



ALBUQUERQUE STREETCAR EVALUATION

Funding and Alignment Alternatives



Prepared for:

The 21st Century
Transportation
Task Force

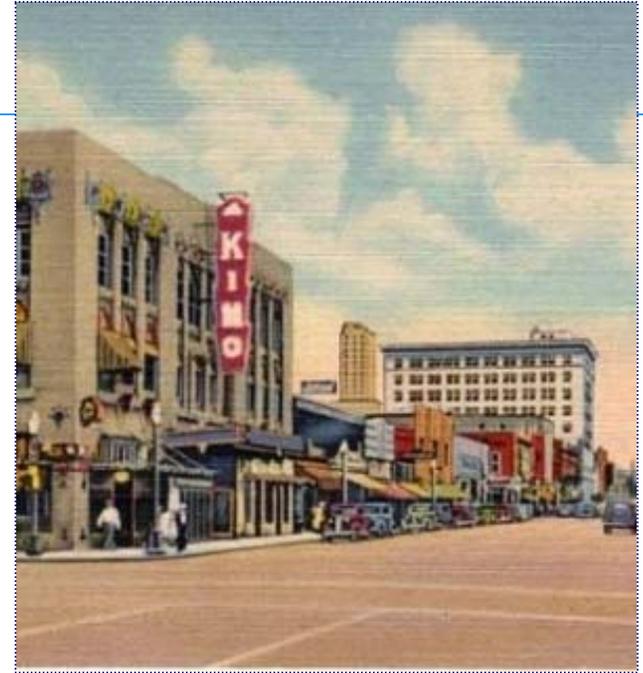
Prepared by:



May 13, 2008

Presentation Overview

- Alignment Evaluation Framework
- Brief Project Review
- Costs and Funding
 - Alternative Ways to Pay for the Streetcar
 - Quarter Cent, TIDD, and others
- Strategic Recommendations
- Cost-Benefit Matrix
- Discussion

