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Introduction

This Designation Report evaluates the Village of Ruidoso's Mechem Corridor for potential as a Metropolitan Redevelopment Area (MRA) and recommends an appropriate designation boundary based on relevant conditions. The Sudderth Corridor, which is adjacent to Mechem Drive, was similarly designated as an MRA in 2021 and has benefited from increased public and private investment.

The purpose of an MRA is to promote economic development by enabling the Village to acquire property, invest in business improvements, and provide incentives to stimulate productive use of the properties in these areas. An MRA also enables the use of tax increment financing and metropolitan redevelopment bonds to finance public improvements. This is accomplished by a Metropolitan Redevelopment Plan (MR Plan) which lays out how the Village can use various tools and strategies to improve the area's economic strength.

Before the utilization of MRA tools and the adoption of an MR Plan, however, the Village of Ruidoso must adopt this Report which identifies deteriorated and economically stagnant areas and establishes a Metropolitan Redevelopment Designation Area.

Identified Conditions

Mechem Drive is located along State Road 48, a county highway that runs north-south through Ruidoso. It serves as a key commercial and transportation corridor for tourists and Village residents. As a main thoroughfare across Ruidoso, the physical and economic conditions along Mechem have significantly diminished the well-being of Village residents and visitors. The analysis in the following report shows that the following conditions exist that inhibit new development and redevelopment and have substantially impaired the sound growth and economic health of the Village of Ruidoso.

NEW MEXICO METROPOLITAN REDEVELOPMENT DESIGNATION AREA REQUIREMENTS

The New Mexico Metropolitan Redevelopment Code (§3-60A-1 to 3-60A-48 NMSA 1978) provides municipalities in New Mexico with the powers to correct conditions in areas or neighborhoods which "substantially impair or arrest the sound and orderly development" within the city. These powers can help to stimulate successful development in areas that are idle; however, the municipality may only use these powers within designated Metropolitan Redevelopment Areas (MRAs) with adopted Metropolitan Redevelopment Plans (MR Plans).

Designation of an MRA is based on findings of "slum or blight" conditions, as defined in the Metropolitan Redevelopment Code (§3-60S-8). The criteria set by the Code for a "blighted" area include both physical and economic conditions. As defined in the Code,

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

Deteriorated or deteriorating structures, including many vacant buildings

The Village of Ruidoso depends on thriving commercial districts to support its tourism-based economy. Village residents also rely on the Mechem corridor to meet their personal needs. Within the corridor are vacant and occupied structures that are deteriorating because of a lack of investment. Even some occupied buildings have deteriorating facades and foundations. Signs of deterioration include boarded up windows, peeling paint, crumbling or poorly patched stucco, crumbling foundations, and deteriorated wood features.

Lack of adequate housing.

Area stakeholders identified a lack of adequate housing as a major factor inhibiting existing business growth and investment in new businesses along the main commercial corridors. Businesses desire a mix of higher-density housing targeted towards attracting and retaining a workforce. A more diverse housing mix could contribute to a healthier commercial district. Recent code changes by the Village have created the opportunity for housing in this commercial corridor.

Deterioration of site or other improvements.

Deterioration of site or other improvements include crumbling asphalt parking lots, neglected landscaping, weeds, deteriorating retaining walls, and cracked and broken sidewalks and steps. This combination of deterioration on privately owned properties and public infrastructure contributes to the neglected appearance of the corridor.

Diversity of ownership.

Diverse ownership of the properties within the study area, while typical of a commercial district like this one, makes coordinated redevelopment efforts difficult without a lead entity, like the Village, with the ability to adopt policy for the entire area.

Predominance of defective or inadequate street layout.

Due to the history of growth in Ruidoso, the corridor is designed to function as a rural access route, but also as a major arterial. These layouts are conflicting and have contributed to a lack of safe, sustainable, and cohesive development. Insufficient sidewalks and other Complete Street features reduce the accessibility of the corridor as a safe route for pedestrians and tourists in nearby neighborhoods and lodgings.

Faulty lot layout in relation to size, adequacy, accessibility, or usefulness.

The variation in lot sizes, in addition to current setback requirements and steep slopes, reduces the usefulness of parcels along this vital commercial corridor. The costs associated with accommodating the problems with lot layouts and physical barriers to development discourage investment along Mechem.

Summary of Conditions

The area surrounding Mechem Drive is an essential commercial district made up of businesses, residential areas, and lodging options that support tourism-based economic activities while also meeting the everyday needs of residents. The area encompasses nearly 4 miles of the national scenic Billy the Kid Highway and is a main thoroughfare across Ruidoso. The economic health of this corridor is vital to the Village of Ruidoso and the surrounding region.

