

Los Alamos County
State of the County Annual Report
January 7, 2020

In January 2019, the Los Alamos County Council identified 7 strategic priorities; these were subsequently adopted on February 5, 2019 and outlined in the County's 2019 Strategic Leadership Plan. These priorities address issues important to the community that the Council agrees to focus and make progress on in the coming year; they are hard and cross-cutting and support and help enable the broader set of County investments, initiatives, and day-to-day operations currently underway.

For each of these priorities, concrete actions were identified and implemented. This report provides a high-level (not comprehensive) summary of progress in these areas and a starting point for identification of needed focus areas for the coming year, pending broader discussion between the community, County staff, and Council.

- **Increasing the amount and types of housing options.** This includes a variety of housing options for all segments of the community, from affordable, entry level, and live-work housing to new options for those interested in downsizing or moving closer to central areas of the community.

The first independent Housing Market Needs Analysis was completed and provided estimates of the number, types, and prices ranges of needed housing as well as County owned parcels that could be used for housing. This information will help inform discussions regarding next-steps in addressing County-wide housing challenges. Results The analysis identified an immediate need for 1,310 units of rental housing and 379 units for homeownership. The need is distributed among all income ranges (specifics regarding type of housing and income range are provided in the report) but is particularly acute for middle- and lower-income households. This immediate need is in addition to the units currently under development.

Approximately 600 housing units are in the process of development; this includes affordable housing, market rate apartments, townhomes and unattached homes.

- *Mirador - White Rock, construction initiated on 161 single family units, the next phase of the project is a mixed-use development that will include approximately 60 rental units*
- *Canyon Walk Affordable Housing - DP road, 70 1-2-3 bedroom low-income qualified apartments targeted for completion in August 2020*
- *Bluffs Affordable Housing - DP road, 64 units for income eligible seniors with construction to start in 2020*
- *Homes of North Community – at the Black Hole site on Arkansas Ave., 44 townhomes planned with construction to begin in 2020*
- *The Hill – south of Trinity Drive on the old DOE site office parcel this development will include 149 apartments to be constructed in 2020*

- *Visiting Nurses Property – Canyon Road, 2020 construction of 100 units planned by the developer*
- *Infill – approximately 20 houses/apartments throughout the County*

Initial efforts regarding development of additional County and Los Alamos Public Schools properties for housing included staff preparation of a draft solicitation for the A-8-a property (21 acres south of DP Road) to be discussed at an upcoming Council meeting and a preliminary design workshop for a possible workforce housing development on the Los Alamos Public Schools property on North Mesa. The next step in considering this development will be a broader public process to highlight important elements of a desirable development and concepts that would address these goals and gain further public input on the design of the site and preferred alternatives.

To help address the limited land available for development, a formal request was made for additional land transfers from the Department of Energy to Los Alamos County. This request proposes the transfer of approximately 3000 acres of land located southwest of White Rock for development of housing, retail, mixed use, industrial use and recreational purposes.

To help assure that needed development occurs in a responsible way and results in making the County and even more attractive place to live and work in, a contract for downtown (White Rock and Los Alamos) planning, development code updates, mobility and parking considerations, and associated community engagement was developed; this work will be initiated in early 2020.

- **Enhancing support and opportunities for the local business environment.** This includes appropriate support for existing businesses, growing new businesses, and supporting technology start-ups and spin-offs.

Ongoing County process improvements included an updated permitting process that resulted in decreasing the average time for obtaining a residential permit from 30 days to 3 days and “basic” permits (e.g. roofs, windows, and stucco) are now “same day.” For commercial permits, the review timeframe for the Community Development Department was reduced from 45 days to 5 days. Additionally, a development assistant point of contact was identified to help businesses navigate the site planning process and a mixed-use zoning code was created (to support infill and redevelopment for both commercial space and housing). An updated process for review and approval of new site plans is under development; the goal is to decrease the time required for site plan approval by about 75%. Based on the approved FY2020 budget, increased training and overtime for permitting staff and inspectors will be available during the next budget year.

The need for infrastructure and space for businesses is being addressed by readying approximately 10 new lots for sale on DP road. A request for DOE completion of an

assessment to inform future clean up and development options on DP road was made and the DOE response indicates this will be completed by September 2020. Additionally, new County properties will be available in the downtown area for private purchase in 2020. Demolition of the Longview property in White Rock was completed, and this should facilitate its redevelopment.

