

**MINUTES
of the
FOURTH MEETING
of the
LAND GRANT COMMITTEE**

**October 30-31, 2017
Tome Dominguez Community Center
Tome**

The fourth meeting of the Land Grant Committee (LGC) for the 2017 interim was called to order by Representative Miguel P. Garcia, chair, on October 30, 2017 at 10:17 a.m. at the Tome Dominguez Community Center in Tome.

Present

Rep. Miguel P. Garcia, Chair
Sen. Elizabeth "Liz" Stefanics, Vice Chair
Sen. Gregory A. Baca
Rep. Jimmie C. Hall
Rep. Sarah Maestas Barnes
Sen. Richard C. Martinez (10/30)
Sen. Bill B. O'Neill (10/30)
Rep. Debbie A. Rodella
Rep. Tomás E. Salazar
Rep. Christine Trujillo

Absent

Rep. David M. Gallegos
Sen. Linda M. Lopez
Sen. Cliff R. Pirtle
Sen. Sander Rue

Advisory Members

Rep. Eliseo Lee Alcon
Rep. Alonzo Baldonado
Rep. D. Wonda Johnson
Rep. Matthew McQueen (10/30)

Sen. Carlos R. Cisneros
Rep. Harry Garcia
Sen. Stuart Ingle
Sen. Gay G. Kernan
Rep. Derrick J. Lente
Rep. Patricia A. Lundstrom
Rep. Jim R. Trujillo
Sen. James P. White

(Attendance dates are noted for members not present for the entire meeting.)

Staff

Mark Edwards, Legislative Council Service (LCS)
Michelle Jaschke, LCS

Guests

The guest list is in the meeting file.

Handouts

Copies of all handouts are in the meeting file.

Monday, October 30

Introductions and Announcements

Representative Miguel P. Garcia welcomed committee and audience members and asked members and guests to introduce themselves.

Approval of Minutes

On a motion duly made and seconded, the minutes of the third meeting of the LGC for the 2017 interim were approved without objection.

Town of Tome Land Grant-Merced (Tome) Status Update

Andrea Padilla, president, Board of Trustees, Tome, introduced other members of the Tome board, including Joe R. Baca, vice president, Rosemarie Romero, treasurer, and Heidi Zamora, member. Ms. Padilla welcomed committee members and guests and thanked the members for their support for land grant communities. Ms. Padilla asked for a moment of silence to honor former Tome president Lawrence Sanchez, who passed away recently and was a stalwart of the land grant community in New Mexico.

Ms. Padilla reported that Tome, established in 1739, is one of the five oldest land grants in New Mexico. She observed that Tome has a history of successes, challenges and important pivotal points that have led it to its present-day focus on cultural and historic preservation. Since the reconstitution of the land grant-merced and after having achieved political subdivision status, Tome has garnered many achievements, including the acquisition of El Cerro de Tome (encompassing approximately 280 acres), Tome Hill Park and the surrounding 11 acres, an 1880s-era cemetery, the Tome Dominguez Community Center, a veterans and local history museum, a Korean War memorial, a baseball field and several donated lots on the old common lands.

Tome remains a visible and active part of Valencia County and New Mexico, Ms. Padilla said, by hosting a variety of events, such as offering free lunches for veterans on Veterans Day and Memorial Day, offering free tai chi classes at the community center, hosting a farmers' market in the spring and summer months and hosting an annual balloon glow to collect food for local food pantries. Tome has also adopted Sedillo Road (a portion of the old Camino Real), which leads to the historic Tome Plaza. Several capital improvement projects have been completed and others are under way on the Tome-Adelino baseball field. Ms. Padilla showed a short film covering some of the history of Tome.

Committee members discussed the sale of approximately 47,000 acres of the land grant to the Horizon Development Corporation in the 1950s and the resultant sale of thousands of undeveloped and unusable quarter-acre lots to individuals in an international market. Local

governments now suffer the burden of having to try to collect taxes on these lots, frequently incurring more expense in mailings than the tax valuations on the properties themselves. Some of these lots have been gifted back to Tome; however, Tome lacks the capacity to cover the taxes for any substantial gifts in this regard.

When the initial sale of land was up for approval, the land grant had provided notice to what it believed was a complete list of the land grant's heirs. Subsequent legal challenges regarding the sale led to rulings that: 1) affirmed the sale; and 2) greatly increased the number of people identified as heirs and entitled to a portion of the sale proceeds. The combination of the legal costs connected to challenges to the sale and the increase in the number of heirs resulted in very little money from the sale accruing to any of the heirs. In response to members' questions, Ms. Padilla reported that the Valley Improvement Association (VIA), established in the wake of Horizon Development Corporation's dissolution, is a nonprofit organization similar to a homeowners' association, but without any homes under its purview. The VIA became financially untenable, and now individuals who are divesting themselves of these lots are in some instances turning them over to Tome. Members discussed reviving proposed legislation that would waive back taxes on lands donated to political subdivisions.