As it exists today, Mechem Drive is a key route for the flow of goods, services, visitors, and residents in Ruidoso. The road developed as the Village's road users and needs changed. As a result, the route reflects a design of a low-density corridor built to move visitors through town, but also as a main artery for full-time residents. The appeal of developing along Mechem is diminished by the conflicting road designs that produce disjointed uses and unsafe physical conditions. There is evidence of financial burdens created by area conditions that discourage private investment, like the physical terrain, vacant buildings and lots, and businesses for sale.

The Village can support the Mechem corridor through public improvements, tourism promotion, and economic development activities. Village policies and programs support local businesses, a diverse local economy, affordable housing development, attractive land use patterns, code compliance, building renovation, and property redevelopment. The redevelopment of Mechem Drive is an opportunity to attract more diverse businesses and affordable housing development that can support economic stability in the Village.

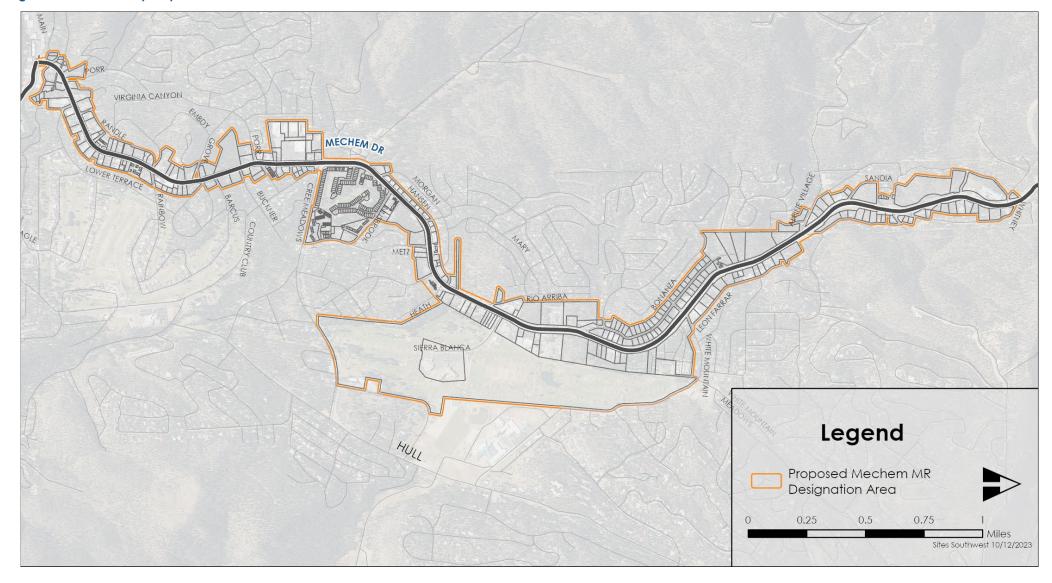




Study Area and Recommended MR Designation Boundary

The study area and recommended Metropolitan Redevelopment Designation Boundary includes properties on both sides of Mechem Drive and extends from the hill at Mechem Drive and Whitney Drive on the north to meet the boundary of the Sudderth MRA on the south. The study area and recommended boundary are shown in Figure 1

Figure 1. MRA Boundary Map



Existing Conditions Assessment

Village Policy

The creation of an MRA and development of a Metropolitan Redevelopment Plan meets a Village of Ruidoso Strategic Plan (2022-2023) goal to strategize the most effective economic development methods to enhance economic vitality in Ruidoso.

The plan and subsequent actions will help meet Comprehensive Plan (2019) Goal 3.2 to "support local retailers and expand the market," and Goal 5.2 to "prevent property from experiencing extended periods of vacancy or neglect."

Additionally, the MRA designation is consistent with the Village's Affordable Housing Plan (2015), which identified developmental partnerships with public and private entities as a key strategy to address the severe lack of affordable housing in Ruidoso.

The Village of Ruidoso has recognized the development potential of Mechem Drive to meet their urgent housing needs. To promote both affordability and development along the corridor, the Village has set the following goal and related objectives for housing along this corridor:

Housing Goal: "Enhance the Mechem Drive Corridor area as a mixed-income community by providing a permanent mix of affordable and market-rate homes."

 Create a land bank to buy rundown, vacant, or rental property for rehabilitation/new construction of permanent affordable housing. Village-supported housing should use a mixed-income model with at least 20% of the units as permanently affordable for families under 80% Area Median Income.

