

Henry P. Roybal
Commissioner, District 1

Miguel M. Chavez
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3



Kathy Holian
Commissioner, District
4

Liz Stefanics
Commissioner, District
5

Katherine Miller
County Manager

TO: Santa Fe County Board of County Commissioners

FROM: David Griscom, Economic Development Manager *DG*

Via: Katherine Miller, County Manager
Penny Ellis-Green, Growth Management Director *PEO*

RE: Request Authorization to publish Title and General Summary for Ordinance 2016-,
Santa Fe County Local Economic Development Act (LEDA) Support for The Place
at Caja Del Rio, a Senior Living project

DATE: March 29, 2016

Background

The Place at Caja Del Rio is a proposed facility along Caja Del Rio road that would provide a variety of senior care services. The project would be built in 4 phases, and would include Independent Living (180 units), Assisted Living (200 units), Skilled Nursing (120 beds), and Memory Care (80 units) units. Phase 1 would focus on Skilled Nursing, and the remaining phases would be built out over a period of approximately 5 years. The project is being developed by Cauwels & Stuve, and the firm has hired Jenkins & Gavin as their agent. The project Master Plan was approved by the BCC on October 14, 2014, designating the property as a Large Scale Mixed-Use District. The project is located on 28 acres at 28 Caja Del Rio road.

The applicant has experience in senior care services, having implemented a similar, multi-phase, multi-care senior services project in Albuquerque, called The Rio at Las Estancias.

Per the County's LEDA Ordinance, the applicant has filled out a County LEDA application, and it is attached as Exhibit A.

This is the 3rd time that this LEDA project has been before the BCC: initially on Sept. 8, 2015 when it was introduced, and subsequently on Dec 8, 2015, when authorization was requested, and granted, to publish Title and General Summary. However, due to some delays in determining the appropriate security/collateral for the LEDA grant, the adoption draft of the LEDA Ordinance was never brought to the BCC. Discussions with the developer of the project have progressed, and Title and General Summary needs to be re-published.

County LEDA Ordinance

Per the County LEDA Ordinance (2014-7), a project or business must be a “qualifying entity” in order to receive LEDA support, and this project would qualify under Section VI,B,3: “a business in which all or part of the activities of the business involves the supplying of services to the general public or to governmental agencies or to a specific industry or customer, but, other than as provided in Paragraph (5) of this subsection, not including businesses primarily engaged in the sale of goods or commodities at retail.”

Draft Ordinance and Project Participation Agreement (PPA)

Attached to this memo are the draft Ordinance (exhibit B) and draft PPA (exhibit C). The Ordinance details the findings and specific request to the County. The PPA is the agreement between the County and Caja Del Rio Holdings Inc that contains contractual language regarding the terms of the agreement.

Funding Guidelines

Internal criteria through which each economic development LEDA funding request is evaluated includes the following:

- Whether the project ties in to the SF County Economic Development Plan, and whether it is within one of the 6 identified target industries; staff has determined that the project is in the Health/Wellness target industry listed in the County’s economic development plan;
- Whether the project is economic base in nature, meaning that >50% of revenues must come from outside NM; staff has determined that it is economic base- greater than 50% of the revenues for the business would come from Medicare and Medicaid (the project proforma assumes 5% private pay, 95% Medicare/Medicaid);
- Whether the total private sector investment in the LEDA project, including land, building, infrastructure, and cash, is greater than 70% of the total cost of the project; staff has determined that SF County financial support would be around 2% of the total project cost;
- Whether the entity requesting LEDA support has been in business for 3 years or longer; staff has determined that the applicant has demonstrated experience in the senior care industry, having opened the Rio at Las Estancias in 2013;
- Whether the project is outside the incorporated areas of SF County; staff has determined that it is outside the incorporated areas;
- Whether the project is in SDA 1 or not; staff has determined that the project is in SDA 1;
- Whether the project provides sufficient economic impact to the County; staff has determined that the project provides sufficient economic impact, per the State of NM Economic Development Department’s Economic Impact summary (exhibit D)

LEDA request

The applicant has requested assistance in infrastructure improvements needed to develop the project, and staff recommends funding support for the following:

- a. 7,000 lineal feet of new 8-inch sanitary sewer line with 16 connection points along the 599 Frontage Road from Caja del Rio to the connection point in Paseo de River just north of Airport Road.