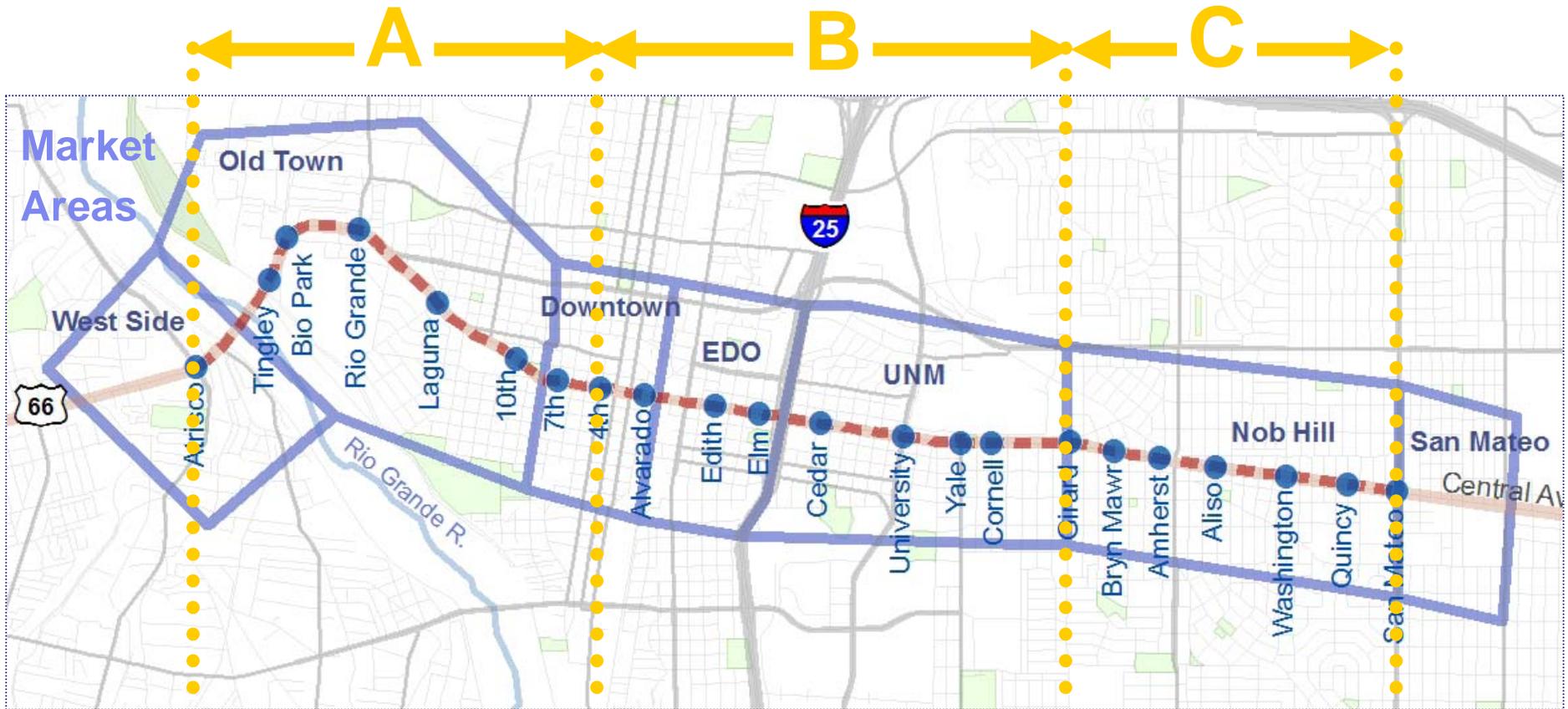




Alignment Evaluation Framework

Defining the Line

Alignment Sections



Cost-Benefit Matrix

Albuquerque Streetcar Alignment Evaluation Matrix

Alignment Section		Length	Cost	Benefits	Cost-Benefit Measures
A	Atrisco to 4th Street			Ridership	Ridership (\$ per rider, 2009)
B	4th Street to Girard			Residential Growth	Residential dus/mile
C	Girard to San Mateo			Employment Growth	Employment sf/mile
Full	Central Alignment			Major Destinations	Percent of Quarter Cent

