

White Rock Commercial Center Metropolitan Redevelopment Area (MRA) Designation Report

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I. Introduction

White Rock is a Census Designated Place (CDP) located in the incorporated County of Los Alamos. The community was established in 1960s as a new bedroom community for the nearby Los Alamos townsite, which was formally established during World War II for the Manhattan Project. White Rock had 5,725 residents in 2010 and complements nearby Los Alamos, which has a population of 12,000 residents. Los Alamos County as a whole had a population of approximately 18,000 in 2010, with the daytime population growing to approximately 28,000 residents due to the large number of employees at Los Alamos National Lab (LANL) and other daily commuters.

The White Rock Commercial Center was first developed in the 1970s and has gone through several cycles of investment and disinvestment. Although Los Alamos County is one of the more affluent counties in New Mexico by household income, the Commercial Center has stagnated and declined over the last 20 years due to a variety of factors, including underinvestment by property owners, a small market base to support additional commercial uses (due to local and regional competitors), street connectivity issues, a lack of affordable housing, and some issues with the visual appearance of the Center's aging buildings and infrastructure.

The White Rock Center Master Plan/Economic Development Strategy was completed in 2008 to provide a blueprint for redevelopment of the Commercial Center area. Among many goals, the Plan clearly identified redevelopment of the White Rock Center as a community need and longstanding goal. Since then, some of the objectives of the Master Plan have been completed, many of the primary goals of the plan have not yet been fulfilled. This has prompted Los Alamos County to begin a new master planning process for the Commercial Center in the Summer of 2020. In addition to this master planning process, the designation of the Study Area as a Metropolitan Redevelopment Area would help further the goals of Los Alamos and help enable the redevelopment envisioned by the County and its residents.

1. Purpose

The purpose of this report is to determine the barriers that prevent private investment in this area and how Los Alamos County might promote future redevelopment of underutilized properties. This report evaluates approximately 40 acres in the White Rock Commercial Center for potential designation as a Metropolitan Redevelopment Area (MRA).

The State of New Mexico has several statutes that are intended to help municipalities in New Mexico promote economic development and redevelopment in areas where such activity is inhibited by a variety of factors. The Urban Development Law (§3-46-1 to §3-46-45 NMSA 1978), the Community Development Law (§3-60-1 to §3-60-37 NMSA 1978), and the New Mexico Metropolitan Redevelopment Code (§3-60A-1 to §3-60A-48 NMSA 1978) enable municipalities to implement strategies and projects to eliminate blight. Because the Urban Development Law and the Community Development Law are closely associated with specific Federal renewal programs, the preferred approach for Los Alamos County to accomplish its goals for the Commercial Center is through the powers conferred by the Metropolitan Redevelopment Code.

The New Mexico Metropolitan Redevelopment Code (§3-60A-1 to 3-60A-48 NMSA 1978) provides cities in New Mexico with the powers to correct conditions in areas or neighborhoods within municipalities which “substantially impair or

arrest the sound and orderly development” within the municipality. These powers can help reverse an area’s decline and stagnation; however, the municipality may only use these powers within a designated Metropolitan Redevelopment Area (MRA). Designation of an MRA is based on findings of “slum or blight” conditions, as defined in the Metropolitan Redevelopment Code (§3-60S-8). The criteria set by the Code for a “blighted” area include both physical conditions and economic conditions.

As defined in the Code,

“Blighted area” means an area within the area of operation other than a slum area that, because of the presence of a substantial number of deteriorated or deteriorating structures, predominance of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility or usefulness, unsanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, improper subdivision or lack of adequate housing facilities in the area or obsolete or impractical planning and platting or an area where a significant number of commercial or mercantile businesses have closed or significantly reduced their operations due to the economic losses or loss of profit due to operating in the area, low levels of commercial or industrial activity or redevelopment or any combination of such factors, substantially impairs or arrests the sound growth and economic health and well-being of a municipality or locale within a municipality or an area that retards the provisions of housing accommodations or constitutes an economic or social burden and is a menace to the public health, safety, morals or welfare in its present condition and use.