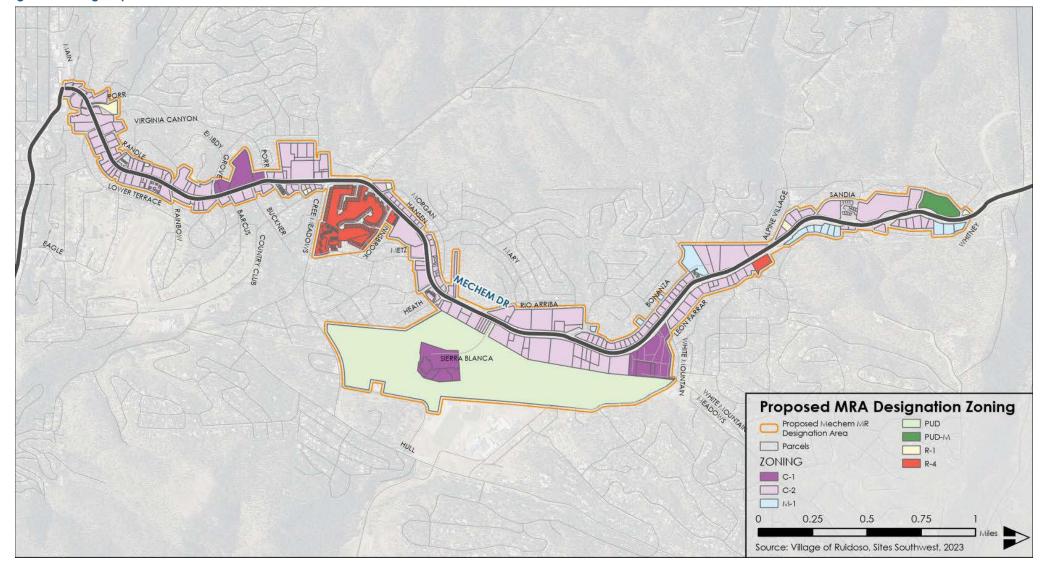
- Diverse architecture and housing styles
- Vitality, vibrancy, mix of households
- Visualize an attractive, safe neighborhood for families with children.
- Preserve a balance between housing that serves lowincome families and higher-priced market-rate units.
- Provide a permanent reserve of affordable housing for families at or below 80% of the median income of the area;
- Create a mixed-use overlay zone that allows a variety of residential live/work, employment incubators, institutional/educational uses, and tourism activities that also protect the existing neighborhood.
- Limit municipal and federal subsidies to projects that provide permanently affordable housing, and communitycontrolled and community-supported businesses.
- Create a program within The Housing Trust Fund to buy rundown, vacant, or rental property for rehabilitation/new construction of permanent affordable housing
- Work with market-rate infill developers to acquire vacant parcels for redevelopment while requiring 20% of units to be permanently affordable

Land Use & Zoning

The study area is primarily zoned for commercial use, as shown in Figure 2. Most of the corridor is zoned C-1 and C-2, allowing for community-scale commercial uses. The parcel at the north end of the corridor, the Swiss Chalet Hotel, is zoned PUD, Planned Unit Development. Some parcels in the northern part of the corridor are zoned M-1, which allows for a low-density mobile home district. There is also R-4 zoning in the middle of the corridor, reflecting the highly dense residential district at Innsbrook Village that is made up of several vacation rental properties. Another PUD zoning district, the Village-owned golf course, is located along Mechem. There are a handful of R-1 parcels that are located along or contiguous to the corridor.

Land uses are predominantly commercial. The comprehensive plan recommends that residential uses be allowed in the commercial districts to facilitate mixed-use development and apartments. The Village has adopted amendments to its commercial district zoning and is proposing additional amendments to encourage higher density residential development within the corridor.

Figure 2. Zoning Map



Physical Conditions

Building and Site Conditions

A field survey was conducted in September 2023 to document existing conditions along the Mechem corridor, which is bounded on the north by the Swiss Chalet Hotel at Whitney Drive and Mechem Drive and on the south by the intersection at Sudderth Drive and Mechem Drive.

Photo documentation was supplemented with notes on occupancy, general building conditions, and site conditions on a parcel map of the study area. The field survey documented conditions that could be observed from the street. Many properties along the corridor, some of which are occupied, are for sale or rent. Other businesses have closed, but the properties are not for sale.