Local Economic Development Act (LEDA) investments to attract and retain businesses that contribute to the County's economic vitality and sustainability included County and State LEDA support for Pebble Labs which will inject over 60M\$ of investment into the community and the LEDA agreement for the TNJ, LLC hotel and conference center project which will lead to 13 M\$ investment in the county as well as expanding the number of people staying and spending money in Los Alamos County.

The County has continued to fund programs that contribute to the business environment including: support for projectY cowork Los Alamos to foster entrepreneurship, providing networking and training opportunities, as well as work space for free-lance professionals, remote workers, and new entrepreneurs. The County also sponsors programs (such as Mainstreet), that bring in consumers to festivals and lobby for funding and grants that benefit businesses and fund capital improvements. During the past year the county expanded the summer concert format, purchased the Women's Army Corps Dormitory, and developed a new Visitor Center location. Installation of way finding signs included in the FY2020 budget is being undertaken to help bring additional spending into the community.

As noted previously, multiple housing initiatives - including income qualified housing developments - are in process and planning for new workforce housing development options have been initiated. Realization of requested land transfers from the Department of Energy to the County would provide additional opportunities both for housing and business development.

- **Addressing long-term building vacancies in key areas of our community.** Land availability in Los Alamos County, and in particular in the downtown areas, is limited and there is a desire to work towards better utilization, opportunities for new businesses, and improved aesthetics.

Demolition of the Longview property in White Rock will facilitate identifying redevelopment opportunities; both this and the redevelopment of the former Black Hole property were the result of Code Compliance efforts. The Hilltop House is currently under contract with demolition planned by the purchaser.

The leadership of the Kroger real-estate department was contacted multiple times, including a personal visit, by County Council to communicate the critical needs of the community and strategic importance of that property in the townsite.

County staff researched the potential for a vacancy tax or vacancy fee and determined that such a tax or fee was neither a viable or practical option in New Mexico given the limitations placed on local taxing authority as well as the practicalities and costs associated with actually imposing, enforcing, and collecting such a tax or fee. Other potential mechanisms for addressing this issue will continue to be explored and considered.

- **Protecting and maintaining our open spaces, recreational, and cultural amenities.** Los Alamos County open spaces and cultural attractions are greatly valued by the community and provide opportunities for recreational and economic growth; appropriately allocating resources to ensure their health and sustainability is important to our citizens.

To support maintaining the over 100 miles of Los Alamos County trails an additional dedicated trails management specialist position was created and approved in the FY2020 budget; duties will include operating equipment for trails maintenance and organizing volunteers.

Recreation projects including the Kiddie Pool, the Splash Pad at Piñon Park in White Rock, and Ice Rink and Golf Course improvements were approved; construction will be initiated in 2020. Funding to address issues at the North Mesa BMX track was approved; USA BMX will provide volunteer time to help implement upgrades and the track should be available for hosting events in 2020. A federal Transportation Alternatives Program grant to Los Alamos County is funding the design and construction of the Canyon Rim Trail Underpass Project from near the Los Alamos Cooperative Market, under NM 502, to the beginning of the Canyon Rim Trail near the existing trailhead. Design development is near completion with construction scheduled to begin in 2020.

The Women's Army Corps Dormitory on 17th Street was purchased by the County both to preserve this historic World War II building and help create new opportunities for insights into the Manhattan Project. In 2020, community outreach and engagement will help the County determine how best to restore and utilize this building, for example, as a part of the Los Alamos historic walking tour.

The County initiated development of an updated and integrated trail and transportation strategy. This will include working with Los Alamos National Laboratory and their trails planning efforts as well as identifying key links with regional transportation to/from surrounding communities. Trails and recreational space could be significantly expanded with realization of the requested transfer of Department of Energy land southwest of White Rock to the County.

- **Supporting social services improvement.** Behavioral, mental and physical health and social services are important quality of life components; there are key areas where appropriate types and levels of county support could help address current needs.

The County addressed drastically reduced operating hours for the Public Health Office by securing funding for and renovating space for complementary joint services provided by Las Clinicas del Norte and the State Department of Health. The clinic reopened in August 2019 across from the high school and services are again available 5 days a week.