2. Boundaries of MRA Study Area

The Study Area consists of approximately 40 acres, made up of 71 parcels. The boundaries were selected in the summer of 2018 by staff from Los Alamos MainStreet in consultation with New Mexico MainStreet Technical Assistant associates. The boundaries follow the extend of the Los Alamos MainStreet – White Rock District. Beginning at the intersection of NM Highway 4 and Sherwood Blvd., the legal description of the MRA Study Area boundary is:

1. South on Sherwood Blvd. to the northern edge of residential property parcels on the north side of Aztec Ave.
2. East along the northern edge of residential property parcels on the north side of Aztec Ave.
3. North to the southern loop of Longview Drive.
4. Northeast along Longview Drive to intersection with Bonnie View Dr.
5. East and Southeast along Longview Drive to Rover Blvd.
6. North on Rover Blvd. to Meadow Lane.
7. East on Meadow Lane to westernmost edge of residential property parcels.
8. North along westernmost edge of residential property parcels to NM Highway 4
9. West on NM Highway 4 to Sherwood Blvd. and point of beginning.

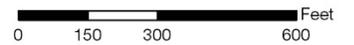
Figure 1. Study Area Boundaries



WHITE ROCK CENTER MRA DESIGNATION

Existing Conditions Assessment - Updated 8/3/2020

 Proposed MRA Boundaries



3. Summary of Findings

An assessment of the Study Area was conducted in September 2019 (and updated in July 2020) to document the physical conditions within the White Rock Commercial Center and at the subject properties. The assessment, combined with business, economic, and housing data, demonstrates that the properties included in the analysis exhibit a combination of factors that contribute to blight. Because current conditions within the Study Area inhibit sound development of the Center, the redevelopment of the Study Area is necessary and in the interest of the welfare of the residents of Los Alamos County.

The powers granted to municipalities in New Mexico through the Metropolitan Redevelopment Act are intended to enable municipalities to promote economic activity in areas like the Study Area, where growth and development are hindered by physical, economic, and other conditions. The Metropolitan Redevelopment Act provides a number of tools for municipalities to use to help eliminate conditions of blight in designated areas, including the ability to acquire land, assist in land assembly, offer financial incentives and provide public improvements to encourage and promote industry, trade, or other economic activity.

The analysis contained in this report and summarized below shows that the following conditions have inhibited new development and redevelopment in the Study Area and impaired the sound growth of the White Rock Commercial Center and the economic health and well-being of the Los Alamos County as a whole.

LOW LEVELS OF COMMERCIAL ACTIVITY OR REDEVELOPMENT

There are multiple vacant storefronts and properties within the MRA study area. During a site assessment conducted in September 2019, 31 out of 71 lots were identified as vacant or underutilized. These vacant lots, along with otherwise occupied multitenant storefronts, account for approximately 17 vacant storefronts, which includes vacant offices, restaurant uses, and other commercial buildings. A majority of these vacant properties are along Longview Drive and Bonnie View Drive, along with a few vacant storefronts in the White Rock Shopping Center building.

In addition, many of the buildings within the MRA are in poor condition, out-of-date, or otherwise dilapidated. This includes several obsolete office buildings along Longview Drive that need significant improvements to attract new tenants. The poor condition of the buildings, along with other infrastructure, connectivity and platting issues within the MRA, contribute to ongoing, low levels of commercial activity and create a disincentive to new private investment.

DETERIORATION OF SITE OR OTHER IMPROVEMENTS

There is a general deterioration of public improvements within the MRA, which includes damaged or missing sidewalks, non-ADA compliant ramps, drainage issues, and unmaintained landscape improvements. Pavement conditions of internal streets including Longview Drive and Bonnie View Drive are also poor.

PREDOMINANCE OF DEFECTIVE OR INADEQUATE STREET LAYOUT

The street layout within the MRA is not conducive to connectivity or accessibility to businesses. The layout of Bonnie View Drive and Longview Drive are both meandering and make navigating the area confusing and less accessible to visitors.

OBSOLETE OR IMPRACTICAL PLANNING AND PLATTING

Along with the inadequate street layout of the MRA, the overall planning and platting of the area is obsolete and impractical. This has created challenges to redeveloping and changing the land use mixture of the MRA. Since the [White Rock Center Master Plan](#) was adopted in 2008, many of the proposed land use changes and site improvements have not come to fruition. Although public improvements along State Highway 4 and public buildings have been completed, private investment has continued to decline since the Plan was adopted.

UNSANITARY OR UNSAFE CONDITIONS

Conditions in the MRA are generally safe, although signs of illegal dumping on vacant lots was documented during the site assessment in September 2019.

