



Town of Clayton DOWNTOWN • METROPOLITAN REDEVELOPMENT • AREA • PLAN

DRAFT



CLAYTON • UNION COUNTY
ECONOMIC DEVELOPMENT
PARTNERSHIP



JANUARY 2025





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CHAPTER 1

EXECUTIVE SUMMARY





1.1 INTRODUCTION

The Town of Clayton Downtown Metropolitan Redevelopment Area (MRA) Plan is the result of a planning process that sought to engage the community, both residents and business owners, into planning for the future of Downtown Clayton. The process involved a series of different methods and opportunities to engage the public in developing the Downtown MRA Plan. Participants in the planning process were asked, ***“What kind of place do you want Downtown Clayton to be in the future?”***

The Downtown MRA Plan expresses the collective vision and provides a road map for creating a more inviting, vibrant, and prosperous business district. A series of catalytic public and private sector projects and investments, based on the development of strong and sustainable partnerships, provide the necessary guidance for making this vision a reality. The implementation of the Downtown MRA Plan depends on the Town of Clayton and the Clayton Union County Economic Development Partnership prioritizing the redevelopment of Downtown through a variety of means, including the allocation and pursuance of funding opportunities and resources, continued engagement with the business owners within the MRA District, collaboration with New Mexico MainStreet, and

most of all, hard work. Successful implementation of the MRA Plan will lead Downtown Clayton back to being the heart and economic center of the Town.

1.2 CLAYTON-UNION COUNTY ECONOMIC DEVELOPMENT PARTNERSHIP

The Clayton-Union County Economic Development Partnership (CUCEDP) is a nonprofit organization dedicated to advancing economic development and commerce within Clayton’s Downtown area, as well as the entire Town and Union County. The CUCEDP was incorporated as a non-profit 501(c)(3) corporation on January 31, 2022.



The CUCEDP is a MainStreet organization that is charged with managing the MainStreet revitalization program in Clayton and implement Economic Transformation Strategies under the MainStreet Four Points Approach™. The CUCEDP’s vision and mission are respectively as follows:

“The Clayton and Union County Economic Development Partnership promotes prosperity and quality of life for the citizens of the Town of Clayton and Union County by preserving our rich history, cultivating community and civic engagement, and embracing a bright economic future.”



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-  Metropolitan Redevelopment Area District
-  Clayton Commercial Historic District

MRA DISTRICT & HISTORIC DISTRICT

“The Clayton and Union County Economic Development Partnership exists to preserve our historic downtown, expand recreation opportunities and civic engagement, and facilitate a robust and diversified economy through the sustenance and creation of business.”

The CUCEDP is supported by New Mexico MainStreet, a grassroots economic development program that assists communities in revitalizing their traditional commercial neighborhoods. New Mexico MainStreet, a division of the New Mexico Economic Development Department, works throughout New Mexico to help affiliated downtown organizations create an economically viable business environment while preserving local cultural and historic resources. Its mission statement is as follows:

“The New Mexico MainStreet Program fosters economic development in the state by supporting local MainStreet revitalization organizations and their work in downtowns and the adjacent neighborhoods. The Program provides resources, education, training, and services that preserve and enhance the built environment, local historic culture and heritage and stimulate the economic vitality of each participating community.”

New Mexico MainStreet Annual Review and Accreditation Report, 2023

As stated in its 2023 Annual Review and Accreditation Report, the CUCEDP identified the following economic transformation strategies:

- ◀ Stimulate economic development in the Town of Clayton and Union County via development of business services, business and industry recruitment and attraction, business retention and expansion, workforce and community development initiatives that strengthen and diversify the economic base throughout Union County.
- ◀ Improve the infrastructure and physical assets in the district to create a physically appealing that attracts businesses, visitors and area residents to the community.
- ◀ Ensure operational/organizational success by engaging in public-private partnerships and

capacity-building initiatives to operate the MainStreet revitalization program, implement Economic Transformation Strategies under the MainStreet Four Points Approach™, to stimulate the preservation and enhancement of the traditional commercial district and combat the underlying reasons for the physical and economic deterioration of the district.

The Annual Review and Accreditation Report highlighted the CUCEDP’s following accomplishments over the previous 12 months:

- ◀ Operation and management of the Luna Theater.
- ◀ Installation of 40 signs in the Downtown District, promoting local businesses and attractions.
- ◀ Beautification of the Downtown District by adding planters and flowers.
- ◀ Recruitment of 20 high school students to clean up Main Street, including storefronts and garbage.
- ◀ Painted three murals in the MainStreet district.
- ◀ Created an available property tracking tool to use for tenant recruitment.
- ◀ Hosted a customer service and hospitality training program with nine participants.
- ◀ Hosted a live music concert at the historic Luna Theater, attracting 150 attendees and raising \$2,000.
- ◀ Worked with the Town of Clayton on the Metropolitan Redevelopment Area (MRA) Designation Report and the MRA Plan.
- ◀ Hosted the Clayton-Union County legislative luncheon, providing an update on progress in Union County to 200 attendees.

The Annual Review and Accreditation Report highlighted the importance of completing the MRA Plan as a means to create new opportunities and tools for redevelopment. The CUCEDP will be well-positioned to apply for New Mexico MainStreet Public Infrastructure Capital Outlay funds for projects identified in the MRA Plan.

1.3 MRA DESIGNATION

The Downtown MRA District was designated in February 2023 by the Clayton Board of Trustees. The area was noted as blighted in the *Clayton Comprehensive Plan*, which included an implementation strategy of designating the Downtown area as a MRA and subsequently, to develop an MRA Plan. As such, the Downtown Clayton MRA Plan represents implementation of the *Comprehensive Plan*, the Town of Clayton's overarching policy document for growth and development within a 20-year planning horizon.

The Town of Clayton and the CUCEDP engaged with the New Mexico MainStreet Program to prepare the required MRA Designation Report. During this process, the boundaries of the MRA District were refined by the Town, CUCEDP, and New Mexico MainStreet. The MRA District boundaries are Poplar Street and Santa Fe Drive to the north, Maple Street to the south, 2nd Street and 4th Street to the east, and Front Street to the west. The historic Luna Theater and Eklund Hotel anchors the Downtown area.

The MRA Designation Report documented existing physical and economic conditions within the Downtown Clayton area that contribute to blight and substantially impair the social and economic well-being of Clayton residents. The MRA Designation Report documented:

- ◀ High level of vacant or underutilized properties;
- ◀ Low level of commercial activity or redevelopment;
- ◀ Deteriorated or deteriorating structures and buildings; and
- ◀ Deterioration of infrastructure and other improvements.

The MRA Designation Report was completed pursuant to the New Mexico Metropolitan Redevelopment Code (Article 3-60A-1 to 3-60A-48 NMSA 1978), which provides municipalities with the power to correct conditions in areas or neighborhoods that “substantially inflict or arrest the sound and orderly development” within the municipality. The municipality may only use these powers within designated Metropolitan Redevelopment Areas.

Once the MRA designation is in place, the Metropolitan Redevelopment Code provides the guidance for preparing a Metropolitan Redevelopment Area Plan, Section 3-60A-9:

“When a municipality has complied with the provisions of the Redevelopment Law [3-60A-5 to 3-60A-13, 3-60A-14 to 3-60A-18 NMSA 1978] concerning public hearing and designation of an area as a metropolitan redevelopment area, it may prepare or cause to be prepared a metropolitan redevelopment plan; however, prior to final consideration of the plan by the local governing body, the plan shall be the subject of at least one public hearing held by the mayor or his designee, or the municipal planning commission, at which time comments from the public as a whole can be gathered and considered by the municipality in its preparation of the final plan. Following the public hearing, the local governing body may approve a metropolitan redevelopment plan if it finds that:

- ◀ The proposed activities will aid in the elimination or prevention of slum or blight, or the conditions which lead to the development of slum or blight;
- ◀ A feasible method is included in the plan to provide individuals and families who occupy residential dwellings in the metropolitan redevelopment area, and who may be displaced by the proposed activities, with decent, safe and sanitary dwelling accommodations within their means and without undue hardship to such individuals and families;
- ◀ The plan conforms to the general plan for the municipality as a whole; and
- ◀ The plan affords maximum opportunity consistent with the needs of the community for the rehabilitation or redevelopment of the area by private enterprise or persons, and the objectives of the plan justify the proposed.”

The MRA Designation and the Downtown MRA Plan will assist the community in achieving the following goals:

- ◀ Elimination of detrimental public health and welfare conditions;
- ◀ Conservation, improvement, and expansion of commercial building stock;

- ◀ Expansion of commercial activity;
- ◀ Improvement and expansion of available housing; and
- ◀ Improvement of economic conditions through coordinated public and private investments.

1.4 COMMUNITY ENGAGEMENT

A critical component of the planning process for the Downtown MRA Plan was gathering input and feedback from the community stakeholders. Members of the community contributed to this planning process by completing surveys, sharing information through interviews and discussions, participating in activities at the initial workshop, and attending the final workshop prior to adoption by the Clayton Board of Trustees. An overview of the community engagement process and the input gathered is described below.

MRA STEERING COMMITTEE

The MRA Steering Committee was established by the Town of Clayton in consultation with the CUCEDP. The members of the Steering Committee included the Town Manager, a Union County Commissioner, CUCEDP board members, a Chamber of Commerce representative, a real estate professional, and other interested community members. The Steering Committee was asked to play an active role in the following ways:

- ◀ Being the local sounding board, providing the Project Team with the local point of view, and providing and verifying information from the local community.
- ◀ Assisting in getting the word out to the community about the MRA Plan and process to ensure maximum participation from stakeholders.
- ◀ Helping identify planning issues in the Downtown MRA District and discuss how they might impact the community.
- ◀ Reviewing and commenting on the concepts and strategies developed by the Project Team based on public participation and research.
- ◀ Reviewing draft products for clarity and accuracy.



- ◀ Taking an active role in attendance at public meetings and gatherings acting as ambassadors to the community.

The first meeting with the Steering Committee was held in March 2024, with Consensus Planning facilitating the discussion. The purpose of the meeting was to introduce the consultant and the project to the Steering Committee, review their Steering Committee's role in the planning process, discuss the Steering Committee members' aspirations for the MRA Plan and redevelopment of the Downtown area, and strategize about the community workshop.

The Steering Committee stayed involved in the planning process by participating in the workshop, and having online meetings, discussions, and emails with the consultant team. The final Steering Committee meeting was held on December 16, 2024, to review the draft Downtown MRA Plan prior to the public workshop in January 2025.

COMMUNITY SURVEYS

As part of the community engagement process, Consensus Planning created two surveys, including one for Downtown business owners and the other for the general public. The surveys went live in March 2024, and ran through July after the community workshop, and were available both on Survey Monkey and in hard copy.

The Downtown Business Owner Survey generated a total of seven responses and the General Public Survey generated 35 responses. The surveys provided important input from the Clayton community and helped steer the strategies and concepts that are contained in the Downtown MRA Plan. Some questions on the business survey were tailored for that group and vice versa for the general public. Both surveys included the same questions about amenities and desired economic development of Downtown. The following are some key take-aways from the survey results; the full survey results are in Appendix A.

Business Owner Survey

Business Profile

- ◀ 7 business owners took the survey
- ◀ 5 were between the ages of 25 to 49 and 6 were female
- ◀ 3 have household incomes between \$60,000 to \$74,999
- ◀ 6 of them own the property where their business is located in Downtown Clayton
- ◀ 1 each own a retail store, a restaurant, a hotel/motel, and coffee shop; 3 said "other"
- ◀ 4 of them have owned their business for 10 or more years and 2 have owned their business for 1 to 3 years
- ◀ 3 of them have 3 to 5 employees and 2 each have 11 to 20 employees or 0 to 2 employees
- ◀ 5 of them said their building is not listed on the State or National Registers

Asked what the benefits of having a business in the Downtown MRA District, the most common choices were:

- ◀ Location/visibility (4)
- ◀ Steady traffic flow (2)
- ◀ Proximity to highways (2)

- ◀ 2 responses were "I don't believe there are any benefits to having a business here"

Asked to describe the overall business climate within the MRA District:

- ◀ 4 said fair and 3 said poor; none said excellent or good

Asked how they market their business:

- ◀ 7 responses were "word of mouth"
- ◀ 6 responses were "social media"
- ◀ 5 responses were "Union County Leader"

Asked what type of businesses or activities should be added or expanded in Downtown Clayton, the most common choices were:

- ◀ 5 responses each for retail stores, sit-down restaurants, festivals or events, and farmers markets

When asked to rate the physical aspects of Downtown Clayton, the amenities with the lowest rating were:

- ◀ Building conditions (4)
- ◀ Outdoor gathering spaces (3)
- ◀ Visual attractiveness (3)
- ◀ Bike access (3)

Asked what they suggest to improve the things they rated fair or poor, common responses included:

- ◀ Most want business owners to improve their properties and the Town to improve streets

Asked what issues are present in Downtown Clayton and what level of improvement is needed:

- ◀ 6 of the responses indicating "needs significant improvement" were "vacant or abandoned buildings" and 6 were "stray animals"
- ◀ 5 each of the responses indicating needs some improvement were "vandalism/property crime", "litter/trash", and "transients/homeless people"

Asked what their level of agreement with the Town and the Clayton Union County Economic Development Partnership encouraging redevelopment of vacant or underutilized property or building in Downtown:

- ◀ 6 said they strongly agreed or agreed

Asked what the top two things the Town and the Clayton Union County EDP should focus on improving:

- ◀ 5 were “provide assistance in improving building facades”
- ◀ 4 were “add outdoor gathering space”

General Public Survey

Participant Profile

- ◀ 35 people took the survey
- ◀ 43% were between the ages of 25 to 49
- ◀ 63% were female
- ◀ 23% had a household income between \$75,000 and \$100,000 and 26% had a household income over \$100,000

Asked how often do you currently visit these locations within Downtown Clayton:

- ◀ 40% of the responses for most frequently visited destinations were retail stores and 37% were family/friends
- ◀ 46% of the responses for occasionally visited destinations include retail stores and 46% were restaurants
- ◀ 66% of the responses for rarely visited destinations included the Herzstein Museum, and 49% were Luna Theater
- ◀ 49% of the responses for never visited destinations included music events at the Eklund Hotel

Asked what type of businesses or activities would they like to see added or expanded in Downtown Clayton, the most common choices were:

- ◀ Sit-down restaurants (82%)
- ◀ Farmers market (77%)
- ◀ Breweries, distilleries, or tap rooms (62%)

Asked to rate amenities in the area, the amenities with the lowest rating were:

- ◀ Outdoor gathering spaces (77%)
- ◀ Building conditions (74%)
- ◀ Bike access and benches, trash receptacles (51% each)

Asked what they suggest to improve the things they rated fair or poor, common responses included:

- ◀ Clean up old buildings
- ◀ Repair roads
- ◀ Make street lights operational
- ◀ Clear up trash and debris on sidewalks

Asked what issues are present in Downtown Clayton and what level of improvement is needed:

- ◀ 94% of the responses indicating “needs significant improvement” were vacant or abandoned buildings and 49% were stray animals
- ◀ 56% each of the responses indicating “needs some improvement” included vandalism and transients/homeless people
- ◀ 35% of the responses indicating “no improvement needed” were transients/homeless people and 27% were vandalism/property crime

Asked what their level of agreement with the Town and the Clayton Union County Economic Development Partnership encouraging redevelopment of vacant or underutilized property or building in Downtown:

- ◀ 91% said they strongly agreed or agreed

Asked what the top two things the Town and the Clayton Union County EDP should focus on improving:

- ◀ 71% were “provide assistance to building owners in applying for rehabilitation loans or grants”
- ◀ 66% were “provide assistance in improving building facades”

COMMUNITY WORKSHOP

An all day workshop was held on July 18, 2024, at the Union County Administrative Building at 200 Court Street. The purpose of the workshop was to generate input from stakeholders and the general public on their vision for Downtown, and to provide for a variety of opportunities to engage the community. Consensus Planning facilitated the workshop, which started with a presentation on the existing conditions and asset inventory completed by the consultant.

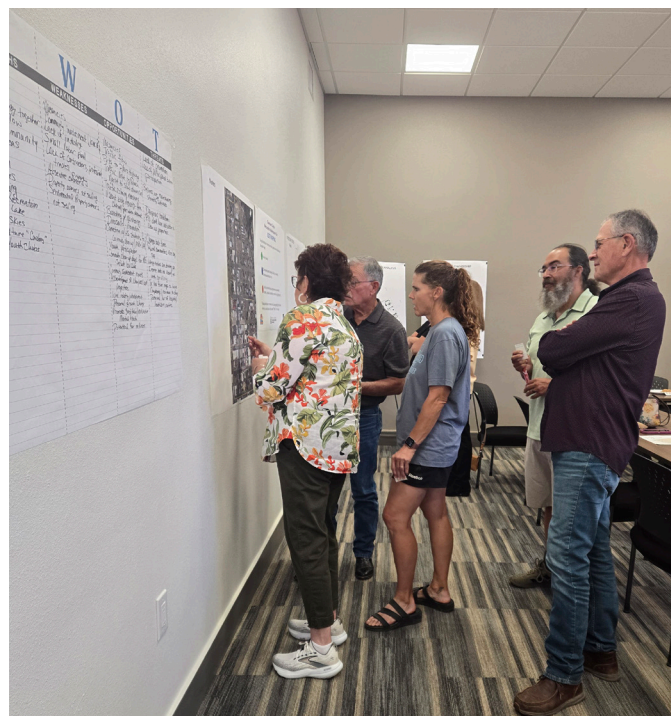
Walking Tour

The presentation was followed by a walking tour of the Downtown core area with the Steering Committee and members of the public. The walking tour provided the opportunity for the participants to

experience the area and provide key input on the physical conditions and opportunities that should be addressed in the MRA Plan.

SWOT Analysis

Following the walking tour, the group returned to the Union County Administrative Building to hold a workshop session featuring a Strengths, Opportunities, Weaknesses, and Threats (SWOT) analysis. The SWOT analysis was intended to help participants identify the areas where Downtown is succeeding and where more work needs to be done. Participants provided their observations and opinions, which were recorded on large sheets of paper taped to the wall (see *SWOT graphic, next page*).



Left: Walking tour of the Downtown core area during the workshop; Right: Participants engaged in asset mapping.

S

STRENGTHS

- History
- Vacancies
- Traffic flow
- Welcoming community
- Tourist areas
- Herzstein Memorial Museum
- Well-known City
- Dispensaries
- Low cost-of-living
- Outdoor recreation
- Clayton Lake
- Dark Skies
- Western Culture / "Cowboy" Culture
- 4H/FFA Youth Clubs

W

WEAKNESSES

- Vacancies
- Lack of community involvement
- Small labor pool
- Lack of contractors, professional trades
- Absentee property owners
- Property owners not selling
- Sentimental property owners not willing to sell properties
- Lack of pride in ownership
- Not enough recreation opportunities

O

OPPORTUNITIES

- Vacancies
- Traffic flow
- Ports-to-Plains Corridor
- Traffic light by Ranch Market to slow down cars
- Traffic calming measures
- Vacant building registry – fee charged per year when a property stays vacant
- Branding / marketing
- Dinosaurs
- Connections with high school students/4H/FFA groups for community clean-up and events that promote community pride
- Youth participation in all aspects of community building
- Community events that promote involvement
- Acknowledgement of clean / well kept properties
- Wind industry / development
- Personal growth / change
- Promotion of gratitude / motivation and strong mental health
- Potential to develop a community of retirees
- Recreation Center for youth and adults
- Splash pad

T

THREATS

- Lack of promotion
- Lack of participation and business participation
- Businesses not maintaining streets / sidewalks
- Dangerous conditions on some buildings
- Property owners don't have motivation to clean up properties
- Changes take time
- Rural communities are losing population across the country
- Larger metros are drawing people away from rural communities
- Income levels are not keeping up with the cost-of-living
- Texas has fewer regulations for business licenses
- Complacency / resistance to change
- Potential loss of Union County General Hospital and health care options

Asset Mapping

The workshop also included an Asset Mapping session. Using an aerial map of the MRA District and sticky dots, the participants were asked to graphically document their “favorite places” by using a green sticky dot, “community assets (existing buildings, properties, businesses, landscape, etc.)” by using a blue sticky dot, and “locations where physical improvements are needed (streets, sidewalks, pedestrian connections, lighting, etc.)” using a red dot. The participants were also asked to provide any written comments and their ideas regarding their identified locations. The results of the Asset Mapping helped to focus the recommendations contained in the MRA Plan.

Favorite Places

- ◀ Luna Theater
- ◀ Eklund Hotel
- ◀ Civic Center
- ◀ Clayton Senior Citizens Center
- ◀ Vacant lot on Walnut Street, between 1st Street and Front Street

Community Assets

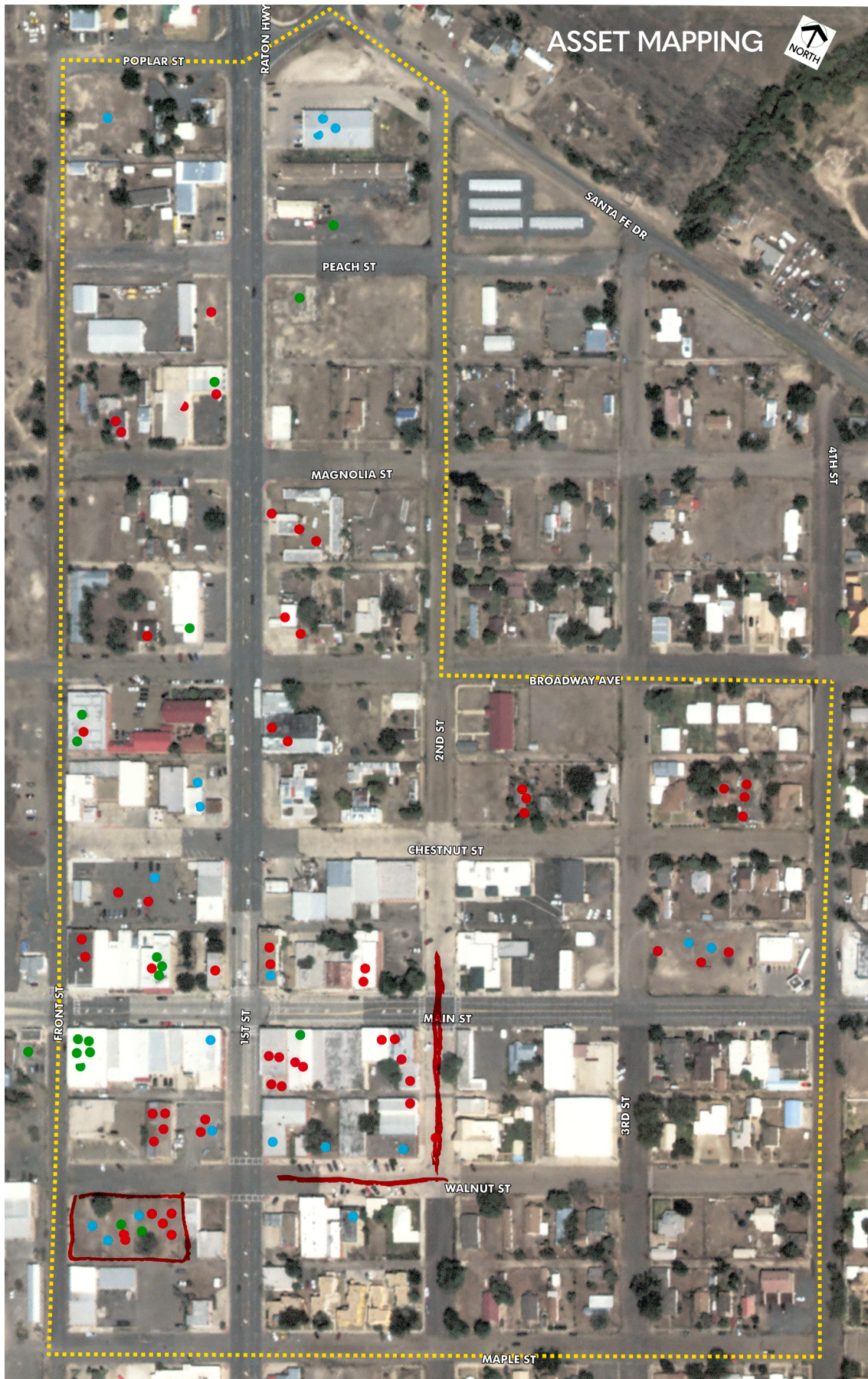
- ◀ Farmers and Stockmens Bank building
- ◀ R.W. Isaacs Hardware
- ◀ A.W. Thompson Memorial Library
- ◀ Brick buildings along the north side of Walnut Street, between 1st Street and 2nd Street
- ◀ Two-story building along the south side of Walnut Street, between 1st Street and 2nd Street
- ◀ Vacant Town-owned lot on the south side of Walnut Street, between 1st Street and Front Street
- ◀ Vacant Town-owned lot at Poplar Street and Front Street
- ◀ Vacant storage building on the east side of 1st Street at Poplar Street
- ◀ Large vacant lot on the north side of Main Street, between 3rd Street and 4th Street

Locations where Physical Improvements are needed

- ◀ Farmers and Stockmens Bank building
- ◀ Vacant metal building on the north side of Walnut Street, west of 1st Street
- ◀ Walnut Street from 1st Street to 2nd Street and 2nd Street to Main Street
- ◀ Vacant, Town-owned lot on the south side of Walnut Street, between 1st Street and Front Street
- ◀ Buildings along the south side of Main Street, between 1st St and 2nd Street
- ◀ Buildings along the west side of 2nd Street between Main Street and the alley
- ◀ Nu-Way Cafe building on Main Street
- ◀ Residential structures along the north side of Chestnut Street, between 2nd Street and 4th Street
- ◀ Large, vacant lot on the north side of Main Street, between 3rd Street and 4th Street

Comments

- ◀ Love Dragon building but it needs a lot of work
- ◀ Lot next to Allsup’s can be turned into a nice outside eating/sitting area
- ◀ Old Mayfield building needs [to be] knocked down
- ◀ Purina building needs [to be] knocked down
- ◀ Isaac’s metal building needs [to be] knocked down and turned into a dog park
- ◀ Top of the Invenergy building [Thompson building] needs to be fixed up
- ◀ Eklund would be a great asset if open more days of week and later than 8:00 p.m.
- ◀ More greenery around downtown
- ◀ Small rec center



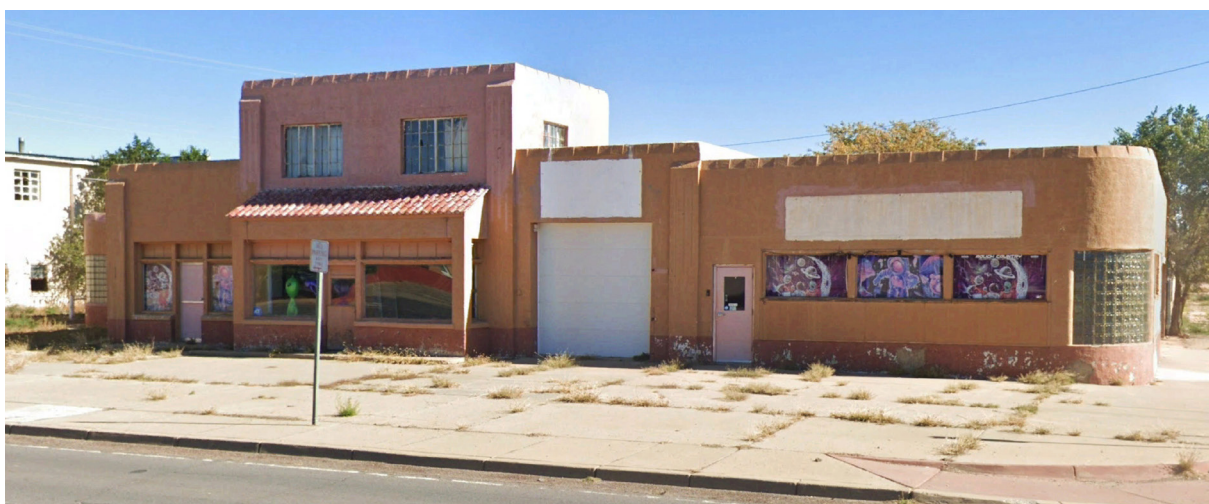
Opportunity Sites

The next session of the workshop involved the identification of Opportunity Sites. These are properties or buildings that could function as catalysts for private investment and redevelopment. Using a map of the MRA District and sticky dots, the participants were asked to graphically show Opportunity Sites, with an understanding that the identified properties are not the only properties that would be appropriate for development or redevelopment. They were also asked to provide written comments. The results of this exercise shown on the following page further worked to focus the recommendations in the Clayton Downtown MRA Plan.

Opportunity Sites

- ◀ Old Clayton Public Library (WPA Museum or B&B)
- ◀ Farmers and Stockmens Bank building and the other buildings on the same block along Main Street

- ◀ Building at southeast corner of 1st Street and Main Street
- ◀ Buildings at the southwest corner of 2nd Street and Main Street
- ◀ Buildings on 2nd Street between Walnut Street and Main Street
- ◀ Vacant Town-owned lot on the south side of Walnut Street, between 1st Street and Front Street
- ◀ Isaacs Hardware
- ◀ A.W. Thompson Memorial Library
- ◀ Union County Leader building on 1st Street
- ◀ Vacant building at the northeast corner of Chestnut Street and 1st Street
- ◀ Vacant Mission Motel site on 1st Street and Magnolia Street
- ◀ Vacant Town-owned lot at Poplar Street and Front Street
- ◀ Vacant storage building and lot at 1st Street and Raton Highway




Top: Vacant Mission Motel along 1st Street; Bottom: Vacant building along 1st Street and Chestnut Street.



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CHAPTER 2

EXISTING CONDITIONS & ASSET INVENTORY





2.1 INTRODUCTION

The Downtown MRA District contains a range of assets and opportunities that support redevelopment and the transition of the District into a more vibrant and desirable area for existing and future Clayton residents, business owners, and visitors. The community should work together to leverage these assets and opportunities, overcome the existing challenges, and bring a level of economic prosperity back to Downtown Clayton.

2.2 CLAYTON HISTORY

Note: Several sources were used for the history section, including nomination forms submitted to the State Register of Cultural Properties and National Register of Historic Places, New Mexico Office of the State Historian, and the Clayton Chamber of Commerce history web page.

