

TSV tax district nears approval

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More than \$350 million in new construction at Taos Ski Valley could be on the fast track thanks to a plan to reimburse the ski resort for improvements to public infrastructure.

The village of Taos Ski Valley is one step away from creating a special tax district that would divert increased tax revenue to pay back part of the developer's costs. According to the latest numbers, the resort (under its new owner, billionaire Louis Bacon) is proposing about \$50 million in public upgrades. Improvements proposed for reimbursement range from beautification projects such as redesigning the resort's base area to include a public plaza and river walk, to less glamorous but critical tasks like expanding the wastewater treatment plant.

According to a plan prepared by the resort, a top priority will be burying natural gas, fiber optic and electric lines up Hondo Canyon.

The resort says the public infrastructure improvements are needed to handle an estimated \$353 million in development planned for the next decade.

The massive investment means the village, county and state will all see a big increase in tax revenue. As incentive for the developer, all three governments have agreed to put a portion of that increase back to the tax district to repay the developer.

The village is putting 75 percent of the increase to the district, the state is offering half of its increased revenue, and the county agreed to put 35 percent of its share toward the district. Government officials have all noted the investment is expected to create hundreds of jobs and be a solid economic driver in the region.

Resort CEO Gordon Briner has said the tax district — known in legal jargon as a Tax Improvement Development District (TIDD) — would speed up the timeline of development at the resort. The district would not increase taxes. Instead, it would divert future tax revenue created by the massive project to pay for public works and infrastructure improvements that are considered essential to support an overall expansion plan.

Taos Ski Valley voters overwhelmingly approved the deal in an election last month. The New Mexico Finance Authority gave the project its blessing Feb. 2.

It's now up to the state legislature to approve the deal and authorize the sale of up to \$44 million worth of bonds. Rep. Roberto "Bobby" Gonzales, D-Taos, and Sen. Carlos Cisneros, D-Questa, have introduced sister bills that would authorize the bond sale. Gonzales' bill is scheduled to go before the House Ways and Means Committee on Thursday (Feb. 26).

An economic analysis of the bill notes that the scale of the private investment is key to the district's success. "What makes this plan work is the unusually large ratio between private investment and the requested TIDD support," the report reads.

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