa Rosa. At the same time the local agricultural sector has been growing and diversifying. A new revitalized downtown and a redeveloped Ilfeld-Johnson building with new amenities may well provide the missing impetus to help a market succeed when these elements are in place. Other ways to support a Farmer's Market is to partner with the New Mexico Farmers Market Association and other complimentary groups as well as find a committed organizer.

### **Strategy three: Set-up a Sunday Farmer's Market in Downtown Santa Rosa.**

#### ***Actions:***

5.4.2 *The CDC, along with the City and MainStreet, will organize and publicize a Sunday Farmer's Market next to the Ilfeld -Johnson Building that will serve as a major gathering point for locals and tourists alike on Sunday afternoon.*

- Sunday's are complimentary to other area farmers markets. A Sunday market will also bring back the Spanish custom of "El Paseo", where in towns all over Spain community residents get together and stroll downtown after church.



**Strategy four: Inventory existing business to identify existing and potential new industry clusters, both to ascertain what the community wants as well as to assess community demand, and aggressively support retention and expansion of these businesses and/or recruitment opportunities.**

Clusters are geographic concentrations of interconnected companies, specialized suppliers, service providers and associated institutions in particular fields that are present in a nation or region. Clusters arise because they increase the productivity with which companies can compete in an increasingly competitive global market. Clusters are industry led. The philosophy behind clusters is that large and small companies in a similar industry achieve more by working together than they would individually.

If Santa Rosa has some initial success with certain types of businesses, then a cluster recruitment/development strategy can be pursued in which business recruitment marketing is enhanced through staying with a cluster theme or within a given sector.

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Towns and regions are more appealing to specific industry players if similar businesses are already successfully working there. Santa Rosa is already developing a renewable energy cluster with wind farms and a prospective solar energy installation. Because of its water resources, Santa Rosa is also attracting inquiries from biomass energy businesses. The CDC can focus on recruiting renewable energy companies, and offering opportunities for renewable companies to open offices downtown.

Santa Rosa will prioritize arts and culture development as a downtown cluster. According to economist Richard Florida, visiting professor at Harvard and MIT and a leading expert in economic competitiveness who wrote *The Rise of the Creative Class*, the best indicator for successful community economic development is a diverse community with a vibrant arts sector. His thesis is based on the idea that entrepreneurs are the fuel for economic development, and entrepreneurs are generally attracted to a creative environment. A vibrant art sector will also appeal to tourists and enhance downtown, plus provide for involvement by youth.

House Bill 606 allows communities to use LEDA Gross Receipts tax funding to be used for arts and culture development. The act will likely be strengthened and broadened in coming years. This funding can be used for events, or for capital expenditures. For example, the tax stream from this source could be used for bond financing at 4% over 20 years from the New Mexico Finance Authority to fund a performing arts venue within the community in conjunction with the Pecos Theater development. This can be a long-term strategy as the program is competitive and only a few communities are selected each year. This program will be more relevant once the art sector starts to build. An excellent model of a successful teen arts center is the Warehouse 21 Program in Santa Fe that can also provide technical support.

***Actions:***

5.4.3 *MainStreet should be pro-active in contacting businesses and in maintaining an inventory of existing businesses to help determine potential for expansion/recruitment and retention.*

- A strong retention policy is based upon pro-active outreach to existing businesses, making an assessment of needs and potential, and working with community and outside resources to assist businesses to grow and reach their potential. New Mexico Community Capital and others can provide resources for community retention programs. As businesses develop, and as a recruitment policy is pursued, business themes will emerge. This will be encouraged as a conscious effort toward ‘cluster’ development.

5.4.4 *MainStreet will examine the feasibility of developing a “downtown arts cluster”*

- The CDC along with MainStreet can set up a program to encourage the development of art related businesses, especially in the downtown area. There are a number of talented artists in and around Santa Rosa.

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5.4.5 *Santa Rosa should plan now for future participation of The Arts and Cultural Districts Act (HB606) as well as the development and renovation of the Pecos Theater.*

- House Bill 606 allows for the development of five Arts and Cultural Districts per year in New Mexico communities. The program is currently administered through New Mexico MainStreet.
- If the Pecos Theater is renovated and is linked to CDC/MainStreet or a non-profit either through public ownership or a public/private partnership arrangement, the theater could serve a variety of purposes including youth performances and a concert venue.