The site survey identified the following conditions:

- Deteriorated site conditions, such as parking lots, retaining walls, weeds, and other site features in poor condition
- Deteriorated or broken sidewalks making it difficult for pedestrians to access or pass by the site
- Deteriorated or dilapidated buildings based on external appearance.
- Vacant land and buildings

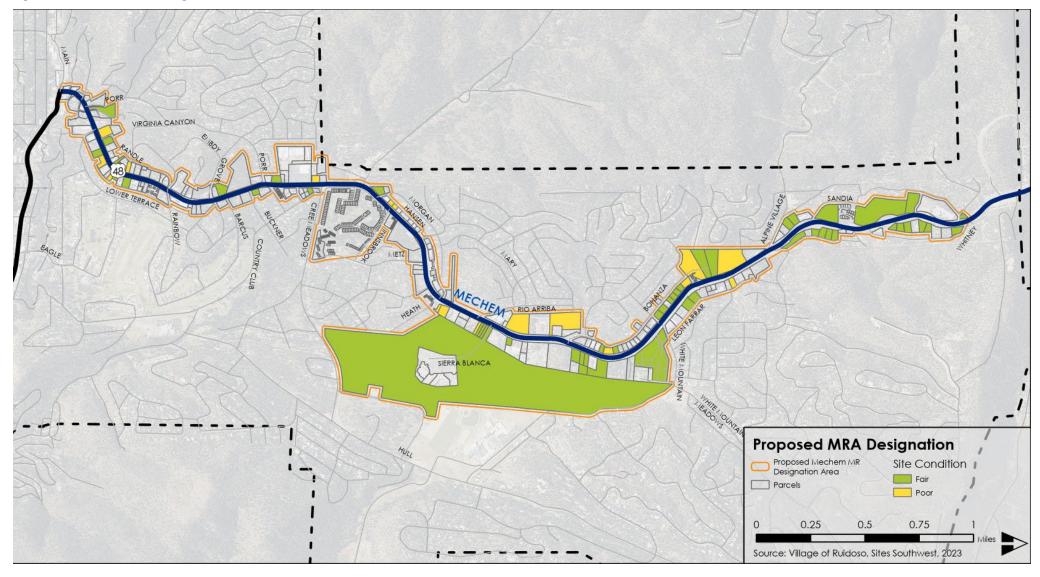
A total of 370 properties with addresses are in the study area.

- 289 properties are in good condition.
- 80 properties have some level of site deterioration. These include properties where improvements within the public right of way, such as sidewalks, need attention.
- 17 properties are deteriorated or dilapidated.

Some of the properties have more than one of these conditions. The property is identified by its most serious condition, from minor site deterioration to deteriorated and dilapidated. The results of the conditions inventory are shown in Figure 3.

Following the maps are photographs that illustrate the deteriorated buildings and sites and closed businesses along the corridor.

Figure 3. Site Conditions Along the Mechem Corridor



Deteriorated Building Conditions











Deteriorated Site Conditions

















Economic Conditions and Trends

Ruidoso is a well-established tourist destination. While most businesses provide goods and services to visitors, new businesses have expanded from lodging, retail, and services to developing and producing products that are sold throughout the West and Southwest. There are also several businesses along the Mechem corridor that support full-time residents.

The Village's Comprehensive Plan, completed in 2019, emphasized the economic health of the Village. The success of businesses along Mechem Drive is a vital asset to the Village economy.

Demographics and Income

Population

In 2021, the total population of Ruidoso was 7,636, declining from 2020. The Village has experienced a steady decline since 2000. The population increased by nearly 2% from 2017 to 2020 but decreased in 2021. Some of this decline can be attributed to a decrease in affordable, long-term rentals, as residents leave the Village in search of more affordable permanent housing.

The Village has seen a change in its population makeup by age. There is an overwhelming increase in the number of young adults and working-age residents in the 20 to 44 years age range. While this increase in working age residents is an opportunity for economic and workforce development, two-thirds of the Village workforce commutes into the Village from elsewhere.

Race and ethnicity. Ruidoso's population is largely White, over 90%. The population is becoming more diverse, however, with the Village's Hispanic population increasing by 30% since 2017. This is reflective of surrounding communities becoming increasingly diverse.

Families. Of the 3,508 households in Ruidoso, nearly 60% are families. The number of working-age families has decreased and threatens the available workforce.