IMPROPER SUBDIVISION OR LACK OF ADEQUATE HOUSING FACILITIES IN THE AREA

As outlined in the 2008 Master Plan and the more recent Los Alamos County Comprehensive Plan, there is a lack of adequate and affordable housing throughout Los Alamos County. This includes a lack of multi-family buildings that could provide housing to the large commuter population that works at the major area employers such as LANL. Providing more housing within the MRA would help alleviate the demand for more housing in the County.

Based on the findings of the designation report, a Metropolitan Redevelopment Area Plan should be carried out to aid in the elimination and deterrence of blight in the Study Area.

II. Existing Conditions Assessment

An assessment of the Study Area was conducted in September 2019 and updated in July 2020 to document the physical conditions within the White Rock Commercial Center. This assessment was conducted by the New Mexico MainStreet consultant team and Los Alamos MainStreet staff. The following narrative summarizes the predominate physical conditions that were identified in the Study Area. Additional information on the current demographics, economic conditions, and housing in the Los Alamos County are also included to support the creation of a Metropolitan Redevelopment Area (MRA) District and MRA Plan.

1. Building Conditions

Many of the buildings within the MRA are in poor condition, out-of-date, or otherwise dilapidated. This includes several obsolete office buildings along Longview Drive that need significant improvements to attract new tenants. These buildings may include inadequate floor layouts, or internal issues such as outdated electrical, telecommunications, and other equipment that limits their commercial viability as attractive spaces for new tenants. In addition, to rehab these buildings may involve expensive upgrades that current owners may not be ready to invest in given current market conditions. Sadly, as seen with the recently demolished office buildings on Longview Drive, the more viable option for some property owners may be to demolish these outdated buildings. Overall, the poor condition of the buildings, along with other infrastructure, connectivity and platting issues within the MRA, contribute to ongoing, low levels of commercial activity and create a disincentive to new private investment.



Figure 2. The White Rock Business Plaza site, which currently has several vacant storefronts and buildings that are outdated and need improvements to attract new tenants.

2. Vacant & Underutilized Properties

There are multiple vacant storefronts and properties within the MRA boundaries. During the first site assessment conducted in September 2019 and updated in July 2020, 31 out of 71 lots were vacant or underutilized. Underutilized lots indicate properties that have structures that are partially occupied for temporary uses and community space but do not have commercial viability without major building improvements.

Overall, vacant and underutilized lots, along with otherwise occupied multitenant storefronts, account for approximately 17 vacant storefronts, which includes vacant office space, restaurant uses, and other commercial buildings. A majority of these vacant properties are along Longview Drive and Bonnie View Drive, along with a few vacant storefronts in the White Rock Shopping Center building. Some of these properties, including the former McDonalds, and the White Rock Business Plaza have struggled to retain tenants for the last several years.

A list of vacant and underutilized buildings observed, include the following, with the approximate number of vacant storefronts indicated in parentheses:

- The White Rock Shopping Center is underutilized, with at least one vacant storefront (1).
- The building currently occupied by the “Northern New Mexico Revival Center” is underutilized (1).
- The office building behind Metzger’s Hardware store is vacant (2).
- The former Time Out Pizzeria (originally a McDonalds) building is closed (1).
- The office adjacent to the Pizza Hut and the bank building on Bonnie View Drive appears to have a vacancy (1).
- A vacant office building at the intersection of Bonnie View Drive and Longview Drive (3).
- Multiple vacant office structures and sites along Longview Drive, including the recently demolished office structures (6).
- The White Rock Business Plaza is underutilized, with at least two storefronts currently vacant (2).



Figure 3. Vacant lot and former parking spaces of lot along Longview Drive.



Figure 4. Recently demolished office building site along Longview Drive.

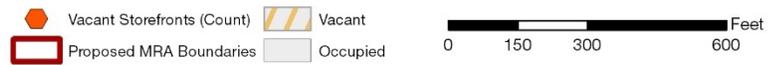


Figure 5. Office building along Longview Drive that was recently demolished due to multiple issues with the building.

Figure 6. Vacant Sites and Storefronts.



WHITE ROCK CENTER MRA DESIGNATION
Existing Conditions Assessment - Updated 8/3/2020



3. Infrastructure & Transportation Conditions

There is a general deterioration of public improvements within the MRA, which includes damaged or missing sidewalks, non-ADA compliant ramps, drainage issues, and unmaintained landscape improvements. For example, there are many missing and/or disconnected sidewalks along Longview Drive, which makes it hard for pedestrians or those with disabilities to navigate this area. In addition, maintenance and care of the arroyo channel and trail could be improved to make this a public amenity.