- b. 4,240 lineal feet of 12-inch water line from the development to the existing 12 inch line that extends east of Caja Del Rio at Cochiti Trail Rd.

The total project cost for The Place at Caja Del Rio is estimated to be \$14 million, of which \$2.3 million is for infrastructure. Staff recommends \$300,000 in LEDA financial support towards the above-listed infrastructure items. The build-out of the sewer line could eventually assist the County in its long term sewer infrastructure expansion plans for the Caja Del Rio area.

Economic Impact

The applicant has made an initial estimate as to jobs created, and the State of New Mexico performed an economic impact analysis for this project, and it is attached as Exhibit D. The highlights of both include the following:

- Full time employment: 170 jobs with payroll of \$8.8 million and average salary of \$52,000
- \$3.35 million estimated net benefits to SF County over 10 years generated from taxes
- \$1.1 million net benefit to SF School District generated from taxes

Recommendation

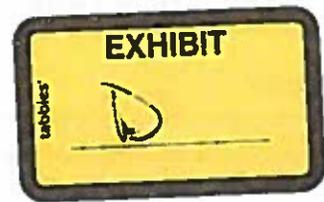
Staff is requesting authorization to publish Title and General Summary for Ordinance 2016-, Santa Fe County Local Economic Development Act (LEDA) support for The Place At Caja Del Rio, a Senior Living project.

Exhibit A: Applicant LEDA application

Exhibit B: LEDA Ordinance

Exhibit C: Project Participation Agreement (PPA)

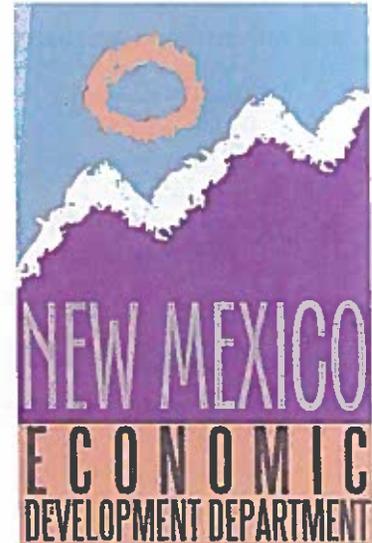
Exhibit D: Summary of Economic Impact



Economic Impact of The Senior Campus at Caja Del Rio in Santa Fe, NM Executive Summary

February 13, 2015

Prepared by:
Ndem Tazoh Tazifor
New Mexico Economic Development Department
Joseph Montoya Building
1100 S. St. Francis Drive
Santa Fe, New Mexico 87505



*This summary was prepared by the New Mexico Economic Development Department using Total Impact by Impact DataSource.
Please consult the full economic impact report for additional details and assumptions used in this analysis.*

Disclaimer: These calculations use estimates and assumptions; actuals may be different. Neither this document nor the information contained herein, prepared for the Economic Development Department by a contract service provider, binds the State of New Mexico.

EXECUTIVE SUMMARY

Introduction

This report presents the results of an economic impact analysis performed using Total Impact™, a model developed by Impact DataSource. The report estimates the economic and fiscal impact that a proposed project may have on the state and local taxing districts. The report estimates the additional costs and benefits for the state and specified local taxing districts over the first 10 years.

City	Santa Fe
County	Santa Fe County
School District	Santa Fe Public Schools
Special Taxing District	Special Taxing Districts

Description of the Project

The project is to be build on a 28 acre parcel located at 28 Caja Del Rio Road, north of NM 599 frontage road. The proposed Senior Campus will provide a full spectrum of senior care and living options, including a 120 bed skilled nursing facility, 180 units of Independant Living, 200 assisted living units and 80 memory care beds. The project will be developed in four phases over a period of 4 to 6 years. Phase One is the skilled nursing facility which will employ approximately 120 FTE. The average annual salary of these employees will be \$45,000. Phases two, three and four will follow one per year adding another 200 FTE with similar annual salaries. The firm is expected to initially invest \$14 million in land, building and equipmet for phase one in 2015.