Selected Demographics	Ruidoso	New Mexico			
Total population	7,636	2,109,366			
Under 18 Years Old	18.6%	23%			
65 Years and Older	27.9%	17.5%			
Median Age	50.6	38.3			
Total Households	3,508	797,596			
Family households	59%	62%			
Non-family households	41%	38%			
Median Household					
Income	\$45,414	\$54,020			

Source: US Census, American Community Survey, 2021

Population by Age	2011	2021	Percent Change
Total population	8092	7636	-6%
Under 5 years	5.3%	5.1%	-10%
5 to 9 years	4.1%	4.9%	12%
10 to 14 years	9.1%	5.5%	-43%
15 to 19 years	5.3%	4.4%	-23%
20 to 24 years	1.1%	3.9%	223%
25 to 34 years	7.2%	9.2%	21%
35 to 44 years	11.7%	13.3%	7%
45 to 54 years	14.3%	8.3%	-45%
55 to 59 years	7.5%	7.4%	-7%
60 to 64 years	9.1%	10.2%	5%
65 to 74 years	16.2%	16.4%	-5%
75 to 84 years	6.8%	10.7%	49%
85 years and over	2.3%	0.8%	-67%

Source: US Census, American Community Survey, 2021

Income and Employment

The median household income in 2021 was \$45,414, below the state and national averages.

This can be attributed to the high percentage of lower wage jobs in the Village, like in the retail and service industries which make up nearly 30% of jobs. Business owners explained that younger employees usually take lower paying jobs, but then must leave Ruidoso once they want a higher paying one.

Top 5 Industries by Employment	Percentage	Employees
Retail trade	18.1%	581
Health care and social		
assistance	14.0%	450
Construction	12.2%	391
Accommodation and		
food services	9.1%	292
Public administration	7.1%	228

Source: US Census, American Community Survey, 2021

Poverty Levels. In 2021, the poverty level was 9.4% and 4.2% for families with children, an overall decrease from the previous year.

Housing Burden. HUD defines housing affordability as housing costs not exceeding 30% of a household's monthly income. In 2021, nearly 30% of homeowners with a mortgage and 52% of renters were cost-burdened.

Educational attainment

Over 90% of adults in Ruidoso have a high school diploma or higher, and nearly 30% have a bachelor's degree or higher. In 2021, the average earnings for an individual with a high school diploma was \$26,579, and \$57,813 for a bachelor's degree.

The younger population in Ruidoso is becoming more educated. As the younger population in Ruidoso steadily increased, the number of millennials with bachelor's degrees or higher nearly doubled in the last ten years.

Educational Attainment by Age Group	2011	2021
Population 25 years and over		
High school graduate or higher	89.2	89.3
Bachelor's degree or higher	32.4	28.9
Population 25 to 34 years		
High school graduate or higher	89.1	100
Bachelor's degree or higher	8.1	3.3
Population 35 to 44 years		
High school graduate or higher	88	96.4
Bachelor's degree or higher	28	51.1
Population 45 to 64 years		
High school graduate or higher	93.1	77.7
Bachelor's degree or higher	34.6	26.5
Population 65 years and over		
High school graduate or higher	84.9	93.1
Bachelor's degree or higher	38.5	28.8

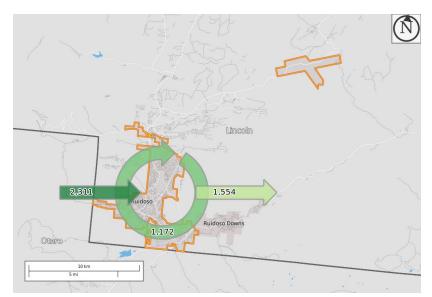
Source: US Census, American Community Survey, 2021

Commuting Patterns

Census Journey to Work data shows that in 2020, two-thirds of Ruidoso's workforce commuted into the Village for work. At the same time, half of working age residents work outside of the Village. Some of this commuting is between Ruidoso and neighboring Ruidoso Downs, but residents who commute in come from as far away as Alamogordo and Roswell, with smaller numbers coming from other communities in Lincoln and Otero counties.

The percentage of workers commuting into Ruidoso has increased slightly since 2016. The percentage of Ruidoso residents working outside of the Village has also increased.

Agriculture, Forestry, Fishing and Hunting; Mining, Oil and Gas; and Arts, Entertainment, and Recreation are the industry sectors with the most residents who commute out of the Village to work. Retail Trade and Accommodation and Food Services are the industries with the most workers who commute into the Village.



Source: US Census, OntheMap

In-Area Labor Force Efficiency (All Jobs)

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	2020		2019		2018		2017		2016	
	Count	Share	Count	Share	Count	Share	Count	Share	Count	Share
Living in the Selection Area	2,726	100.0%	2,742	100.0%	2,750	100.0%	2,648	100.0%	2,571	100.0%
Living and Employed in the Selection Area	1,172	43.0%	1,297	47.3%	1,269	46.1%	1,258	47.5%	1,271	49.4%
Living in the Selection Area but Employed Outside	1,554	57.0%	1,445	52.7%	1,481	53.9%	1,390	52.5%	1,300	50.6%