The street layout within the MRA is not conducive to connectivity or pedestrian accessibility to businesses. The layout of Bonnie View Drive and Longview Drive are both meandering and make navigating the area confusing and less accessible to visitors. Overall, pavement conditions of internal streets including Longview Drive and Bonnie View Drive are also poor. Along with the inadequate street layout of the MRA, the overall planning and platting of the area is obsolete and impractical. This has created challenges to redeveloping and changing the land use mixture of the MRA. Since the White Rock Center Master Plan was adopted in 2008, many of the proposed land use changes and site

improvements have not come to fruition. Although public improvements along State Highway 4 and public buildings have been completed, private investment has continued to decline since the plan was completed. This has prompted Los Alamos County to begin a new master planning process in the summer of 2020 for the Commercial Center.



Figure 7. Degraded sidewalk conditions along the south edge of the Smith’s Grocery property.



Figure 8. Degraded site improvements and overgrown landscaped areas along Bonnie View Drive.

4. Planning & Zoning

The White Rock Center Master Plan/Economic Development Strategy was completed in 2008 to provide a blueprint for redevelopment of the Commercial Center area. The Plan called for a change in the land uses for the area with a focus on a new commercial/mixed-use node at the intersection of NM Highway 4 and Sherwood Boulevard. The Plan also called for redevelopment of properties to the south of Longview Drive as residential uses. Additional office uses were identified for the White Rock Shopping Center and the Del Norte Credit Union property to the east of Rover Boulevard (undeveloped at the time).

Some of the identified improvements and land use changes have been completed since the Plan was adopted. This includes the development of the White Rock Visitor Center property to the north of NM Highway 4, the development of the White Rock Library property at NM 4 and Sherwood Boulevard, and the development of the Del Norte Credit Union. Other improvements have not yet come to fruition, including redevelopment of existing properties along Longview Drive and Bonnie View Drive. However, the residential and commercial area envisioned to the north of NM Highway 4 is currently being developed.

To revisit redevelopment scenarios for the area, Los Alamos County began a new master planning process in the summer of 2020 for the Commercial Center, as well as for Downtown Los Alamos. This plan will include new strategies for redevelopment of the area and complement a County-wide Development Code update designed to incentivize new development.

ZONING

The zoning of the White Rock Center includes three commercial zones (C-2, C-2, C-3), a higher density multifamily zone (R-3-H), the downtown center overlay zone (DT-NCO), and public land (P-L) (see **Table 1**, below). To facilitate the redevelopment of the Study Area, including more residential uses may require rezoning of commercially zoned parcels that disallow residential development. This primarily includes the C-2 zoning along Longview Drive. In addition, the County has begun a process to update its Development Code, which may include revisiting the zoning districts for the Commercial Center.