5.4.6 *Committed parties in Santa Rosa should look at the feasibility and idea of organizing a teen arts center.*

- There is interest, need and resources in Santa Rosa to create a teen arts center. If interest is at a sufficient level a not-for-profit can be formed to promote, fund and implement such a program.

**Strategy five: Develop workforce training programs in Santa Rosa, geared especially towards local youth and local business opportunities.**

***Actions:***

5.4.7 *Work with regional resources and local businesses to establish worker training programs*

- All of the worker training programs available to Santa Rosa will be explored with the goal of taking advantage of the best programs and enhancing the resources to provide worker training in Santa Rosa. Santa Rosa can work with Luna Community Colleges and also work with the Area Workforce Board to implement and fund training programs. NMSU has one of the best hospitality training programs in the country. It may be possible to deliver hospitality curricula in Santa Rosa through distance and a Luna/NMSU partnership.
- The CDC/MainStreet organization will work with Luna and the Luna Small Business Assistance Program to set-up entrepreneurship training programs in Santa Rosa, and especially target youth.

**Strategy six: Develop a Small Success Center for home based entrepreneurs.**

A growing trend in employment is people who work from their homes over high-speed internet connections. Santa Rosa is positioned to attract these kind of people with high-

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- *“third place” environment - (not office or home) will help to attract home-based business people to Santa Rosa. actively encourage the construction of sustainable affordable housing.*
  - *atmosphere to work and converse, but without offices. This so called “third place” environment - (not office or home) will help to attract home-based business people to Santa Rosa.*

**Strategy seven: The City of Santa Rosa will work with private and public entities to actively encourage the construction of sustainable affordable housing.**

The Community and economic development organizations and MainStreet can work with private developers and not-for-profit organizations to encourage additional new housing developments and refurbishment of existing neighborhoods. This is significant for downtown because downtown encompasses a residential area. The Westside as a gateway to downtown is in need of development that can include housing.

***Actions:***

**5.4.8** *Help structure sustainable affordable development projects and assist with strategic marketing to targeted buyers and tenants. MainStreet should develop capacity around housing.*

- City government will establish relationships with a not-for-profit housing organization to define what affordable housing is for Santa Rosa and help structure and promote affordable housing development. City Government can work with CDC/MainStreet on housing issues.
- The CDC/MainStreet can co-market affordable housing with developers by assisting in marketing private affordable development as part of complimentary marketing geared towards bringing in a permanent workforce. An arrangement may be reached with developers - either for profit or non-profit - to ensure affordability for an extended period in exchange for marketing assistance. If affordable housing is shown to be profitable and units rent-up or sell quickly, then a favorable climate for additional housing will be created.
- It may be possible to involve private companies working in Santa Rosa who can benefit from additional housing such as Shell Oil, or other energy companies, the wind farm companies and the prison in housing projects.
- The Rural Development Response Council and now the Regional development corporation are working on building capacity and funding in small communities for housing development under their *Web 2.0 Economic Development Community* program of which Santa Rosa is a part. So far this program has been centered in the City, but when CDC/MainStreet becomes active this project can move to that organization.

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5.4.9 *The CDC/MainStreet will set up a working relationship with a not-for profit housing entity such as The New Mexico Mortgage Finance Authority, Homewise, or the Foundation for Building.*

- One way to promote affordable housing for the long-term is for Santa Rosa to work with not-for-profit housing organizations. Tax exempt low-income housing is probably an option in Santa Rosa. There are a number of non-profit housing organizations that act as affordable housing developers based upon the innate financial viability of a project and can work in public/private partnership arrangements.

**Strategy eight: Explore implementing a New Market Tax Credit Funding**

***Actions:***

5.4.10 Work with consultants and the New Mexico Finance Authority to implement a New Market tax Credit strategy to fund catalytic projects.

- This strategy can potentially be used for the Ilfeld-Johnson development, the Pecos Theater renovation and a fish hatchery project as outlined in the Economic Development Master Plan and described previously in this study.