Summary of the Economic Impact of the Project

The project will have the following economic impact on the State of New Mexico over the first 10 years:

Economic Impact Over the First 10 Years	
Economic Output:	
Direct	\$172,129,248
Indirect & Induced	\$138,374,703
Total Economic Output	\$310,503,951
Jobs:	
Direct	300
Indirect & Induced	123
Total Jobs	423
Workers' Earnings:	
Direct	\$141,072,561
Indirect & Induced	\$65,514,097
Total Workers' Earnings	\$206,586,658
Market value of property on tax rolls in Year 1	
The Project's property	\$14,000,000
New residential property constructed	\$192,133
Total market value of new property	\$14,192,133
Taxable Sales/Purchases	
The Project activities	\$49,946,361
New direct and spin-off workers	\$51,646,664
Visitors	\$0
Total taxable sales and purchases	\$101,593,025

The year-by-year economic impacts can be found in Appendix B.

EXECUTIVE SUMMARY

The project is not expected to result in a consequential increase in the state's population. A majority of newly hired employees would likely be current New Mexico residents. However, it is estimated that approximately 10% of the new workers may be new residents to Santa Fe County. The local population impacts may result in new residential properties constructed in the county and increase the enrollment of local public schools.

Estimated Local Population Impacts Over the First 10 Years			
	Direct	Indirect & Induced	Total
Number of direct and indirect workers who may move to the County	30.0	8.0	38.0
Number of new residents in the County	81.9	21.8	103.7
Number of new residential properties that may be built in the County	3.2	0.8	4.0
Number of new students expected to attend local school district	14.7	3.9	18.6

Summary of the Fiscal Impact of the Project

The project will generate additional benefits and costs for the state and local taxing districts. A summary of the additional benefits, costs and net benefits is provided below. A discussion of the source of specific benefits and costs are provided in more detail for each taxing district on subsequent pages.

Net Benefits Over the First 10 Years for Local Taxing Districts and the State				
	Additional Benefits	Additional Costs*	Net Benefits	Present Value of Net Benefits**
State of New Mexico	\$26,047,155	(\$2,210,134)	\$23,837,021	\$18,009,116
Santa Fe	\$5,820,036	(\$1,720,567)	\$4,099,469	\$3,313,204
Santa Fe County	\$3,419,344	(\$69,691)	\$3,349,653	\$2,552,628
Santa Fe Public Schools	\$1,654,233	(\$516,451)	\$1,137,782	\$848,462
Special Taxing Districts	\$708,640	\$0	\$708,640	\$528,053
Total	\$37,649,407	(\$4,516,842)	\$33,132,565	\$25,251,462

The project may result in local and state population impacts. Therefore, some additional costs are estimated for the state and local taxing districts. Additional costs represent the additional cost to provide state, municipal, county, or school district services to new residents, businesses or new school students. The calculation of costs are estimated based on recent budget expenditure information and the projected change in residents, employees and school students in the community. The Methodology section has additional information on these fiscal impact calculations.

* Additional costs were estimated for the state, city, county, and school district as the result of population changes and the provision of government services to new residents. The area population changes result from the portion of the new jobs being filled by workers moving to the area. A majority of the new jobs are expected to be filled by current New Mexico residents so the project is expected to have a small effect on additional costs on a statewide basis.

** The Present Value of Net Benefits is a way of expressing in today's dollars, dollars to be paid or received in the future. Today's dollar and a dollar to be received or paid at differing times in the future are not comparable because of the time value of money. The time value of money is the interest rate or each taxing entity's discount rate. This analysis uses a discount rate of 5% to make the dollars comparable.

EXECUTIVE SUMMARY

Benefits for the State of New Mexico

The table below displays the estimated additional benefits to be received by the State of New Mexico over the first 10 years. The project is expected to have a small effect on the statewide population and therefore some additional statewide costs to provide additional services were estimated for the state. Appendix C contains the year-by-year calculations.