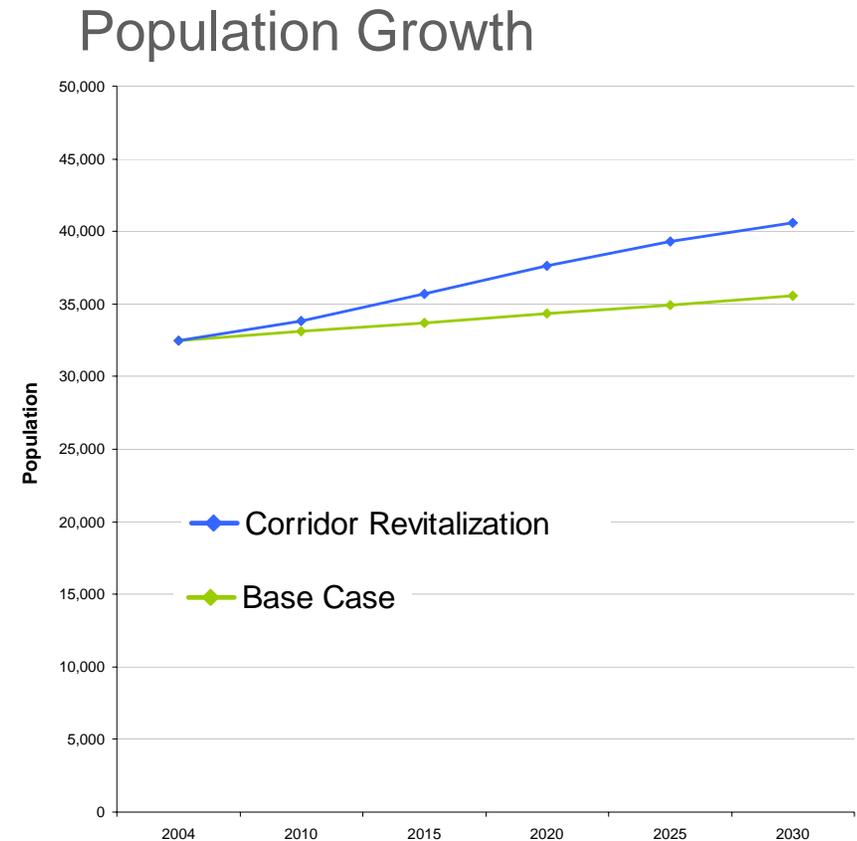
- Also measure against peer cities



Project Review

Economic Development Impacts

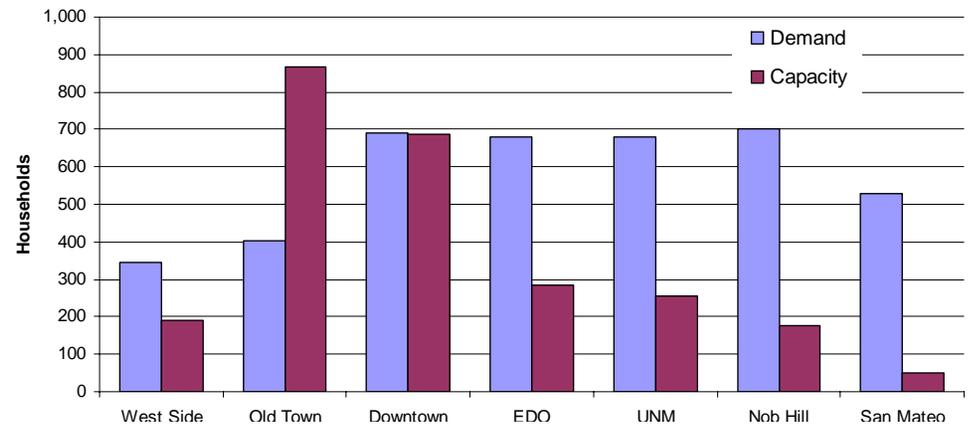
- MRCOG Base Case
- Continued Corridor Revitalization
 - Downtown Turnarounds
 - Case Study Cities
 - Local & National demographics
 - Built Evidence
- Potential Corridor Demand
 - 4,100 households
 - 9,200 service employees
 - 500,000 retail square feet



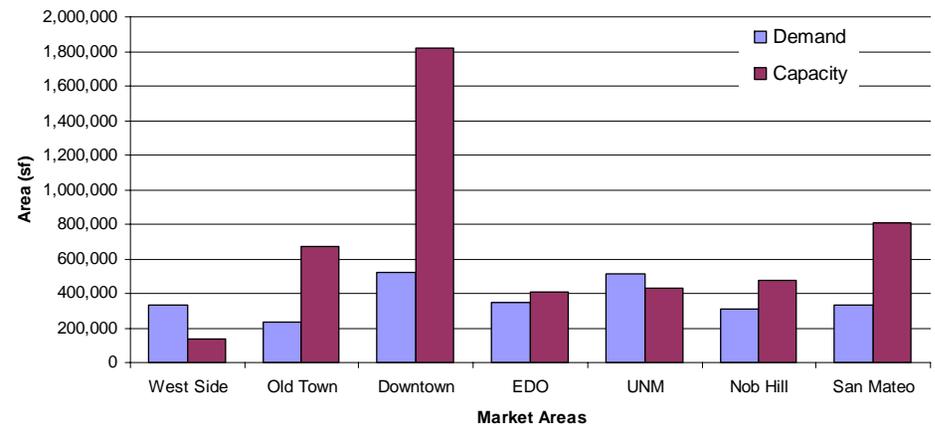
Economic Development: Capacity

- A good problem:
 - There may be more demand than land.
 - Vision - Zoning mismatch?
- Residential
 - Highest Demand: Alignment Section B
 - Greatest Constraint: EDO, UNM, Nob Hill, San Mateo
- Service and Retail
 - Some capacity constraint, but more supply-demand equilibrium.