Figure 9. Existing Zoning in MRA Study Area

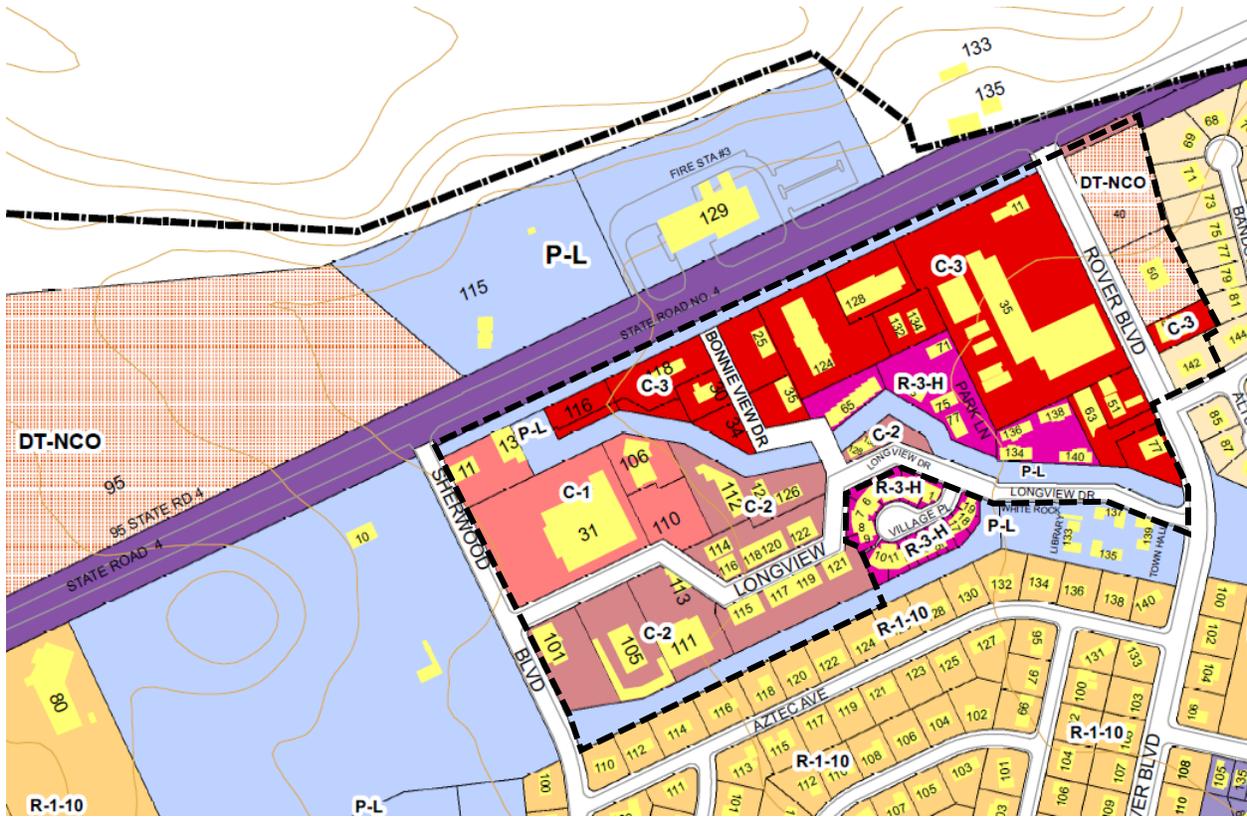


Table 1. District Zoning

	Commercial Uses	Single-Family Residential	Multi-family Residential	Other Uses
C-1: Light commercial and professional business district	Allowed	Prohibited	Prohibited	
C-2: Civic center business and professional district	Allowed	Prohibited	Prohibited	
C-3: Heavy commercial district	Allowed	Prohibited	Prohibited	
R-3-H: Multiple-family residential (high density)	Some Accessory Uses	Allowed	Allowed	
DT-NCO: Downtown district - Neighborhood center overlay zone	Allowed	Allowed	Allowed	
P-L: Public land district	Prohibited	Prohibited	Prohibited	Parks, Public Facilities

5. Economic Conditions

In addition to the physical conditions present in the Study Area, economic conditions within Los Alamos County warrant the designation of the area as a Metropolitan Redevelopment Area. The following section identifies key economic indicators that are present in Los Alamos County, the White Rock Census Designated Place (CDP) and within the Study Area. Data is derived from the U.S. Census Bureau, Los Alamos County, and UNM Bureau of Business and Economic Research (BBER). Due to the small size of the Study Area and the small sample sizes available, data presented here represents the entire County unless otherwise noted.

DEMOGRAPHIC OVERVIEW

According to U.S. Census Bureau population estimates, the population of White Rock has hovered around 6,000 residents since 2010. Although the official population count will be determined during the upcoming 2020 Census, these estimates point to a relatively stable population.

Within the Study Area, there are only three smaller apartment complexes (covering 2.2-acres) that represent very few households. **Table 2** below shows the primary demographic characteristics of White Rock, Los Alamos County and the State of New Mexico. The median age of residents in White Rock CDP is 45.5 years, which is significantly above the state median age of 37.3 years. The number of residents 65 years and older is 18.9% vs. 15.8% for New Mexico. However, the percentage of youths under 18 years old is similar to the state (24.5% vs. 23.9% for the state).

	White Rock CDP	Los Alamos County	New Mexico
Total Population (2010)	5,725	17,950	2,059,179
Population Estimate (2018)	N/A	19,101	2,095,428
Male	48.8%	50.7%	49.5%
Female	51.2%	49.3%	50.5%
Under 18 Years Old	24.5%	23.1%	23.9%
65 Years and Older	18.9%	17.2%	15.8%
Median Age	45.5	43.0	37.3
Total Households (2010)	2,286	7,663	791,395
Family Households (%)	77.8%	67.8%	65.5%
Non-family Households (%)	22.2%	32.2%	34.5%
Average Household Size	2.50	2.33	2.55

Source: 2013-2017 American Community Survey 5-Year estimates. U.S. Census 2010

HOUSING

Housing is a key concern in Los Alamos County due to both the high cost of housing and the general lack of available housing in the County. The high housing costs and limited number of units have led to a large commuter population that works at LANL or other area employers but lives outside the County (in both Santa Fe and Rio Arriba counties). According to the [Los Alamos County Comprehensive Plan](#), the construction of additional affordable and market rate housing is a clear need for Los Alamos County and White Rock.

