

# Valley Improvement Association

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## "THE NEW VIA"

VIA's focus has changed through the years, but our mission "To Promote the Orderly Growth and Development of our Area" has not. In order to promote growth in the community, we at VIA realize that change must be constant. This coincides with the economy and our ability to recognize exactly who we are, where we are, where we want to go and how we are going to get there.

In adopting this realistic approach to the future, we know that as our assessment revenue diminishes, our ability to deliver services to our resident members is reduced. In order to meet this challenge, our goal is to empower the communities in southern Rio Communities, Las Maravillas and Pasitos Del Cielo to take control of their respective communities. It is our belief that empowering the communities to take control of their respective areas enables them to decide the destiny of their neighborhoods. Thus, if they want to enhance their communities and offer additional amenities and services to their neighborhoods then they should decide the costs associated with the respective levels and determine assessment fees accordingly. Conversely, if they want to diminish the level of services, they can then lower their assessments accordingly. In this model, VIA would no longer drive the decisions that are being made. Instead, the respective resident members would take the control and responsibility.

Over the years VIA has amassed an incredible amount of property from members who have become delinquent on their assessments or disenchanted with their investment. And, though the property is an asset, the property tax that is owed has become a large liability.

With the diminishing assessments, we can no longer afford to retain all of these holdings. To deal with this challenge, VIA staff has devised a plan that represents a realistic approach to land holdings. VIA has evaluated every piece of property and will only retain the property we can afford to support. The property that we determine is no longer a fit within our long range plan will be turned over to the State of New Mexico for auction.

VIA has played many roles in the community from developing park sites to running a recreation program for our area. We have served as a quasi government agency to try to deliver the government service that the county was not able to deliver. We now see ourselves as returning to taking a lead role in economic development. Through our partnership with Albuquerque Economic Development and our involvement

with the Workforce Connection of Central New Mexico, one of our goals will be to bring jobs to our area. We will work to promote our county in an effort to attract employers and jobs to our area. We believe a strong work force encourages a strong community. We have the people to do the jobs; we now need to attract the industry to put our people to work.

VIA has taken many steps to position ourselves for the many challenges that face our communities and through our plan of action we see an organization that will not only be able to survive but thrive. 2011 has been a year of bringing the operation to a sustainable position and though it has been quite challenging, it has also been quite rewarding.

Our financial picture, though not as bleak as in the past, still poses many challenges. To address these challenges, VIA has:

1. Outsourced many services.
2. Taken drastic salary reductions in an effort to retain our ability to survive. We see the day when our operation will be down to a staff of only two or three people. This will place additional burdens on staff to multi-task and increase our efficiencies.
3. Sold the lease on the rock mining operation at South Valley Development.
4. Changed our management and operations of the two Plazas in Albuquerque..

We continue to manage our subsidiary operations closely and know that even with the economic downturn, we will continue to be able to make payroll, pay our obligations and reduce our payables. Our goal is for our subsidiary operations to be able to sustain or at least make a significant contribution to VIA so that we can enhance the value to our members properties.

The outlook for 2012 is much more promising. With some hope and hard work we are optimistic that the development of a new interchange exit off I-25 will eventually lead to better access for the residents of Valencia County on the east side of the Rio Grande. The plan is in its final stages and a decision as to the route should be determined by the end of 2011. The development of the hospital still shows a glimmer of hope. This could provide up to 300 jobs for the people of Valencia County. The development of a hospital will encourage new business, new families and new retirees to move into the Valencia County area. We consider this to be the catalyst for future growth.

Through the investment VIA has made in this community in the past, the future of our communities looks quite bright.

## HOSPITAL BATTLE

The Valencia County Commission has terminated without cause its contract with the Health Commons by a 3-2 vote. The Commission took action at a raucous meeting, within weeks of a decisive Court victory that cleared the way for planning and development of the Health Commons, and within weeks of the Commons' Board executing contracts for planning and management.

The Health Commons has received the six month's notice of termination called for in the contract. Persistent questioning by the two Commissioners who voted against the termination, Ron Gentry and Lawrence Romero, have failed to elicit any explanations from the three who voted to kill the project.

The Valencia Health Commons, which VIA helped to keep alive through four years of litigation aimed at derailing the project, won a decisive court victory in June when the New Mexico Court of Appeals affirmed a District Court ruling on plaintiff standing that effectively ended waves of frivolous suits. One attorney, identified in local media as the law partner of the former Commission Chair who consistently voted against the project and the County's involvement in it, had filed three suits against the project since the County Commission approved the strategic plan for the Valencia Health Commons in June of 2007. Plaintiffs in the last suit, filed last May to challenge the extension of the contract that the courts had just approved, included that former Commission Chair's wife.

With that favorable ruling in hand, and free of litigation for the first time in four years, the Board of the Health Commons moved quickly to start discussing a hospital management contract with Lovelace Health Systems, and to field written proposals from firms interested in partnering on the pre-construction planning and on overseeing development and construction of a hospital.

Members of the Health Commons' Board had publicly expressed confidence that construction could start in the first or second quarter of 2012.

The Commission had been advised of advances and progress before they voted on termination.

Opponents of the hospital project have recently attacked VIA for providing financial assistance that kept the project alive in the face of litigation; and VIA's past-President, Bob Davey, who has served as the Chair of the Health Commons' Board since its inception.

The two Commissioners who support the project have pushed for a two-member Committee of the Commission to meet with a delegation from the Health Commons in a last-ditch effort to save the project. The CEO of Lovelace Healthcare has offered to do whatever he can to facilitate discussions; and, Stern Brothers Investment Bankers and

firms who have proposed partnering on the planning and development have pledged their continued support.

As this newsletter was in preparation, Commissioners had asked that the Valencia Health Commons schedule a meeting with Lovelace. Nobody knows what the Commission will demand to allow the project to proceed, or even if they will allow the project to proceed.

Asked about the odds of pulling the project back to reality for the fourth time, Mr. Davey gave the opinion that members of the Health Commons' Board were asking how far to take their public service. Without any compensation whatsoever, the Board undertook to raise some \$40 million in construction financing; and then develop and operate a Health Commons. Doing so in the face of so many changes in healthcare on the federal and state levels was challenge enough. Having to work in a hostile and uncertain political environment might make the task impossible.

## BOB DAVEY RETIRES

The driving force behind VIA for over 35 years, Bob Davey has announced his retirement. Bob will be leaving VIA and its subsidiaries at the end of September. Through Bob's leadership and vision the community and the County have seen many benefits. From the extension of utilities, development of park sites and neighborhoods, the role in bringing UNM-Valencia Campus and the creation of jobs through the Valencia County Economic Development Corporation, Bob has been the driving force that has shaped our community into what it is today.



There is not a piece of paper long enough to be able to list all of the many accomplishments that Bob has been responsible for during his tenure with VIA. His amazing knowledge and love for our community has truly been evident in all that he has done to better our area.

His efforts in bringing a Hospital to Valencia County have been nothing but extraordinary and yet amid the numerous road blocks that have been thrown in front of him, he continues to strive for what is good and right for our community.

Though Bob's departure as an employee from VIA and our subsidiary operations will be greatly missed, he will still be called upon as a Board member of VIA. Management and staff wish Bob much happiness as he enters the next chapter

\*\*\*\*\* **CONGRATULATIONS** \*\*\*\*\*