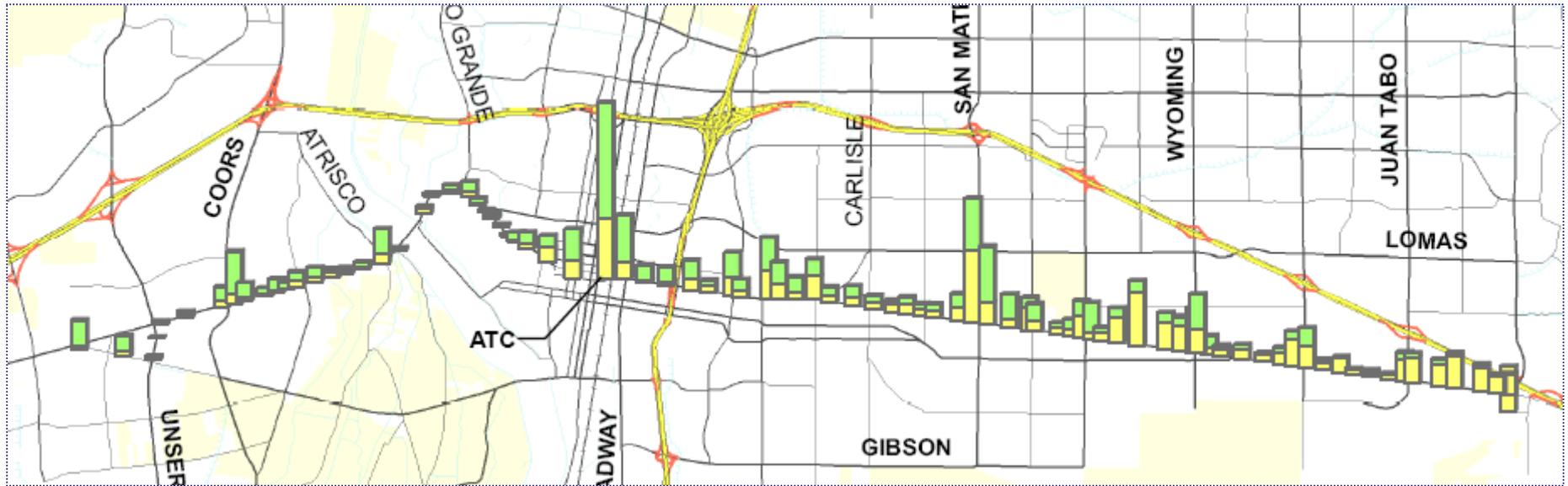
Residential Surplus/Deficit



Commercial Surplus/Deficit



Ridership



- Major Destinations:
 - Downtown/ATC
 - UNM
 - San Mateo
- Atrisco to San Mateo, Route 66:
 - 50 percent of activity
 - Balanced boarding/alighting



Funding and Capital Costs

Funding and Capital Costs

Key topics

- Capital costs and project phasing
- Funding
 - Approach and Criteria
 - Transportation Infrastructure Tax (Quarter Cent GRT)
 - Tax Increment Development District (TIDD)
 - Secondary Funding Sources:
 - CIP, MTP/TIP, Assessment Districts, GRIP
 - Farebox, Hotel/Tourism Assessment, Private Funding



Capital Costs

- Further analysis bears out \$28M per mile
- Construction Delay = Higher Costs
 - Raw materials: 4%+ annual increase, costs are volatile and unpredictable
- Phasing/Cost Estimates
 - Aggressive (3 years), Moderate (12), Conservative (22)
 - Full Central Alignment capital costs
 - Aggressive: \$185M
 - Moderate: \$405M