Business Development Training Opportunities: K-12 and Adult Programs

Kathryn Hansen, director, Arrowhead Center, New Mexico State University (NMSU), and Dr. Kramer Winingham, director, Studio G, Arrowhead Center, NMSU, presented information on the entrepreneurial development programs that NMSU offers to assist adults and students at all grade levels in launching new businesses. The Arrowhead Center boasts a number of clients and public-private partnerships in its programs of business creation and growth, intellectual property commercialization and education and training. The programs supports start-up entrepreneurs through business start-up and incubation programs and provides access to networks, business support and financing.

Studio G, a component of the Arrowhead Center, currently serves six New Mexico universities and colleges with plans to expand to six additional New Mexico universities and colleges in fiscal year (FY) 2018. In FY 2017, Studio G assisted in securing over \$1.2 million in investments, grants and contracts for some of the 218 business ventures developed under its auspices with 367 entrepreneurs. The programs are modeled on best practices developed at Massachusetts Institute of Technology and Stanford University for business start-ups.

Alexis Cornidez, chief business development officer, Torch Bearer Ltd., described his journey as a young entrepreneur and the numerous successes he has experienced as a result of his focus on business development in association with NMSU. Mr. Cornidez owns and operates a number of small businesses and elaborated on his intent to establish and maintain his businesses as New Mexico-grown and -based. In response to members' questions, the panelists reported that NMSU would be able to work with land grant communities to develop a workshop tailored to the needs of those communities if sufficient interest exists. Venessa Chavez-Gutierrez, Town of Tajique Land Grant-Merced, provided samples of a non-toxic fire starter product she has

developed through her locally grown business, Ignite. Members discussed the importance of establishing local business opportunities to counter the insurgency of national dollar store chains. These chains contribute to the creation of food deserts by making it difficult for locally owned businesses that offer fresh produce and other local products to compete.

Business Planning and Development at Canon de Carnue Land Grant-Merced

Elias Griego, treasurer, Canon de Carnue Land Grant-Merced (commonly referred to as Carnuel), Dr. Manuel Garcia y Griego, secretary, Carnuel, and Linda Gutierrez, board member, Carnuel, provided an overview of the comprehensive plan developed by the land grant-merced and the businesses it currently operates in Tijeras Canyon. Carnuel receives income from cell tower leases, a trailer park, a landscape materials yard, a food truck, the community hall, picnic grounds and a brewery. Extensive renovations have been completed on the community hall, but Carnuel continues to experience difficulties and delays in permitting improvements through the county government. Dr. Garcia y Griego described Carnuel's plans to turn short-term projects into long-term developments, including developing an abandoned gravel pit into an amphitheater and establishing a landscaping business to accompany the materials yard.

In response to committee members' questions, the panelists described how Carnuel has saved money from its business ventures over time to launch and develop new ventures and improvements to existing facilities. Dr. Garcia y Griego noted that Carnuel has largely avoided the lengthy delays and red tape of the Department of Finance and Administration as a result of having its own resources; however, he pointed out that the inconsistent standards applied by Bernalillo County for permitting improvements create delays, driving up costs. He observed that most land grants-mercedes are able to permit improvements directly through the Construction Industries Division (CID) of the Regulation and Licensing Department at the state level by virtue of their status as political subdivisions. The chair noted that land grant communities are able to permit improvements through the CID where no local zoning authority exists but that Bernalillo County has its own permitting and zoning authority. Members also discussed the possibility of establishing regional business/equipment cooperatives among land grant communities.

Anton Chico Economic Development Center (ACEDC) Status Update

Pearl Maestas, manager and board member, ACEDC; Evaristo Maestas, board chair, ACEDC; and Roberto Mondragon, former lieutenant governor of New Mexico and board member, ACEDC, updated the committee on developments at the former school in Anton Chico that now serves as an economic development center for the community. Lieutenant Governor Mondragon reported that Anton Chico is seeking to establish sustainable enterprises for the rural community by promoting local business and economic opportunities. Ms. Maestas provided an overview of the progress made in renovating the facility and the variety of services the ACEDC has established and is seeking to establish in the center. The ACEDC will be replacing the heating system in the center in November. Ms. Maestas reported that the most pressing renovation needs for the center are a new roof and new exterior stucco.

Top priorities for development at the ACEDC facility include:

- establishing a commercial kitchen (the ACEDC is working with the Luna Community College commercial kitchen in Las Vegas as well as the South Valley Mixing Bowl kitchen to develop a plan for facility needs and staff training);
- customizing space for rental to small businesses and community services;
- developing continuing education, computer labs and General Educational Development certificate programs; and
- establishing a movie theater and restaurant.

