

Town seeks options to lighten its building burden

By J.R. Logan

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When it was constructed in 1978, the Mary Medina Building on Gusdorf Road boasted an ultra-modern, high-efficiency design.

But after the state abandoned the office building years back, it was boarded up and has been turned inside-out by vandals and thieves. Foam pipe insulation is strewn all over the floors. The easily accessible copper wiring and plumbing has been stripped away, leaving ceiling tiles dangling in every hallway.

This mostly unused and deteriorating building is one of at least 83 structures owned and maintained by the town of Taos. And as the town struggles to come up with money to keep them in decent condition, questions are being raised about whether the town simply owns too many properties.

“Believe me, I’m not hanging on to these things,” says Steve Kennebeck, the town’s facilities director. “I’m not a building hoarder.”

The list of 83 structures includes everything from Taos Town Hall to the Plaza gazebo to the dugouts at Kit Carson Park. Most of them serve a useful purpose, but some go totally unused. And town officials admit it would be possible to consolidate some offices without affecting services.

For example, the town administration, legal department, and planning department all work out of town hall off Camino de la Placita, but the town council holds its meetings at a completely different building a block away. Aside from the few hours a month when council meetings are in session, that meeting room sits basically empty.

While the official “facilities” list names 83 structures, the number of actual “buildings” is slightly smaller.

As of May 1, the town had 69 buildings on its list of insured structures with a total insured value of more than \$45 million. The town spends over \$62,000 annually on insurance for those buildings and the equipment inside them. The town also expects to spend \$650,000 on utilities this year — about 6 percent of its total general fund budget.

To see a complete list of structures and insured buildings, find this story at taosnews.com.

Budgets for repairs and equipment replacement, however, are slim compared with the needs, Kennebeck says.

Kennebeck says there hasn't been enough money to replace aging roofs, stucco and heating and cooling systems for years. Instead, his department has to keep doing temporary repairs to keep things limping along. The facilities department has less than \$90,000 budgeted to do normal maintenance on town facilities, and that includes the town-owned parks. Each department usually budgets a few thousand dollars to cover repairs as well.

In the near future, the more pressing (and expensive) needs are going to be major capital replacements. Roofs — which the facilities department calls “not sexy and not cheap” are becoming especially costly. The town recently spent about \$170,000 to redo roofs on the airport terminal and the Taos Center for the Arts. This year, the town came up with \$270,000 to go toward roof repairs at the visitors' center and El Pueblo Hall. That's only scratching the surface of roofs in need of attention. The entire Taos Youth and Family Center, for instance, is going to do need a major overhaul to keep operating, according to the center's director.

Money, however, is scant. That's why town officials are talking about shedding a few extraneous structures.

“Most of our buildings are older, and have had a lot of deferred maintenance over the years,” Kennebeck says. “We keep them up as best we can with the money we have, but if we had fewer, we could probably take better care of them.”

Kennebeck says the question for him is whether some of these buildings are even worth what it would cost to repair them. For instance, he says the town has a quote of \$180,000 to tear the leaky roof off El Pueblo Hall (which houses the municipal court) and install a new one. But after replacing the roof, redoing the stucco and doing a few other necessary fixes, would it be more cost effective to just get rid of it?

While Kennebeck is shy about making a facilities hit list, there are a few buildings that stand out as good candidates for divestment. The Mary Medina Building might be an obvious candidate.

Right now, the town isn't spending much money on the building. The utilities are shut off. The actual structure doesn't even appear to be insured. But it could simply be an unnecessary liability. And the cost to someday make it useable again is daunting.

In 2010, the New Mexico Legislature approved a resolution authorizing the donation of the Mary Medina Building (then owned by the state) to the town. That resolution noted the state general services department spent more on “insuring securing and maintaining the vacant building and property than the real property and its fixtures are worth.”

The resolution went on to state that the town is in “desperate need” of a new facility for its police department, and that renovating it would revitalize a “blighted property.”