In-Area Employment Efficiency (All Jobs)										
	2020		2019		2018		2017		2016	
	Count	Share								
Employed in the Selection Area	3,483	100.0%	3,736	100.0%	3,613	100.0%	3,521	100.0%	3,564	100.0%
Employed and Living in the Selection Area	1,172	33.6%	1,297	34.7%	1,269	35.1%	1,258	35.7%	1,271	35.7%
Employed in the Selection Area but Living Outside	2,311	66.4%	2,439	65.3%	2,344	64.9%	2,263	64.3%	2,293	64.3%

Source: US Census, OntheMap

Tourism

As a tourist destination, Ruidoso's population can increase to 30,000 people during peak weekends. The tourist season, which is primarily in the summer and winter months, draws in 1.9 million visitors to Ruidoso annually. Despite its economic benefits, tourism puts a strain on resources, including housing. The temporary nature of tourism constricts the housing available to full time residents: more than half of the homes in Ruidoso are seasonal, and therefore, not available to residents who live in the Village full time. Additionally, business owners expressed their gratitude for, and dependence on, tourism season to remain open for business. The area suffers from Employees, on whom business owners depend during the tourist season, who often travel from outside of Ruidoso due to the lack of affordable housing.

Business Environment in the Study Area

The Mechem corridor contains several business types that accommodate the needs of both tourists and residents.

The north end of the corridor is characterized by sloping hills that are challenging to develop. Of the few businesses at this end of the area, there is a hotel, a ski shop, and private office space. There are several retail shopping centers and office spaces for professional services along the corridor. There are a notable number of specialist services located along the corridor, especially accountants, attorneys, and real estate offices. Significant government offices, including the New Mexico State's Environmental Department and the USDA Forest Service, are also located along Mechem. There are concentrations of contractors for services like flooring, cabinetry, and electricians. The southern end of the corridor, the intersection of Mechem and Sudderth Drive, is densely populated with tourist-oriented businesses. Lodging, like vacation rentals and RV parks, occupy most of the parcels. The proximity to the businesses along Sudderth and in Midtown is highly attractive to visitors.

Signs of distress and indicators of lower than desired levels of commercial activity occur in pockets throughout the corridor,

including vacant buildings and businesses that have closed or are looking to sell. There is also vacant land, some of which is undevelopable because of the steep terrain. Many properties are for sale or rent, and properties tend to stay on the market for months or years. Characteristics that indicate lower than expected levels of commercial activity include:

- Property for sale or rent, especially considering the length of time on the market
- Vacant buildings and closed businesses

Of the 370 properties with addresses in the study area, 13 properties are for sale or rent, including 7 that are currently occupied, 6 that are vacant or the business has closed, and 77 vacant parcels.

Three active businesses are currently for sale, including the Ruidoso Bowling Center, Enchanted Hideaway Cabins & Cottages, and Ruidoso Laser Car Wash.

A significant portion of the corridor is vacant land. These properties have the potential for development that will revitalize the corridor if the barriers to development can be eliminated. Vacant properties are shown in Figure 4.

Few properties are for sale or for rent, as shown in Figure 5. Anecdotal information indicates that some of these properties have been for sale or rent for a substantial amount of time. However, the relatively small number of properties for sale compared to the number of vacant properties indicates that MRA designation could create opportunities for people who are already invested in the Village through their property ownership.