Ms. Maestas operates the Apple A Day home visitation program out of the center under a four-year contract with the Children, Youth and Families Department to provide parenting and early childhood education services in the area. Members discussed the importance of providing these services to help mitigate the substance abuse and other problems that exist in some rural areas. Ms. Maestas stressed the importance of funding early childhood education as a means to support parents and prevent the substance abuse that frequently leads people into the criminal justice system. Ms. Gutierrez provided additional information on the many public and private partnerships that the ACEDC has developed to assist in its economic development efforts.

In response to members' questions, the panelists addressed the water rights transfer issues that continue to threaten maintenance of the acequias in Anton Chico and the agrarian lifestyle of its residents. Lieutenant Governor Mondragon reported that Anton Chico needs to establish a wastewater system and that the community continues to seek a means to prevent the transfer of water rights that adversely affects the acequias. Mr. Maestas described a situation wherein water that has been passed through to Santa Rosa for drinking water is now being used for other unsustainable purposes. He also observed that neighboring counties are drawing water from the Pecos River, both upstream and downstream of Anton Chico. While some litigation has been initiated regarding the water rights transfer issue in question, the community lacks funding to fully pursue its legal options. Representative Salazar observed that a bill intended to afford additional transparency in water rights transfers passed both chambers during the last regular legislative session but was then pocket vetoed by the governor.

Thoughts on Stabilizing Land Grant Financing

Arturo Archuleta, program manager, Land Grant Council, thanked the committee for the members' work to protect and preserve land grant communities in New Mexico. He requested the committee's assistance in considering legislation to create a sustainable revenue stream for land grant communities that have attained political subdivision status. Mr. Archuleta reported that a guaranteed revenue stream from the state would enable land grant communities to meet reporting requirements, to leverage funding for community and capital improvement projects and to repatriate some common lands. He noted that even a small stream of \$20,000 to \$30,000 annually would go a long way toward stabilizing land grant communities.

Mr. Archuleta provided an analysis of some of the current funds utilized by the state to support local entities and observed that only a small portion of those funds would be required to sustain a revenue stream for land grant communities. Extrapolating the \$20,000 to \$30,000 per

year figure for existing land grant communities with political subdivision status, Mr. Archuleta reported that a total of around \$1.2 million would be needed annually. If that amount were drawn equally from four possible revenue sources (gross receipts taxes, gaming taxes, corporate income taxes and license fees), only .0001%, .005%, .004% and .005%, respectively, would be drawn from the projected FY 2019 revenue base of those sources.

Public Comment

Ms. Padilla thanked the committee for its visit to Tome and for its continued support and assistance. She informed the committee that protection of water rights for agricultural uses is of primary importance to Tome. Ms. Padilla also spoke in support of establishing a funding stream to help land grant communities transition from being run by volunteers to having some shared professional staff.

Ericka Luna, New Mexico state liaison, Southwestern Region, United States Forest Service (USFS), reported that United States Senator Martin Heinrich has planned an economic development forum to promote opportunities for local businesses to contract with the USFS in Rio Arriba County. Details will be forthcoming from Senator Heinrich and the USFS. Ms. Luna noted that her family has owned and operated a small business in the Los Lunas area for many years, and she reiterated the importance to the community of providing opportunities for local business development and success.

Janice Varela, commissioner, San Miguel County, provided an overview of water issues in San Miguel County and noted the county commission's support for maintaining and protecting acequias. She asserted that the state engineer's approval of pumping ground water and river water overrides the long-established traditions of water time-sharing and shortage sharing established by agricultural and acequia traditions in New Mexico. Commissioner Varela observed that with ongoing and ever-increasing water shortages, severing the water from the land sets up dangerous ecological challenges, and the county needs resources to counter the wealthy interests and powerful law firms seeking to take water from agriculture for unsustainable developments.

Leonard Martinez, president, Land Grant Council, reported on several issues of continuing concern to the Land Grant Council. He stated that although an engineering report has been submitted to the USFS for the San Joaquin del Rio de Chama Land Grant-Merced (Rio de Chama), the USFS has not responded to Rio de Chama's request related to reestablishing orchards that were previously on those lands. Further, he reported that the USFS has not responded to the request regarding the development of the Piedra Lumbre property near Ghost Ranch. On a motion duly made and seconded, the committee voted without objection to send a letter to the USFS requesting follow-up on those items.

Adjournment

The committee adjourned at 4:25 p.m.

Tuesday, October 31

Committee members toured the Korean War memorial and the historic museum adjacent to the Tome Dominguez Community Center. On a walking tour from the center, members proceeded on that part of the Camino Real adopted by Tome to the old cemetery that is now owned and maintained by Tome. Members visited the site of the old courthouse and the preserved stone jail house near the historic plaza and toured the plaza and the old Tome church. Members also visited El Cerro de Tome and nearby Tome Hill Park. Tome is working with students at the University of New Mexico to develop a plan for the park that will include picnic grounds and a serenity garden.