In prehistoric times, the Clayton area was traversed by dinosaurs. The tracks are believed to have occurred during the migration of dinosaurs from north to south. The Folsom Man archaeological site near Folsom Village - 50 miles northwest of Clayton - provides evidence the region was utilized by indigenous peoples for hunting. Many pieces of pottery, spear points, human remains, and animal bones have been collected and carbon dated to over 10,000 years.

Although predominantly grasslands, Rabbit Ear Mountain, named after a Cheyenne chief, is a notable land form that served as an important geographic feature for travelers along the Santa Fe Trail. The Santa Fe Trail was first established in 1821 after Spanish rule was evicted from Mexico, opening up trade between Santa Fe and the United States. Between the 1820s and 1880s, the Santa Fe Trail played a key role in the migration of people and trade of goods from the midwest to the west. The section of the Santa Fe Trail known as the Cimarron Cutoff brought some of the first Americans through the Clayton region with travelers using the Rabbit Ear Mountain as a guiding landmark and shortening the Santa Fe Trail by more than 100 miles.

The Santa Fe Trail provided a passageway for the Westward Expansion era, which brought settlers from the east to west in search of economic opportunity, land ownership, ranching, farming,

and trade. Cattle ranchers and sheepherders established ranches in the area, and ranching became the area's main economic driver. The land soon became predominantly owned by large ranching companies for free range cattle grazing. Private ranchers and the federal government also owned land in the area. People who came to the area established homesteads or were employed by ranching companies to help manage cattle and land.

Stephen Dorsey, a nearby rancher, received the rights to the railroad area. New Mexico Senator Stephen W. Dorsey was responsible for persuading the Denver and Fort Worth Railroad to plan and construct a railroad line through the area, which was a halfway point between Trinidad, Colorado and Amarillo, Texas. It provided an easier access point for people living in northeast New Mexico to ship their goods as the area was fairly level and nearby springs were utilized for a railroad pumping plant.

With the railroad construction underway, the tent town moved towards a more permanent settlement. The Town of Clayton was named after Senator Dorsey's son, and in 1887, the Town of Clayton Company incorporated and formally began to plot the streets, blocks, and lots of Clayton. In 1888, the Denver and Fort Worth Railroad company completed the construction of the railroad and rail cars with goods and passenger trains began arriving. The cattle business and the up and coming sheep industry utilized the new rail stop in Clayton to ship cattle, sheep, and goods to other regions of the country.

By 1891, Clayton was a busy railroad town and regional shipping hub. The influx of people coming in on passenger trains and automobiles from US 56 and US 64 gave way to the hospitality industry like the Eklund Hotel, which was the beginning of Clayton's downtown commercial district.

As Clayton and the surrounding area continued to grow, which prompted the incorporation of Union County. In 1893, the Town of Clayton became the county seat. The population in the early 1900's was around 750 and grew to 970 by 1910.

Farming began to boost the Clayton economy. Farmers were growing corn, beans, grain sorghum, broom corn, and other small grains. With the assistance of the railroad, farmers shipped their goods to other parts of the country.

In 1916, the Mission Theatre (now known as the Luna Theatre) was constructed to provide an entertainment and community gathering space. By the 1920's, the area was bustling with commerce and people, but Clayton and Union County suffered the same fate as most other towns in the United States when the stock market plummeted and the Great Depression took hold. In addition to the Depression, the area experienced severe drought that weakened the local economy. The population began to decrease as people left in search of opportunities elsewhere. By 1930, the majority of the buildings along Main Street had been constructed.

In the 1930s, federal programs to counteract the effects of the Great Depression reached the Town of Clayton and Union County. The Works Progress Administration (WPA) completed many projects in Clayton to alleviate unemployment; the first building at the Clayton Public Schools Campus was built in 1935 and the Clayton Library on Walnut Street was built in 1939.

Today, Clayton continues to be a farming and ranching community that values its rural lifestyle and small town atmosphere. Much of Clayton's history remains embedded within the built environment, particularly in the commercial district, which is described in the following sections.

2.3 KEY ASSETS

HISTORIC DISTRICT & BUILDINGS

The Clayton Commercial Historic District and several historic structures that are listed on the New Mexico State Register of Cultural Properties and/or the National Register of Historic Places fall within the MRA District. There are other buildings within the Clayton Commercial Historic District that are not individually listed but may be appropriate for nomination, including Clayton Town Hall, Farmers and Stockmens Bank, Thompson building, and R.W. Isaacs Hardware.

The New Mexico Historic Preservation Division administers the New Mexico State Register of Historic Properties and all state listings are approved by the Cultural Properties Review Committee. The State Register is the official list of historic properties worthy of designation in New Mexico.

The National Register of Historic Places is the official list of the nation's historic buildings, structures, sites, objects, and districts worthy of preservation. The New Mexico Historic Preservation Division nominates eligible properties in New Mexico to the National Register so they can receive preservation benefits and incentives. The National Register is administered by the National Park Service under the US Department of the Interior.

It is noteworthy that being listed on the National Register does not place obligations on private property owners, nor does it place restrictions on the use, treatment, transfer, or disposition of private property. National Register listing does not lead to public acquisition of property nor does it require public access to property.

Clayton Commercial Historic District

The Clayton Commercial Historic District was listed on the State Register in 2009. The period of significance for the Clayton Commercial Historic District began in 1892 with the construction of the Eklund Hotel, one of the oldest extant structures in town, and ended in 1950, the approximate date several contributing buildings along Main Street and the buildings in the Smithson Block on S. 2nd Street were "modernized" with tiled facades. The majority of the buildings within the district were completed by 1930. The District was determined to be eligible under the National Register's Criterion A for Community Development and Planning and Criterion A for Politics and Government for buildings and infrastructure constructed under the auspices of the Works Progress Administration (WPA). With over 80% of the resources contributing to the historic significance of the district, the area was also eligible under Criterion C for Architecture. The Commercial Historic District retains a high degree of integrity of its design, materials, craftsmanship, setting, and associations.

In addition to the Clayton Commercial Historic District, four buildings are individually listed including:

- 1) Clayton Public Library;
- 2) Herzstein Memorial Museum;
- 3) Luna Theater; and
- 4) Eklund Hotel (see *District Map, next page*).



- - - - - Metropolitan Redevelopment Area District
- - - - - Clayton Commercial Historic District

MRA DISTRICT & HISTORIC DISTRICT



1 CLAYTON PUBLIC LIBRARY

The Clayton Public Library is a two-story building located at 116 Walnut Street. The Library is rectangular, approximately 69 feet by 32 feet. The front facade is detailed with Pueblo Revival features.

The Clayton Public Library was one of five major construction projects carried out in Clayton between 1935 and 1940 through the WPA program. The Clayton Public Library and the Town's other WPA projects bolstered a local economy weakened by the Depression and further devastated by the 1932-1937 drought, depreciated land values, chronic grasshopper infestations, and substantial population loss. The Clayton Public Library was the largest and most expensive of the eleven WPA library projects built in New Mexico between 1935 and 1941.

Planned to serve the community as a civic center and fraternal organization hall as well as a library, the building is an excellent example of the way in which the New Deal's public works projects, in partnership with local government and civic



groups, sustained small-town life in rural New Mexico. The building was determined to be eligible at the local level of significance under Criterion A for its association with Clayton's social history and education during the New Deal. It was also eligible at the local level of significance under Criterion C as an excellent example of the small number of New Deal libraries created in the state and the methods of construction, materials, and workmanship that were employed to build and furnish them.



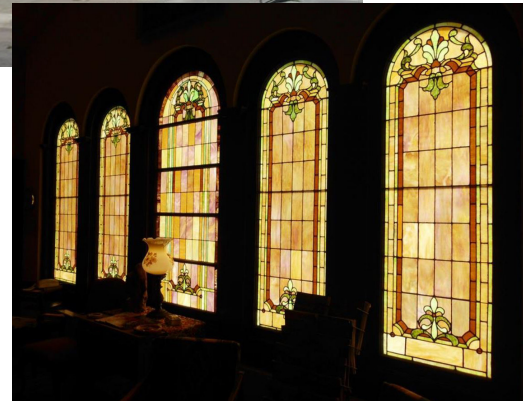
2 HERZSTEIN MUSEUM

The Herzstein Museum was built in 1919 as a place of worship by the northern branch of the Methodist Episcopal congregation of Clayton. The building is located at 23 S. 2nd Street on the southwest corner of 2nd Street and Walnut Street.

The building is a two-story structure with a gable roof. It was constructed of coursed ashlar stone quarried from the area and flecked with what has been assumed to be mica, which causes the building to sparkle in the sun or in the evening. The building has 15 arched, stained glass windows on the southeast and southwest facades.

The building has not been significantly altered and the only addition was a small entry section built at the rear in the 1940s. It functioned as a church from 1920 to 1967, and was later adapted for use as a museum of Clayton and Union County history.

As a product of the period of Clayton's greatest prosperity, the building is considered significant as being the most impressive structure of its time and place. It represents a style of Protestant church building that demonstrates Clayton's cultural connection with the middle sections of the country to the east. Culturally, in addition to its religious functions, the building was a major focus of community life.



In 1972, the Union County Historical Society (UCHS) purchased the building with a gift from the Chilcote Family. In the mid 1980s, the UCHS President and the Museum Director worked tirelessly to make the "Clayton History Museum" a success. Albert (Al) Herzstein, living in Houston at the time, was a subscriber to the newspaper from his home town of Clayton. Reading about the Museum's financial constraints, Al and his wife Ethel provided funding through the Albert and Ethel Herzstein Charitable Foundation for structural renovations to the building.

Exhibits include collections from the Herzstein family, early Jewish settlers in New Mexico, artifacts from the Santa Fe Trail, Native American artifacts, Black Jack Ketchum, the Dust Bowl, etc. The Herzstein Memorial Museum is run by volunteers and is open on weekends.



3 EKLUND HOTEL

The Eklund Hotel is a three-story building located on Main Street. The building is rectangular, measuring 55 feet by 100 feet, and built of coursed, rough-cut sandstone with a metal cornice and pediment crowning its facade. The core of the building dates to 1892. It was constructed as a bar and lunch room, which soon expanded to become a hotel and dining room, taking on its current three-story appearance in 1905. Despite deterioration to some of the stonework, a change of design to the second story porch, and the replacement of some of the original windows, the Eklund Hotel retains a high degree of integrity of its design, materials, workmanship, setting, feeling, and association to its 1905 appearance.

The Eklund Hotel was built to provide an elegant, well-appointed hotel and dining room for the Town and the surrounding region. The need for a hotel became pressing after the arrival of the railroad in 1888. With the arrival of the Fort Worth & Denver City Railroad, Clayton became a stop for passenger trains, where passengers walked one block to the Eklund for a meal or to secure overnight lodging.

The Eklund also provided those in and near Clayton an attractive place to stay and conduct business. The building was considered the most impressive hotel in the region and dominated the hotel market in Clayton during the period of significance through the 1920's. At its height, the Town supported four hotels, including the Eklund, Commercial Hotel, Hotel Arlington, and the Palace Hotel. The Eklund was determined to be eligible at the local level of significance in the area of Commerce and in the area of Architecture.

The Eklund Hotel contains 24 guest rooms, two dining rooms, and one of New Mexico's most iconic and famous bars. The Eklund often has live entertainment and it is not unusual for musicians passing through Clayton to stop by and give an impromptu concert. The Eklund Hotel is a great example of historic restoration and the economic development opportunity that results.

In 2024, the Eklund Hotel received a \$50,000 grant from the Backing Historic Small Restaurants Grant Program. The funding supported the refurbishment of the sign, tuckpointing, paving improvements, and a new fountain.



4

LUNA THEATER

The Luna Theater, known as the Mission Theater from its construction in 1916 until 1935, is a two-story building, an excavated basement, and a barrel roof masked by a stepped parapet and concrete coping. The auditorium seats 375 and faces a deep stage. An outside stairwell along the west wall leads to a former ballroom located in the basement. One of the oldest extant theaters in New Mexico, the Luna Theater underwent some alterations, including the addition of the marquee and interior Art Deco fixtures and other decorative elements, which occurred within the period of significance. The Theater offers a high degree of integrity as to setting, location, design, materials and workmanship dating to the 1910s, and a marquee and interior furnishings reflecting popular tastes of the 1930s.

The Luna Theater has been a landmark on Main Street since its construction. Built on the site of a mercantile store owned by Morris Herzstein and destroyed by fire, the Theater and the adjoining store represented the Herzstein family's effort to recover from a disaster with a grander commercial space. Although there had been short-lived theaters in Clayton previous to the opening of the Mission Theater, its completion gave the residents of Union County a modern motion picture theater. The inclusion of a ballroom in its basement further

contributed to the building's significance as a gathering place in Clayton for movies and a broad range of activities on the stage and in the ballroom.

The acquisition of the theater in 1935 by Gibraltar Enterprises marked an early effort by entrepreneurs in New Mexico and nearby states to develop an independent network of theaters and film distribution. Seeking to modernize the theater, several changes were made, including the addition of a marquee, wall-mounted neon sign, and interior changes. As a result, the Theater retains many of its original details and plans dating to the 1910s and some additions associated with the theater norms of the 1930s. The Luna Theater is significant for its association with entertainment and recreation in Clayton and for its architecture, meeting the eligibility requirements of Movie Theaters in New Mexico, 1905 to 1960 Multiple Property Documentation Form.

Renovation of the Town-owned Luna Theater was made possible through the Historic Theater Initiative, a New Mexico Department of Economic Development (NMEDD) program in partnership with New Mexico MainStreet (NMMS), which assists in the rehabilitation and revival of downtown theaters across New Mexico. The Luna Theater shows first run movies on Fridays, Saturdays, and Sundays, and is available to rent for private parties.

CHAPTER 2 / EXISTING CONDITIONS & ASSET INVENTORY

In addition to the four individually listed buildings, there are many other buildings within the Clayton Commercial Historic District that were determined to be “contributing” at the time of nomination. Most of these buildings are in a state of disrepair, but if rehabilitated, would be catalysts for bringing

Downtown Clayton back to life with new uses and business opportunities, new customers and visitors, and where there is an upper story, new residents. For more information regarding these historic assets, see the New Mexico Historic Preservation Division nomination forms.



Top left: Thompson building at 23 Main Street, c. 1917; Top right: Commercial building at 115-117 Main Street, c. 1920; Bottom: R.W. Isaacs Hardware Company, at 22 Main Street, c. 1909.



Top: Farmers and Stockmens Bank at 1st and Main Street, c. 1902; Middle: Commercial buildings on Main Street, c. 1920. Bottom: Former Post Office at 1st Street and Walnut Street, c. 1928.

2.4 CLAYTON COMPREHENSIVE PLAN

The *Clayton Comprehensive Plan* (Consensus Planning, 2020) serves as the Town's key policy document that sets the framework for the development and growth of Clayton over a 20-year planning horizon. The MRA Plan represents one of the critical economic development strategies identified in the *Comprehensive Plan*. The Future Land Use Scenario contained in the *Comprehensive Plan* identified the Downtown area as having blighted physical and economic conditions that could be improved by focusing on redevelopment. The MRA Designation Report, completed by New Mexico MainStreet and adopted by the Clayton Board of Trustees, refined the boundaries of the MRA District.

The goals, objectives, and strategies in the land use and economic development elements of the *Clayton Comprehensive Plan* provide the necessary policy and capital improvement framework for redevelopment of Downtown Clayton. The housing element also contains goals, objectives, and strategies that support redevelopment of blighted housing conditions within Downtown Clayton. The relevant goals, objectives, and strategies are presented below by *Comprehensive Plan* element:

Land Use Goal 1: Promote infill development and redevelopment of vacant, abandoned, or underutilized properties.

Objective 1.1: To mitigate the negative impact of blighted conditions on the community.

Objective 1.2: To foster community building through the productive reuse of deteriorated buildings and properties.

Objective 1.3: To encourage new investment, redevelopment, and reuse of buildings and properties in Downtown Clayton and other blighted areas.

Land Use Strategy 1.1: Create an inventory of excess properties owned by the Town of Clayton that are available for sale and redevelopment purposes. The inventory should identify the size, zoning, drainage issues, and existing infrastructure for each property.

Land Use Strategy 1.2: Develop a list of incentives for infill development and redevelopment, including but not limited to, reduction or waivers for utility extensions and density bonuses.

Land Use Strategy 1.3: Designate Downtown Clayton and the area east of S. 3rd Street and west of S. Railroad Avenue and south of Adams Street and north of Filmore Street as Metropolitan Redevelopment Areas (MRAs), as shown on the Future Land Use Scenario. As identified in Chapter 4: Economic Development, and once the two MRA designations are in place, pursue funding from New Mexico MainStreet and New Mexico Finance Authority to complete MRA plans in accordance with the New Mexico Redevelopment Act.

Land Use Strategy 1.4: Once the two MRA designations are in place, pursue redevelopment and adaptive reuse of existing vacant and blighted buildings and properties within Downtown Clayton and the area east of S. 3rd Street and west of S. Railroad Avenue and south of Adams Street and north of Filmore Street.

Land Use Goal 4: Promote the restoration and preservation of historic properties in Clayton.

Objective 4.1: To cultivate a greater appreciation for the history of Clayton and Northeast New Mexico.

Objective 4.2: To educate and increase property owners' access to state and federal historic preservation grants and tax incentives.

Objective 4.3: To increase tourism activity in Downtown Clayton.

Land Use Strategy 4.1: Develop a brochure and walking tour that highlights the unique history of Clayton and the historic properties within Downtown Clayton.

Land Use Strategy 4.2: In concert with Strategy 3.1 above, create a review process and mechanism for enforcement of development standards for the Clayton Historic Downtown district. Consider establishing a new commission comprised of citizen volunteers for this purpose.

Land Use Strategy 4.3: Provide information and education to owners of historic properties on the benefits of having their properties listed on the state and federal historic registers. This should also include information on the New Mexico State Income Tax Credit for Registered Cultural Properties, Federal Tax Credit for National Registered Historic Places, and available grant opportunities to encourage the rehabilitation of historic buildings in Downtown Clayton.

Economic Development Goal 2: Strengthen and promote Clayton as a tourism destination and the northeastern New Mexico hub for outdoor recreation.

Objective 2.1: To capture more tourism dollars from visitors to the Clayton Lake State Park and Dinosaur Trackways, Clayton Lake Observatory, Capulin Volcano National Monument, Santa Fe Trail National Scenic Byway and Historic Trail, Stephen M. Bush Memorial Shooting Range, and other local and regional attractions.

Objective 2.2: To foster an increase in the number of businesses that cater to tourists (e.g., motels, hotels, restaurants, outdoor recreation stores, etc.)

Objective 2.3: To expand tourism and visitors to Clayton from locations throughout New Mexico and travelers from the neighboring states of Texas, Oklahoma, and Colorado.

Economic Development Strategy 2.1: Develop a marketing package that highlights the unique aspects of Clayton, including its historic downtown, wide array of outdoor recreational opportunities and assets, and the Dinosaur Trackways.

Economic Development Strategy 2.2: Promote Clayton as a community that has an unmet demand for the development of new motels, hotels, restaurants, and other hospitality uses. Work with the Clayton-Union County Chamber of Commerce on identifying potential developers of hospitality related amenities.

Economic Development Strategy 2.3: Develop a brand and promote Clayton to communities throughout New Mexico (including the Albuquerque metropolitan area), and to other

neighboring states, through social media, print media, and television.

Economic Development Strategy 2.4: Allocate a portion of lodgers' tax revenues towards marketing Clayton as a tourism destination.

Economic Development Goal 5: Promote Downtown Clayton as the community's retail and cultural activity center.

Objective 5.1: To encourage a higher level of retail sales, tourism expenditures, and community activities in Downtown Clayton.

Objective 5.2: To participate in public/private partnerships in the redevelopment or adaptive reuse of vacant and/or underutilized buildings and properties in Downtown Clayton.

Objective 5.3: To encourage the development of new retail stores, restaurants, and entertainment venues in Downtown Clayton.

Economic Development Strategy 5.1:

Coordinate with New Mexico MainStreet on submitting an application to the New Mexico Finance Authority for a Metropolitan Redevelopment Area (MRA) Plan grant. The Downtown MRA Plan will be an update to the Clayton MainStreet Master Plan, and should identify new private redevelopment projects, public sector investment projects, and support actions.

Economic Development Strategy 5.2: As a follow-up action to creating a Metropolitan Redevelopment Area Plan for Downtown Clayton identified in Chapter 3: Land Use, recruit new sit down restaurants, retail businesses, and mixed-use projects to rehabilitate and locate in existing vacant buildings within Downtown Clayton.

Economic Development Strategy 5.3: Prioritize capital improvement projects, including sidewalks, streets, and utility improvements, for Downtown Clayton and incorporate these projects into the Infrastructure Capital Improvement Plan (ICIP).

2.5 EXISTING LAND USE & ZONING

LAND USE

An existing conditions survey of the Downtown MRA District was completed by the consultant in March 2024. The purpose of the survey was to determine the current development patterns, the extent and location of vacant land and buildings, and the overall conditions of the buildings, streets, sidewalks, and handicap ramps. The survey also helped to identify potential opportunity sites that could catalyze private investment and lay the groundwork for redevelopment strategies.

Commercial use represents 22.3% of the MRA District, which is relatively low for a business district. Restaurants, a subset of commercial use, only represents 0.2% of the MRA District, which is a concerning issue. The core area of the MRA District along Main Street between Walnut Street and Chestnut Street has a concentration of commercial uses, but it also contains a significant amount of vacant commercial buildings. The Eklund Hotel and the Luna Theater are both located within the block between Front Street and 1st Street. R.W. Isaacs Hardware Company, the oldest commercial business in Clayton, is located within the same block at the southwest corner of Main Street and 1st Street and closed in the past year.

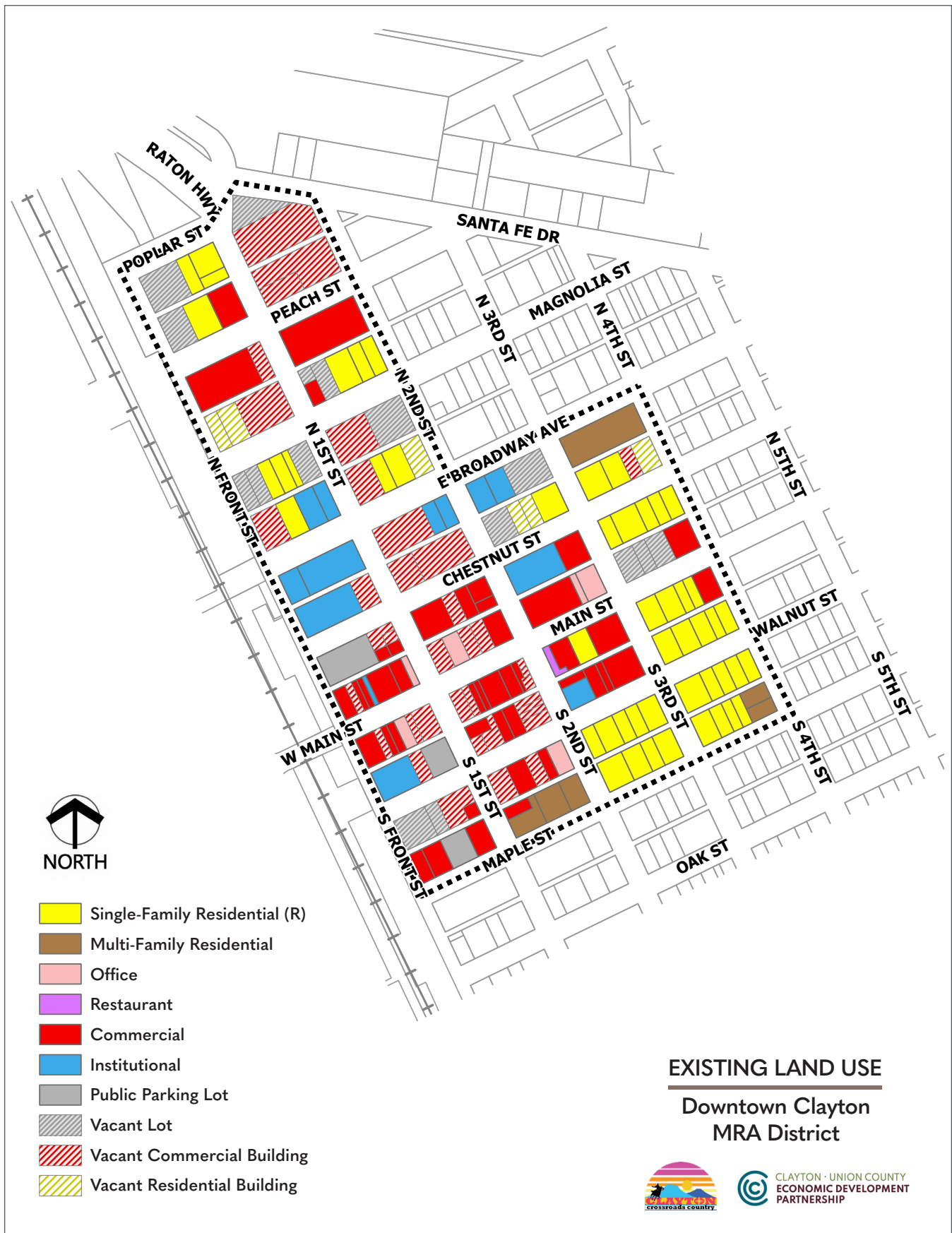
There is a significant amount of vacant land and vacant commercial and residential buildings within the MRA District. Together, these three land use categories represent 35.4% of the MRA District, more than any other land use category.

Single-family residential use represents approximately 22.8% of the MRA District. This use is concentrated east of 2nd Street on the south side of Walnut Street between 2nd Street and 3rd Street as well as on both sides of Walnut Street east of 3rd Street. There is also residential use along Chestnut east of 3rd Street and scattered along the side streets east and west of 1st Street, north of Broadway Avenue. There is a limited amount of multi-family residential use, approximately 4.7% of the MRA District, along Maple Street and at Broadway Avenue between 3rd Street and 4th Street.

Institutional use, approximately 9.7% of the MRA District, is mostly comprised of government managed uses and churches. Clayton Town Hall, Fire Rescue Station 1, and A.W. Thompson Memorial Library are on the north side of Chestnut Street, just east of Front Street. The Clayton Civic Center backs up to Town Hall and faces Front Street.

TABLE 2.1: EXISTING LAND USE

Land Use	Acreage	Share
Single-Family Residential	8.5	22.8%
Multi-Family Residential	1.7	4.7%
Office	0.8	2.1%
Restaurant	0.1	0.2%
Commercial	8.3	22.3%
Institutional	3.6	9.7%
Public Parking Lot	1.1	2.8%
Vacant Lot	4.1	10.9%
Vacant Commercial Building	8.0	21.5%
Vacant Residential Building	1.1	3.0%



EXISTING ZONING

While land use provides a level of understanding of what is existing on the ground, zoning provides insight into whether regulatory controls may be inhibiting redevelopment efforts. The MRA District only contains three zoning districts, including Commercial Business (C-B), Single-Family Residential (R), and Special Use S-U).

The vast majority of the properties in the MRA District, 82.4%, are zoned C-B Commercial Business, which is typical for a downtown business district. The current Clayton Zoning Code allows multi-family residential use permissively and single-family residential use conditionally in the C-B district. However, the Zoning Code is silent in regard to mixed-use where residential and commercial are together in one building with the commercial use on the ground floor and the residential use on the upper floors. There are a number of multi-story buildings within the MRA District that could accommodate vertical mixed-use.

The properties zoned R Single-Family Residential are limited to the two blocks between 2nd Street and 4th Street and between Walnut Street and Maple Street. The other area of R zoned properties is the block between 3rd Street and 4th Street and between Broadway Avenue and Chestnut Street. While R zoned properties represent 12.8% of the MRA District zoning, the combined single-family and multi-family residential land use categories amount to approximately 27.5% of the District.

There are only three properties with Special-Use zoning in the MRA District. All three properties are along Broadway Avenue and represent 4.8% of the existing zoning in the District. The largest area is between 2nd Street and 3rd Street on the south side of Broadway Avenue. The half block closest to 2nd Street contains the St. Francis Xavier Offices and Education Center. The other half block is likely owned by the St. Francis Xavier Church but vacant, which could be rezoned to allow for new development that is not unnecessarily burdened by Special Use zoning. The property west of 1st Street on the south side of Broadway Avenue is also occupied by the St. Francis Xavier Catholic Church. The property on the north side of Broadway Avenue is the Clayton Senior Citizens Center.

The existing Zoning Code does not significantly inhibit redevelopment, with the exception of it not explicitly allowing for mixed-use. The MRA District contains some uses that do not conform to the existing Zoning Code. The Zoning Code is antiquated and should be updated, not just for the MRA District, but also to bring the code up to modern zoning standards.