State of New Mexico: Additional Benefits and Costs Over the First 10 Years			
	Additional Benefits	Additional Costs	Net Benefits
Gross Receipts Taxes	\$3,962,128	\$0	\$3,962,128
Property Taxes - Commercial/Industrial - Real	\$222,642	\$0	\$222,642
Property Taxes - Commercial/Industrial - BPP	\$17,997	\$0	\$17,997
Property Taxes - New Residential	\$5,328	\$0	\$5,328
Personal Income Taxes	\$7,870,952	\$0	\$7,870,952
Corporate Income Taxes	\$1,222,407	\$0	\$1,222,407
Miscellaneous Taxes & User Fees	\$12,745,701	\$0	\$12,745,701
Cost of Providing State Services	\$0	(\$2,210,134)	(\$2,210,134)
Total	\$26,047,155	(\$2,210,134)	\$23,837,021

Gross receipts taxes are estimated on new taxable gross receipts resulting from the project. Property taxes are estimated on the firm's property and new residential property constructed. Personal income taxes are estimated based on an effective income tax rate and the earnings of new direct and indirect workers. Corporate income taxes on the direct activity is based on the net taxable income projected by the company. Corporate income taxes on the indirect activity is estimated on a per indirect worker basis and the observed statewide corporate income tax collections per worker. To the extent that the project will result in an increase in new households in the state, additional miscellaneous taxes and user fees have been estimated for the state. Additionally, the costs to provide state services to these new households were also estimated based on recent state expenditure data as detailed in the Appendix.

Benefits and Costs for Santa Fe

The table below displays the estimated additional benefits, costs and net benefits to be received by the city over the first 10 years of the project.

Santa Fe: Additional Benefits and Costs Over the First 10 Years			
	Additional Benefits	Additional Costs	Net Benefits
Gross Receipts Taxes	\$2,782,150	\$0	\$2,782,150
Property Taxes - Commercial/Industrial - Real	\$604,570	\$0	\$604,570
Property Taxes - Commercial/Industrial - BPP	\$48,871	\$0	\$48,871
Property Taxes - New Residential	\$8,156	\$0	\$8,156
Utility Revenue	\$1,466,289	\$0	\$1,466,289
Utility Franchise Fees	\$169,043	\$0	\$169,043
Lodgers Tax	\$0	\$0	\$0
Building Permits and Fees	\$530,000	\$0	\$530,000
Miscellaneous Taxes & User Fees	\$210,957	\$0	\$210,957
Cost of Providing Municipal Services	\$0	(\$254,278)	(\$254,278)
Cost of Providing Utility Services	\$0	(\$1,466,289)	(\$1,466,289)
Total	\$5,820,036	(\$1,720,567)	\$4,099,469

EXECUTIVE SUMMARY

Benefits and Costs for Santa Fe County

The table below displays the estimated additional benefits, costs and net benefits to be received by the county over the first 10 years of the project.

Santa Fe County: Additional Benefits and Costs Over the First 10 Years			
	Additional Benefits	Additional Costs	Net Benefits
Gross Receipts Taxes	\$973,347	\$0	\$973,347
Property Taxes - Commercial/Industrial - Real	\$2,208,572	\$0	\$2,208,572
Property Taxes - Commercial/Industrial - BPP	\$178,531	\$0	\$178,531
Property Taxes - New Residential	\$26,874	\$0	\$26,874
Building Permits and Fees	\$0	\$0	\$0
Miscellaneous Taxes & User Fees	\$32,020	\$0	\$32,020
Cost of Providing County Services	\$0	(\$69,691)	(\$69,691)
Total	\$3,419,344	(\$69,691)	\$3,349,653

Benefits and Costs for Santa Fe Public Schools

The table below displays the estimated additional benefits, costs and net benefits to be received by the school district over the first 10 years of the project.

Santa Fe Public Schools: Additional Benefits and Costs Over the First 10 Years			
	Additional Benefits	Additional Costs	Net Benefits
Property Taxes - Commercial/Industrial - Real	\$1,214,052	\$0	\$1,214,052
Property Taxes - Commercial/Industrial - BPP	\$98,138	\$0	\$98,138
Property Taxes - New Residential	\$140,235	\$0	\$140,235
Additional State Funding	\$201,808	\$0	\$201,808
Cost of Educating New Students	\$0	(\$516,451)	(\$516,451)
Total	\$1,654,233	(\$516,451)	\$1,137,782

Benefits and Costs for Special Taxing Districts

The table below displays the estimated additional benefits, costs and net benefits to be received by other special taxing districts over the first 10 years of the project.