A new advisory County Health Council, as required by the State, was chartered at the end of 2019. The goal of this new structure is to improve efficiencies in tracking funding and applying for grants and to continue to give the Council needed insight into initiatives that will continue to help improving social services in 2020.

A gap analysis to help the County evaluate where the County can and should address critical behavioral and mental health access needs was funded and results will be available in 2020. Options for initiatives which could significantly impact behavioral and mental health access, will be identified.

Funding was approved for investigation and conceptual design of a Tween Center for grades 6-8. This would complement the Teen Center and Youth Activity Centers by providing a safe place for this age group to enjoy activities and programming; the need for this type of space has been identified by educational and community experts over the last several years.

Council, in partnership with state legislative representation and Los Alamos National Laboratory staff, actively engaged Los Alamos Medical Center leadership to understand and explore options for addressing ongoing community concerns regarding local availability of obstetric and gynecological. It is understood this is a significant concern to the community and Council will continue to relay that message and identify potential options for addressing this situation.

- **Investing in infrastructure.** Appropriately balancing maintenance of existing infrastructure with new investments in county utilities, roads, facilities and amenities will help improve environmental stewardship, sustainability, and quality of life.

During the budget process, it was agreed that approximately 30% of the 2020 General Fund expenditures will be spent on maintenance and capital replacements to address needed infrastructure stability. This augments the significant number of infrastructure items that are not paid for through the General Fund (for example, more than 5.5M\$ for roads and trails, approximately 6M\$ in infrastructure-related Capital Improvement Projects, and utility infrastructure investments that are made through each of the four utility funds). A tool that shows a high-level summary of how reserves, infrastructure

investments, operational costs and the unassigned portion of the budget are balanced was developed and used to support these discussions and subsequent decisions.

The Diamond Drive repaving project, early 2019 snow removal expenses and other facility repairs were completed using 4.5M\$ of emergency grant funding obtained by County staff from the State. The Diamond repaving project was executed over several months with the first phase completed before resumption of the public school's Fall semester in August of 2019. Two electric buses were purchased under a federal grant program called the "Low or No Emission Vehicle Program."

The Board of Public Utilities recommended, and County Council approved a multiyear water and sewer rates increases that will allow these utilities to be maintained at a modern and acceptable condition. These increases are designed to sustain both the water and sewer funds for needed operating expenses, financing costs, reserves, and capital improvements. This will assure funding is available to replace water wells, and water lines as well as replace the White Rock Wastewater Treatment Plant, sewer lines, and several lift stations over the next ten years.

- **Planning for appropriate levels of county services.** Making sure we understand the level of services our citizens want will allow us to make appropriate investments in processes and staff to achieve them.

The passage of SB11 was critical to the sustainability of all County functions including current and future investments in operations and infrastructure. It ensures that the continuity and sustainability of Gross Receipts Tax revenues from the Laboratory contractor will not be dependent on its corporate structure and for- or not-for-profit status.

The County embarked upon a program to replace its Enterprise Resource Program – financial software that coordinates the many aspects of County operations – several years ago yet the implementation of this new system was completed during the past fiscal year. MUNIS (as the new software has been named) replaced the former system that had been in place for over 21 years and incorporates many new operational features. The software is "off the shelf" meaning that it was developed for general use rather than being specifically written for Los Alamos County, a fact that should enable lower costs for maintenance and upgrades over the life of the system.

As the County has recently been experiencing pressures for growth, staff have been reviewing operational needs to insure continued appropriate service levels. During the past budget session, the Council approved not only the aforementioned additional trail maintenance employee, but also added three dispatchers to the Police Department to address their increased work volume. Several Council conversations have already

recommended additional considerations to be addressed during the 2021 budget discussions that will occur in April.

During the January 2020 County Council strategic planning session, the status of the identified 7 strategic priorities will be reviewed. Discussions will include determination of whether these are still the most important priorities for the community, identification of new high-level actions that are needed to continue progress on the priorities, and whether additional priorities are needed. For example, transportation (including multi modal mobility and parking) has emerged as a key issue for the County.

The results of the strategic planning session will be incorporated into the 2020 Strategic Leadership Plan and used to maintain focus on issues important to the community and help enable multiple other ongoing initiatives important to the future of our community (as listed in the 2019 Strategic Leadership Plan).