TABLE 2.2: EXISTING ZONING

Zoning District	Acreage	Share
Commercial Business (C-B)	30.7	82.4%
Single-Family Residential (R)	4.75	12.8%
Special Use (S-U)	1.8	4.8%

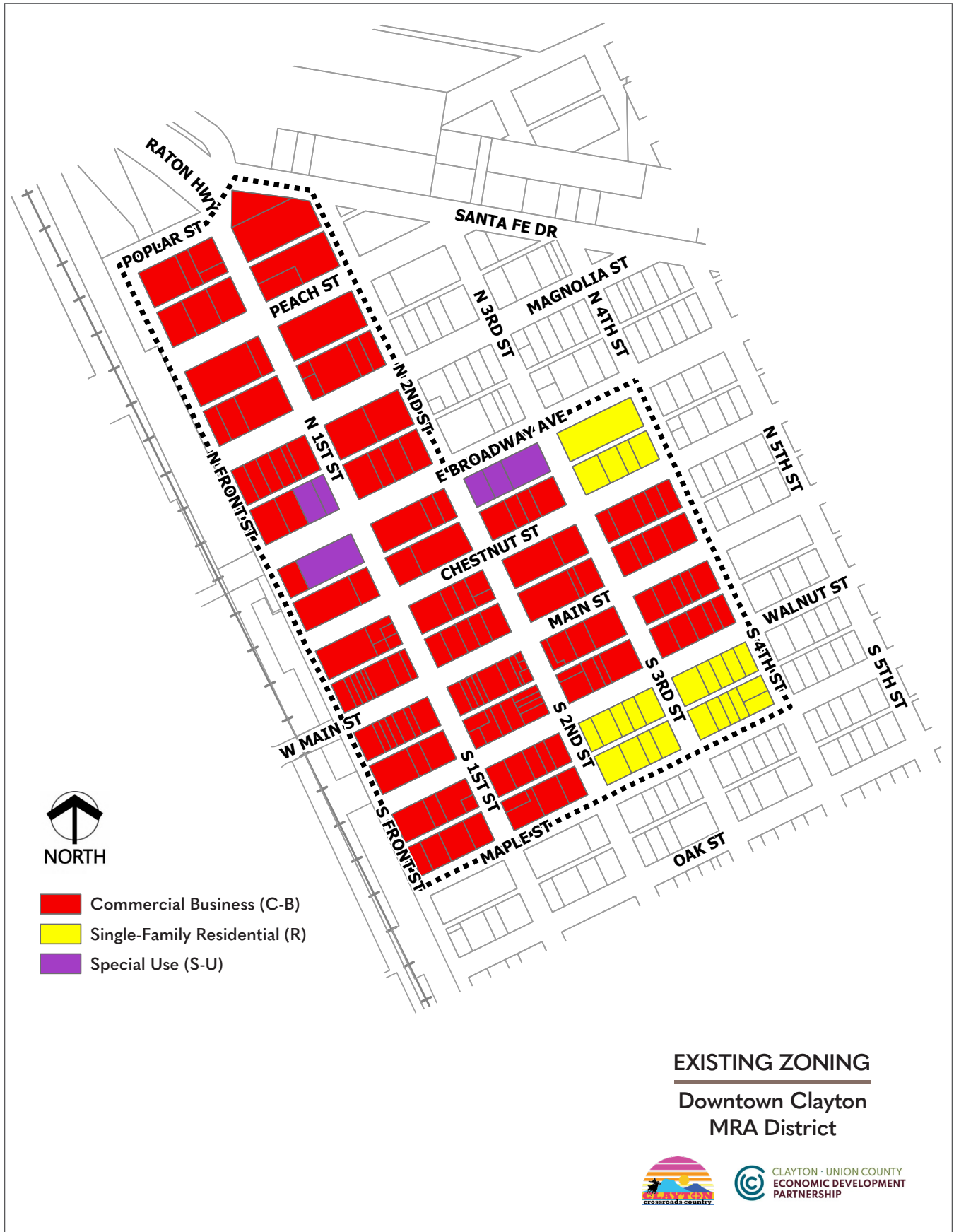


FIGURE-GROUND ANALYSIS

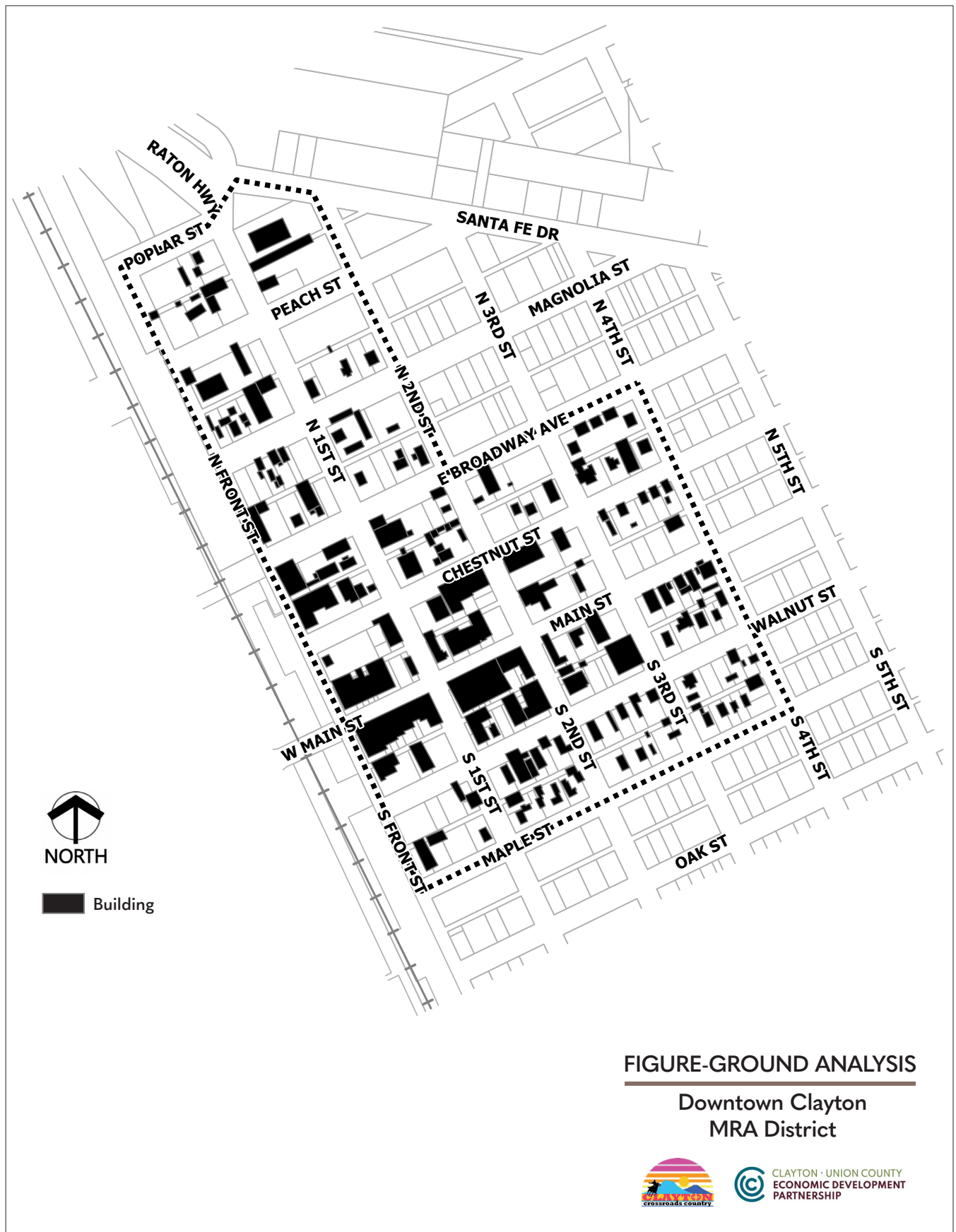
A figure-ground analysis shows the relationship between buildings and the space around the buildings, such as streets, sidewalks, yards, etc. It gets to a higher level of detail than the existing land use analysis regarding how the property is actually being utilized. The figure-ground analysis is used to determine the prevalence of under-utilized properties.

The core area of the MRA District along Main Street between Chestnut Street and Walnut Street has the highest utilization and ratio between

buildings and land as compared to the rest of the MRA District. Having buildings sit close to the street and to each other encourages walkability and discourages people from driving between destinations that are within a few blocks of each other. Moving away from the core area, the ratio between buildings and land gets far more sparse, with vacant land and large parking areas that discourage people from walking in the MRA District.



Orienting buildings to be at the edge of the public sidewalk encourages people to walk from one destination to the other without the need to drive. Large gaps and parking areas between buildings create a less walkable business district. Left: Smithson Block at 2nd Street and Chestnut; Right: Town Hall at Front Street and Chestnut Street.



2.6 EXISTING STREET & SIDEWALK CONDITIONS

STREET CONDITIONS

As part of the survey of existing conditions, Consensus Planning performed a visual survey of the existing conditions of streets, sidewalks, and handicap ramps within the MRA district. The street conditions were ranked good, fair, or poor, with green representing good condition, blue representing fair condition, and red representing poor condition. With the exception of the NMDOT facilities (1st Street and Main Street) and Walnut Street, the majority of streets in the MRA District are in poor condition. There are potholes and cracked and crumbling asphalt on most of the local

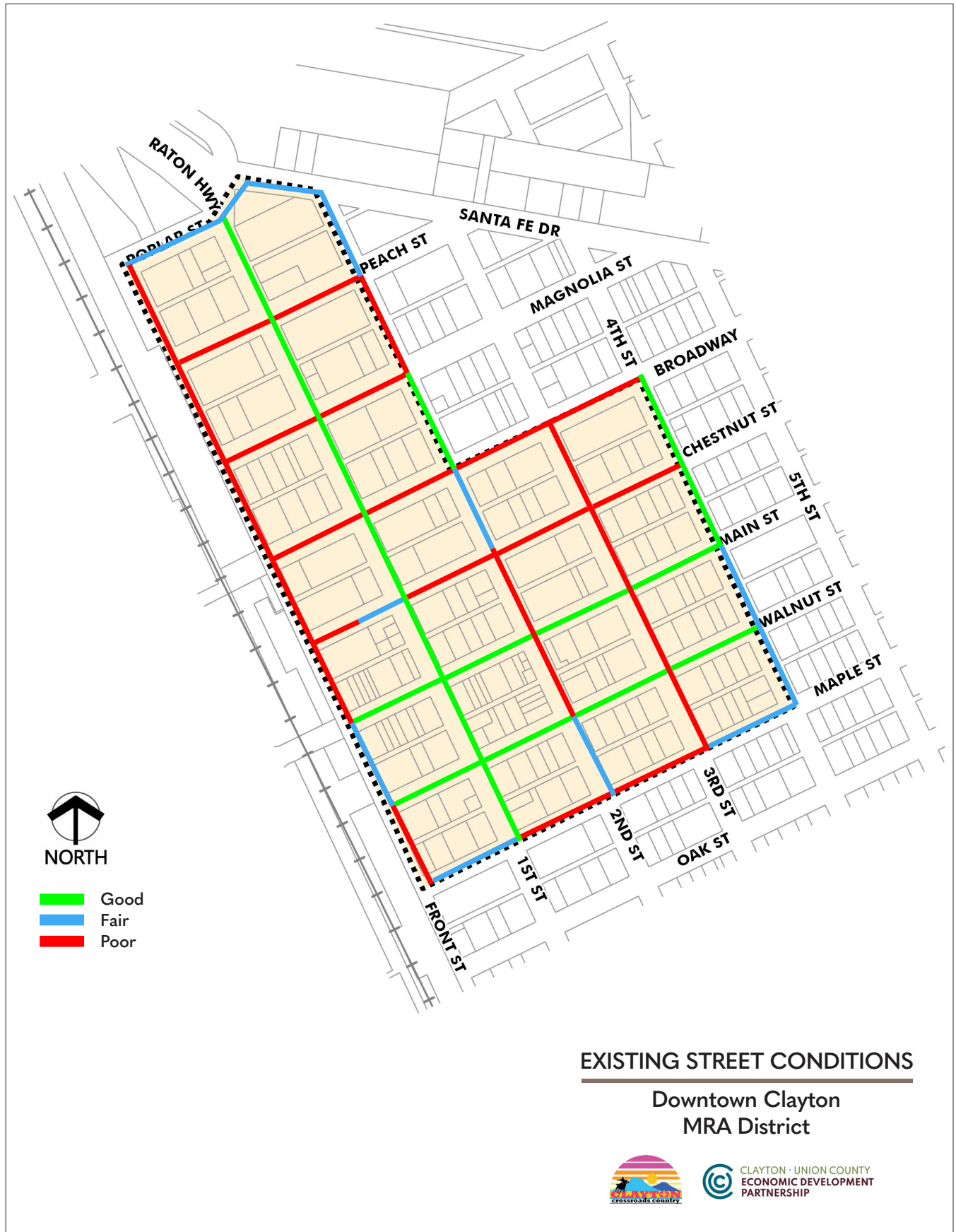
streets. There are a few short street sections where the streets were found to be in fair condition.

Participants in the two surveys were asked to rank physical aspects of Downtown Clayton. Streets were one of the aspects of Downtown that were mostly commonly ranked poor. Only outdoor gathering spaces and building conditions had a higher rate of poor rankings. The participants also indicated that bike access to the MRA District was poor.

The street conditions send a negative message to visitors about Clayton. This is an area where the Town could make a significant quality of life improvement, which would send a strong and positive signal that the Town of Clayton cares about the safety of its residents and visitors.



Typical poor street conditions within the MRA District. Top: Intersection at Front Street and E. Broadway Street; Bottom left: Intersection at 2nd Street and Walnut Street; Bottom right: Intersection at Main Street and Front Street.



SIDEWALK & RAMP CONDITIONS

Pedestrian accessibility and walkability is one of the most important features in a thriving Downtown business district. Improving sidewalks and handicap ramps is one of the primary contributions that the Town of Clayton could provide for the MRA District.

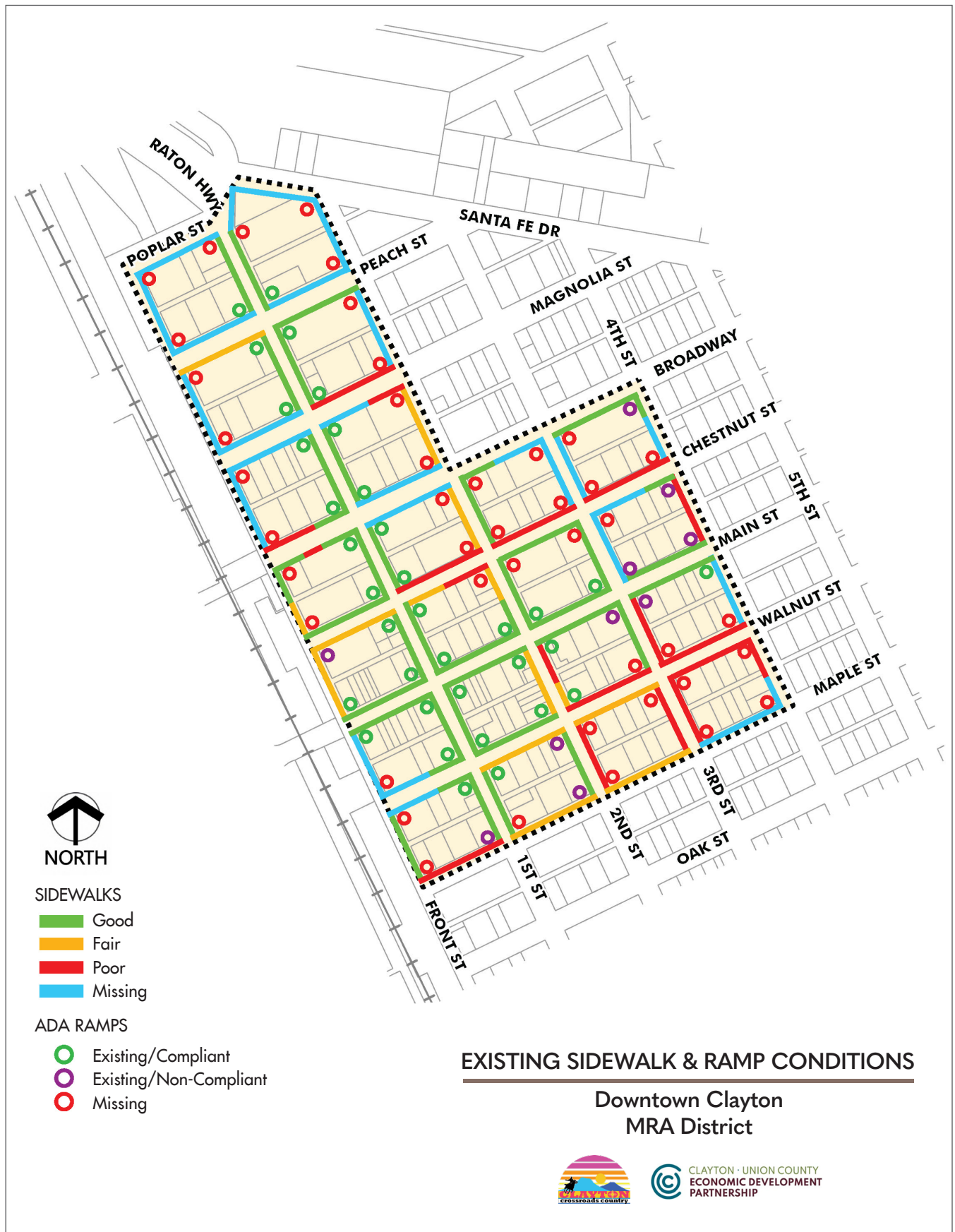
The consultants ranked existing sidewalks either good, fair, poor, or missing. As shown on the Existing Sidewalk and Ramp Conditions graphic, green represents sidewalks that are in good condition, orange represents fair condition, red represents poor condition, and blue are areas where sidewalks are missing. ADA ramps were ranked compliant (green circle), non-compliant (purple circle), or missing (red circle). Similar to the street conditions, with the exception of the sidewalks and ramps along 1st Street and Main Street being in good condition,

there are many streets either with missing sidewalks and ramps, or in poor condition. Approximately 18% of the sidewalks are in poor condition and 30% are missing; approximately 50% are missing handicap ramps.

While the survey participants did not rank sidewalks, pedestrian crosswalks, or handicap accessibility as poorly as they did street conditions, it remains a major aspect that detracts from Downtown Clayton. Like the poor street conditions, not addressing the sidewalk and ramp conditions conveys a negative message to visitors. Improving these conditions would be an excellent action item that the Town could take on. This is an improvement that could be done in multiple phases and would likely have a positive impact and encourage property owners to make improvements to their buildings and properties.



Upper left: sidewalk in residential area in poor condition with missing segments; Upper right: missing ADA ramp at an elevated sidewalk corner; Bottom: non-compliant ADA ramp along 1st Street.



2.7 BUILDING CONDITIONS

The consultants ranked existing buildings within the MRA District either good, fair, poor, or no building. Observations were made of the exterior building conditions only as the consultants did not go into the buildings. This included the overall condition of the windows and doors, roofs where visible, structural cracking, etc. As shown on the Building Conditions graphic, yellow represents buildings that are in good condition, orange represents fair condition, dark brown represents poor condition, and gray are areas where there are no buildings. Approximately 30% of the buildings are in poor condition.

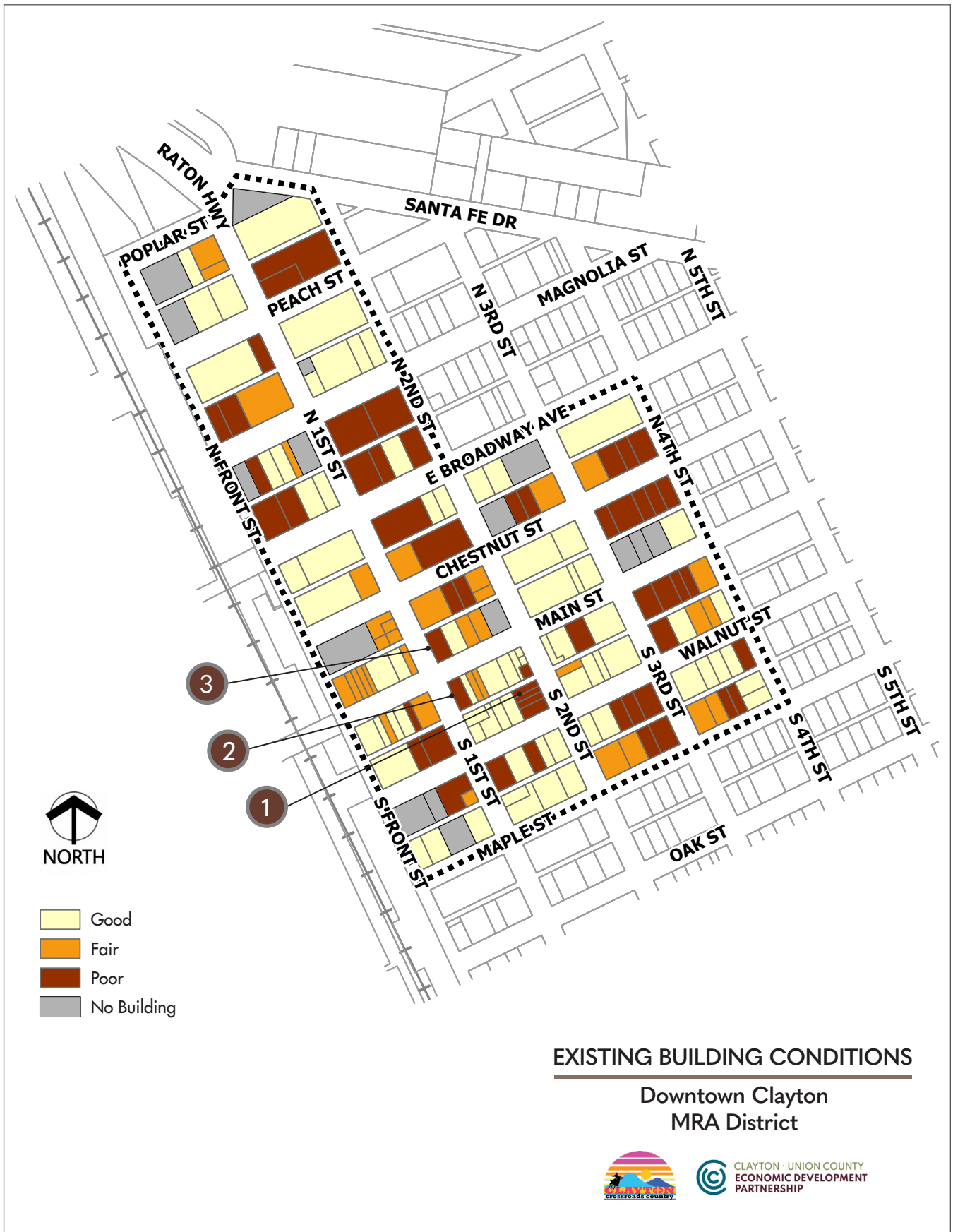
The overall building conditions in the MRA District were cited in the MRA Designation Report as an

aspect that needs major improvement. This was borne out by the Community Survey results that showed building conditions were a major concern of the participants in regard to Downtown Clayton, and further, was cited as a deterrent to opening new businesses or making major investments in the District.

It is critically important to the success of Downtown Clayton that attention and investment be made into the existing buildings. Some of the most iconic buildings in Downtown have fallen into deep disrepair, along with numerous other buildings. There is great potential for improving the MRA District by focusing efforts on redevelopment and rehabilitation of the buildings. Photos of a few of the most visible deteriorated buildings are shown below.



Upper left: blighted building on 2nd Street; upper right: building at 1st Street and Main Street with bricked in windows; bottom: the historic Farmers and Stockmens Bank building at 1st Street and Main Street with windows open to the elements.



2.8 PROPERTY OWNERSHIP

One of the key aspects that should be considered in a redevelopment effort is property ownership. The New Mexico Metropolitan Redevelopment Act and the MRA Plan enables local government to contribute public assets to a private interest as a means to advance redevelopment and economic development.

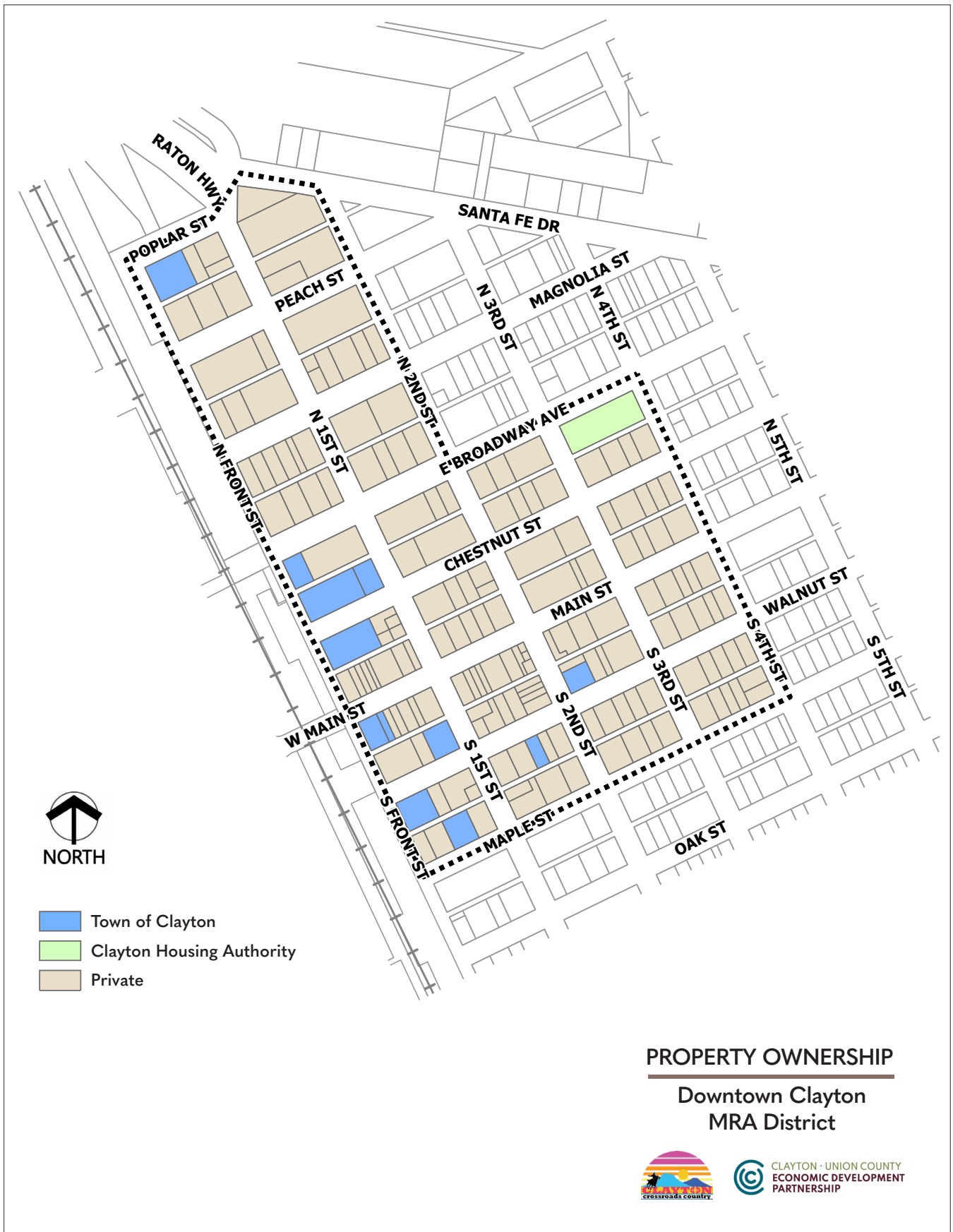
The Town of Clayton owns several properties within the MRA District. Most of these properties contain public buildings, such as Town Hall, Fire Rescue Station, and the A.W. Thompson Memorial Library on Chestnut Street; Civic Center on Front Street and Broadway Avenue; Luna Theater on Main

Street; and the Herzstein Museum and the old Clayton Public Library on Walnut Street. The Clayton Housing Authority owns a property containing housing units along Broadway Avenue, from 2nd Street to 3rd Street.

The Town also owns several vacant parcels, including relatively large properties at the corner of Poplar Street and Front Street and at the corner of Walnut Street and Front Street. The vacant parcel at Walnut Street and Front Street has been identified as an appropriate location for the development of a public gathering area. Across the alley from this parcel is a Town-owned parking lot. The remainder of the parcels and buildings within the MRA District are privately owned.




Top: A.W. Thompson Memorial Library on Chestnut Street; Bottom: Clayton Civic Center on Front Street.



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CHAPTER 3

MARKET ANALYSIS & ORGANIZATION CAPACITY





3.1 INTRODUCTION

The Market and Capacity Analysis provides a summary of existing conditions that drive current market trends in the Clayton MRA, including demographic, housing, and income data in Clayton as a whole. The primary objective of this chapter is to understand the factors that are preventing or discouraging redevelopment in Downtown Clayton, including business conditions and the residential and commercial marketplace, and take action on redevelopment opportunities. A retail gap analysis identifies the specific commercial retail sectors in Downtown Clayton that are lacking and may present opportunities for economic development. A profile of local attractions and assets in Clayton and Union County highlights opportunities available for new and existing local businesses to build and capitalize upon.

The primary data source for the population, employment, and housing information presented in this chapter is the US Census Bureau's American Community Survey (ACS). Claritas Spotlight was the source of the retail market analysis covering a five-mile area around the Clayton MRA District.

3.2 DEMOGRAPHIC PROFILE

POPULATION

In 2022, the estimated population in Clayton was 2,825, which was a 7.9% increase in population from 2012 when the population was estimated at 2,619. In 2022, the two largest age cohorts were 30 to 34 years (9.4%) and 5 to 9 years (9.5%), which were followed closely behind by the 35 to 39 cohort (8.8%). Growth in the working age cohorts is a positive change for Clayton. The median age in Clayton increased by 6.0% from 36.9 to 39.1 years. In comparison, the median age in New Mexico was slightly younger at 38.6 years.

RACE & ETHNICITY

Race and ethnicity are the self-identified categories identified by residents, with

which they most closely identify, and indicate whether they are of Hispanic or Latino origin. People who self identify as Hispanic or Latino may identify as any race. In New Mexico, the Hispanic population often identifies its race as "White".

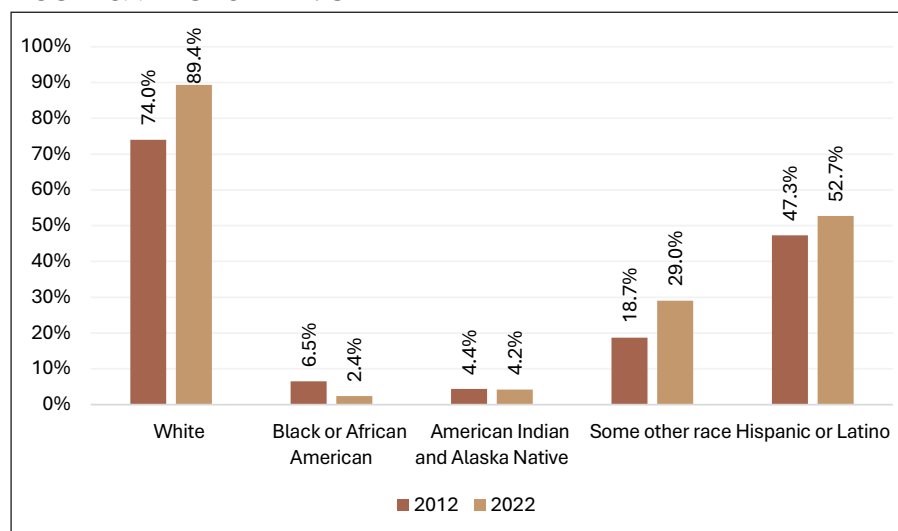
In 2022, 89.4% of Clayton residents identified as "White", which was a 30% increase from 2012, and 29.0% identified as "Some Other Race", a 67%

TABLE 3.1: POPULATION BY COHORT

Population	2012	2022	% Change
Total	2,619	2,825	7.9%
Under 5 years	4.4%	6.8%	65.7%
5 to 9 years	10.0%	9.5%	1.9%
10 to 14 years	7.5%	1.4%	-80.1%
15 to 19 years	4.3%	2.7%	-31.6%
20 to 24 years	5.8%	8.6%	59.3%
25 to 29 years	5.9%	5.8%	6.1%
30 to 34 years	8.6%	9.4%	17.7%
35 to 39 years	7.3%	8.8%	30.2%
40 to 44 years	5.5%	2.8%	-45.9%
45 to 49 years	6.3%	7.7%	32.1%
50 to 54 years	5.9%	4.0%	-27.5%
55 to 59 years	4.8%	5.2%	16.1%
60 to 64 years	6.6%	6.1%	-1.1%
65 to 69 years	4.4%	6.4%	57.9%
70 to 74 years	4.0%	5.6%	50.8%
75 to 79 years	4.0%	4.8%	30.8%
80 to 84 years	2.4%	1.3%	-42.7%
85 years and over	2.4%	3.3%	48.0%
Median age	36.9	39.1	6.0%

Source: ACS, 5-year Estimates, 2012 & 2022.