Special Taxing Districts: Additional Benefits and Costs Over the First 10 Years			
	Additional Benefits	Additional Costs	Net Benefits
Property Taxes - Commercial/Industrial - Real	\$643,369	\$0	\$643,369
Property Taxes - Commercial/Industrial - BPP	\$52,007	\$0	\$52,007
Property Taxes - New Residential	\$13,265	\$0	\$13,265
Total	\$708,640	\$0	\$708,640

EXECUTIVE SUMMARY

New Mexico Economic Development Department Notes

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Henry P. Roybal
Commissioner, District 1

Miguel M. Chavez
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3



Kathy Holian
Commissioner, District 4

Liz Stefanics
Commissioner, District 5

Katherine Miller
County Manager

Date: March 21, 2016

To: Board of County Commissioners

From: Penny Ellis-Green, Growth Management Director *PEG*

Via: Katherine Miller, County Manager
Gregory S. Shaffer, County Attorney

Re: Request Authorization to Publish Title and General Summary of An Ordinance Entitled "an Ordinance Amending Section 3.5.4. Of Ordinance No. 2015-11, the Santa Fe County Sustainable Land Development Code, Concerning Hearing Officer Qualifications."

Issue: On December 8, 2015, the Board approved Ordinance No. 2015-11 The Sustainable Land Development Code (SLDC), which became effective on January 15, 2016. The SLDC requires the appointment of a hearing officer but in the RFP process it became clear that the qualification language regarding what excludes a hearing officer is unintentionally overbroad. The current language excludes more candidates than necessary to ensure the hearing officer does not have any conflicts of interest.

Background:

On March 8, 2016 the Board approved authorization to publish title and general summary of this Ordinance.

Chapter 3, Section 3.5 of the SLDC requires that the Board appoint a Hearing Officer. The qualifications necessary to become a hearing officer are in Section 3.5.4., which require the following:

3.5.4. Qualifications. A Hearing Officer shall have a J.D. degree from a law school certified by the American Bar Association or Association of American Law Schools, with not less than six (6) years of legal experience, and shall be licensed to practice law in New Mexico for a period of not less than three (3) years. A Hearing Officer shall not hold other appointed or elective office or position in government during his/her term.

As staff began the process of soliciting a Hearing officer for appointment and, upon further review of the language, found that this section had a much broader reading than was intended. The last sentence, “[a] Hearing Officer shall not hold other appointed or elective office or position in government during his/her term” excludes many candidates who would have desired experience such as hearing officers appointed in other jurisdictions or individuals appointed to an ethics board or State Bar Association Board.

Proposed Ordinance: To avoid unnecessarily disqualifying attorneys with experience and to ensure attorneys applying do not have conflicts of interest; staff has drafted language to amend this section of the SDLC prior to the RFP being awarded so there is no confusion in the meaning of the language. The redlined language is attached in Exhibit A. This amendment is coming forward prior to the 6 month review for this one specific change so we can move forward with the RFP and appoint a hearing officer.

At the March 8 meeting the Board also requested staff address appointment to City/County joint boards and look at past interests of a hearing officer. These 2 items are addressed in the proposed Ordinance and are underlined below.

The new language requires the following:

“3.5.4. Qualifications. A Hearing Officer shall have a J.D. degree from a law school certified by the American Bar Association or Association of American Law Schools, with not less than six (6) years of legal experience, and shall be licensed to practice law in New Mexico. During the term of the Hearing Officer’s appointment and during three (3) years immediately preceding the Hearing Officer’s appointments, neither the appointed Hearing Officer nor the Hearing Officer’s law firm shall represent persons or entities with regard to land use applications submitted to the County or in appeals of or lawsuits regarding County land use decisions. In addition, a Hearing Officer shall not:

- a. hold elective office;
- b. be employed by the County;
- c. be appointed to any County or joint board or committee of the County and City of Santa Fe;
- d. be employed by any political subdivision of the State of New Mexico or tribal government the geographic boundaries of which are located either wholly or partly within the geographic boundaries of the County; or
- e. be employed by a governmental entity from which the County requests opinions pursuant to Sections 4.4.7 and 5.7.5.1 of the SLDC.”

Action Requested: Staff requests approval of the Ordinance.