Figure 4. Vacant Properties along the Mechem Corridor

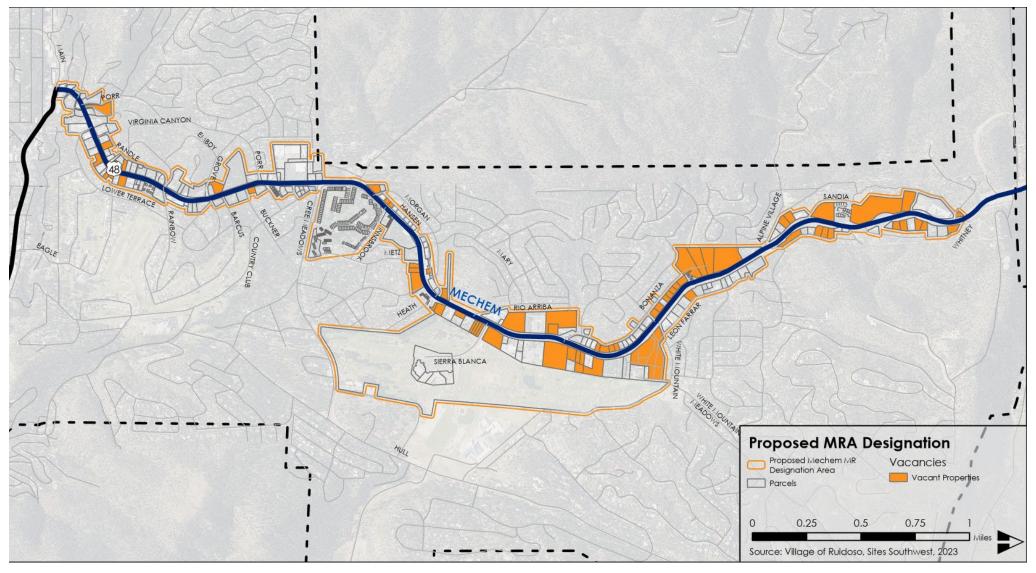
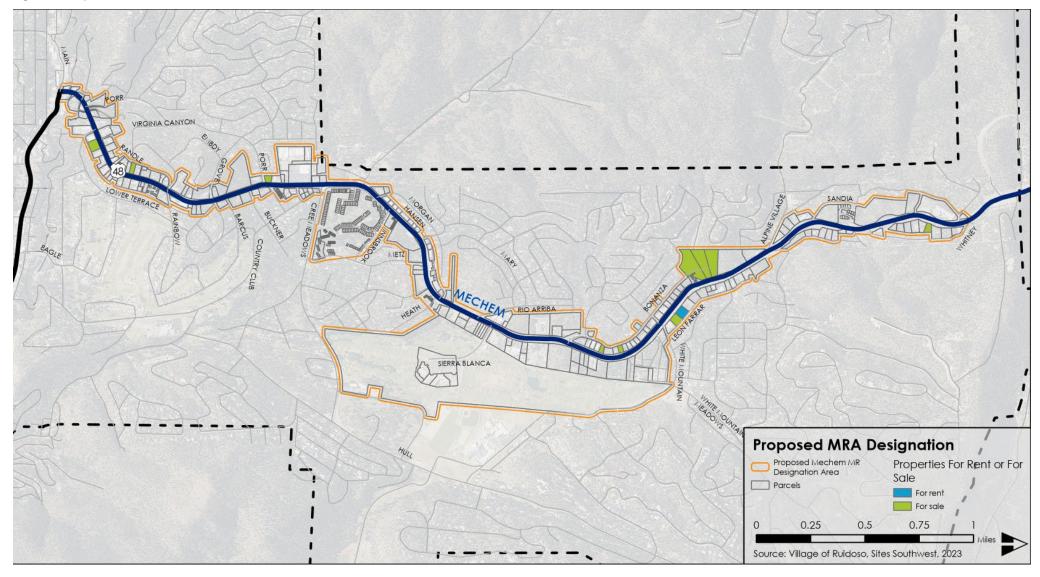


Figure 5. Properties for Sale or for Rent



Vacant or Closed Businesses

























Summary of Findings

The study area meets the Metropolitan Redevelopment Area designation criteria as required by the Metropolitan Redevelopment Code [NM Stat § 3-60A (2020)].

The area may be designated "blighted" by the presence of the following conditions of blight:

- A substantial number of buildings are deteriorated or deteriorating.
- Deterioration is present on both private sites and public property.
- Several commercial businesses have closed or significantly reduced operations due to the burdens of operating in the area.
- Low levels of commercial activity and redevelopment exist in key areas.
- A lack of adequate housing exists.
- Diversity of ownership restricts coordinated redevelopment efforts
- Inadequate street layout threatens safety, commercial viability
- Faulty lot layout prevents corridor accessibility and usefulness.

Research into the study area has additionally determined that conditions of blight substantially impair or arrest sound growth, economic health, and well-being. The presence of blight in this area inhibits commercial and economic activity; discourages residential

occupancy and the development or provision of adequate housing; and exacerbates residential and commercial vacancy rates.

In its present condition and use, blighted conditions and the associated negative impacts constitute a burden to public welfare. The prevention and elimination of blighted conditions through MRA tools and incentives can be an effective strategy to encourage sound development, tax revenues, and area vibrancy. The addition of housing along the corridor would help revitalize commercial nodes by increasing the market area population as well as meeting the critical housing needs of the Village.

The characteristics that were evaluated for MRA designation are spelled out in the applicable findings of the Metropolitan Redevelopment Code for conditions statewide. The assessment of the area found conditions that meet the statute's definitions of a blighted area. Sections of the code are quoted below, followed by the findings that are relevant to conditions along the Mechem corridor.