FIGURE 3.1: RACE & ETHNICITY



Source: ACS, 5-year Estimates, 2022.

increase from 2012. Clayton residents that identified as Hispanic or Latino represented 52.7% of the population, which was a 20.2% increase from 2012 when it was 47.3% of the population. In comparison, the Hispanic or Latino population in New Mexico was 49.8%.

3.3 EMPLOYMENT & INCOME PROFILE

Employment and income data sheds light on the economic status of Clayton households. This can help identify potential areas of growth, losses within industry sectors and jobs, and income disparities.

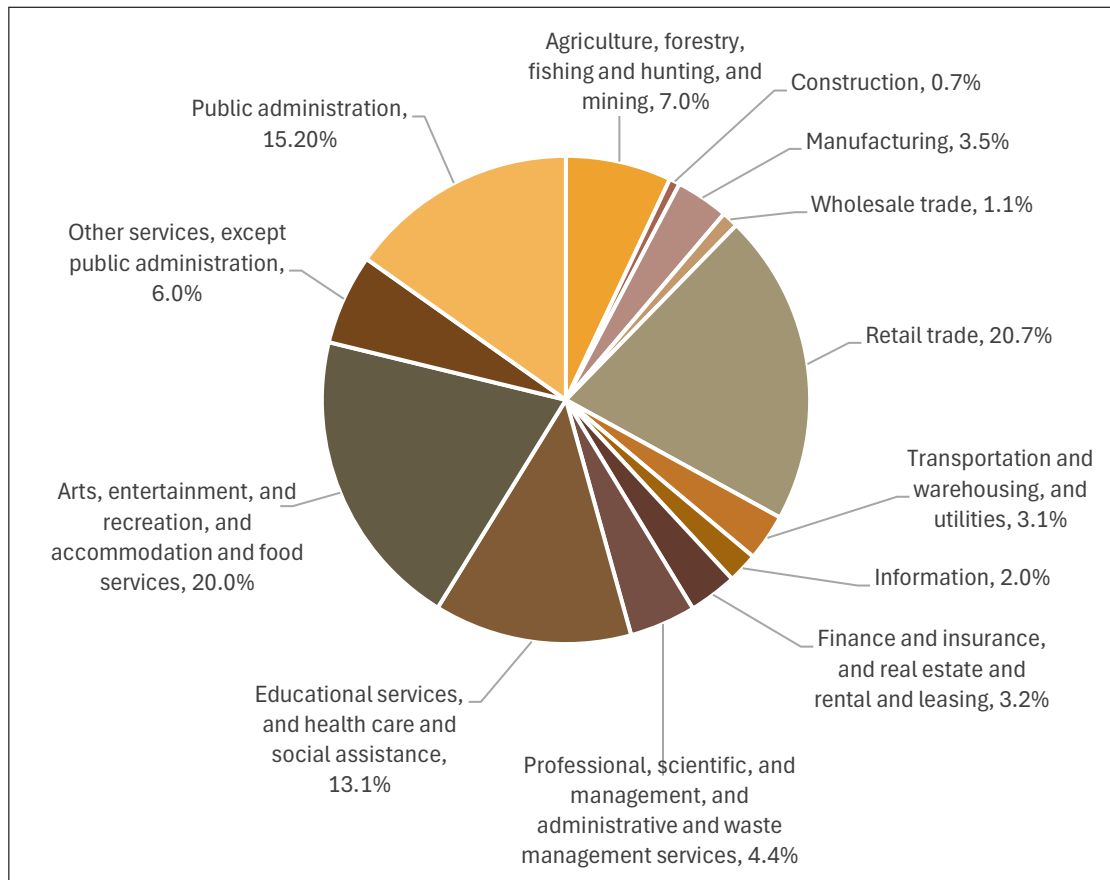
EMPLOYMENT BY INDUSTRY

Employment is categorized by the North American Industry Classification System (NAICS). The NAICS is the standard used by federal agencies for classifying businesses for collecting, analyzing, and publishing statistical data related to the US economy.

In 2022, the number of working adults 16 years of age and older in Clayton was 803. Between 2012 and 2022, working adults decreased by 34.4%, from 1,224 to 803. Of those workers, the three industries with greatest number of employees were Retail Trade (20.7%); Arts, entertainment and recreation, and accommodation and food services (20.0%); and Public Administration (15.2%). For comparison, in New Mexico these industries were 11.0%, 10.3%, and 7.6%, respectively.

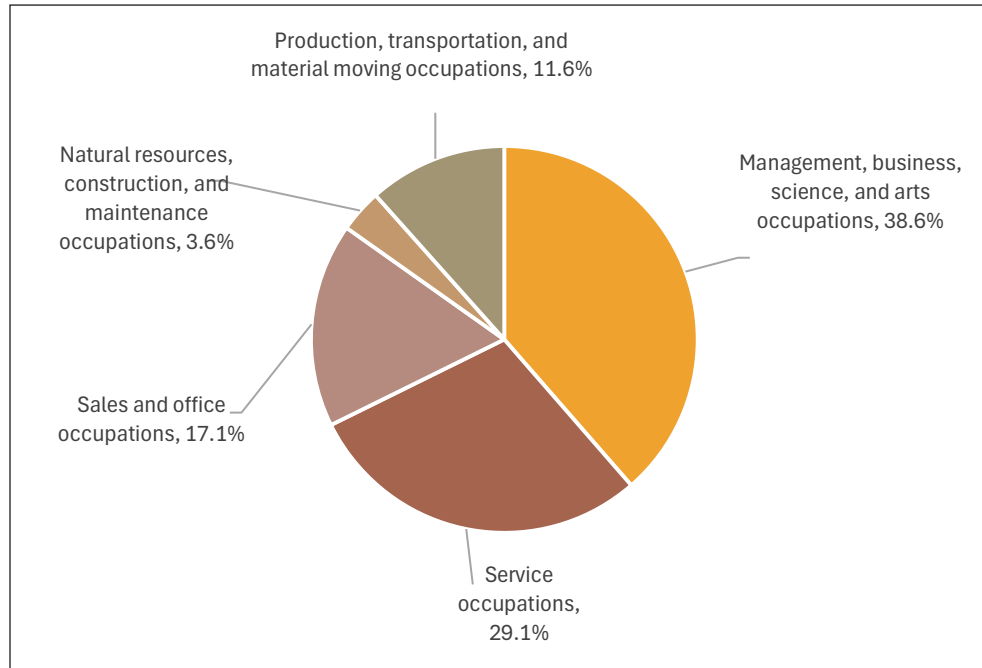
Between 2012 and 2022, most industries in Clayton experienced a significant decline. Construction employment decreased by 96.3%; Agriculture, forestry, fishing and hunting, and mining decreased by 65.2%; and Educational services, and health healthcare and social assistance decreased by 62.6%. The largest increase, 64.3%, was in the Arts, entertainment and recreation, and accommodation and food services industry.

FIGURE 3.2: CLAYTON EMPLOYMENT BY INDUSTRY



Source: ACS, 5-year Estimates, 2022.

FIGURE 3.3: CLAYTON EMPLOYMENT BY OCCUPATION



Source: ACS, 5-year Estimates, 2022.

EMPLOYMENT BY OCCUPATION

While industry is the type of activity at a person's place of work, occupation describes the type of work the person does to earn a living. In 2022, 38.6% of workers in Clayton were in Management, business, science, and arts occupations category. This was followed by 29.1% of workers in Service occupations, which are generally paid lower wages than other occupations and tend to employ more females than males. In comparison, these occupations for New Mexico were 39.0% and 20.4%, respectively.

Most of the occupation categories in Clayton declined between 2012 and 2022. The greatest declines were in the Natural resources, construction, and maintenance occupations (-90.9%) and Sales and office occupations (-45.0%). However, Production, transportation, and material moving occupations increased by 43.1%.

UNEMPLOYMENT

The New Mexico Department of Workforce Solutions provides unemployment statistics through Local Area Unemployment Statistics (LAUS). Unemployment rates for December 2020 through December 2023 shows that Union County

TABLE 3.2: UNEMPLOYMENT RATES

Counties	2020	2021	2022	2023
UNION COUNTY	4.2%	4.0%	2.0%	3.0%
Colfax County	6.9%	5.0%	2.9%	3.5%
Harding County	3.8%	4.1%	2.4%	3.4%
Quay County	7.0%	5.8%	3.0%	4.0%
New Mexico	8.1%	5.1%	3.1%	4.0%

Source: NM Workforce Solutions, LAUS, December Unemployment Rates.

had the lowest unemployment rate each year as compared to the surrounding Colfax, Harding and Quay counties, as well as New Mexico. Union County showed resiliency during the pandemic with unemployment rates of between 4.2% in 2020 to 3.0% in 2023 (see Table 3.2).

MEDIAN HOUSEHOLD INCOME

Median household income includes that of the householder and all other individuals 15 years and over living in a household. In 2022, the two largest income brackets in Clayton were \$50,000 to \$74,000 at 21.4% and \$25,000 to \$34,000 at 21.0%. Households with median incomes below \$25,000 decreased between 2012 and 2022, as did those between \$35,000 and \$74,000. Households with incomes over \$75,000 increased but remain a relatively smaller proportion of Clayton's households overall.

In 2022, the median income in Clayton was \$33,239, which represented a decrease of -7.7% from 2012 when the median income was \$35,841. For comparison, New Mexico's median household income increased by 30.8% during the same time period, from \$44,886 to \$58,722. The decreasing median household income in Clayton is troubling and indicates that many Clayton households may be struggling with meeting their basic needs. It appears to correlate with Clayton's increase in service occupations.

Households	2012	2022	% Change
Less than \$10,000	11.2%	7.2%	-44.0%
\$10,000 - \$14,999	11.8%	12.4%	-8.4%
\$15,000 - \$24,999	11.6%	12.8%	-3.8%
\$25,000 - \$34,999	13.7%	21.0%	33.6%
\$35,000 - \$49,999	19.0%	7.7%	-64.7%
\$50,000 - \$74,999	21.1%	21.4%	-11.6%
\$75,000 - \$99,999	7.6%	9.1%	4.4%
\$100,000 - \$149,999	3.5%	5.1%	27.0%
\$150,000 - \$199,999	0.6%	1.4%	103.4%
\$200,000 or more	0.0%	1.9%	1.9%
Median income	\$35,841	\$33,239	-7.3%

Source: ACS 5-year Estimates, 2012 & 2022.

3.4 RETAIL MARKET ANALYSIS

An analysis was conducted by the consultants on the retail market potential for the Clayton MRA District using the Claritas SPOTLIGHT platform powered by Environics Analytics. Claritas uses proprietary methodology that accesses a wide variety of data sources to develop accurate information on local retail market characteristics. Utilizing the Claritas SPOTLIGHT software, a Retail Market Power report was generated for the retail market within a five-mile trade area of Downtown Clayton. The retail market analysis shows the difference between demand and supply, and whether a particular industry has a surplus or a leakage. When a retail market industry shows a surplus, it is drawing customers in from other geographic areas to spend money in that area (positive value). If a market is experiencing leakage (negative value), it means that customers are leaving the area to spend their dollars elsewhere. The retail gap or surplus represents the difference between retail demand and supply (see Table 3.4).

The retail gap analysis for Clayton identifies many areas of retail leakage. Significantly for Downtown Clayton, the Food and Beverage Stores industry showed a gap of -\$2,716,871; General Merchandise Stores had a gap of -\$2,717,994; and Food Services and Drinking Places had a gap of -\$1,518,672.

The overall Total Retail Trade and Food and Drink showed a surplus of \$606,083. This is due to the large surplus of retail sales at Gasoline Stations, which was a strong outlier at \$18,789,932, and largely based on Clayton's location along US 87 and US 56.

TABLE 3.4: CLAYTON TRADE AREA RETAIL MARKET, 2023

Industry	Demand	Supply	Retail Gap/Surplus
Motor Vehicle & Parts Dealers	\$8,779,231	\$3,820,293	-\$4,958,938
Automobile Dealers	\$7,174,860	\$1,449,564	-\$5,725,296
Other Motor Vehicle Dealers	\$925,495	\$0	-\$925,495
Auto Parts, Accessories & Tire Stores	\$678,876	\$2,370,728	\$1,691,853
Furniture & Home Furnishings Stores	\$836,674	\$0	-\$836,674
Furniture Stores	\$482,028	\$0	-\$482,028
Home Furnishings Stores	\$354,646	\$0	-\$354,646
Electronics & Appliance Stores	\$595,500	\$0	-\$595,500
Bldg Materials, Garden Equipment & Supply Stores	\$2,558,214	\$1,816,550	-\$741,664
Building Material & Supplies Dealers	\$2,212,718	\$1,816,550	-\$396,168
Lawn & Garden Equipment & Supply Stores	\$345,496	\$0	-\$345,496
Food & Beverage Stores	\$5,369,669	\$2,652,798	-\$2,716,871
Grocery Stores	\$4,800,532	\$1,595,677	-\$3,204,855
Specialty Food Stores	\$139,502	\$613,900	\$474,398
Beer, Wine & Liquor Stores	\$429,635	\$443,221	\$13,586
Health & Personal Care Stores	\$2,092,549	\$1,810,174	-\$282,375
Gasoline Stations	\$2,959,782	\$21,749,715	\$18,789,932
Clothing & Clothing Accessories Stores	\$1,867,950	\$1,407,510	-\$460,441
Clothing Stores	\$1,271,103	\$938,973	-\$332,129
Shoe Stores	\$213,548	\$468,537	\$254,989
Jewelry, Luggage & Leather Goods Stores	\$383,300	\$0	-\$383,300
Sporting Goods, Hobby, Book & Music Stores	\$605,036	\$715,751	\$110,715
Sporting Goods/Hobby/Musical Instr Stores	\$531,346	\$715,751	\$184,404
Book, Periodical & Music Stores	\$73,690	\$0	-\$73,690
General Merchandise Stores	\$4,717,126	\$1,999,132	-\$2,717,994
Department Stores Excluding Leased Depts.	\$652,364	\$0	-\$652,364
Other General Merchandise Stores	\$4,064,761	\$1,999,132	-\$2,065,630
Miscellaneous Store Retailers	\$823,538	\$1,852,814	\$1,029,276
Florists	\$37,710	\$372,920	\$335,209
Office Supplies, Stationery & Gift Stores	\$151,186	\$0	-\$151,186
Used Merchandise Stores	\$118,879	\$0	-\$118,879
Other Miscellaneous Store Retailers	\$515,761	\$1,479,894	\$964,133
Non-store Retailers	\$6,444,261	\$1,949,550	-\$4,494,711
Electronic Shopping & Mail-Order Houses	\$6,175,945	\$0	-\$6,175,945
Vending Machine Operators	\$33,552	\$0	-\$33,552
Direct Selling Establishments	\$135,624	\$1,284,973	\$1,149,349
Food Services & Drinking Places	\$4,933,015	\$3,414,343	-\$1,518,672
Special Food Services	\$389,883	\$516,333	\$126,450
Drinking Places - Alcoholic Beverages	\$180,373	\$0	-\$180,373
Restaurants/Other Eating Places	\$4,362,760	\$2,898,010	-\$1,464,749
Total Retail Trade and Food and Drink	\$42,582,545	\$43,188,629	\$606,083

Source: Claritas Spotlight, Retail Market Power, Opportunity Gap by Retail Store Types, 2023.

3.5 REAL ESTATE MARKET

Consensus Planning interviewed a local real estate agent for local quantitative and qualitative data on the commercial and residential real estate market in the MRA District. This input provided an on-the-ground understanding of the real estate market in Clayton and helped guide strategies for redevelopment. The real estate website Realtor.com was also consulted for a snapshot of the residential market.

COMMERCIAL MARKET

The local realtor currently represents one commercial property on Main Street, but there are eleven vacant properties that are not listed. Another realtor in the area represents only two Downtown properties. This is a very low inventory, as they typically represent six or seven properties. There is a property on Main Street that has been for sale for about three years. There are currently no properties for lease.

The typical size of commercial properties in Downtown Clayton ranges from approximately 1,000 square feet on Main Street to between 4,000 and 5,000 square feet off Main Street. The price per square foot for a commercial property in good condition is between \$75 and \$125. If in poor condition, it could be as low as \$10 per square foot. Other properties located outside of Downtown can get higher prices per square foot, primarily due to their location and the condition of the building.

The local realtor reported that there is a demand for commercial properties in Clayton. However, the buildings are in such a state of disrepair that it is cost-prohibitive to purchase a building requiring extensive renovation. The property owners are not interested in renovating the buildings to attract buyers, which could result in these properties sitting on the market and remaining vacant for years. Some buildings in Downtown Clayton have been purchased and improved by cannabis retailers, which has helped improve the condition in the area, particularly along First Street.

The Town of Clayton can create a more attractive and marketable commercial area by improving streets, sidewalks, lighting, and participating in

development costs, which may include land acquisition. This would provide incentives for new businesses to locate in the MRA District.

RESIDENTIAL MARKET

The local realtor stated that her office rarely sells residential properties within the MRA District. According to Realtor.com, in July 2024 there were 12 houses for sale in Clayton; none were located in the Downtown MRA District. There was a four-plex for sale in the MRA District that was on the market for over three months.

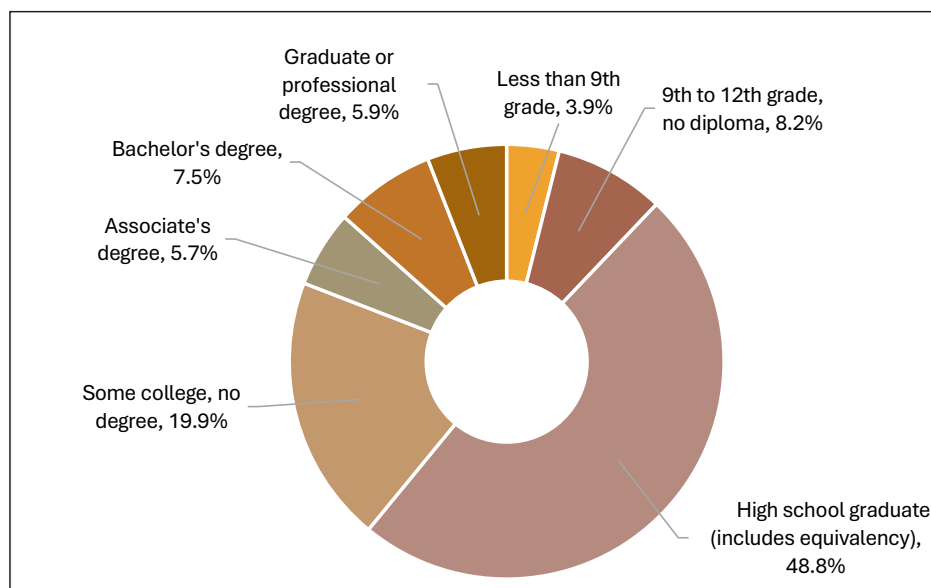
Homes do not often come up for sale in the Downtown area, as homeowners tend to stay in their homes or the properties have absentee owners who do not maintain the properties and do not put them up for sale. Consequently, when a house does come up for sale it needs substantial upgrades.

The MRA District typically features homes ranging from 900 to 1,400 square feet in size, with listings on Realtor.com priced between \$94,000 and \$140,000. In July 2024, there was a four-plex in Downtown listed at \$310,000.

There is a demand for affordable housing in the MRA District. The Downtown area is attractive to young people and seniors who seek proximity to amenities and commercial establishments. These demographic groups are primarily interested in apartments or small homes that require minimal renovation. Encouraging mixed-use development, particularly in the multi-story buildings along Main Street, may also appeal to individuals relocating to Clayton from outside the area.

The primary challenges in the MRA residential market include housing condition and the lack of availability of move-in ready properties. These challenges are more pronounced given the declining income levels in Clayton and absentee property owners.

FIGURE 3.4: EDUCATIONAL ATTAINMENT



Source: ACS 5-year Estimates, 2022.

3.6 EDUCATION

CLAYTON MUNICIPAL SCHOOLS

Clayton Municipal Schools is the largest school district in Union County covering approximately 2,700 square miles and serving students in Clayton and the surrounding area. There are four schools within the Clayton Municipal School District, including two elementary schools, one middle school, and one high school. In the 2023-2024 school year, Clayton Municipal Schools had an enrollment of 397 students, a very slight increase from the previous school year with 395 students.

TABLE 3.6: CLAYTON MUNICIPAL SCHOOLS

Schools	Address	Grades
Alvis Elementary School	404 Aspen Street	Pre-K - 4th
Kiser Elementary School	224 Spruce Street	5th - 6th
Clayton Junior High	224 Spruce Street	7th - 8th
Clayton High School	323 S. Fifth Street	9th - 12th

Source: Clayton Municipal Schools.

POST SECONDARY EDUCATION

There are no facilities offering post-secondary education classes or training in Clayton or Union County, which limits residents' access to education. The nearest post-secondary educational facilities are in Las Vegas, New Mexico.

EDUCATIONAL ATTAINMENT

Educational attainment refers to the level of education a person has completed. Higher educational attainment correlates with higher incomes, better health outcomes, and greater quality-of-life.

In 2022, Clayton's population 25 years and above that were high school graduates represented 48.8% of the population, which was a 39.3% increase from 2012. Those residents that had attained a bachelor's degree represented 7.5% of the population, an increase of 55.8% from 2012. However, it remained lower than the 16.1% rate for New Mexico overall. Clayton residents that attained a graduate or professional degree in 2022 was 5.9%, an 85.4% increase from 2012, but substantially lower than New Mexico's rate of 13%.

3.7 REGIONAL ATTRACTIONS & TOURISM

CLAYTON LAKE STATE PARK and DINOSAUR TRACKWAYS

The Clayton Lake State Park and Dinosaur Trackways is located approximately 12 miles northwest of Clayton in the grasslands of northeastern Union County. The State Park is popular with residents and visitors and offers a variety of outdoor recreation activities including:

- ◀ **Boating:** Motorized and non-motorized boats, canoes, kayaks, and boards are allowed on Clayton Lake. Boat ramps are available.
- ◀ **Picnicking:** The Park contains two group picnic shelters, restrooms with vault toilets, and shower facilities.
- ◀ **Camping:** There are five campgrounds, 26 developed campsites, seven sites with water, and group campsites.
- ◀ **Fishing:** Fishing is allowed from boats and from banks. Clayton Lake is stocked with walleye, bass, trout, and bluefish.
- ◀ **Hiking:** There are 1.4 miles of trails, including interpretive trails for the Dinosaur Trackways exhibit. Horses are allowed in primitive areas.

The Dinosaur Trackways area is one of the most popular attractions in the region. During excavation of a spillway in the 1970s, silt flowed to uncover one of the best preserved dinosaur track sites in the United States. The track site contains nearly 500 dinosaur tracks from at least eight species that are over 100 million years old. Researchers conducted 3-D research to determine which dinosaurs made these tracks.

An easy 1/4 mile unpaved trail, bustling with wildlife, leads visitors to the track site. Once there, a small pavilion provides information about the site and visitors can view the tracks from a wooden walkway that surrounds the track site. Interpretative signage is displayed to help visitors identify tracks and locate dinosaur walking paths.

The New Mexico State Parks Division worked closely with the Town of Clayton and Union County in 2019 and 2020 to rebrand the name of the Park to highlight the dinosaur trackways. The name change was part of the State Parks Division's *Next Generation of Adventure* campaign and as stated by EMNRD Cabinet Secretary Sarah Cottrell Probst, "EMNRD can better promote the Park's most unique feature, bring in new visitors, and generate more outdoor recreation spending for the local economy".

CLAYTON LAKE OBSERVATORY

In 2010, Clayton Lake State Park (as it was then called), earned official designation of International Dark Sky Park by the International Dark Sky Association. This designation is reserved for land that possesses an "exceptional or distinguished quality of starry nights and a nocturnal environment that is protected for is scientific, natural, educational, cultural heritage, and/or public enjoyment". The New Mexico State Parks staff and volunteers worked closely with the Town of Clayton and the New Mexico Parks System to ensure quality lighting guidelines within the State Park and in the surrounding community to protect the quality of night sky.

To view the cosmos in the extremely dark sky, the Clayton Lake Observatory was erected in 2012. It is one of two observatories in New Mexico State Parks. The Observatory is a 12 x 16-foot building



Dinosaur track at Clayton Lake State Park.



Clayton Lake Observatory.

with a retractable roof that houses a 12-inch, solar powered, computer operated telescope and remote television monitor for group viewing. Stargazing parties are held at the Observatory regularly through volunteer assistance. Private groups can reserve the space for events.

CAPULIN VOLCANO NATIONAL MONUMENT

The Capulin Volcano National Monument is located west of Clayton along US 87. Capulin Volcano is located in the Raton-Clayton Volcanic Field. Volcanic fields consist of clusters of small volcanoes that erupted within a the space of a hundred miles. The Raton-Clayton volcanic field

covers 7,500 square miles, much larger than most other volcanic fields. The area is noted for its size, young age, continental interior setting, and association with one of the few volcanic hot spots in the world. Within the Raton-Clayton volcanic field lies the Capulin Volcano, the youngest and easternmost volcano in North America. The volcano is easily accessible to visitors.

Visitors can drive the winding two-mile Volcano Road to the top of the Capulin Volcano, over 1,000 feet from the volcano floor. On a

clear day, visitors can see the five states of New Mexico, Colorado, Kansas, Oklahoma, and Texas. There are two nature trails on the top of Capulin. The Crater Rim Trail is a one-mile long trail that roams the rim of the crater. Visitors can view one of the best preserved segments of the Santa Fe Trail from this vantage point. The second trail will take visitors to the vent at the bottom of the crater where visitors can see the inside of the volcano.

In the summer, visitors can access five miles of hiking trails, some of which cover the Volcano's ancient lava flows. The National Parks Service offers programs and demonstrations daily at 10:00 a.m. and 2:30 p.m. and by special appointment.



Capulin Volcano National Monument.

KIOWA NATIONAL GRASSLANDS

The Kiowa National Grasslands is administered by the Cibola National Forest. The Grasslands are 136,505 acres in area and stretch from the northeast corner of New Mexico to Roy, Springer, and Clayton. US 56 (Springer Highway) travels across the Grasslands to the beautiful Mills Canyon along the Canadian River. The area is admired for its wildlife viewing, and geologic and landscape diversity. North of Clayton lies a 2-mile section of the original Santa Fe Trail Cimarron Route. The area has two campgrounds, and dispersed camping is allowed.

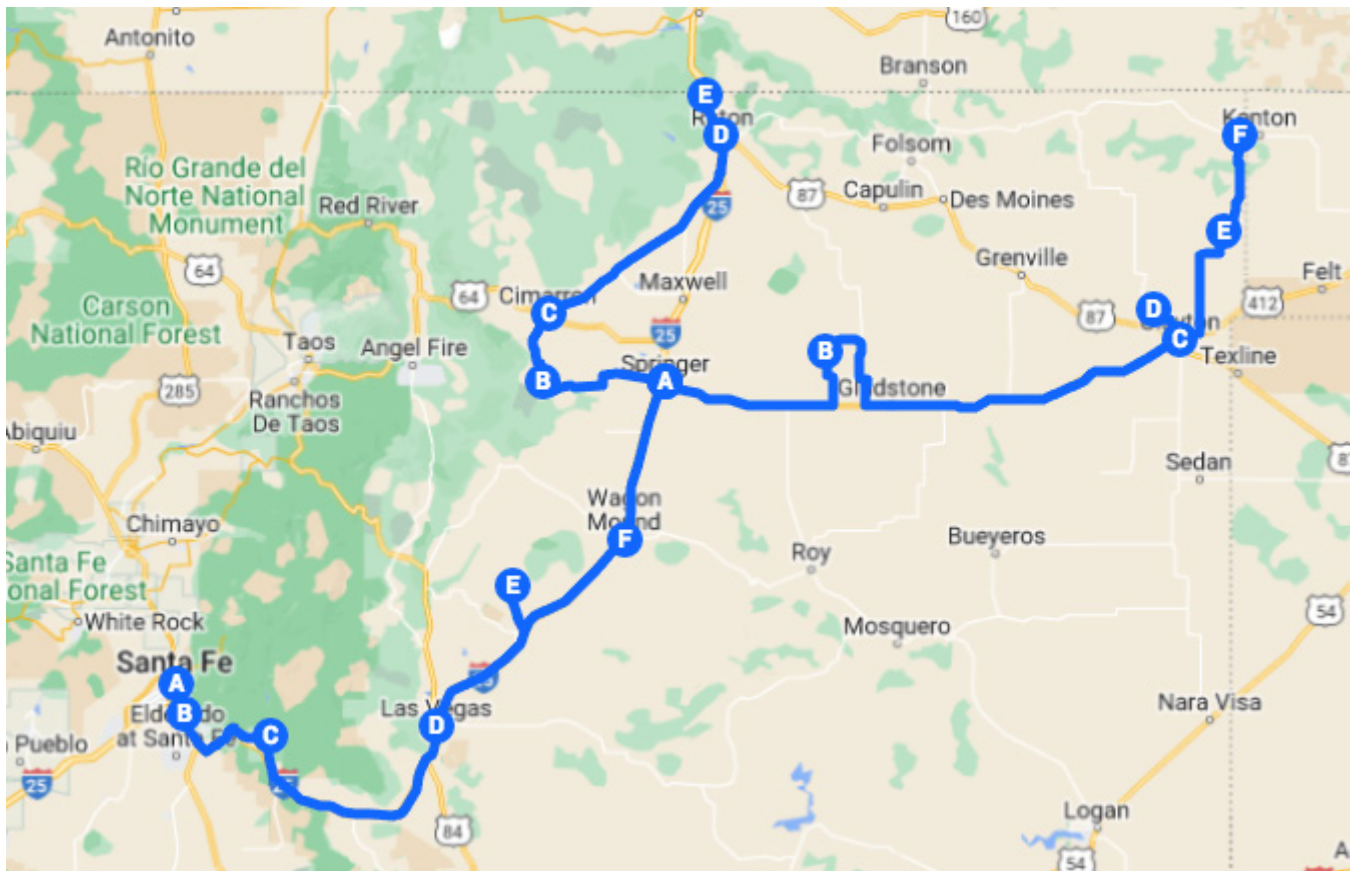
SANTA FE TRAIL NATIONAL SCENIC BYWAY and HISTORIC TRAIL

Passing through Clayton is one of the most well-preserved stretches of the Santa Fe Trail, an important trade route that connected the Missouri River to the Provincial Capital of Santa Fe, of the Republic of Mexico, to eastern traders. Travelers along the trail used horse covered wagons to transport goods along the trail that followed those

used by Native Americans. The Santa Fe Trail played a major role in transporting goods, people, and the transmission ideas across the plains from 1821-1880.