Attachments: Exhibit A - Ordinance Amending Section 3.5.4 of the SLDC
Exhibit B – Redline version of the Ordinance

THE BOARD OF COUNTY COMMISSIONERS
OF SANTA FE COUNTY

ORDINANCE NO. 2016-_____

AN ORDINANCE
AMENDING SECTION 3.5.4 OF ORDINANCE NO. 2015-11, THE SANTA FE COUNTY
SUSTAINABLE LAND DEVELOPMENT CODE, CONCERNING HEARING OFFICER
QUALIFICATIONS

BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF SANTA FE
COUNTY:

Section 1. Section 3.5.4 of Ordinance No. 2015-11, the Santa Fe County Sustainable Land
Development Code, is hereby amended to read in its entirety as follows:

“3.5.4. Qualifications. A Hearing Officer shall have a J.D. degree from a law school certified
by the American Bar Association or Association of American Law Schools, with not less than six
(6) years of legal experience, and shall be licensed to practice law in New Mexico. During the
term of the Hearing Officer’s appointment and during the three (3) years immediately preceding
the Hearing Officer’s appointment, neither the appointed Hearing Officer nor the Hearing
Officer’s law firm shall represent or have represented persons or entities with regard to land use
applications submitted to the County or in appeals of or lawsuits regarding County land use
decisions. In addition, a Hearing Officer shall not during the term of their appointment:

- a. hold elective office;
- b. be employed by the County;
- c. be appointed to any County or joint board or committee of the County and City of
Santa Fe;
- d. be employed by any political subdivision of the State of New Mexico or tribal
government the geographic boundaries of which are located either wholly or partly within
the geographic boundaries of the County; or
- e. be employed by a governmental entity from which the County requests opinions
pursuant to Section 4.4.7 or Section 5.7.5.1 of the SLDC.”

Section 2. This Ordinance shall become effective 30 days after it is recorded with the County
Clerk.

PASSED, APPROVED, AND ENACTED this 29th day of March, 2016, by the Board of County
Commissioners of Santa Fe County.

THE BOARD OF COUNTY COMMISSIONERS
OF SANTA FE COUNTY

By _____
MIGUEL M. CHAVEZ, Chair



ATTEST:

GERALDINE SALAZAR, County Clerk

APPROVED AS TO FORM:


GREGORY S. SHAFFER, County Attorney

THE BOARD OF COUNTY COMMISSIONERS
OF SANTA FE COUNTY

ORDINANCE NO. 2016-_____

AN ORDINANCE
AMENDING SECTION 3.5.4 OF ORDINANCE NO. 2015-11, THE SANTA FE COUNTY
SUSTAINABLE LAND DEVELOPMENT CODE, CONCERNING HEARING OFFICER
QUALIFICATIONS

BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF SANTA FE
COUNTY:

Section 1

Section 3.5.4 of Ordinance No. 2015-11, the Santa Fe County Sustainable Land Development Code, is hereby amended to read in its entirety as follows:

“3.5.4. Qualifications. A Hearing Officer shall have a J.D. degree from a law school certified by the American Bar Association or Association of American Law Schools, with not less than six (6) years of legal experience, and shall be licensed to practice law in New Mexico ~~for a period of not less than three (3) years.~~ During the term of the Hearing Officer’s appointment and during three (3) years immediately preceding the Hearing Officer’s appointments, neither the appointed Hearing Officer nor the Hearing Officer’s law firm shall represent or have represented persons or entities with regard to land use applications submitted to the County or in appeals of or lawsuits regarding County land use decisions. In addition, ~~—A~~ Hearing Officer shall not during the term of their appointment:

~~hold other appointed or elective office or position in government during his/her term;~~

- ~~a. hold elective office;~~
- ~~b. be employed by the County;~~
- ~~c. be appointed to any County or joint board or committee of the County and City of Santa Fe;~~
- ~~d. be employed by any political subdivision of the State of New Mexico or tribal government the geographic boundaries of which are located either wholly or partly within the geographic boundaries of the County;~~
- ~~e. be employed by a governmental entity from which the County requests opinions pursuant to Section 4.4.7 and Section 5.7.5.1 of the SLDC.~~

Section 2

~~This Ordinance shall become 30 days after it is recorded with the County Clerk.~~

PASSED, APPROVED AND ENACTED this 29th day of March, 2016, by the Board of County Commissioners of Santa Fe County.



**THE BOARD OF COUNTY COMMISSIONERS
OF SANTA FE COUNTY**

By _____
MIGUEL M. CHAVEZ, Chair

ATTEST:

GERALDINE SALAZAR, County Clerk

APPROVED AS TO FORM:

GREGORY S. SHAFFER, County Attorney