Four years later, the property doesn't look any better. And with the police department apparently getting comfortable at its town hall digs, no one is still suggesting the Mary Medina building be retrofitted to be a police station (one estimate put the cost to do so at \$3 million, Kennebeck said). It's not clear why the previous administration even agreed to take over the building when it was apparent the plan to move the police station there had been scrapped.

According to the donation agreement between the state and the town, the 2-acre property (excluding the building) was appraised at \$435,000 in 2013. That doesn't include the value of the building, or the cost to fix it or tear it down. The trouble is the town may not be able to simply

sell the property either. The donation agreement for the property specifically says if the town decides it doesn't need the building for the police station or other "traditional or customary municipal use," the state shall have the option to take it back.

A couple of local groups have asked to have ownership passed to them, though those requests have gone nowhere.

Another top candidate on the short list of buildings to get rid of is the Taos Convention Center. For a long time the massive convention center went mostly unused, and Kennebeck says it was "sucking us dry" in upkeep and utilities costs.

Last year, a huge weight was lifted when UNM-Taos agreed to lease two of the bigger buildings and take on those expenses.

The university is now in the process of getting approval to buy the buildings outright.

The only other tenant in the convention center at the moment is High Altitude Athletics. But if the town council could find another place to meet, and municipal court could be relocated, the rest of the convention center could conceivably be sold as well.

Kennebeck also says the town could unload the former dispatch center/police station on Civic Plaza Drive without affecting town services. That building is currently being leased on a month-to-month basis to a group that provides services to the elderly.

Divesting buildings would likely need the support of town administrators and require the approval of the town council. As major replacement costs mount, that might become a more appealing option.

In addition to empty or underutilized buildings, the town also owns buildings for which it assumes no maintenance responsibility and gets no cash payment for rent.

The senior center, ARC building, Community Against Violence Shelter, Tri-County Community Services, Taos County Clinic for Children and Youth, and Taos Community Auditorium are all technically owned by the town. In most cases, the town was a necessary partner when the community groups were applying for funding to get a building built.

The CAV building is one example. In the mid-'90s, CAV filed a joint application with the town for a federal grant to build its 11,000-square-foot shelter on Salazar Road.

Since the shelter opened in 1997, CAV Executive Director Malinda Williams says her organization has taken care of all the upkeep, insurance and utilities costs associated with the building. An audit from 2013 shows those costs amount to about \$100,000 annually.

However, the building is technically still owned by the town. The same audit shows CAV provides \$118,000 worth of services to the community in exchange for free rent from the town. But in reality, those are just numbers on a page so the town can legally justify allowing CAV to occupy the building. No cash actually changes hands.

Williams told *The Taos News* it wouldn't be a hardship for her organization to officially take over ownership of the building. She also said there's been some discussion about doing exactly that.

So why hasn't it happened?

One problem could be the anti-donation clause of the New Mexico Constitution. Under that clause, local governments are prohibited from giving anything to a private organization or person.

The logic is that such gifts could be seen as corruption, but the clause has been a stumbling block that keeps local governments statewide from helping out nonprofits. Or in this case, it may prevent the town from transferring a building to the group for which it was obviously built.

Another option for reducing building-related expenses would be to team up with other local governments on services that benefit in-town and out-of-town residents — things like the airport, the library, and the Youth and Family Center.

There has been increased talk in recent months of “regionalizing” these services, meaning the town, county and other municipalities would pitch in money to keep a program afloat, including maintenance and capital costs. At this point, however, no tangible progress has been made. Other cash-strapped governments have shown little willingness to come to the town's rescue.

However, the county was at a town meeting this week asking for \$30,000 to help support its senior program, which it absorbed from Ancianos earlier this year. The town owns that building, but Michael Trujillo, director of the senior program, said county crews have already removed mold from the building and there is a contract to have the roof fixed.

Trujillo suggested the town give the building to the county. “It would make sense,” Trujillo said.