Today, travelers can follow the trail as it enters New Mexico from Highway 406 out of Oklahoma and travels north out of Clayton past Rabbit Ears Mountain. The Santa Fe Trail then travels west along US 56 towards the Raton Pass near Colorado. Points of interest along the Santa Fe Trail in Union County include:

- ▶ **McNees Crossing of Corrupa Creek:** This landmark is located 3.5 miles west of the Oklahoma state line and 1.5 miles south on Highway 406. This rock crossing is still visible and retains much of its original appearance. The crossing was used a campground and resting area for traders and scouts.
- ▶ **Rabbit Ears Mountain:** Rabbit Ears Mountain is part of the Raton-Clayton Volcanic Field and was formed by basaltic lava flow, which formed the double peaks. Visible across the prairies of



SANTA FE TRAIL NATIONAL SCENIC BYWAY

Oklahoma and Eastern New Mexico, Rabbit Ears Mountain was a vital landmark to guide travelers on the Cimarron Route of the Santa Fe Trail. According to the National Park Service, some accounts suggest the two peaks look like rabbit ears (leading to its name), but most historical accounts attribute the name to Chief Orejo de Conejos (Rabbit Ears) who was killed on the mountain in a battle with Spanish colonizers in 1717.

- ◀ **Rabbit Ears Creek Camp:** Rabbit Ears Creek Camp is located on private land. The campground was considered by early travelers to be an excellent place to camp and rest for several days as it was close to spring water, wood, and game for food. The Rabbit Ears Mountain is visible from the campground.

STEPHEN M. BUSH MEMORIAL SHOOTING RANGE

The Stephen M. Bush Memorial Shooting Range is publicly-owned and managed by the New Mexico Department of Game and Fish. It is located at 53 Lake Highway just outside of Clayton in Union County. The land and a portion of the funding were donated to the New Mexico Department of Game and Fish by the widow of Stephen Bush, a rancher and avid hunter from Clayton who passed away in 2013. The private donation was matched with New Mexico Department of Game and Fish, Game Protection funds and US Fish and Wildlife, Wildlife and Sportfish Restoration funds. Amenities include a 200-yard rifle range; a 50-yard smallbore range; a 50-yard pistol range; and primitive areas for shotgun and archery. The Shooting Range draws visitors from across northeast New Mexico.

3.8 ORGANIZATIONAL CAPACITY

CLAYTON-UNION COUNTY ECONOMIC DEVELOPMENT PARTNERSHIP

The Clayton Union County Economic Development Partnership (CUCEDP) provides economic development services on behalf of the Town of Clayton and Union County. The CUCEDP is tasked with the development of business services, business and industry recruitment and attraction, business retention and expansion, workforce and community

development initiatives to strengthen and the diversify the economic base of the community.

The CUCEDP focuses on creating public-private partnerships and combining resources and efforts of local government, downtown merchants, area businesses, and community members, leaders, and volunteers. The CUCEDP will be the lead organization for the redevelopment of the Downtown Clayton MRA District.

CLAYTON-UNION COUNTY CHAMBER OF COMMERCE

The Clayton-Union County Chamber of Commerce is comprised of members from the business community, professionals, industrial firms, and community members to promote existing businesses and help newcomers integrate into the community. The Chamber co-sponsors events with the CUCEDP aimed at expanding and supporting local businesses in Downtown Clayton.

The Chamber provides several resources and support including the following:

- ◀ **Networking Opportunities:** The Chamber hosts events throughout the year to provide a platform for newcomers to meet local business owners, community leaders, and residents.
- ◀ **Business Resources and Support:** The Chamber provides marketing and promotion of new businesses through its marketing channels, social media, and website. The Chamber also advocates for member volunteerism and participation in local events.
- ◀ **Information Hub:** New residents use the Chamber for information about Clayton, including schools, healthcare facilities, recreational activities, and other essential services. The Chamber manages a calendar of local events and offers guidance on housing, utilities, and other logistical aspects of relocating to Clayton.
- ◀ **Local Partnerships:** The Chamber fosters partnerships with local organizations, schools, and businesses, creating a cohesive network that supports individual and business growth.

The Chamber hosts or co-hosts several events in Clayton, including:

- ◀ Clayton Lake Trout Derby
- ◀ 4th of July Celebration
- ◀ Union County Fair
- ◀ Legislative Luncheon and Reception
- ◀ Annual Chamber Banquet
- ◀ Holiday Bazaar

GOLDEN SPREAD RURAL FRONTIER COALITION

The Golden Spread Rural Frontier Coalition is a non-profit organization based in Clayton that provides personal care services for the elderly, transit services, and low income housing, and operates a community thrift store. Golden Spread's local and regional transit service area covers Union, Colfax, Harding, and Quay counties, and provides transit services within the four-state area of New Mexico, Texas, Colorado, and Oklahoma.

Golden Spread's transit service provides residents with access to local transportation without the financial constraints of vehicle ownership. Transit services operate from 8:00 a.m. to 5:00 p.m. on weekdays. Reservations are required 30 minutes in advance for local trips and 48 hours in advance for intercity trips.

Golden Spread manages the Walnut Street Courtyard Homes, an affordable rental housing project containing 25 units, that is located within the MRA District. Most of the units are two-bedrooms and have a high rate of occupancy. Golden Spread has indicated it would like to expand housing services in Clayton and Union County, but struggles to find suitable properties that can be developed or redevelopment in a cost efficient manner. Golden Spread would be a good community partner for developing additional affordable housing in appropriate areas within the MRA District.

EASTERN PLAINS COUNCIL OF GOVERNMENTS

The Eastern Plains Council of Governments (EPCOG), located in Clovis, assists communities with Community Development Block Grants, capital outlay requests and award assistance, and Infrastructure Capital Improvement Plan (ICIP)

planning. The EPCOG works closely with local governments, including Clayton and Union County, by facilitating workshops, meetings, and discussions on economic development issues.

The EPCOG represents local governments within the eastern region of New Mexico to ensure the regional interests are being recognized by the State Legislature and the U.S. Congressional delegation. The EPCOG also works with local governments to manage capital outlay projects to ensure the projects are proceeding in a timely and accountable manner.

Economic development related programs administered by the EPCOG include:

- ◀ Comprehensive Economic Development Strategies (CEDS)
- ◀ Economic Analysis
- ◀ Capacity Building
- ◀ Capital Outlay Assistance
- ◀ Workforce Studies
- ◀ Economic Advisory
- ◀ Professional Development
- ◀ Economic Assessments
- ◀ Legislative Assistance
- ◀ Economic Planning
- ◀ Site Selection Assistance
- ◀ Workforce Development
- ◀ Growth Management
- ◀ Management Assistance

PORTS-TO-PLAINS CORRIDOR

Seeing the need to expand economic development along US 87/287 near Lubbock, Texas, a group of elected officials, civic leaders, and chambers of commerce from nine states, plus Mexico and Canada, developed the north/south Port-to-Plains Corridor to advance trade via an international transportation network. The Ports-to-Plains Corridor is approximately 2,300 miles and serves a 4,950 plus miles region stretching from Mazatlan, Sinoloa, Mexico to Northern Alberta Province in Canada. The Corridor runs through oil and agricultural regions that historically had limited access to distribution and transportation networks.

Clayton is located on a spur of the Ports-to-Plains Corridor along US 87/64, which runs west to Raton and connects with Interstate 25. Within Clayton town boundaries, US 87/64 is Main Street and the



PORTS-TO-PLAINS CORRIDOR

center of the Downtown District. In 2012, US 87 was the first to expand from a 2-lane to a 4-lane highway under the Ports-to-Plains designation.

In 2021, Consensus Planning developed the Ports-to-Plains Economic Impact Study on behalf of the Eastern Plains Council of Governments (EPCOG) and the NMDOT. This study reflected a broader effort to establish the entirety of the Ports-to-Plains High Priority Corridor as part of the Interstate Highway System from Canada to Mexico. It was conducted on behalf of the Eastern Plains Council of Governments (EPCOG) for use by the New Mexico Department of Transportation (NMDOT).

Subsequent to completing the study, President Biden signed the FY2022 Omnibus Appropriations legislation on March 15, 2022. This legislation included the designation of the entire Ports-to-Plains Corridor in Texas and New Mexico as a future Interstate Highway. The Ports-to-Plains Alliance and its partners continue efforts to obtain highway construction funding for both the future Interstate and expansion to four-lanes along the entire corridor.

3.9 MUNICIPAL CAPACITY

LOCAL ECONOMIC DEVELOPMENT ACT (LEDA)

The Town of Clayton adopted a Local Economic Development Act (LEDA) ordinance in 2006 (Ordinance No. 648). The LEDA Ordinance allows the Town to support economic development projects by providing assistance to businesses, including:

- ◀ Purchase, lease, grant, construct or reconstruct, improve or acquire land, buildings, or infrastructure;
- ◀ Implement public works improvements deemed essential to the location or expansion of a qualifying business;
- ◀ Provide payments for professional services contracts for implementing a plan or project;
- ◀ Provide direct loans or grants for land, buildings, or infrastructure;
- ◀ Provide loan guarantees;
- ◀ Purchase land for a publicly-held industrial park (Clayton Business Park); and

- ◀ Construction of a building for use by a qualifying business.


New Joint Powers Agreements Section: New Mexico Statutes (§5-10-7 NMSA 2019) provide that municipalities and counties may enter into joint power agreements to develop regional economic development plans, which may consist of joint recognition of existing local plans. The Town of Clayton, Union County, and the CUCEDP should continue to discuss how they can work together to assist on projects within the Downtown MRA District.

Local Options Gross Receipts Tax (LOGRT): New Mexico communities that have adopted a LEDA ordinance are permitted to pass a Local Options Gross Receipts Tax (LOGRT). This is done with the electorate voting to raise its LOGRT, which is set at 1/8 of 1%. The generated revenue must be used for economic development projects. The legislation provides communities with the option of designating two of its four increments for economic development plans, payment of bonds, and infrastructure improvement. The LOGRT provides a source of additional revenue to fund economic development projects.

Municipal Hold Harmless Increments: The State of New Mexico adopted legislation during the administration of Governor Bill Richardson that exempted groceries from state and local gross receipts taxes. To replace the income lost, municipalities were allowed to implement a “hold harmless” provision that would allow three 1/8th tax increments. These tax increments can be implemented without requiring the Board of Trustees to go to the voters.

CHAPTER 4

VISION & REDEVELOPMENT RECOMMENDATIONS





PUBLIC LIBRARY, GLAXTON, NEW MEX.

4.1 INTRODUCTION

As documented in Chapter 2: Existing Conditions and Asset Inventory, as well as in the community surveys, the economic, physical, and social conditions of the MRA District are of major concern. By embarking on this planning effort, the Town of Clayton and the CUCEDP have made a commitment to start addressing these longstanding needs. The approach should be to first ensure the public health, safety, and welfare is prioritized by making improvements to the public realm, including streets, sidewalks, and pedestrian amenities. Addressing the issue of dilapidated buildings either through financial assistance or through condemnation and acquisition of properties will also have a positive impact. By being the owner of some of these properties, the Town can incentivize private investment in the MRA District through donation to suitable commercial developers and affordable housing providers. These actions are envisioned to help catalyze private investment and start to improve the conditions in Downtown Clayton.

Acknowledging the Town's limited resources, the approach should be to work with other public entities, such as the CUCEDP, Union County, Eastern Plains Council of Governments, New Mexico MainStreet, and the New Mexico Finance Authority to identify and apply for funding sources that can be used to improve the physical condition of the existing infrastructure, streets, and sidewalks.

4.2 MASTER PLAN GOALS

Clayton is a special place in Northeast New Mexico; the challenge is there is not enough lodging, restaurants, retail, or entertainment venues to entice visitors to stop and stay in Downtown Clayton for more than a couple hours. It is critical to the success of the MRA Plan that redevelopment is jointly pursued through public/private partnerships and drawing from state, regional, and local resources.

The following goals are intended to build upon the goals contained in the Comprehensive Plan and capture the essence of what the Town of Clayton, CUCEDP, and the community are striving to achieve in the MRA District:

- ◀ **Goal 1:** Create a destination that draws visitors looking to experience Clayton's history, culture, and authentic sense of place on the Santa Fe Trail.
- ◀ **Goal 2:** Pursue the rehabilitation and re-purposing of vacant and dilapidated buildings within the MRA District.
- ◀ **Goal 3:** Create a more robust business district by working with businesses that are willing to expand or relocate within the MRA District and utilizing the funding mechanisms available to the Town of Clayton and Union County.
- ◀ **Goal 4:** Engage with housing providers to help diversify and increase the housing stock in the MRA District with units that are affordable to households at 60% or below of the average median income (AMI) in Union County.
- ◀ **Goal 5:** Increase the safety and mobility in the MRA District by systematically improving overall street conditions, and installing or replacing substandard sidewalks, handicapped ramps, pedestrian crosswalks, and bike facilities.
- ◀ **Goal 6:** Create a public gathering space for community events and leisure activities to serve residents and visitors to Clayton.

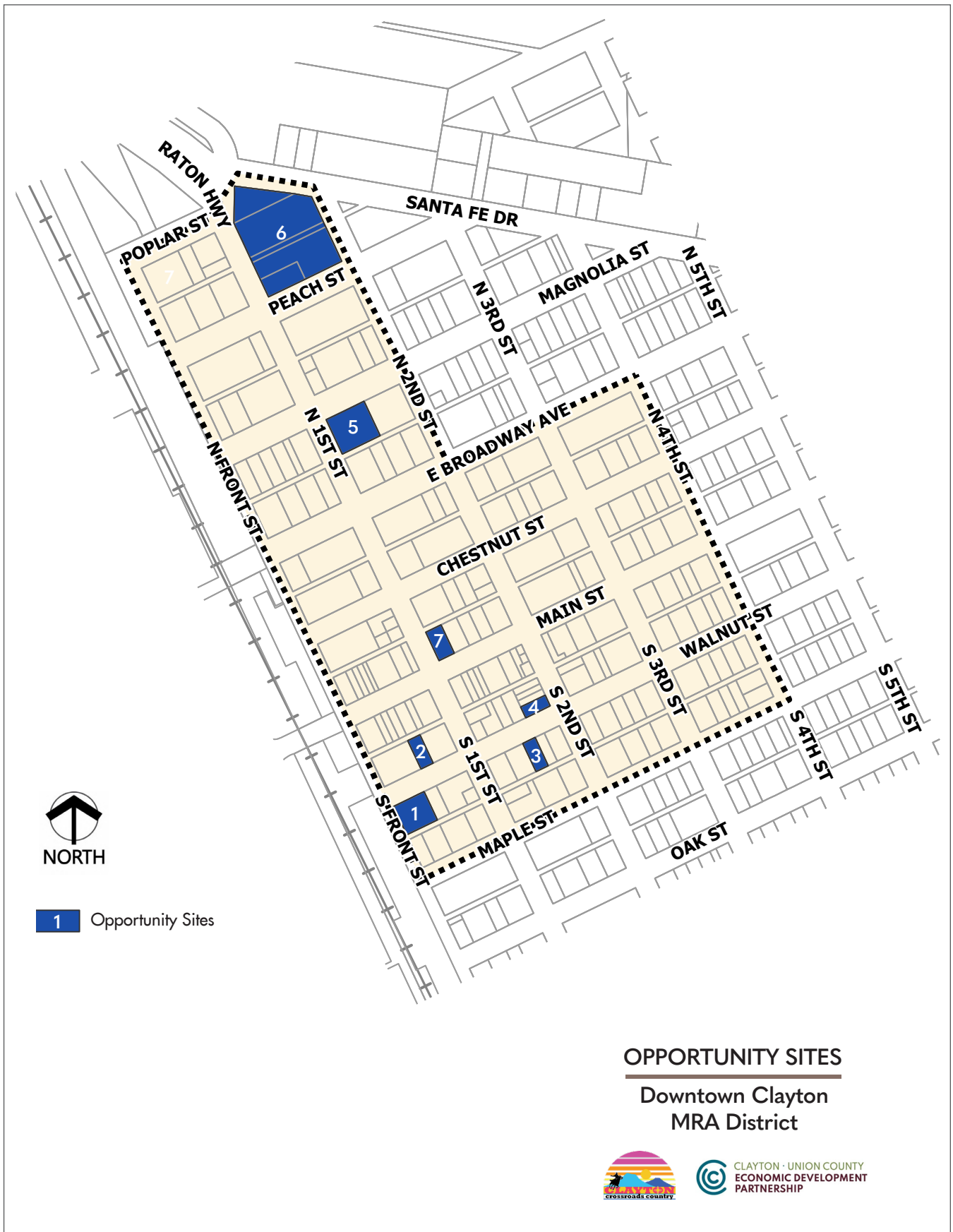
4.3 OPPORTUNITY / REDEVELOPMENT SITES

There is ample opportunity for redevelopment of existing vacant and underutilized buildings and properties throughout the MRA District. During the planning process, Opportunity Sites were chosen using criteria such as location, visibility, parcel or building size, existing zoning, adjacent land uses, current ownership, and their potential to catalyze public/private partnerships and investment into Downtown Clayton.

It is important to note that there are far more properties available for redevelopment than the sites highlighted in this MRA Plan. Likewise, the concepts shown for these Opportunity Sites are intended to illustrate the type of development that would be appropriate and could fit on the site and inspire investment in this community. There are other land uses that may be equally appropriate for these properties.

Opportunity Sites

- ◀ **Opportunity Site 1:** A Town-owned vacant lot along the south side of Walnut Street, between 1st Street and Front Street.
- ◀ **Opportunity Site 2:** A privately-owned lot along the north side of Walnut Street, between 1st Street and Front Street.
- ◀ **Opportunity Site 3:** The former Clayton Public Library along the south side of Walnut Street, between 1st Street and 2nd Street.
- ◀ **Opportunity Site 4:** A privately-owned lot at the northwest corner of the intersection of Walnut Street and 2nd Street.
- ◀ **Opportunity Site 5:** A privately-owned lot at the southeast corner of the intersection of 1st Street and Magnolia Street.
- ◀ **Opportunity Site 6:** A privately-owned lot at the southeast corner of the intersection of 1st Street and Magnolia Street.
- ◀ **Opportunity Site 7:** A privately-owned building (Farmers and Stockmens Bank) at the northeast corner of 1st Street and Main Street.



One of the amenities frequently cited as missing within the MRA District is a outdoor gathering space where community events, such as concerts, farmers markets, and arts and crafts fairs, could be held and residents and visitors could easily access. The vacant property along Walnut Street, between 1st Street and Front Street, provides good visibility and access for the development of a new outdoor gathering space. The property is approximately .33-acres in size, zoned Commercial Business, and owned by the Town of Clayton. This site has been identified as the preferred location for the development of an outdoor gathering space/park.

The concept shown below and on the following page includes a large, open turf area in the center, a performance stage and dance floor at the west edge along Front Street, restrooms on the east edge, and conex boxes around the perimeter that would provide structures for food sales, seating, and other activities. Picnic tables and benches are shown around the site and a space for cornhole games is shown to the north of the stage. Overhead outdoor string lights would provide illumination of the gathering space in the evening. Parking is provided on a Town-owned lot across the alley to the south, which is in addition to the existing Town-owned parking lot across Walnut Street.





Public gathering space looking west with the stage facing inwards.



Close-up of the stage in the evening and string lights across the turf grass area.

OPPORTUNITY SITE 2: DOG PARK

In addition to the outdoor gathering space, the property across Walnut Street that currently holds a dilapidated metal building is envisioned as a dog park, an amenity missing in Clayton. The property is approximately .13-acres in size, zoned Commercial Business, and privately-owned. This property sits adjacent to a Town-owned parking lot that sits along 1st Street and one block off from Main Street. In order to accomplish this project, the Town of Clayton would need to acquire the property from the current owners.

The concept below shows the site redeveloped as a fenced dog park with pedestrian access directly from the existing parking lot. Like the outdoor gathering space across Walnut Street, the dog park is envisioned to serve residents and travelers through Clayton and their dog companions. The dog park includes two separate areas for large and small dogs, both containing a double-gated leashing area to prevent dogs from escaping out of the dog park. Amenities within the dog park should include pet waste stations, a water source, shade trees, benches, and trash receptacles. The parking area is envisioned to include two EV charging stations.

The dog park should include a posted sign that lists the rules for use of the dog park. Recommendations for dog park rules include the following:

- ◀ Dog owners assume all risk related to dog park use and are legally and financially responsible for the actions of their dog.
- ◀ Dog handlers must have a leash in their possession at all times.
- ◀ Dogs must be kept on a leash until inside the double-gated entry and when leaving.
- ◀ Dogs must be under voice control and in sight of their owners at all times.
- ◀ Any dog exhibiting aggressive behavior must be leashed and removed immediately.
- ◀ Owners must clean up and properly dispose of waste left by their dog(s).
- ◀ Puppies less than six months are not allowed in the dog park.
- ◀ Children younger than 12 are not allowed in the dog park unless accompanied by an adult.



Dog park concept with the outdoor gathering space shown in the background.

OPPORTUNITY SITE 3: CLAYTON PUBLIC LIBRARY

The former Clayton Public Library on the south side of Walnut Street, between 1st Street and 2nd Street, has been vacant for many years. The building is two-stories with a paved gathering space in front of the building. The site is approximately .13-acres in size, zoned Commercial Business, and owned by the Town of Clayton. It is two blocks down Walnut Street from Opportunity Site 1 (outdoor gathering area) and Opportunity Site 2 (dog park), and across the street from Opportunity Site 4 (restaurant). The building is classified as a contributing structure within the Clayton Commercial Historic District.

The concept shown below shows improvements to the building, including new stucco, new (but historically compatible) windows, signage, an outdoor dining area, landscaping, trash receptacles, and banners on the existing light fixtures. The building is envisioned as an adaptive reuse project, with a small coffee shop at the front of the building and small apartment units towards the back and on the second floor.

Having residents in this building would bring more evening activity and vitality to this area of the MRA District. Redevelopment of this building will require consultation with the New Mexico Historic Preservation Department due to its listing.



Adaptive reuse of the former Clayton Public Library.

OPPORTUNITY SITE 4: RESTAURANT ON THE SMITHSON BLOCK

This site sits at the northwest corner of the intersection of Walnut Street and 2nd Street. It is a one story, brick building that is classified as a contributing building within the Clayton Commercial Historic District and part of the Smithson Block, c. 1928. The building is one of several brick buildings on Walnut Street, between 1st Street and 2nd Street, that were built during the same time period.

The site is zoned Commercial Business and was recently purchased by a private party for reuse as a restaurant. The building is two blocks down Walnut Street from Opportunity Sites 1 (outdoor gathering space) and 2 (dog park), and across the street from Opportunity Site 3 (Clayton Public Library). The Herzstein Museum is on the northeast corner of

the same intersection. The building has excellent visibility and site accessibility for pedestrians and motorists.

The concept shown below shows improvements to the building, including signage, an awning, new (but historically compatible) windows, and lighting, and additional street lights with banners, and trash receptacles. The building appears to be in good structural condition, but the interior needs improvements to the plumbing, electrical, HVAC, roof, floors, and elevator before it can operate as a restaurant. Having a restaurant in this location would help bring people to and increase activity in this area of the MRA District.

Redevelopment of this building will require consultation with the New Mexico Historic Preservation Department.



Rehabilitation and reuse of the building into a restaurant with indoor and outdoor seating.

OPPORTUNITY SITE 5: MOTOR COURT/RESTAURANT

This site faces 1st Street, and is situated at the southeast corner of 1st Street and Magnolia Street. The property is .5-acres in size, zoned Commercial Business, privately-owned, and contains a vacant motor court, formerly known as the Mission Motel. The site is not listed on the State or National Registers, nor is it within the Clayton Commercial Historic District.

The site has good visibility and access from 1st Street, as well as Magnolia Street. Hospitality use and restaurants are severely lacking within the MRA District and Clayton in general. Therefore, the recommendation is to work with the current owner on either selling the property or entering into a public/private partnership to rehabilitate instead of demolishing the motor court.

There is precedent for rehabilitating old motor courts along New Mexico's highways, including the El Vado Motel, Sundowner Motel, De Anza, and the Luna Lodge, all along Historic Route 66 in Albuquerque. Those motor courts were rehabilitated and reused for a

variety of uses, including housing, motel rooms, restaurants, and/or retail uses.

The concepts provided below show the front building closest to 1st Street redeveloped into a diner. It includes a fenced seating area adjacent to the public sidewalk. Landscaping and a new sign, which celebrates Clayton's ranching heritage, face 1st Street. The rest of the buildings are envisioned to be rehabilitated and reused for motel rooms.



Upper right: Rehabilitation of the front building into a diner; Bottom: The former Mission Motel, a motor court along 1st Street.

OPPORTUNITY SITE 6: MIXED-USE REDEVELOPMENT

Opportunity Site 6 is situated between 1st Street and 2nd Street, and between the Raton Highway and Peach Street. The site is comprised of four separate lots totaling 2.39-acres, including the alley running between 1st and 2nd Streets. It is the largest Opportunity Site in the MRA District and the only site that is proposed for complete demolition and redevelopment.

The site is zoned Commercial Business and privately-owned. It contains a vacant storage building and dilapidated buildings and site

conditions at the northern entry into the MRA District. The properties are not listed on the State or National Registers, nor are they within the Clayton Commercial Historic District.

Due to its size and excellent visibility and access from all facing streets, the recommendation is to identify investors, consolidate and replat the properties into one lot while vacating the alley, and enter into a public/private partnership for redevelopment. Given the size of this project, it is assumed that it will require development to be accomplished in phases. However, master planning the entire site will ensure that development proceeds appropriately.



Top: Aerial view of the mixed-use redevelopment site; Bottom: View from the entry off 1st Street with the sit-down restaurant on the left and the commercial shop spaces on the right.

The concepts provided on the previous page and below show mixed-use, with a sit-down restaurant/ brewery and commercial shop space facing 1st Street adjacent to the public sidewalk and multi-family apartments, parking, loading, and a small play area in the rear. The commercial buildings incorporate brick as a finish material to be consistent with the existing commercial buildings in the MRA District. Large, storefront windows, covered awnings, and street trees face 1st Street.

Sidewalks encircle and run through the site interior and pedestrian crosswalks are placed where pedestrians cross interior drive aisles. The far north area of the site is envisioned for parking and landscaping.

The two multi-family buildings are two-stories and envisioned to include studio and 1- and 2-bedroom units for rent. The residents would share parking with the commercial patrons.



Top: Play area adjacent to one of the apartment buildings; Bottom: Close-up of the streetscape along 1st Street.

OPPORTUNITY SITE 7: FARMERS & STOCKMENS BANK BUILDING

This iconic building is located at 101 Main Street at the northeast corner of 1st Street and Main Street. It is a multi-story, brick building constructed in the Decorative Brick Commercial style circa 1925 and is classified as a contributing building within the Clayton Commercial Historic District. The building is under private ownership and has been vacant and in deteriorated condition for many years.

The building is one of the key structures in Downtown Clayton that would benefit from redevelopment and encourage other redevelopment efforts within the MRA District. Its location provides excellent visibility and access for pedestrians and motorists. The adjacent buildings at 105-109 Main Street would provide additional redevelopment opportunity and benefit from rehabilitation efforts within the core business area of Downtown.

The Farmers and Stockmens building provides an excellent opportunity for mixed-use redevelopment,

with the potential for residential units on the upper floors and commercial, restaurant, maker space, and/or office use on the ground floor. The building is also well-positioned to accommodate a small, business incubator to assist startup businesses with affordable office space, mentorship, and networking opportunities.

The building interior needs extensive improvements to its plumbing and electrical systems, fire suppression system, structural support system, roof, windows, doors, elevator, etc. It may be eligible for funding from the EPA Brownfields Program and/or the New Mexico Environment Department Brownfields Program. In addition to providing funding resources and technical assistance, the New Mexico Brownfields provides free Phase I and II environmental assessments, environmental investigations, asbestos and lead paint surveys, clean-up planning, and remediation cost estimates. The redevelopment of the Farmers and Stockmens building will require consultation with the New Mexico Historic Preservation Department.



The Farmers and Stockmens building at 1st Street and Main Street provides an excellent opportunity for a mixed-use project. The adjacent buildings at 105-109 Main Street would also benefit from redevelopment.

4.4 PRIORITY INFRASTRUCTURE IMPROVEMENTS

CREATE A WAYFINDING PROGRAM

Providing wayfinding is an important element of the redevelopment approach for Downtown Clayton. Clayton experiences a significant amount of steady traffic along 1st Street and Main Street but travelers may not be familiar with Downtown Clayton or its attractions. A wayfinding program would give better recognition to the area and support the economic revival of the MRA District. The wayfinding program should include a signage family comprised of gateways, directional signage, and kiosks that feature a coordinated theme and palette of colors, materials, and fonts. Wayfinding elements within the NMDOT right-of-way will require an agreement between the Town and the NMDOT.