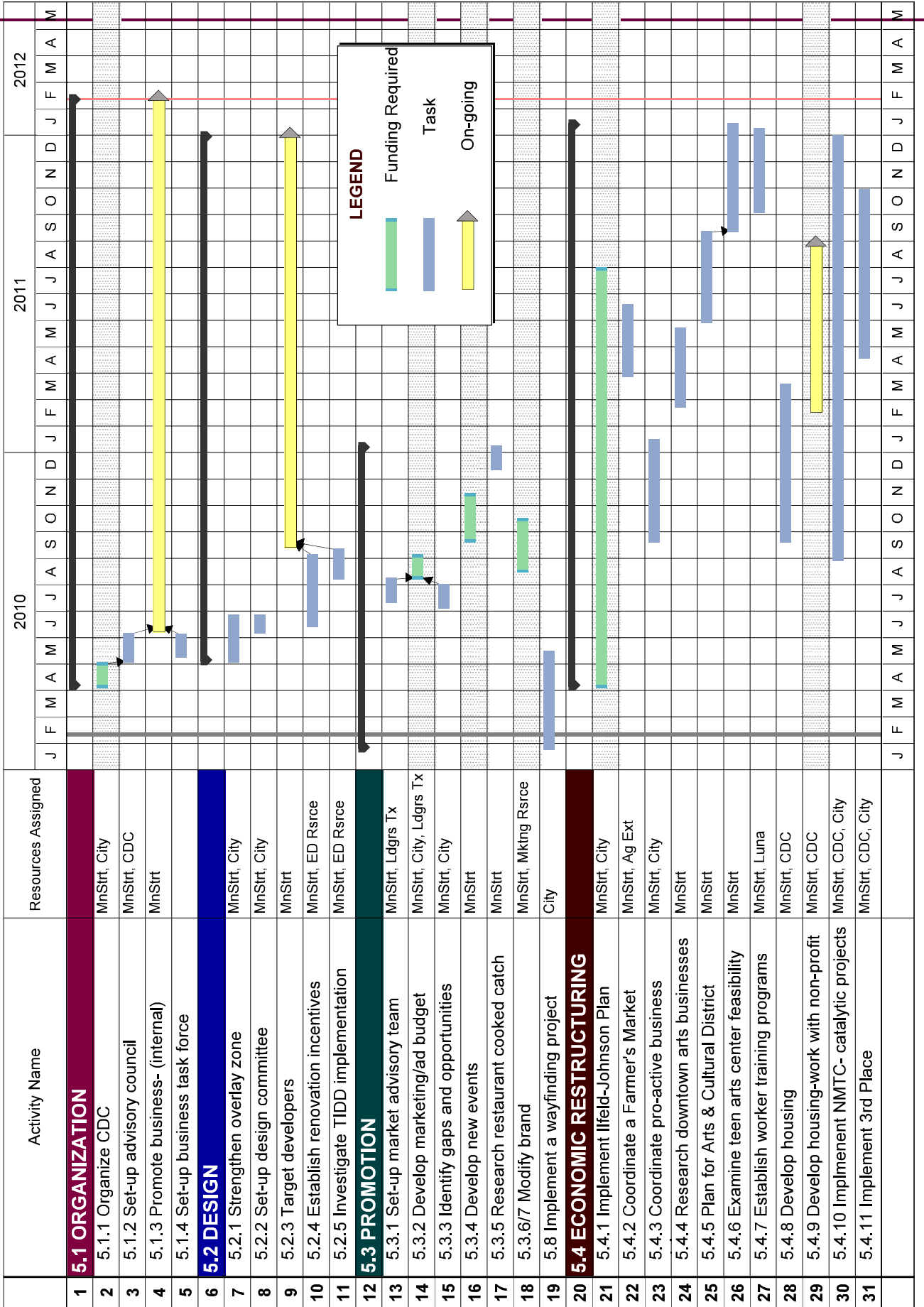
**Strategy nine: Create 3<sup>rd</sup> (Third) Place work area for entrepreneurs and visiting business professionals.**

***Actions:***

5.4.11 The CDC and MainStreet should work with for profit and non-profit developers as well as a new State effort to encourage the creation of what is becoming known as “third place” establishments.