Within White Rock, there are an estimated 2,361 total housing units, of which, only 48 are estimated to be in the Study Area. Of the estimated 2,361 total housing units, approximately 146 (6.2%) are estimated to be vacant, a low percentage compared to the state average. The total number of housing units in Los Alamos County is estimated to be 8,370 and the County's vacancy rate is estimated to be approximately 10%.

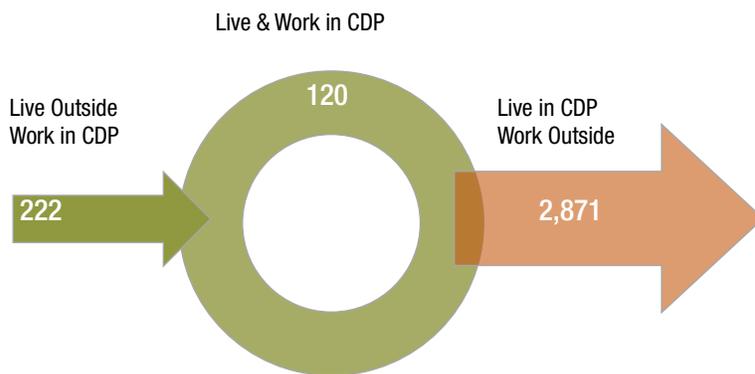
The percentage of renter households that pay over 30% of their incomes on housing costs is very high compared to the state average. Households that pay more than 30% of income on housing are typically considered “cost-burdened” by the Housing and Urban Development Department (HUD). For renters, it is estimated that approximately 54.8% of households pay more than 30% of household income on housing. For homeowners with a mortgage, approximately 14.9% of households pay more than 30% of household income on housing. The high percentage of cost-burdened renter households and the low number of local jobs filled by residents (see below) shows that there is a high need for additional rental housing in White Rock.

BUSINESS ACTIVITY & REGIONAL ECONOMY

According to the *White Rock Center Master Plan/Economic Development Strategy*, there is a large but untapped market potential for the White Rock Center. Although over 10 years old, the Report estimated that the Center could support between 15,000 to 100,000 square feet of additional retail space. Demand is generated by the high incomes in White Rock for existing residents as well as the large commuter population to Los Alamos County. In addition, the limited amount of developable land in Los Alamos County makes it important to reinvest in existing commercial sites for both additional commercial development as well as potential mixed use and/or higher density housing.

U.S. Census Data on jobs and commuting data in White Rock reveals that there is a large discrepancy between the number of residents who live and work in the CDP and the number of residents who live in White Rock but commute each day to jobs elsewhere. As shown in **Figure 10**, this “inflow/outflow” analysis shows that approximately 96% of residents have jobs elsewhere and up to 65% of jobs in White Rock are held by those who live outside the CDP boundaries.

Figure 10. Inflow/Outflow Analysis for White Rock, 2015 Jobs Data



Source: U.S. Census Bureau, Center for Economic Studies, OnTheMap Application, 2015

III. Conclusion

This report demonstrates the existing conditions within White Rock Center meet the criteria for “blighted” area designation as defined by the Metropolitan Redevelopment Code (3-60A-8). The conditions described in this report detail a combination of factors which “...substantially impairs or arrests the sound growth and economic health and well-being of a municipality or locale within a municipality or an area that retards the provisions of housing accommodations or constitutes an economic or social burden and is a menace to the public health, safety, morals or welfare in its present condition and use...”

The designation of the White Rock Metropolitan Redevelopment Area will therefore assist the community in achieving multiple goals outlined in the County’s Comprehensive Plan and previous planning documents.

With the powers made available to municipalities by the New Mexico Metropolitan Redevelopment Code, Los Alamos County will be working with the private sector to create opportunities for new housing, assist in preserving existing businesses in the area, expand the business community and implement public improvements and investments in the commercial center.