- ◀ **Gateways:** Gateways are markers that would be placed at the major entries to the MRA district. The gateways are intended to let visitors know that they are entering Downtown, to expect a higher concentration of pedestrians, and to slow their driving speed.
- ◀ **Directional Signs:** Directional signs should highlight visitor destinations, such as the Luna Theater, Ecklund Hotel, Herzstein Museum, old Clayton Library, Clayton Civic Center, Town Hall, Outdoor Gathering Space and Dog Park, etc. The directional signs should primarily be along Main Street, 1st Street, and Walnut Street. They should be designed to complement the gateways by using similar materials, fonts, and matching colors.
- ◀ **Kiosks:** Kiosks provide an opportunity to let visitors

know what Downtown Clayton has to offer by illustrating the attractions on a mounted or digital map, which also provides the option of the kiosk being interactive. Kiosks are recommended for the corner of 1st Street and Main Street and within the future Outdoor Gathering Space on Walnut Street. The kiosks should be designed to complement the gateways and directional signs.



IMPROVE STREETS & REPLACE/INSTALL SIDEWALKS & ADA RAMPS

As documented in Chapter 2, there is a strong need to improve streets and install and/or replace sidewalks and ADA ramps in the MRA District (see Section 2.6, *Existing Street Conditions, Existing Sidewalk & ADA Ramps*, pages 36-39). Addressing this public safety issue is the responsibility of the Town of Clayton. This is a priority for the MRA District and an effort should be made to systematically plan for, fund, and construct the improvements via the Town's Infrastructure Capital Improvement Plan (ICIP).

While improvements are needed throughout the MRA District, the Town should focus first on the streets, sidewalks, and ramps, either missing or in poor condition, that will experience the highest amount of foot traffic. For streets, this should include 2nd Street, Chestnut Street, and Broadway Street, and for sidewalks and ramps, it should include Walnut Street, 2nd Street, and Front Street. Once those high traffic areas are addressed, the Town should continue to make systematic improvements on the other streets.

COMPLETE A TRAFFIC STUDY

Downtown Clayton receives a steady flow of traffic along 1st Street (US 87) and Main Street (US 56/US 412). Motorists travel at speeds that are not conducive to creating a pedestrian-oriented business district. The Town completed a speed study in April 2024, that studied several locations to determine whether employing speed cameras would slow travel speed. The study noted that like most communities, the Clayton Police Department does not have adequate staffing to patrol roadways on a consistent basis.

The recommendation is for a more in-depth traffic study to be conducted on behalf of the NMDOT and in coordination with the Town of Clayton. A variety of design approaches to slow traffic down and restrict large semi-trucks from the core area of the MRA District should be considered. This may include, but not be limited to, curb extensions at intersections, redesign of intersections, slower speed limits, medians, signed crosswalks, traffic cameras, etc.

PROVIDE BIKE LANES

As part of the effort to improve streets and install sidewalks, the Town should also work with NMDOT to determine the feasibility of designating bike lanes on 1st Street/US 87 and Main Street/US 56/412. Providing better bike facilities and access will increase activity within the MRA District and encourage people to use a different means of transportation.

4.5 SUPPORT ACTIONS

Support actions are the steps the Town of Clayton, CUCEDP, or in some cases, Union County should take to ensure the success of the MRA Plan. Redevelopment of the MRA District will not occur without creating the right conditions and incentives for private investment and the needed structure to oversee and manage the process. As such, the MRA Plan recommends the following support actions:

IMPROVE BUILDING FACADES

Improving building facades is a cost effective action that would have a significant positive impact on how Downtown Clayton is perceived by residents and visitors, and would help activate the streetscape. Minor improvements, such as the



Improved building facades on Main Street, between Front Street and 1st Street.

removal of non-historic materials; replacement or repair of windows, doors, or awnings; painting, and other minor cosmetic repairs, signals to other building owners that they too should follow suit.

This effort should be organized by the CUCEDP and include willing building owners, design assistance from New Mexico MainStreet, and solicitation of donated building materials. Organizing a group of volunteers would broaden community involvement in improving the MRA District. Ideally, this effort should be focused on a few, highly visible buildings along Main Street (preferably on one block) by painting, fixing windows and doors, install new awnings and signs, and other minor cosmetic repairs. Changes to the facades should be mindful of whether the buildings are individually listed on the State or National Registers or designated as a contributing building in the Clayton Commercial Historic District.

CREATE A BUILDING REHAB FUNDING PROGRAM

The rehabilitation of existing buildings within the MRA District could have the greatest positive impact of all the contemplated actions. The primary takeaway when visiting the MRA District is that many of the buildings are deteriorating and neglected by their owners. Securing funding for rehabilitation is not an easy task, but there are avenues available for the Town, Union County, and the CUCEDP to assist in this effort. The Clayton Board of Trustees should consider setting aside a modest amount of funding each year and establishing an application process for property owners within the MRA District that have roofing, plumbing, and/or structural rehabilitation needs, and need additional funding to make the improvements.

In 2022, Main Street America awarded \$140,625 in funding from the *National Park Service Main Street Facade Improvement Grant Program* to three New Mexico MainStreet communities, including Deming Luna County MainStreet, Gallup MainStreet Arts & Cultural District, and Silver City MainStreet. These three MainStreet programs worked with one or more owners of historic buildings to improve their facades, which included windows, lighting, signage, and/or color schemes. The New Mexico Resiliency Alliance is another resource that could be tapped

for rehabilitation funding. The CUCEDP should work with New Mexico MainStreet to pursue these and other grant opportunities.

ACQUIRE PROPERTIES FOR REDEVELOPMENT

The Town of Clayton owns a few properties within the MRA District, most of which are developed with municipal buildings and functions, with the exception of two vacant properties. However, there are numerous privately-owned properties that are in severe disrepair and may present an opportunity for redevelopment if the Town and/or Union County were able to acquire the property and offer it to a developer as part of a public/private partnership. These would be properties that are contributing to the blighted condition in the MRA District and should be targeted for condemnation and acquisition by the Town to make them available for redevelopment purposes.

ZONING CODE AMENDMENTS

Allowing mixed-use development within the same building would encourage more activity within the MRA District. As previously noted, the Clayton Zoning Code allows for multi-family residential within the Commercial Business district, but it does not explicitly state that mixed-use is allowed on the same site or in the same building. This could be accommodated in existing buildings where the commercial use would be on the ground floor and the residential use would be on the upper floors or where commercial would face the street and residential units would be separated and in the rear of the building. There are numerous two-story buildings on Main Street and 1st Street that could accommodate mixed-use development.

The Town of Clayton should either amend the Zoning Code to make vertical and horizontal mixed-use permissive within the C-B Commercial Business Zone, or as an alternative, consider the creation of a special overlay zone that would allow mixed-use on all properties within the MRA District. This would require careful consideration of the types of uses that would be allowed and restrict those uses, such as gas stations, car repair, or car washes, that are not conducive to the creation of a more walkable, pedestrian-oriented business district or the areas that are mostly residential.

PURSUE HOUSING DEVELOPERS

While allocating or securing funding for rehabilitation projects will provide the greatest positive impact, there is also a demonstrated need for new housing development (i.e. single-family, townhouse, and multi-family residential) in the MRA District. Opportunity Site 6 is envisioned to include mixed-use with higher density residential development in the rear of the property. There are also numerous other sites within the MRA District that could be utilized for new townhouse or single-family housing development.

The Town of Clayton should be proactive in identifying suitable and willing partners, either a non-profit housing provider or a private developer, to construct new housing within the MRA District. The Town's contribution could include the donation of Town-owned properties and/or the extension of utilities to serve the new development. Partnering with a housing developer and working with Housing New Mexico (*formerly known as New Mexico Mortgage Finance Authority*) to apply for Low Income Housing Tax Credit (LIHTC), Housing Trust Fund, or Ventana Fund would increase the likelihood for the project being awarded (see *Chapter 5 for more information on Housing Assistance funding resources*).

REPLAT/RIGHT-OF-WAY VACATION

Once an interested developer has been identified for Opportunity Site 6, the Town of Clayton should move forward with replatting the property and vacating the alley that runs between 1st Street and 2nd Street, between Peach Street and the Raton Highway (NM 370). The vacation would allow for a larger, mixed-use redevelopment site that has been envisioned to include a new sit down restaurant, retail space, multi-family apartments, and parking (see *Opportunity Site 6, page 72*). The vacation would be an administrative action by the Town of Clayton.

CHAPTER 5

IMPLEMENTATION & FUNDING





5.1 INTRODUCTION

Implementation of the MRA Plan will primarily be the responsibility of the Town of Clayton, with assistance from the CUCEDP and Union County. However, with that in mind, one of the overarching principles of the MRA Plan is to encourage public/private partnerships, particularly for the catalytic redevelopment projects identified in this document. The public sector investment priorities are those projects that fall to the Town of Clayton. The support actions are not capital intensive and are mostly administrative, which can be primarily accomplished with the use of Town staff time.

Tables 5.1 through 5.4 list each of the projects and actions, and are supplemented by responsible

agencies and potential partnerships, potential funding sources, priority, and general time frame. The time frames are dependent on available resources and funding, and are not considered mandatory. The funding sources listed for each of the projects are unlikely to cover all of the potential methods of funding these projects.

Section 5.2 includes an overview of project financing mechanisms and Section 5.3 provides a comprehensive list of funding sources organized by type. It is acknowledged that some of the larger projects, particularly those involving major infrastructure improvements, may require more than one funding source and may require phasing.

TABLE 5.1: DOWNTOWN CLAYTON MRA DISTRICT - PRIORITY REDEVELOPMENT PROJECTS

Project	Responsible Agencies and Potential Partnerships	Potential Funding Sources	Priority	Time Frame
1. Outdoor Gathering Space/Park	Town of Clayton, Clayton-Union County Economic Development Partnership	NM MainStreet, Legislative Appropriations, General Fund	High	Short Term
2. Dog Park	Town of Clayton, Clayton-Union County Economic Development Partnership	Legislative Appropriations, General Fund	High	Short Term
3. Redevelopment of Clayton Public Library for Mixed-Use	Town of Clayton, Clayton-Union County Economic Development Partnership, Private Developer	Legislative Appropriations, Private Investment	Medium	Medium Term
4. Redevelopment of Building for Restaurant Use	Private Developer, Town of Clayton, Clayton-Union County Economic Development Partnership	Legislative Appropriations, LEDA Funds, Private Investment	High	Short Term
5. Redevelopment of Mission Motel for Motor Court/Restaurant Use	Private Developer, Town of Clayton, Clayton-Union County Economic Development Partnership	Legislative Appropriations, LEDA Funds, Private Investment	Medium	Medium Term
6. Redevelopment of Site for Mixed-Use	Private Developer or Non-Profit Housing Provider, Town of Clayton, Clayton-Union County Economic Development Partnership	LIHTC Funds, NM Housing Trust Fund, Private Investment	Low	Long Term
7. Redevelopment of Farmers and Stockmens Bank Building for Mixed-Use	Private Developer, Town of Clayton, Clayton-Union County Economic Development Partnership	Legislative Appropriations, LEDA Funds, Private Investment	High	Medium Term

TABLE 5.2: DOWNTOWN CLAYTON MRA DISTRICT - PRIORITY INFRASTRUCTURE PROJECTS

Project	Responsible Agencies and Potential Partnerships	Potential Funding Sources	Priority	Time Frame
1. Create a Wayfinding Program	Town of Clayton, NM MainStreet	Legislative Appropriations, General Fund, NM MainStreet	Medium	Medium Term
2. Improve Streets & Replace/Install Sidewalks & ADA Ramps	Town of Clayton, NMDOT	General Fund, Legislative Appropriations, NMDOT TAP, MAP, COOP	High	Medium Term
3. Complete a Traffic Study	Town of Clayton, NMDOT, Private Consultant	General Fund, NMDOT	High	Short Term
4. Provide Bike Lanes	Town of Clayton, NMDOT	General Fund, NMDOT TAP, MAP, COOP	Low	Medium Term

TABLE 5.3: DOWNTOWN CLAYTON MRA DISTRICT - SUPPORT ACTIONS

Project	Responsible Agencies and Potential Partnerships	Potential Funding Sources	Priority	Time Frame
1. Improve Building Facades	Town of Clayton, Clayton-Union County Economic Development Partnership, NM MainStreet, Private Property Owners	NM MainStreet, Private Donations	High	On-going
2. Create a Building Rehab Funding Program	Town of Clayton, Clayton-Union County Economic Development Partnership	General Fund, USDA Rural Development, HOME Investment Partnerships	High	On-going
3. Acquire Properties for Redevelopment	Town of Clayton, Union County	General Fund	Low	Long Term
4. Zoning Code Amendments	Town of Clayton	General Fund	Medium	Short Term
5. Pursue Housing Developers	Town of Clayton, Union County, Housing New Mexico	N/A	Medium	Ongoing
6. Replat/Right-of-Way Vacation	Town of Clayton	General Fund	Medium	Medium Term

5.2 PROJECT FINANCING

Several of the projects identified in the Clayton MRA Plan will rely on municipal financing tools available for redevelopment. These include revenue enhancements, planning overlays and tax incentives, self-assessment tax strategies, municipal bonds and capital outlays, and public/ private partnerships. This section provides an overview of these financing tools.

PUBLIC/PRIVATE PARTNERSHIPS

Utilizing public/private partnerships is an excellent approach used by municipalities to support redevelopment. The MRA Plan provides the tool needed for New Mexico communities to participate in public/private partnerships without violating the New Mexico Anti-Donation Clause (Article IX, Section 14). There are numerous ways the Town of Clayton can engage in public-private partnerships, including land or building donation, land acquisition and disposition through an RFP (Request for Proposal) process to attract a private developer, waiver of sewer utility hook-up fees, assistance in securing loans or grants, infrastructure improvements, or subsidizing leases for Town-owned buildings.

A private sector investor group or individuals can play a significant role in strategically targeting building and property acquisitions, building rehabilitation and redevelopment, and new business start-ups. The Town of Clayton and CUCEDP should make an effort to advertise redevelopment opportunities, to pursue public/ private partnerships, and to support business retention efforts.

Local Economic Development Act

Since 2002, there have been 83 communities that have passed a Local Economic Development Act (LEDA). This involves creating an economic development organization and a strategic plan, which allowed public support of economic development tailored to local needs. The Town of Clayton and Union County each have a LEDA ordinance in place, which identifies goals for creating jobs; improving and diversifying the local economy; key target industries; and the local government's role in job creation. The LEDA ordinances allow the Town and Union County to

provide resources to support those qualifying businesses including land, buildings, infrastructure, money, and/or industrial revenue bonds.

REVENUE ENHANCEMENTS

Municipal Gross Receipts Tax Revenues

Local Option Gross Receipts Tax (LOGRT) is a financing tool that should be considered to fund infrastructure improvements. Municipalities in New Mexico may impose by ordinance an excise tax not to exceed a rate of 1.5% in a single ordinance or in aggregate. Increments for both infrastructure improvements and for "quality of life" projects could be imposed as a potential funding source. The advantage of GRT collection is that it includes revenue from tourists and shoppers from outside the municipal limits, allowing for broader collection of revenues than some special purpose funding sources.

Quality of Life Gross Receipts Tax

The legislation requires that the revenue must be dedicated to cultural programs and activities provided by the municipality and to cultural programs, events, and activities provided by contract or operating agreement with a non-profit or publicly-owned cultural organization.

PLANNING TOOLS & TAX INCENTIVES

In addition to Metropolitan Redevelopment Areas and associated plans, other types of planning tools and tax incentives include:

Metropolitan Redevelopment Bonds

The designation of MRAs and the use of incentives are intended to encourage growth and investment where existing market forces inhibit revitalization efforts. The intent is to provide a benefit to the area and the larger community from the increased activity and catalytic potential of those initiatives. Metropolitan Redevelopment Bonds allow a maximum property tax abatement of seven years, and only on the net improvements to the property. The existing valuation of the property remains taxable during and after the seven-year period. There is no financial obligation on the part of the municipality resulting from the issuance of the bonds. The MRB applicant is responsible for all payments and liabilities associated with the bond debt. There is no indebtedness on the part of the municipality. The overriding criterion for all MRB

projects is the benefit to the MRA where the project is located. The benefits should help to further the goals identified in the MRA Plan.

City of Albuquerque: The City has been utilizing MR Bonds for several years on a variety of projects within MR Districts. This has included projects as diverse as the redevelopment, abatement of environmental contamination, and accessibility improvements within the Albuquerque Rail Yards; new multi-family residential development; cultural, recreational, and civic improvements to East Central; and funding for public art. In 2021, the City issued \$4.5 million in MR bonds.

Tax Increment Finance District

A Tax Increment Finance District (TIF) can be used as a redevelopment tool of blighted “brownfield” (previously developed and potentially contaminated) sites. The municipality can target a blighted area for redevelopment projects that will raise the assessed property values within the TIF district. The new “increment” rise in property taxes is then captured by the municipality and designated for reinvestment in public projects and infrastructure within the district. The traditional TIF district has been used to create numerous TIF districts in New Mexico, such as the cities of Las Vegas, Lovington, Silver City, Las Cruces, and Albuquerque.

Tax Increment Development Districts

A TIDD is another financing tool available for development in New Mexico. It has two major differences that set it apart from the more traditional TIF. First, it can capture two types of tax increment - the GRT increment and the property tax increment. Second, the TIDD can be used both on brownfield and “greenfield” (undeveloped) sites. The GRT portion can either be done as local only or include state GRT as well. State GRT requires approval of the State Board of Finance and the Legislature. Local approval requires a petition to be signed by 51% of the property owners within the proposed TIDD.

A TIDD is a major financial tool for public infrastructure programs that a municipality or a property owner may not be able to generate on their own. Bonds are generated to pay the upfront costs of the TIDD infrastructure and the tax

increment revenues pay back the bonds. The captured revenues from the increment must be spent on the public infrastructure within the district. The local governing body, the New Mexico Board of Finance, and the State Legislature must all approve a TIDD. Due to the potential financial magnitude of a TIDD, the development and approval process is substantial and bond finance experts, economists, and attorneys are all typically involved in the application.

City of Las Cruces: In 2007, voters in the City of Las Cruces approved a TIDD to help fund revitalization efforts in the Downtown MRA. The first use of TIDD funds was to close a \$1 million gap between the amount needed to fund the opening of the northernmost blocks of Main Street and the amount of funding the City allocated for the project. The loan was amortized for more than 15 years, but was repaid one year from the date the funds were borrowed due to the income generated by the TIDD.

New Markets Tax Credits (NMTC)

The New Markets Tax Credits (NMTC) is a major federal incentive to spur new or increased private investments into operating businesses and projects located within low income communities. The NMTC program was established by Congress in 2000 as part of the Community Renewal and Tax Relief Act of 2000. The goal of the program is to spur revitalization efforts in low-income census tracts across the United States and Territories, as indicated by the American Community Survey. It is helpful for projects to be within a MRA District. In 2004, the program was amended to create three new categories of low income communities, including High Out-Migration Rural County Census Tracts; Low-Population / Empowerment Zone Census Tracts; and Targeted Populations.

The NMTC program allows individual and corporate investors to receive tax credits for equity investments by certified Community Development Entities. The tax credit equals 39% of the original investment and is paid out over a period of seven years (5% for each of the first three years, and 6% for each of the remaining four years). One limitation is the required project threshold of \$5 million to be eligible for these tax credits.

Hotel Parq Central: The Memorial Hospital opened in 1926 as the hospital for employees of the Atchinson, Topeka, and Santa Fe Railroad. The property consists of three buildings that are listed on the National Register of Historic Places. The project to convert the historic Memorial Hospital into a boutique hotel with 73 guest rooms, conference rooms, and amenities provided 200 jobs during construction and approximately 34 permanent jobs. The total project cost was \$19.8 million. The project utilized \$13.8 million in NMTC financing from Finance New Mexico, combined with approximately \$2.6 million in Historic Tax Credits and equity to complete the financing. In addition, the project utilized a \$14.0 million Industrial Revenue Bond issued by the City of Albuquerque that provided certain tax advantages, such as a 20-year abatement of property taxes.

SELF-ASSESSMENT TAX STRATEGIES

There are two popular programs available for property and business owners who wish to tax themselves incrementally in order to pay for improvements and services that enhance their properties. These self-assessment strategies are the Public Improvement District (PID) and the Business Improvement District (BID).

Public Improvement District

A Public Improvement District (PID) is established by the governing body through a petition of the majority of property owners within the district to impose an additional annual property tax assessment on their properties. The assessment is based on a formula used for financing upfront costs of public infrastructure improvements, such as water and sewer lines, street and sidewalk improvements, mass transit or trail improvements, parking lots, park and recreation facilities, libraries and cultural facilities, landscaping, public art, and public safety facilities. The projects are typically financed through bonds with a minimum of 10-year (and more commonly 20 or 25 year) payback periods. The municipality is allowed to contribute funds, equipment, or in-kind services in assistance to the PID.

Business Improvement District

The Business Improvement District (BID) tool was created by the State of New Mexico in 1978 in

Section 3 Article 63. A BID is similar to a PID in that it is established by the governing body, funded by a new increment of property tax assessment, and created through a petition of the majority of property owners in the district. A BID is established to provide additional funding for improvements in a business district. Revenues are collected annually through a special assessment by the City and returned to an approved BID management agency to support business recruitment, retention, and support. Typical BID services include enhanced safety and clean-up programs, cooperative marketing and signage, hospitality services, transportation services (trolleys, bike racks, safe rides home, etc.), improved lighting or landscaping, and other important district improvements and services.

City of Gallup: The Gallup City Council approved a local ordinance enacting a BID in 2009 after a majority of property owners within the boundaries of the District voted in favor. This involved a property assessment of 1% of the assessed value of each property within the District boundaries under then 2006 real property tax assessment. The Gallup BID was renewed by the City Council in 2014, 2018, and 2023. The average assessment bill is \$180.29, and there are 174 assessed properties in the District.

The Gallup BID is a 501(c)3 non-profit organization that partners with Downtown property owners, merchants, City of Gallup, and the broader community to enhance business development, energize the Downtown District, and improve the overall quality of life in Gallup. The BID manages a facade improvement program designed to provide reimbursement for improvements made in the past 12 months to properties within the designated district, up to the assessed and paid amount. These improvements must benefit the appearance and/or safety of the BID area. Such improvements include, but are not limited to: facades, stucco, paint, signage, landscaping, alley improvements, security systems for outdoor areas, historic preservation, street furnishing, and demolition of offensive structures.

MUNICIPAL & CAPITAL OUTLAY FUNDS

Municipal bonds will be critical to support future redevelopment projects in the Clayton MRA District. Requests for capital outlay appropriations may also help to fill the gap for a major redevelopment project. Once the Clayton MRA Plan is adopted, the Town should be in a good position to request capital outlay funds.

PRIVATE FOUNDATIONS

Private foundations can play a vital role in providing funding. There are many organizations and foundations that provide grants to municipalities and tax-exempt non-profit groups for redevelopment projects and improvements. The Town of Clayton and CUCEDP should research the criteria and apply for grants that will help achieve the goals of the MRA Plan. Some examples include the McCune Charitable Foundation, Lannan Foundation, New Mexico Community Foundation, etc.

5.3 FUNDING SOURCES

The funding sources section provides a list of local, state, and federal sources available to both local governments and individuals interested in starting a new business, in need of a small business loan, or engaging new affordable housing development within the Clayton MRA District. Each program has eligibility criteria and contact information.

CITY BUDGET & TAXATION AUTHORITY

1. Business Improvement District (BID): Downtown business owners may elect to establish a BID to pay for maintenance, safety, hospitality training, or promotion.

2. General Obligation Bonds (GOB): General obligation bonds may be issued by the Town of Clayton to finance capital improvement projects. The Town pays the principal and the interest on the bonds and the bonds are redeemed with property tax revenue.

3. Infrastructure Capital Improvements Plan (ICIP): Infrastructure projects are funded through capital outlay and the ICIP. Town funds can be leveraged as matching funds to secure larger grants or loans by state or federal agencies.

4. Local Options Gross Receipts Tax (LOGRT):

The Town of Clayton may opt for a vote by residents to raise the local gross receipts rate to help fund and provide additional revenue for economic development projects within the MRAs.

5. Public/Private Partnerships: The Town of Clayton can establish public/private partnerships with developers who are seeking additional financial support or incentives to develop community facilities, affordable housing, retail, or office space within the MRA District. The Town may enter an agreement with an interested party that wants to develop or operate a Town-owned property.

6. Tax Increment Financing (TIF) District: The Town of Clayton has the option of establishing a TIF for the MRA. This would allow future gains in gross receipts taxes or property taxes to help pay for streetscape, infrastructure, or building improvements or rehabilitation.

CAPITAL OUTLAY

7. Cooperative Agreements Program (COOP)

Local Government Road Fund: The COOP assists local governments and other public entities to improve, construct, maintain, repair, and pave highways, streets, and public parking lots. Funds must be used for the construction, maintenance, repair, and the improvements of public highways, streets, and parking lots. The local match is 40% and awards range from \$9,000 to \$192,000. Funds are made available at the beginning of the fiscal year and must be encumbered and spent no later than the end of the fiscal year.

Contact: NMDOT, Maintenance Section
1120 Cerrillos Road
P.O. Box 1149
Santa Fe, NM 87504-1149
Phone: (505) 827-5498
Website: <http://www.dot.state.nm.us>

8. Local Economic Development Act (LEDA)

Capital Outlay Funds: The Town of Clayton adopted a LEDA ordinance that should be used to help fund economic development projects. Grant funding is based on the receipt of capital outlay funds appropriated by the New Mexico Legislature and are provided on a reimbursable basis only. Guidelines for eligible projects generally include requirements such as the need to create

permanent, full-time, private-sector jobs. The project must also be fully-funded and shovel ready, and must target specific industry clusters.

Contact: NM Economic Development Dept.
Joseph M. Montoya Building
1100 St. Francis Drive
Santa Fe, NM 87505
Phone: (505) 827-0264
Website: <http://www.gonm.biz>

9. Municipal Arterial Program (MAP) Local Government Road Fund: The MAP program assists municipalities in construction of streets that are principal extensions of the rural highway system and other streets which qualify under NMDOT criteria. Municipalities are required to contribute 25% to the cost of the project. There is no set limit to the amount of awards, but the state's share typically ranges from \$50,000 to \$1.1 million per project. Complete applications must be received by March for funding to be considered by the fiscal year beginning July 1.

Contact: NMDOT Engineer Maintenance
Section
1120 Cerrillos Road
PO Box 1149
Santa Fe, NM 87504-1149
Phone: (505) 827-5498
Website: <http://www.nmshtd.state.nm.us>

10. New Mexico Resiliency Alliance Resilient Communities Fund: The Fund supports community development projects in two categories: 1) Healthy Community Design and Public Infrastructure, which supports projects that enhance physical infrastructure with elements that improve health outcomes of residents; and 2) Resilient Community Initiatives, which enhance resilience and economic prosperity for residents in under-served communities by supporting the development of entrepreneurship, placemaking activities, and cultural preservation activities.

Contact: New Mexico Resiliency Alliance
1232 Apache Avenue
Santa Fe, NM 87505
Website: <http://www.nmresiliencyalliance.org>

11. Transportation Project Fund (TPF): The NMDOT Project Oversight Division is soliciting applications for the Department's Transportation Project Fund (TPF), formally known as Local Government Transportation Project Fund (LGTPF), for fiscal year 2022. Local and tribal governments in New Mexico are eligible to apply for state funded grants. Eligible projects are in the following categories:

- ◀ Environmental and other studies;
- ◀ Planning;
- ◀ Design;
- ◀ Construction; and
- ◀ Acquisition of rights of way necessary for the development of transportation infrastructure, which includes highways, streets, roadways, bridges, crossing structures and parking facilities, including all areas for vehicular, transit, bicycle or pedestrian use for travel, ingress, egress and parking.

Contact: NMDOT
1120 Cerrillos Road
Santa Fe, NM 87504
Phone: (505) 699-9946
Website: <http://www.dot.state.nm.us>

12. Transportation Alternatives Program (TAP): The TAP is administered by the New Mexico Department of Transportation. TAP funds can be used for design and construction of streetscape improvements, including sidewalks, trails, bike lanes, lighting, etc. The NMDOT has a competitive process for TAP funds based on how well the application addresses the goals of the program. Approximately every two years, the NMDOT coordinates with the state's seven RTPOs and five MPOs on soliciting TAP applications.

Contact: NMDOT
1120 Cerrillos Road
Santa Fe, NM 87504
Phone: (505) 827-5100
Website: <http://www.dot.state.nm.us>

13. U.S. Department of Transportation (DOT): The DOT provides funding for restoration projects through Transportation Enhancement funds, which are administered through NMDOT's Surface Transportation Program (STP). The STP program funds construction, improvement, and other

transportation-related projects on roads functionally classified as Interstate, Principal Arterial, Minor Arterial, or Major Collector.

Contact: NMDOT General Office
1120 Cerrillos Road
Santa Fe, NM, 87504-1149
Phone: (505) 827-5100
Website: <http://www.dot.state.nm.us>

COMMUNITY GRANTS

14. Land and Water Conservation Fund (LWCF):

This program is administered by the National Park Service. The state side of the LWCF provides matching grants to states and local governments for the acquisition and development of public outdoor recreation areas and facilities. The New Mexico State Parks Division of the Energy, Minerals, and Natural Resources Department administers the state program. New Mexico has received millions in funding dollars from the LWCF program since its inception 40 years ago and funded hundreds of projects around the state from baseball and soccer fields to trails, playgrounds, and picnic areas. If needed, the LWCF could be explored for gap financing of the future outdoor gathering space on Walnut Street.

Contact: National Park Service
1849 C Street, NW, Org-2225
Washington, D.C. 20240
Website: <http://www.ps.gov>

15. McCune Charitable Foundation: The McCune Charitable Foundation is dedicated to enriching the health, education, environment, and cultural and spiritual life of New Mexicans. The McCune Foundation funds projects that benefit New Mexico in the areas of arts, economic development, education, environment, health, and social services. Grants for specific projects, operating expenses, and capital expenses are considered. Grants can be awarded to qualified 501(c)(3) nonprofit organizations, federally-recognized Indian tribes, public schools, and governmental agencies, but cannot be awarded to individuals.