- These are attractive work areas that feature connectivity, work desks, sitting areas, and office functions such as copiers and faxes, and provide refreshments for social interaction in a relaxing atmosphere. Third Place establishments are not home or office, but a third place. They are becoming increasingly popular within commercial or housing developments, and cater to self-employed persons who work from a computer and have a need to get away from the home office. Third place establishments will make Angel Fire more attractive to an important targeted workforce that Angel Fire will recruit. Third Place environments can make residential or mixed use developments more competitive and appealing and should be promoted.

**Santa Rosa - Suggested Task Timeline**



## Anticipated Budget Items

### 5.1 ORGANIZATION

5.1.1 Organize CDC	MnStrt, City	Salary/office	\$120,000
5.1.2 Set-up advisory council	MnStrt, CDC		
5.1.3 Promote business- (internal)	MnStrt		
5.1.4 Set-up business task force			

### 5.2 DESIGN

5.2.1 Strengthen overlay zone	MnStrt, City		
5.2.2 Set-up design committee	MnStrt, City		
5.2.3 Target developers	MnStrt		
5.2.4 Establish renovation incentives	MnStrt, ED Rsrce		
5.2.5 Investigate TIF implementation	MnStrt, ED Rsrce		

### 5.3 PROMOTION

5.3.1 Set-up market advisory team	MnStrt, Ldgrs Tx		
5.3.2 Develop marketing/ad budget	MnStrt, C , Ldgrs Tx	Mktng collateral	\$150,000
5.3.3 Identify gaps and opportunities	MnStrt, City		
5.3.4 Develop new events	MnStrt	Publicity	\$15,000
5.3.5 Research restaurant cooked catch	MnStrt		
5.3.6/7 Modify brand	MnStrt, Mktng Rsrce	Marketing	\$10,000
5.8 Implement a wayfinding project	City		

### 5.4 ECONOMIC RESTRUCTURING

5.4.1 Implement New Mkt tax Credit	MnStrt, C	lding	\$50,000
5.4.2 Coordinate a Farmer's Market	MnStrt, Ag Ext		
5.4.3 Coordinate pro-active business dvlpmnt	MnStrt, City		
5.4.3 Develop Pecos Theater/Ilfeld	MnStrt, C	lding	NMTC
5.4.4 Research downtown arts businesses	MnStrt		
5.4.5 Plan for Arts & Cultural District	MnStrt		
5.4.6 Examine teen arts center feasibility	MnStrt		
5.4.7 Establish worker training programs	MnStrt, Luna		
5.4.8 Look into "3rd place" incubator	MnStrt, CDC		
5.4.9 Develop housing	MnStrt, CDC		variable
5.4.10 Enact inclusionary zoning	MnStrt, CDC, City		
5.4.11 Set up housing relationships	MnStrt, CDC, City		

### 5.1 ORGANIZATION

5.1.1 Organize CDC			\$120,000
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#### HUD - Rural Community Development Initiative

<i>Eligible Entity</i>	Community Development Corporation
<i>Uses</i>	Provide technical assistance to organizations for economic development, housing etc.
<i>Amounts</i>	Up to \$300,000
<i>Web</i>	<a href="http://nthpgrants.blogspot.com/2008/02/rural-community-development-initiative.html">http://nthpgrants.blogspot.com/2008/02/rural-community-development-initiative.html</a>
<i>CFDA</i>	10.446

#### HUD - Rural Housing and Economic Development

<i>Eligible Entity</i>	Community Development Corporation
<i>Uses</i>	Housing plans and financial incentive development
<i>Amounts</i>	
<i>Web</i>	<a href="http://www.hud.gov/offices/cpd/economicdevelopment/programs/rhed/index.cfm">http://www.hud.gov/offices/cpd/economicdevelopment/programs/rhed/index.cfm</a>
<i>CFDA</i>	14.250

#### STATE - Community Planning Grants

*Local Government Division*  
*New Mexico Finance Authority*

#### Local

*C* *l funds; revenue from Convention center rentals*  
*City investment can be justified through increasing business activity and tax base*