Applicable Metropolitan Redevelopment Code Findings and Declarations of Necessity - NM Stat § 3-60A-2 (2021)

It is found and declared that there exist in the state slum areas and blighted areas that constitute a serious and growing menace, injurious to the public health, safety, morals and welfare of the residents of the state; that the existence of these areas contributes substantially to the spread of disease and crime, constitutes an economic and social burden, substantially impairs or arrests the



sound and orderly development of many areas of the state and retards the maintenance and expansion of necessary housing accommodations; that economic and commercial activities are lessened in those areas by the slum or blighted conditions, and the effects of these conditions include less employment in the area, lower property values, less gross receipts tax revenue and reduced use of buildings, residential dwellings and other facilities in the area; that the prevention and elimination of slum areas and blighted areas and the prevention and elimination of conditions that impair sound and orderly development is a matter of state policy and concern in order that the state shall not continue to be endangered by these areas that contribute little to the tax income of the state and its local governments and that consume an excessive proportion of its revenues because of the extra services required for police, fire, accident, hospitalization or other forms of public protection, services and facilities.

Definitions of Blighted Area - NM Stat § 3-60A-4-F (2021)

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







RUIDOSO BOWLING CENTER! Located on Mechem w/ 170' highway frontage. Building is approx. 11,234 sq. ft on approx. 0.859 acre. Full service bowling-entertainment facility w/ 10 lanes – Brunswick, A-2 pinsetters & Kegal lane machines w/ updated Qubica scoring system w/ auto bumpets. Includes bar, pro shop, café, & game area. Ample parking, heated slab entry & 30+ yrs of operation. \$1,950.000. #129907

of housing accommodations or constitutes an economic or social burden and is a menace to the public health, safety, morals or welfare in its present condition and use.

Findings for the Mechem Corridor Related to Conditions for MRA Designation

The analysis of conditions along the Mechem corridor found the following conditions related to the potential for MRA designation

Deteriorated or deteriorating structures, including vacant buildings.

The Village of Ruidoso depends on thriving commercial districts to support its tourism-based economy. Village residents and businesses also rely on the corridor to meet their personal and business needs. Within the corridor are vacant and occupied structures that are deteriorating because of a lack of investment. Even some occupied buildings have deteriorating facades and foundations. Signs of deterioration include boarded up windows, peeling paint, crumbling or poorly patched stucco, crumbling foundations, and deteriorated wood features.

Lack of adequate housing.

Area stakeholders identified a lack of adequate housing as a major factor inhibiting existing business growth, and investment in new businesses along the main commercial corridors. Businesses desire a mix of higher-density housing targeted towards attracting and retaining a qualified workforce. A more diverse housing mix could contribute to a healthier commercial district. Recent code changes by the Village have created the opportunity for housing in this commercial corridor, but the lack of adequate housing inhibits the success of businesses along the corridor and elsewhere in the Village.

Deterioration of site or other improvements.

Deterioration of site or other improvements include crumbling asphalt parking lots, neglected landscaping, weeds, deteriorating retaining walls and cracked and broken sidewalks and steps, This

combination of deterioration on privately owned properties and public infrastructure contributes to the neglected appearance of the corridor.

Diversity of ownership.

Diverse ownership of the properties within the study area, while typical of an established commercial district like this one, makes coordinated redevelopment efforts difficult without a lead entity, like the Village, with the ability to adopt policy for the entire area. The MRA designation would enable the Village to be proactive in working with property owners on a coordinated program to revitalize the corridor.

Predominance of defective or inadequate street layout.

Due to Ruidoso's topography and the location of state highways through the community, the corridor is designed to function as a major highway. The layout of properties and access to these properties sometimes conflicts with the need to limit highway access. This has contributed to a lack of safe, sustainable, and cohesive development. Insufficient sidewalks and other Complete Street features reduce the safety of the corridor for pedestrians and tourists in nearby neighborhoods and lodging. Improving access could significantly improve the viability of the corridor for commercial and mixed-use development.

Faulty lot layout in relation to size, adequacy, accessibility, or usefulness.

The variation in lot sizes, in addition to current setback requirements and steep slopes, reduces the usefulness of parcels along this vital commercial corridor. The costs associated with accommodating the problems with lot layouts and physical barriers to development discourage investment along Mechem.

Commercial or mercantile businesses have closed or significantly reduced their operations due to the economic losses or other burdens of operating in the area.

Current zoning has inhibited development in the study area. Permissive and conditional uses in C-2 zoning district are a barrier to economic development. The zoning limitations are being addressed now, but historically this has contributed to the lack of workforce housing in the community. The field assessment of the corridor shows that when businesses close and/or properties are for sale, the buildings remain vacant and unproductive for an extended period of time, potentially years. The vacant and underutilized structures and properties along the corridor are the result of the problems identified in the designation report.