Contacts: McCune Charitable Foundation
345 East Alameda Street
Santa Fe, NM 87501
Phone: (505) 983-8300
Website: <http://www.nmmccune.org>

16. National Endowment for the Arts (NEA): The NEA provides funding for feasibility studies related to the renovation, restoration, or adaptive reuse of facilities or spaces for cultural activities, architectural studies, projects that address cultural tourism, or the revitalization or improvement of cultural districts. Funding is not available for actual renovation or construction costs. The NEA also administers Our Town Grants, which support creative placemaking projects that help transform communities into lively, beautiful, and resilient places with the arts at their core. Our Town offers support for projects in two areas: 1) arts engagement, cultural planning, and design projects. Matching grants range from \$25,000 to \$200,000; and 2) projects that build knowledge about creative placemaking. These are projects available to arts and design service organizations and other organizations that provide technical assistance to those doing place-based work. Matching grants range from \$25,000 to \$100,000.

Contact: National Endowment for the Arts
400 7th Street, SW
Washington, DC 20506-0001
Phone: 202-682-5400
Website: <http://www.nea.gov>

17. Small Cities Community Development Block Grant (CDBG) Program:

This program is administered by the State of New Mexico through the Department of Finance and Administration Local Government Division for communities with populations under 50,000. Funds can be applied towards planning projects, economic development activities, emergency activities, construction or improvement of public buildings, and rehabilitation or repair of housing units. CDBG funds can be used for revitalization, including redevelopment of streets and infrastructure. There is a \$500,000 grant limit (or \$750,000 if the application includes a Certified Cost Estimate) per applicant (\$50,000 maximum for planning efforts) and a 5% cash match by the applicant is required.

Contact: New Mexico Local Government
Division
131 S. Capitol
Bataan Memorial Bldg., Suite 201
Santa Fe, NM 87503
Phone: (505) 827-8053
Website: nmdfa.state.nm

18. U.S. Environmental Protection Agency (EPA)

Brownfields Program: The EPA Brownfields Program provides grants for rehabilitating affected historic properties. The Program provides direct funding for brownfields assessment, cleanup, revolving loans, and environmental job training. In addition to direct brownfields funding, EPA also provides technical information on brownfields financing matters.

Contact: US EPA Office of Brownfields and Land Revitalization
Mail Code 5105 T
1200 Pennsylvania Ave. NW
Washington, DC 20460
Phone: (202) 566-2777
Website: epa.gov/brownfields

19. ArtPlace America: ArtPlace America focuses on creative placemaking and works with foundations, federal agencies, and financial institutions in order to position arts and culture as a core sector of comprehensive community planning and development. The National Creative Placemaking Fund is a competitive national program that invests money in communities across the country in which artists, arts organizations, and arts and culture activity help drive community development.

Contact: ArtPlace America
195 Montague Street, 14th Floor
Brooklyn, New York 11201
Phone: (347) 853-7817
Website: <http://www.artplaceamerica.org>

COMMUNITY/BUSINESS LOANS & ASSISTANCE

20. ACCION New Mexico: Accion is a non-profit organization that increases access to business credit, makes loans and provides training which enable emerging entrepreneurs to realize their dreams and be catalysts for positive economic and social change in the community. Accion offers loans from \$200 to \$500,000 and above, as well as networking and training opportunities.

Contact: ACCION New Mexico
2000 Zearing Road NW
Albuquerque, NM 87104
Phone: (505) 243-8844
Website: <http://www.accionnm.org>

21. Job Training Incentive Program (JTIP): The JTIP is one of the most valuable incentives offered to new employers in New Mexico, and can be used effectively in recruitment packages. This program reimburses 50 to 70% of employee wages and required travel expenses during an extended training period for new hires for new and expanding companies in New Mexico. The JTIP must be applied for and approved prior to reimbursable wages being paid.

Contact: NM Economic Development Dept.
Joseph M. Montoya Building
1100 St. Francis Drive
Santa Fe, NM 87505
Phone: (505) 827-0323
Website: <http://www.gonm.biz>

22. New Mexico Manufacturing Extension Partnership (MEP) The MEP provides efficiency training, training in lean manufacturing, and ISO 9001 certification to the state's small and medium-sized businesses.

Contact: NM MEP
4501 Indian School Road NE, Suite 202
Albuquerque, NM 87110
Phone: (505) 262-0921
Website: <http://www.newmexicomep.org>

23. New Mexico Partnership: The New Mexico Partnership is a private, non-profit organization that offers assistance to businesses looking to expand or relocate to New Mexico. It can assist businesses on a variety of business initiatives, including:

- ▶ Initiate real estate searches;
- ▶ Coordinate site-selection trips;
- ▶ Personalize briefings and orientations;
- ▶ Assist in evaluating and applying for incentives;
- ▶ Facilitate the permitting process;
- ▶ Organize strategic meetings with key government and community officials;
- ▶ Collaborate on media and public relations; and Provide data on key business factors.

Contact: New Mexico Partnership
110 Second Street SW, Suite 602
Albuquerque, NM 87102
Phone: (505) 247-8500
Website: <http://www.nmpartnership.com>

24. New Mexico Rural Efficient Business Program:

The NM Economic Development Department, NM Energy, Minerals, and Natural Resources' Energy Conservation and Management Division, and the USDA work together to help rural, small businesses, and agricultural producers reduce their energy consumption (and increase their profits). The program includes workshops and customized energy site assessments held in rural locations in each region of the state. Participants' cost for the workshops and site assessments is free, although space is limited.

Contact: NM Economic Development Dept.
Finance Development Team
1100 S. St. Francis Drive
Santa Fe, New Mexico 87505
Phone: 505-827-0264
Website: <http://www.nmruralbiz.com>

25. Public Project Revolving Fund (PPRF): The PPRF is an up to \$200,000 revolving loan fund that can be used to finance public infrastructure projects, fire and safety equipment, and public buildings. Both market rate loans and loans to disadvantaged communities at subsidized rates are made from PPRF funds. Such funds could be used for larger infrastructure projects.

Contact: New Mexico Finance Authority
207 Shelby Street
Santa Fe, NM 87501
Phone: (505) 992-9635
Toll Free: (877) ASK-NMFA
Website: <http://www.nmfa.net>

26. Small Business Administration (SBA) 7A Loan Program:

The SBA 7A Loan Program is the standard SBA loan guarantee program. Up to 80% of a bank loan to a private business can be guaranteed. Banks still accomplish normal due diligence, but may be willing to accept slightly more risk. This program increases the aggregate amount of funds available to small business in the banking system. It can also serve to extend the term.

Contact: US Small Business Administration
500 Gold Avenue SW, Suite 11301
Albuquerque, NM 87102
Phone: (505) 248-82252811
Website: <https://www.sba.gov/district/new-mexico>

27. SBA 504 Loan Program: The SBA 504 Loan Program is a cooperative loan program between the SBA, a bank, and a certified development corporation where the SBA loans money directly to a business in participation with a bank. This loan can only be used for fixed asset financing. The primary benefit to borrowers is that it allows for minimal equity (10%) and it can also serve to extend the term.

Contact: US Small Business Administration
500 Gold Avenue SW, Suite 11301
Albuquerque, NM 87102
Phone: (505) 248-82252811
Website: <https://www.sba.gov/district/new-mexico>

28. SMART Money Loan Participation Program:

The SMART Money Loan Participation Program is intended to leverage funds provided by local New Mexico banks for businesses that create quality jobs. The program provides bank participation loans, direct loans, and loan and bond guarantees on behalf of private for-profit and non-profit entities. The program is designed to create greater access to capital for businesses throughout New Mexico, lower the cost for the borrower, and share the risk with the bank creating a benefit to both the bank and borrower. Business loans must result in job creation and economic benefit and carry a minimum of risk.

Contact: NM Finance Authority
207 Shelby Street
Santa Fe, NM 87501
(505) 992-9638
Website: nmfa.net

29. The Loan Fund: The Loan Fund provides loans, training, and business consulting to small businesses that do not qualify for a bank loan, but still have a viable need for a loan and the ability to pay it back. This program started out as a micro-lending organization, but can now make loans up to \$200,000 in exceptional circumstances. Loans carry a higher than market rate to compensate for risk.

Contact: The Loan Fund
423 Iron Avenue SW / PO Box 705
Albuquerque, NM 87103
Phone: (505) 243-3196
Website: <http://www.loanfund.org>

30. USDA Rural Development: The USDA provides assistance to rural communities that address small businesses and rural businesses, rural housing, rural community facilities, and rural utilities. Loan programs, such as the B&I Loan (similar to an SBA 7A but can be made for higher amounts), and grant programs are available. Grants can be made directly to small businesses that are accomplishing innovative economic development work or energy efficiency installations, but must flow through a non-profit or local government intermediary.

Contact: USDA Rural Development
18 N. 2nd Street
Clayton, NM 88415
Phone: (575) 374-8008
Website: <http://www.rd.usda.gov/nm/>

31. WESST: WESST is a non-profit, economic development organization that provides business skills training, product marketing, development opportunities, and small loans to viable start-up or growing New Mexico businesses owned by women and minorities.

Contact: WESST - Santa Fe Business Incubator
3900 Paseo del Sol, Suite 351
Santa Fe, NM 87507
Phone: (505) 474-6556
Website: <https://wesst.org>

TAX INCENTIVES

32. Angel Investment Tax Credit: This program offers equity financing for private sector companies through tax credits that incentivize private investors. Credits are available for up to \$62,500 per taxpayer for an investment made in each of up to five New Mexico companies engaged in qualified research, technology, or manufacturing trades. Eligible companies must have most of their tangible assets and employees based in New Mexico.

Contact: NM Economic Development Dept.
Joseph M. Montoya Building
1100 St. Francis Drive
Santa Fe, NM 87505
Phone: (505) 827-0330
Website: <http://www.gonm.biz>

33. Beer and Wine Producers Preferential Tax

Rate: The Liquor Excise Tax Act imposes taxes on beer, wine, and spirituous liquors. Microbreweries producing less than 5,000 barrels of beer annually and small wineries producing less than 560,000 liters of wine per year qualify for a preferential tax rate.

Contact: NM Taxation and Revenue Dept.
1200 S. St. Francis Drive
Santa Fe, NM 87504
Phone: 1-(866) 285-2996
Website: <http://www.tax.newmexico.gov>

34. High Wage Jobs Tax Credit: A taxpayer who is an eligible employer may apply for and receive a tax credit for each new high-wage economic-base job. The credit amount equals 8.5% of the wages and benefits paid to an eligible employee in a high wage job for a maximum credit of \$12,750 per qualified period. Qualified employers can take the credit for four years. The credit may only be claimed for up to one year after the end of the four qualifying periods. The credit can be applied to the state portion of the gross receipts tax, compensating tax, and withholding tax. Any excess credit will be refunded to the taxpayer.

Contact: NM Taxation and Revenue Dept.
1200 S. St. Francis Drive
Santa Fe, NM 87504
Phone: 1-(866) 285-2996
Website: <http://www.tax.newmexico.gov>

35. Low Income Housing Tax Credits (LIHTC):

The LIHTC program provides federal income tax credits to individuals or organizations that develop affordable housing through either new construction or acquisition and rehabilitation. The tax credits provide a dollar-for-dollar reduction in the developer's tax liability for a 10-year period. Tax credits can also be used by non-profit or public developers to attract investment to an affordable housing project by syndicating or selling the tax credit to investors. To receive tax credits, a developer must set aside and rent restrict a number of units for occupancy by households below 60% of the area median income and the units must remain affordable for a minimum of 30 years. In addition to tax credits, the financing "gap" for certain LIHTC projects may be filled with a below market rate HOME loan. Tax credits and rental HOME loans are awarded annually through a

competitive application process according to the state's Qualified Allocation Plan.

Contact: Housing New Mexico
7425 Jefferson Street NE
Albuquerque, NM 87109
Phone: (505) 843-6880
Website: <https://housingnm.org>

36. New Market Tax Credits: The NMTC Program incentivizes community development and economic growth through the use of tax credits that attracts private capital into low-income communities by permitting individual and corporate investors to receive a tax credit against their federal income tax in exchange for making equity investments in specialized financial intermediaries called Community Development Entities (CDEs). The credit totals 39% of the original investment amount and is claimed over a period of seven years.

Contact: NM Finance Authority
207 Shelby Street
Santa Fe, NM 87501
Phone: (505) 984-1454
Website: <http://www.edd.newmexico.gov>

37. New Mexico Affordable Housing Tax Credit: This program encourages private investment in affordable housing by providing donors to qualified housing developments with a credit on their state taxes. The donation must be made to an affordable housing development that has been approved by Housing New Mexico. Donors receive investment vouchers for up to 50% of the donation's value, which they can use towards a tax deduction on their state taxes. Eligible projects include the development of single-family homes and multifamily rental housing throughout New Mexico.

Contact: Housing New Mexico
7425 Jefferson Street NE
Albuquerque, NM 87109
Phone: (505) 843-6880
Website: <https://housingnm.org>

HOUSING ASSISTANCE

Note: In addition to the housing tax credit programs cited above, the following funding sources numbered 38-46 are administered by Housing New Mexico, formerly known as New Mexico Mortgage Finance Authority (MFA).

38. HOME Investment Partnerships Program:

Assistance is provided to income-qualified homeowners who lack the resources to make necessary repairs to their homes. Assistance can be used for reimbursement of costs for rehabilitation, including applicable codes, standards or ordinances, rehabilitation standards, essential improvements, energy-related improvements, lead-based paint hazard reduction, accessibility for disabled persons, repair or replacement of major housing systems, incipient repairs and general property improvements of a non-luxury nature, site improvements and utility connections. Non-profits, housing authorities, and local governments administer the homeowner rehabilitation program. Funds are awarded through an RFP/application process. Housing New Mexico has also reserved funds for the Reservation Rehabilitation program to provide loans to homeowners on a house-by-house, first-come, first-served basis.

40. New Mexico Housing Trust Fund: The Housing Trust Fund provides flexible funding for affordable housing initiatives for persons or households of low or moderate income served by nonprofit and for-profit organizations, governmental housing agencies and entities, regional housing authorities, tribal governments, and housing agencies, etc. Interest rates are approximately 1 to 5% per annum. Construction is up to three years (current maximum \$1,500,000). Long-term amortizing up to 30 years (current maximum: \$500,000). Requirements for rental households are those earning 60% or less AMI, and for single family households, at or less than 80% AMI.

41. Primero Investment Fund Loan Program:

Primero is a flexible, low-cost loan program created to finance the development of affordable rental or special needs residential facilities that would be considered "high risk" by traditional lenders. The purpose of the program is to leverage other public and private funds and to expand the housing development capacity of New Mexico's nonprofit, tribal, and public agency housing providers. The

Primero Investment Fund has been broadened over the years to include the financing of all types of projects that cannot be accommodated by existing sources, particularly the secondary market, and to develop new delivery systems through non-profit organizations and other institutions to increase affordable housing production. Public and tribal agencies, and for-profit and nonprofit sponsors are all eligible. Rental, owner-occupied, and special needs projects of any size may be financed under this program during any stage of the development process. New construction, conversion, and acquisition/rehabilitation projects may also be financed.

42. Section 515 Multi-family Housing Preservation

Revolving Loan Fund: This program provides loans to rehabilitate housing currently financed by Rural Development through its multifamily housing loan program under Sections 514, 515, and 516 of the Housing Act of 1949. It is supported by funds provided by USDA Rural Development in the amount of \$2 million. Housing New Mexico provides matching funds equal to \$550,000. Eligible borrowers include nonprofit organizations, for-profit organizations, governmental housing agencies, regional housing authorities, governmental entities, governmental instrumentalities, tribal governments, and housing agencies, etc. Applicants must have ownership or site control of an eligible Section 514, 515, or 516 property.

43. Ventana Fund: The Ventana Fund is a Certified Development Financial Institution (CDFI) established to meet the critical need for an increased supply of early-stage financing for affordable housing construction and rehabilitation projects in New Mexico. It is a 501(c)(3) nonprofit corporation organized by private citizens and housing professionals. The Ventana Fund is committed to financing affordable housing in low-income communities, economically distressed communities, and market niches that are under-served by traditional financial institutions. Target markets include low-income populations earning less than 80% AML, tribal communities, rural communities, and CDFI investment areas. Ventana Fund also focuses on hard-to-finance projects, such as older rental projects needing rehabilitation.

44. 542(c) FHA-Insured Multi-family Risk Sharing:

The purpose of this program is construction and permanent loans for affordable rental developments. Risk Share loans may be used as credit enhancement for bond transactions. Loans up to \$2,000,000 may be funded by Housing New Mexico and are designed to minimize transaction/due diligence costs and expedite processing for small projects. Eligible borrowers include single asset mortgagors including non-profit organizations, for-profit corporations, joint ventures, limited liability companies and partnerships. This program is available for new construction, substantial rehabilitation, and refinancing or acquisition of projects having no less than five units per site.

Contact: Housing New Mexico
7425 Jefferson Street NE
Albuquerque, NM 87109
Phone: (505) 843-6880
Website: <https://housingnm.org>

APPENDIX A

SURVEY RESULTS





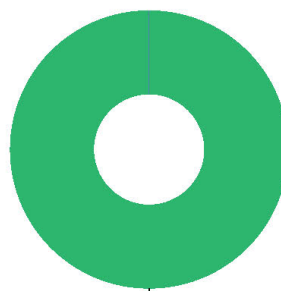
A.1 INTRODUCTION

Consensus Planning designed and administered two surveys - one for the general public and the other for business owners within the MRA District - to gain input on what type of improvements are needed in Downtown Clayton. The surveys were available online via Survey Monkey and in hard copy for those individuals who did not have access to the Internet. Responses to the surveys were collected between March 12 and July 31, 2024. There were a total of 35 members of the general public and seven business owners that responded to the two surveys. The survey results are provided below.

GENERAL PUBLIC SURVEY

Q1 Looking at the map below, please confirm that you do not own a business within the Downtown Clayton MRA District.

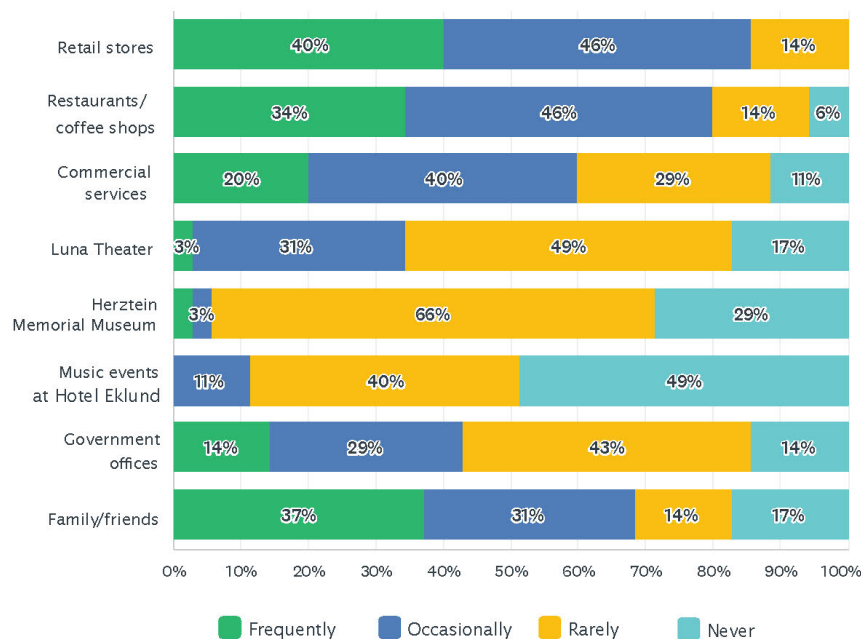
Answered: 35 Skipped: 0



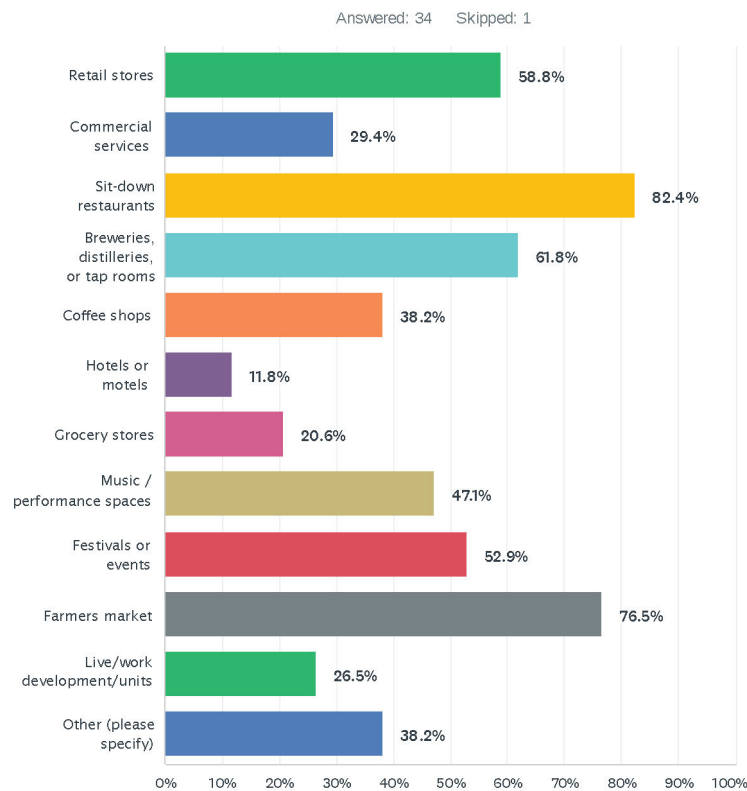
No, I do not own a business within the Downtown Clayton MRA District... 100.0% (35)

Q2 How often do you currently visit these locations within Downtown Clayton?

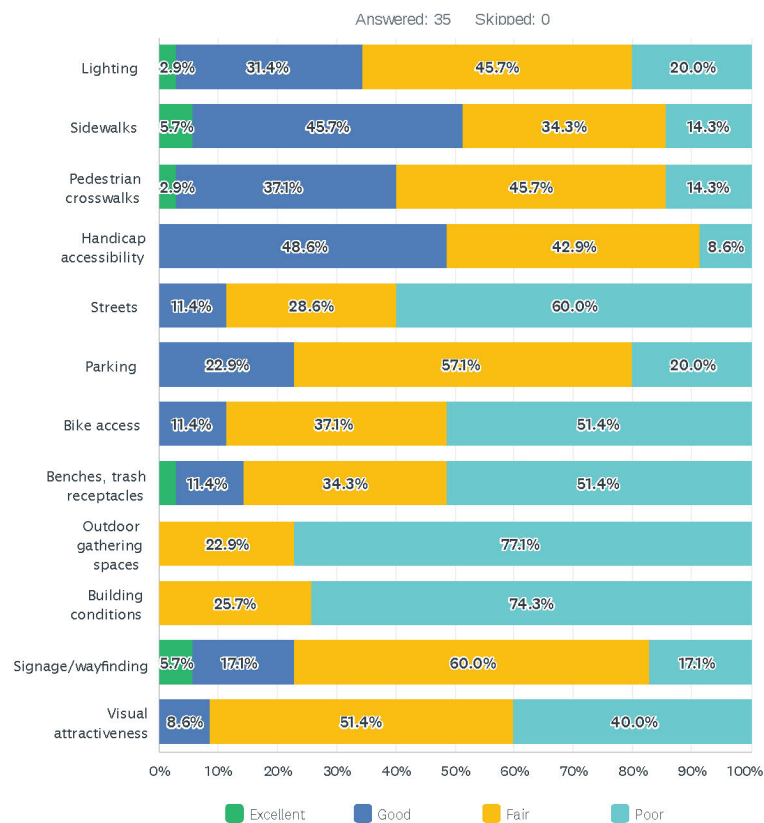
Answered: 35 Skipped: 0



Q3 What type of businesses or activities would you like to see added or expanded in Downtown Clayton? (choose all that apply)



Q4 How would you rate the following physical aspects of Downtown Clayton?

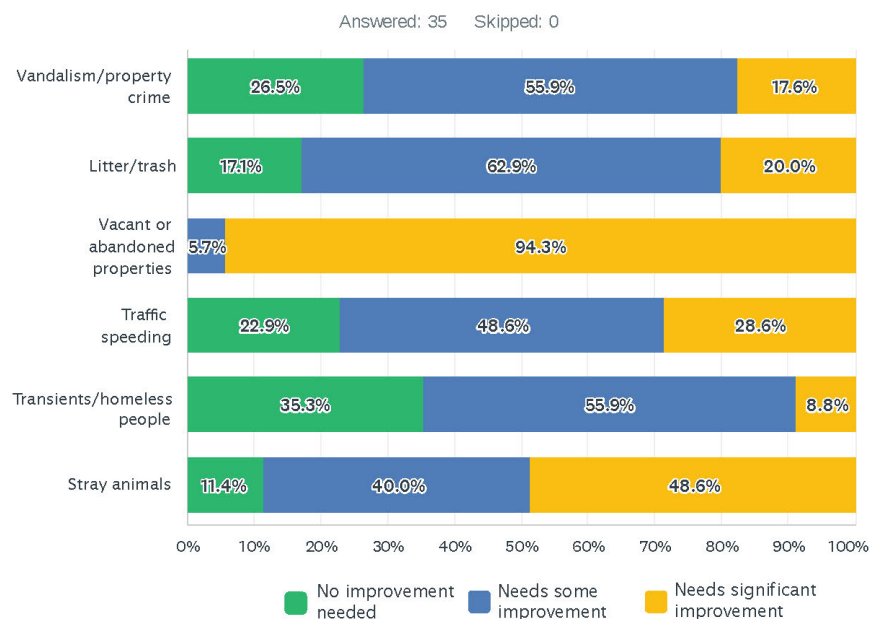


Q5 If your answer to any of the above in Question #4 was fair or poor, what do you suggest to improve it?

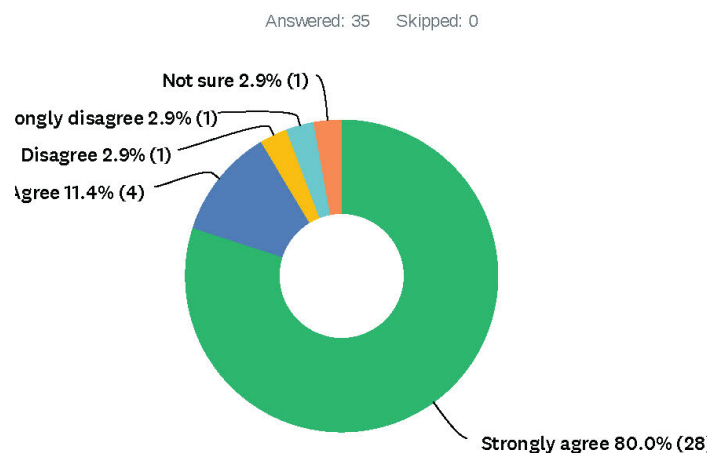
#	RESPONSES
1	Paint cleaning up
2	Buildings need repair or occupancy. I can't recall an outdoor gathering space in that part of town.
3	Many buildings in this mapped district are in horrible condition and beyond redemption. It'd be cheaper to plow them under than attempt repair or rebuilding.
4	I'd love to see more shorter events like a farmer's market or weekend music events. Some sort of open space area with a gazebo or something would be great for events. The roads are always an issue - I don't know how to fix it but it would be nice to not have to navigate Clayton based on potholes. I don't know that we utilize signage as well as we could. Something that was placed near the stoplight for museum, hotels, Chamber, etc would be nice.
5	Sidewalks need to be cleared of trash/debris, potholes in streets need fixed, more parking, could use more benches, need more outdoor gathering spaces, buildings need work like paint (look rundown), add more green spaces, trees to make it look more attractive and inviting.
6	Stores could make there buildings look much better! When you drive thru some of these little towns a person wants to stop at all the cute little shops and eating places! We just need to make it inviting and a place people want to visit or locals have a place to meet friends and visit!!
7	There is limited space available for parking in the downtown area, and none on US 87, and minimal space available to make more. The only options for cyclists is to brave the streets, or ride illegally on the sidewalk. Parking would have to be removed to make a bike lane. There are no benches in the area, and just a few trash receptacles in the Main Street downtown area, the 10 & 100 blocks. One bank has a small park area, but it's not conducive to large gatherings, and it does have one stone bench for sitting. Several of the buildings in the downtown area are vacant (mine included), and many of them are declining from neglect. Unfortunately, that type of upkeep is up to the individual property owners. And many, like myself, are hard pressed to keep up with the costs of maintaining a commercial building. Perhaps there could be information made available to property owners about matching funds or grants for upkeep or improvements.
8	Improve buildings that are falling apart, improve sidewalks without humps and cracks from weed and tree growth. All around provide more attractions to the area.
9	Make sure all the street lights downtown Main street are operational. Many times they are not and it is very dark on that main street.
10	Upgrade the appearance of the remaining buildings. What do travelers think of our City as they travel through?? The money is spent elsewhere instead of here. Put in eating establishments like Wendy's. The two major gas stations are not for the local communities but for travelers.
11	Clayton is a cool little town, lots of history and could be amazing if buildings weren't distressed and roads weren't tore up with huge holes. I love Clayton and see huge potential.
12	community pride
13	Invest in buildings that are empty, owners should have a responsibility to maintain the appearance of the building.
14	The roads are the number one priority that need to be fixed
15	From what I understand, the building inspector almost makes it impossible to build in the area.
16	Repair buildings, parking areas, have benches and trash receptacles downtown. Open new businesses.
17	Beautification projects
18	Frequent cleaning. Paint jobs. Tear down empty, deteriorating buildings.
19	Go back to angle parking. Get Grants to redo street entirely, throughout the town of Clayton.
20	Clean up old dilapidated buildings. Improve roads and sidewalks. Better signage. More flowers, benches, street lights. Perhaps a small park with walk ways.
21	Empty buildings make Clayton look like a ghost town. Our roads are an embarrassment. Shows lack of pride. Fix the roads and fill the buildings!

22	Fix pot holes, make the road shoulders less wide due to drivers thinking it's a lane, fix outdated buildings and bring them up to code so businesses can afford to utilize them.
23	Clean up unused buildings, etc.
24	Potholes
25	Repair roads
26	Everything need important buildings are run down and empty.
27	The streets are often very dirty. The murals have improved the downtown's appeal somewhat. And I noticed the trees were trimmed around what was the law firm by the old bank. It used to look really bad. Things are generally old, ugly, dirty and worn out.

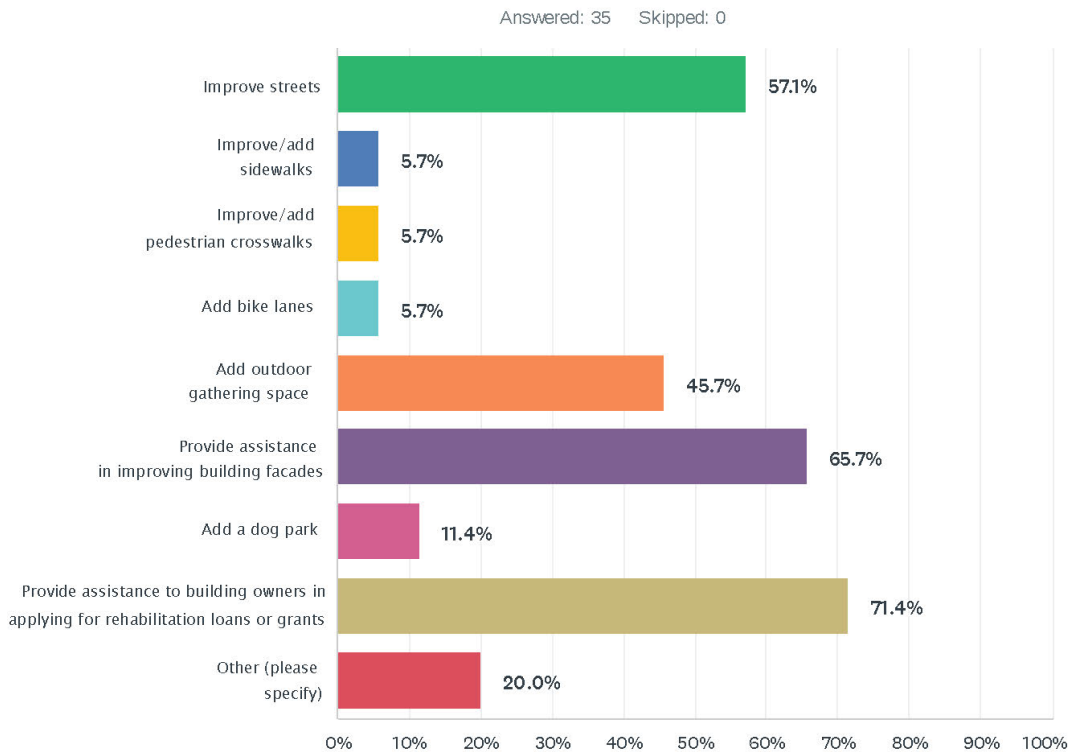
Q6 Of the following issues, which ones are present in Downtown Clayton today? Please indicate what level of improvement is needed.



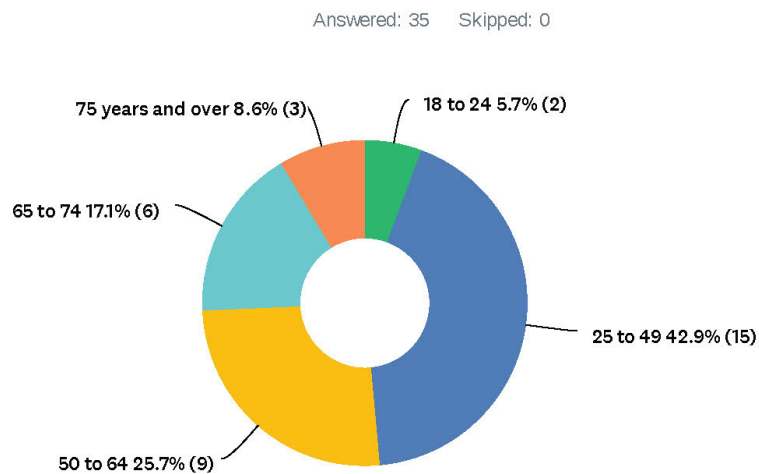
Q7 What is your level of agreement with the Town of Clayton and the Clayton Union County Economic Development Partnership encouraging the redevelopment of vacant or underutilized property or buildings in Downtown?



Q8 What should the Town of Clayton and the Clayton Union County Economic Development Partnership focus on improving? (choose your top two priorities)

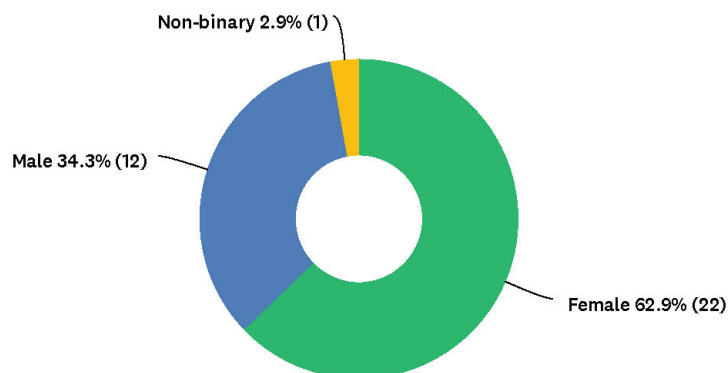


Q9 What is your age category?



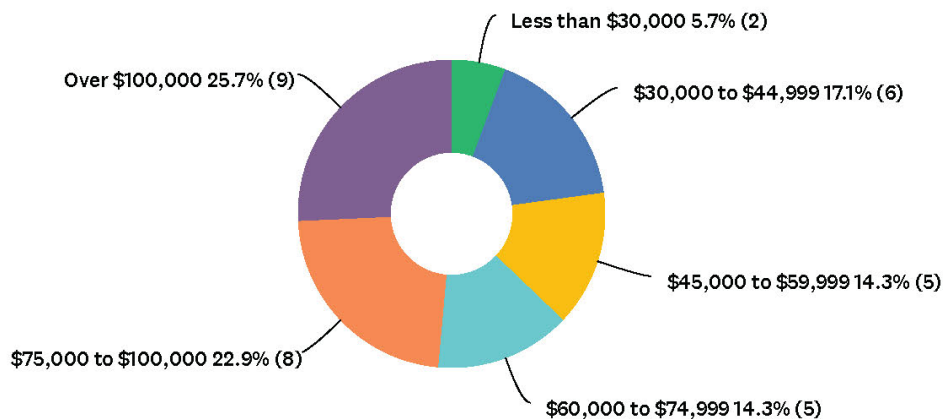
Q10 What is your gender?

Answered: 35 Skipped: 0



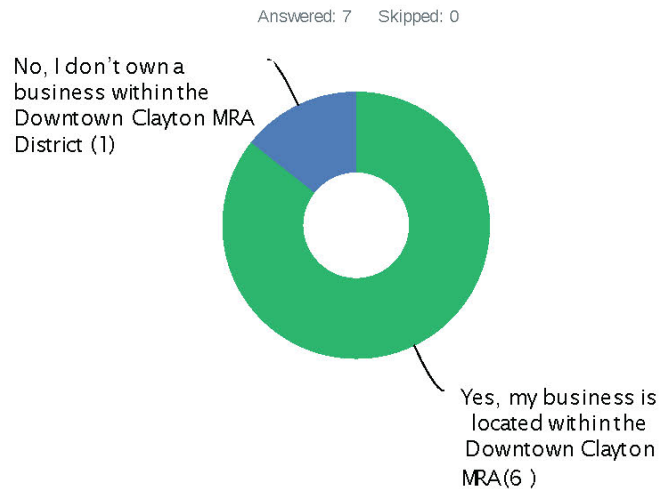
Q11 Which of the following categories best describes your total household income?

Answered: 35 Skipped: 0

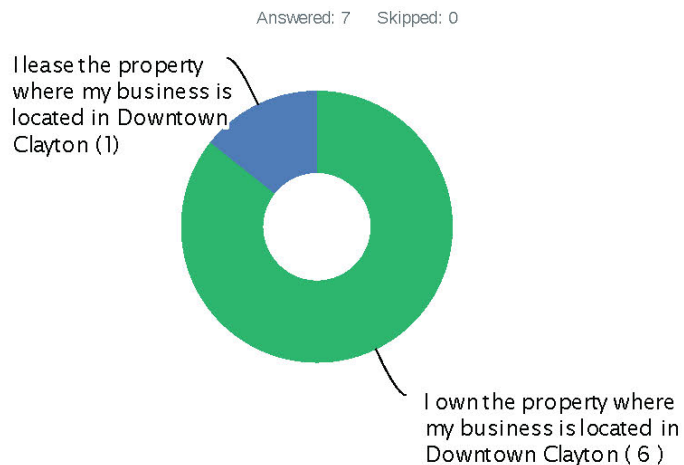


BUSINESS OWNER SURVEY

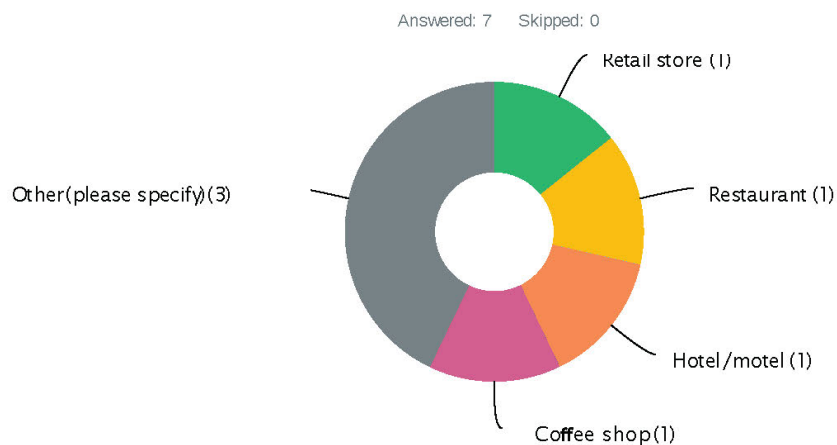
Q1 Looking at the map below, please confirm that your business is located within the Downtown Clayton MRA District.



Q2 Referring to your business location, do you own or do you lease the property?

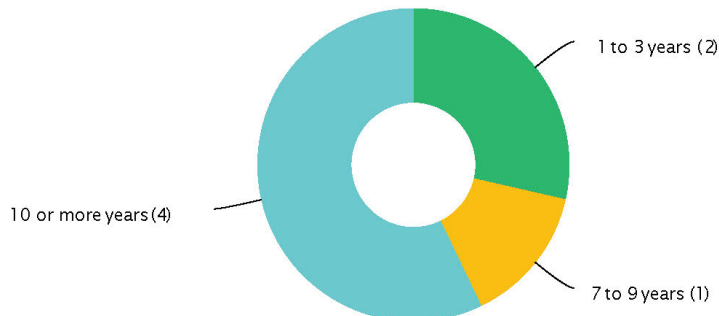


Q3 Which of the following best describes your business?



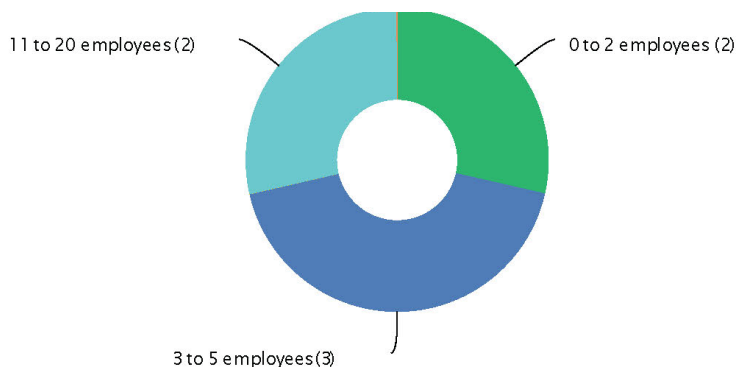
Q4 How long have you been in business in your current location?

Answered: 7 Skipped: 0



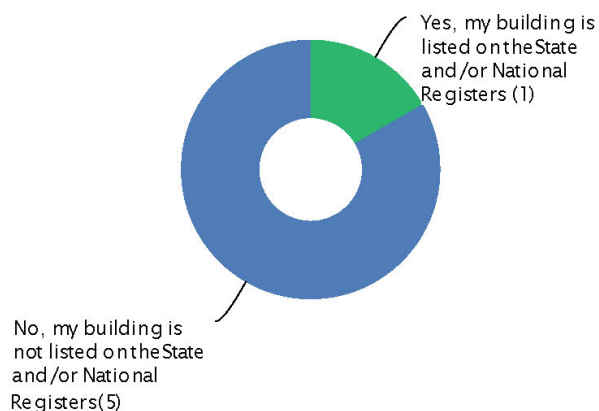
Q5 Not including yourself, how many people are employed at your business?

Answered: 7 Skipped: 0



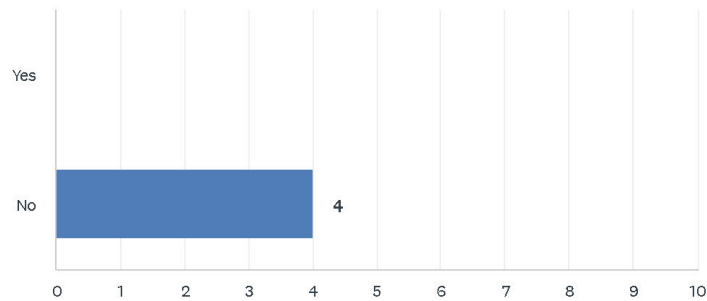
Q6 Referring to the building where your business is located, is it listed on the State Register of Cultural Properties and/or the National Register of Historic Places?

Answered: 6 Skipped: 1



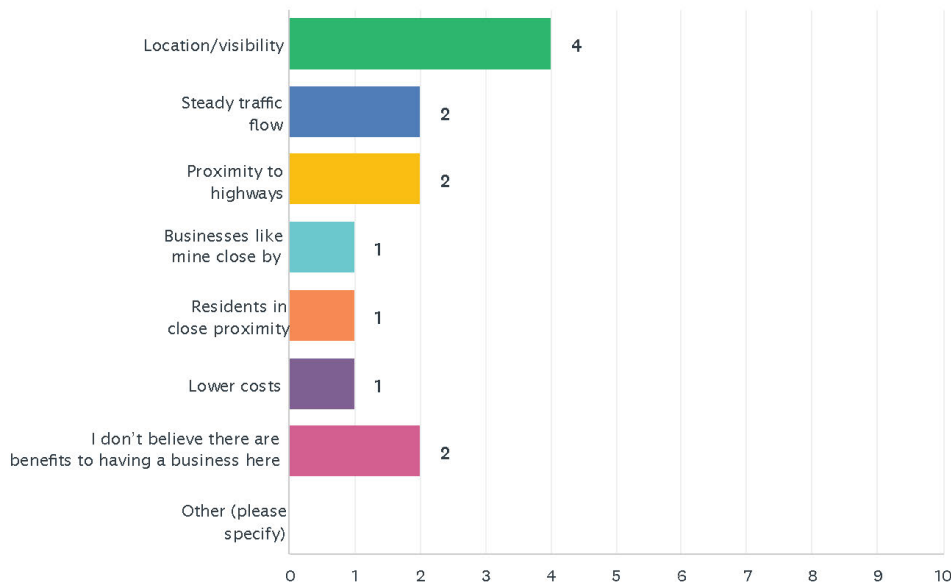
Q7 If your answer to Question #6 was “Yes, my building is listed on the State and/or National registers”, have you completed a phase 1 survey?

Answered: 4 Skipped: 3



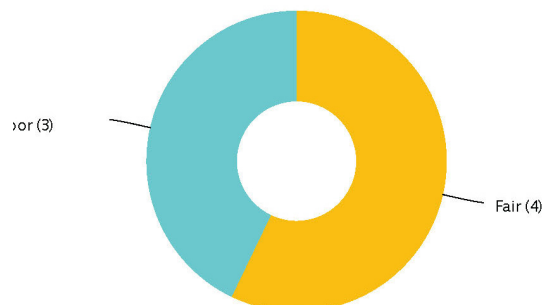
Q8 What do you believe are the benefits of having a business within the Downtown MRA District? (choose all that apply)

Answered: 6 Skipped: 1

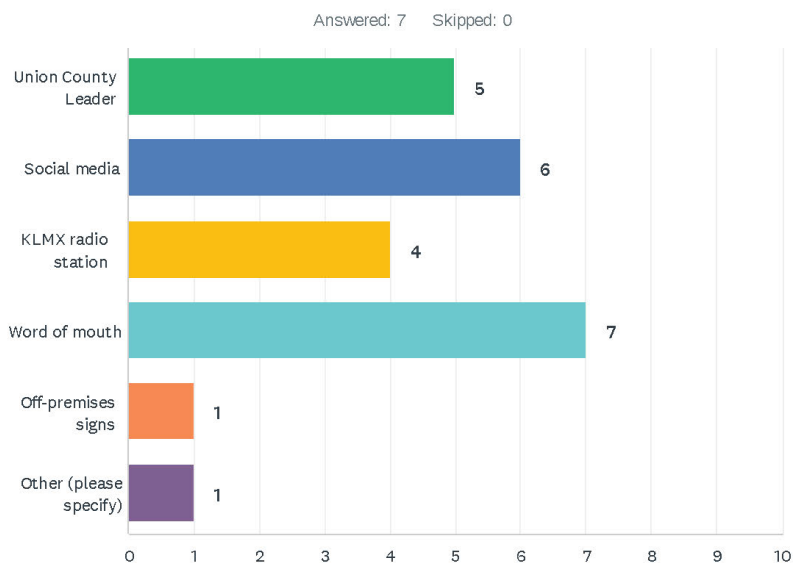


Q9 How would you describe the overall business climate within the Downtown MRA District?

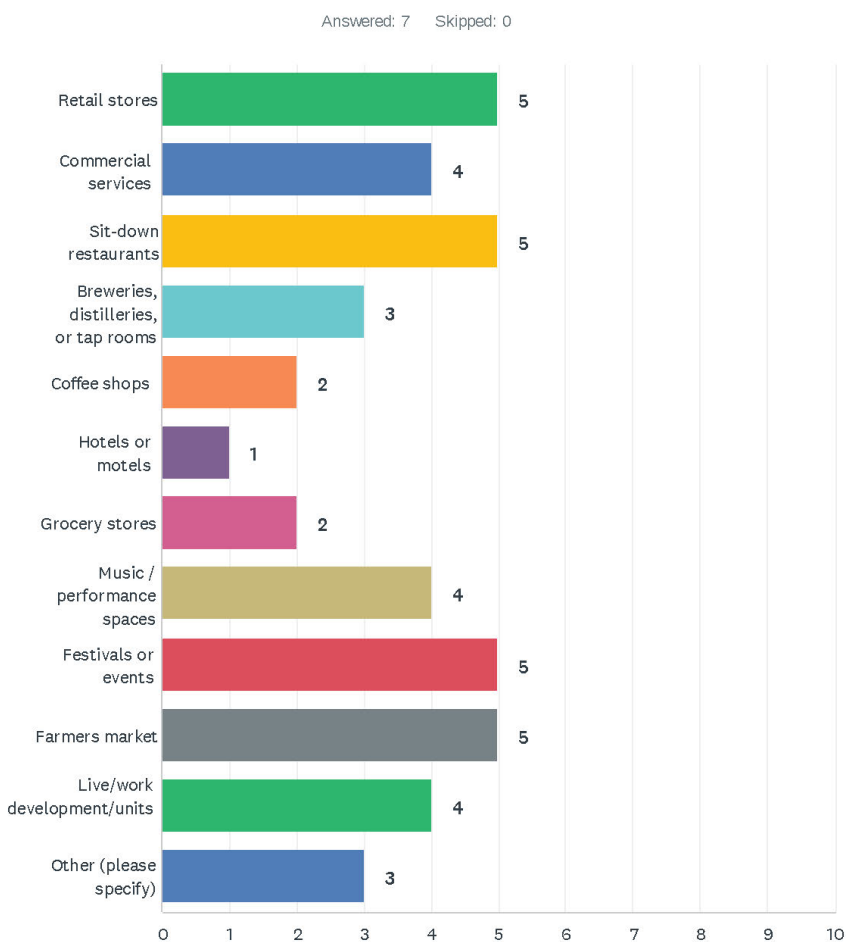
Answered: 7 Skipped: 0



Q10 How do you market your business to Clayton residents and/or visitors to Clayton? (choose all that apply)

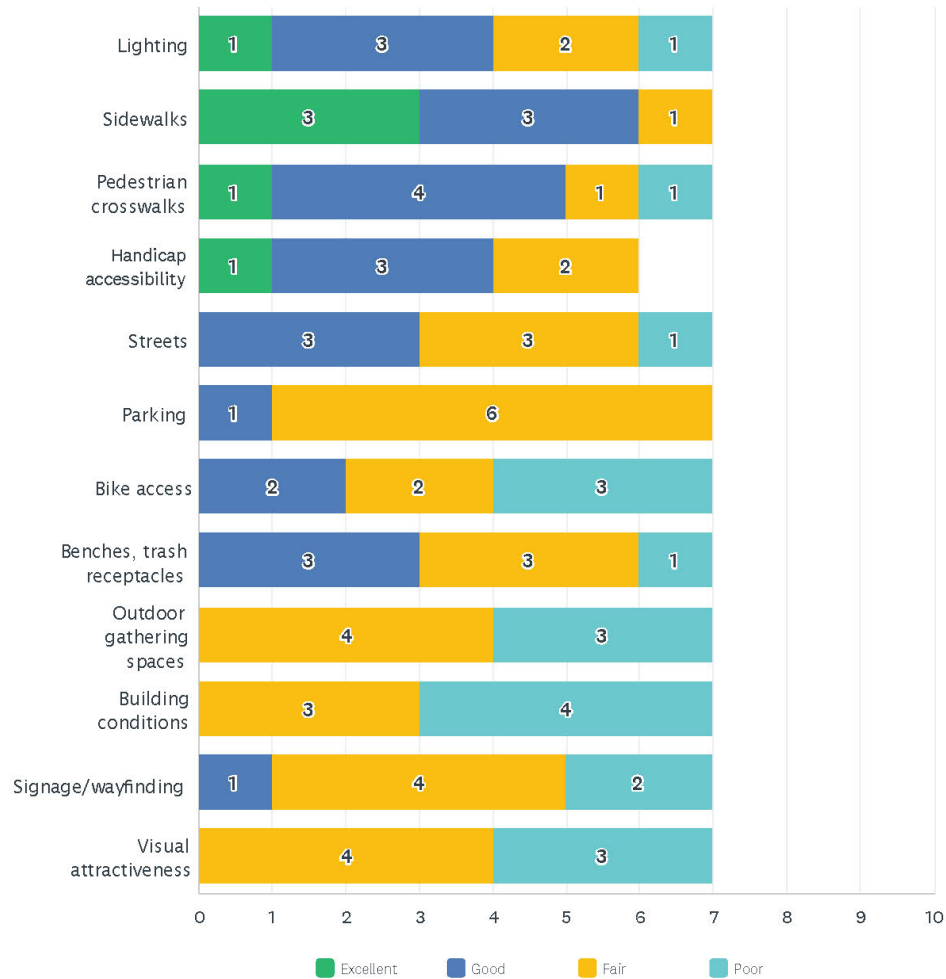


Q11 What type of businesses or activities would you like to see added or expanded in Downtown Clayton? (choose all that apply)



Q12 How would you rate the following physical aspects of Downtown Clayton?

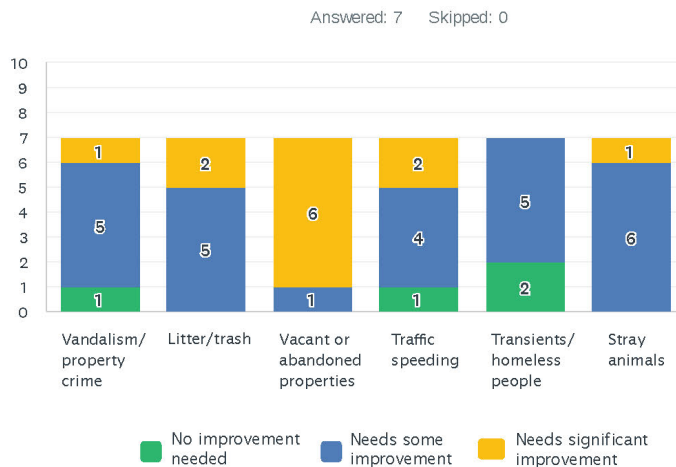
Answered: 7 Skipped: 0



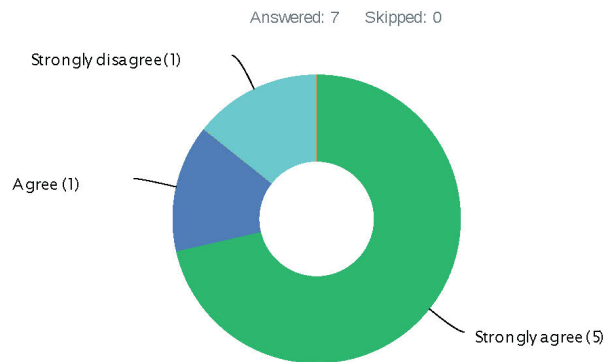
Q13 If your answer to any of the above in Question #12 was fair or poor, what do you suggest to improve it?

#	RESPONSES
1	Either filling empty store fronts with functioning/present businesses or tearing down defunct & dangerous buildings. Empty spaces could be transformed into nice green spaces for outdoor gatherings or more parking. The practical signage for most travelers is clear enough, but some streets do not have signs and signage could be upgraded to match the downtown streetlights. Some smaller streets do not have street name signs. I believe there is confusion regarding signage for semi-truck drivers.
2	1. Encourage business owners to improve their properties and the services they provide. 2. The town should improve the lands, utilities, and services that are directly under the town's responsibility.
3	All the buildings are rundown, are not open side streets to the buildings are horrible
4	Pride of owning a building in this area. Make it visually inviting even if it's an empty building
5	the "poor" rating is mostly a lack of awareness maybe. people need to utilize dumpsters, who would maintain the personal trashcans? it's a larger problem than businesses maintaining them. Biking just isn't popular here, so the "poor" rating is just a thought rather than an issue.
6	Building conditions is a problem if owners dont have money.

Q14 Of the following issues, which ones are present in Downtown Clayton today? Please indicate what level of improvement is needed.

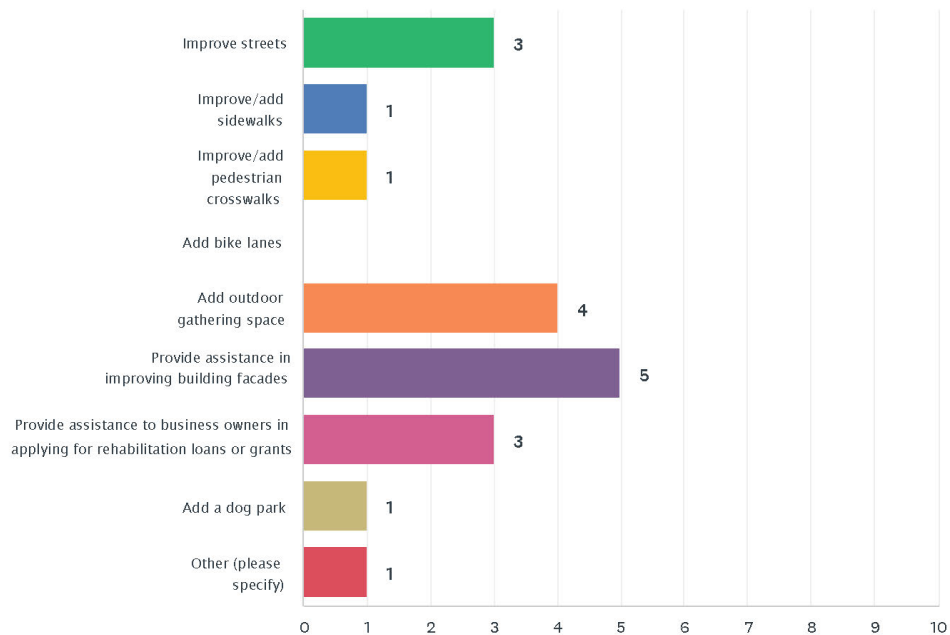


Q15 What is your level of agreement with the Town of Clayton and the Clayton Union County Economic Development Partnership encouraging the redevelopment of vacant or underutilized property or buildings in Downtown?



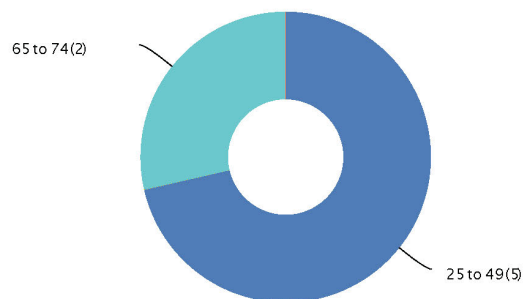
Q16 What should the Town of Clayton and the Clayton Union County Economic Development Partnership focus on improving? (choose your top two priorities)

Answered: 7 Skipped: 0



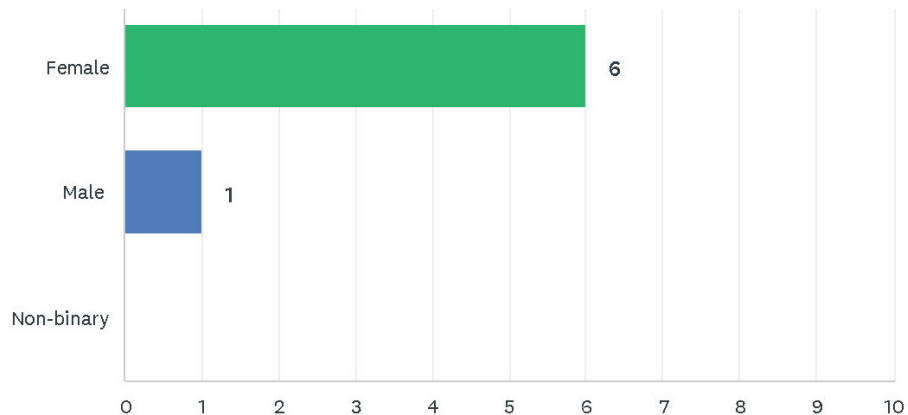
Q17 What is your age category?

Answered: 7 Skipped: 0



Q18 What is your gender?

Answered: 7 Skipped: 0



Q19 Which of the following categories best describes your total household income?

Answered: 7 Skipped: 0