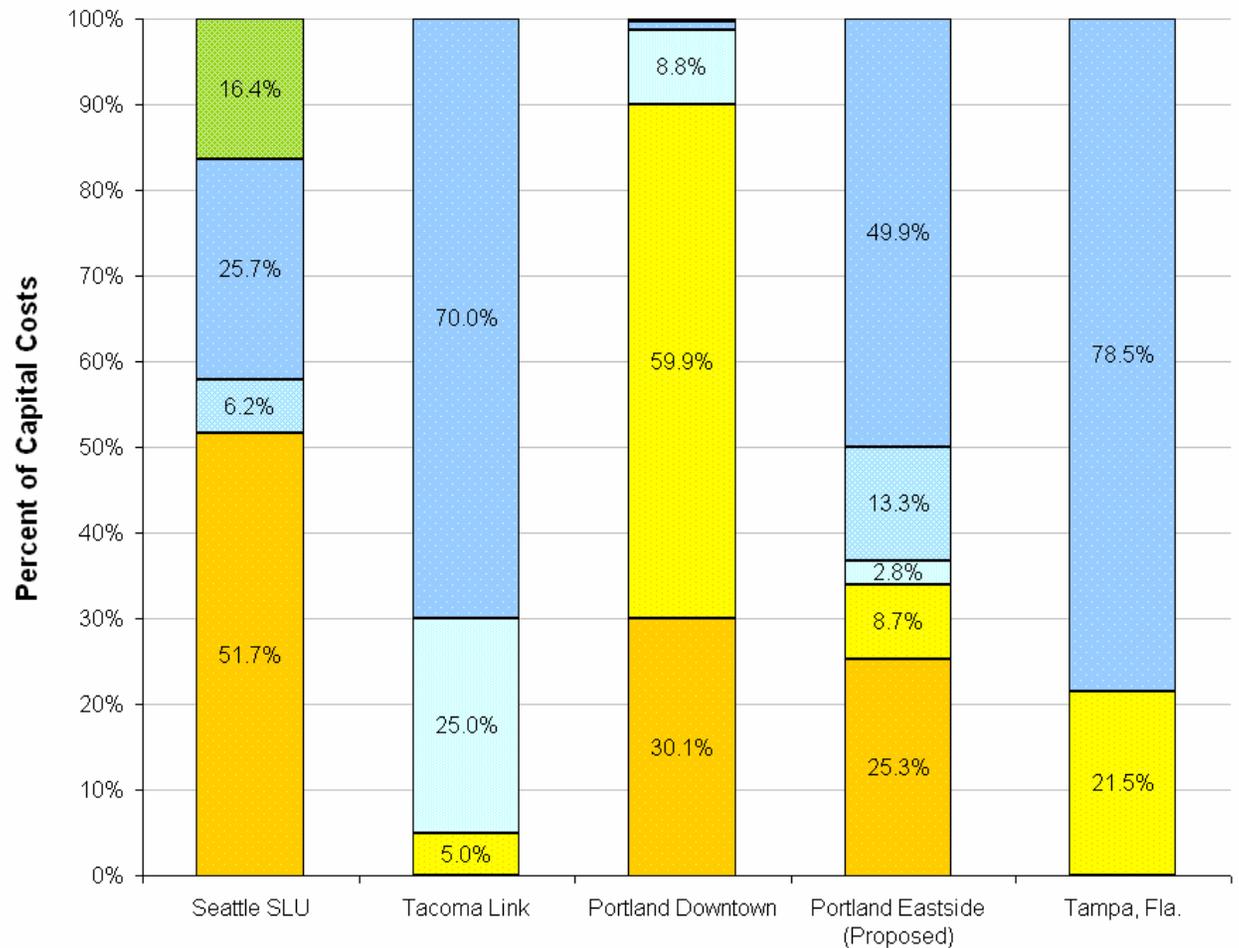
Funding Strategies

- Funding Sources - Evaluation Criteria
 - Ease of Implementation
 - Potential Revenue Generation
 - Timing
 - Political Support
 - Fairness
 - Predictability
 - Federal Funding Consequences
 - Track Record
- One or two major sources first
- Phase I vs. future Phases

Peer Cities Funding Packages

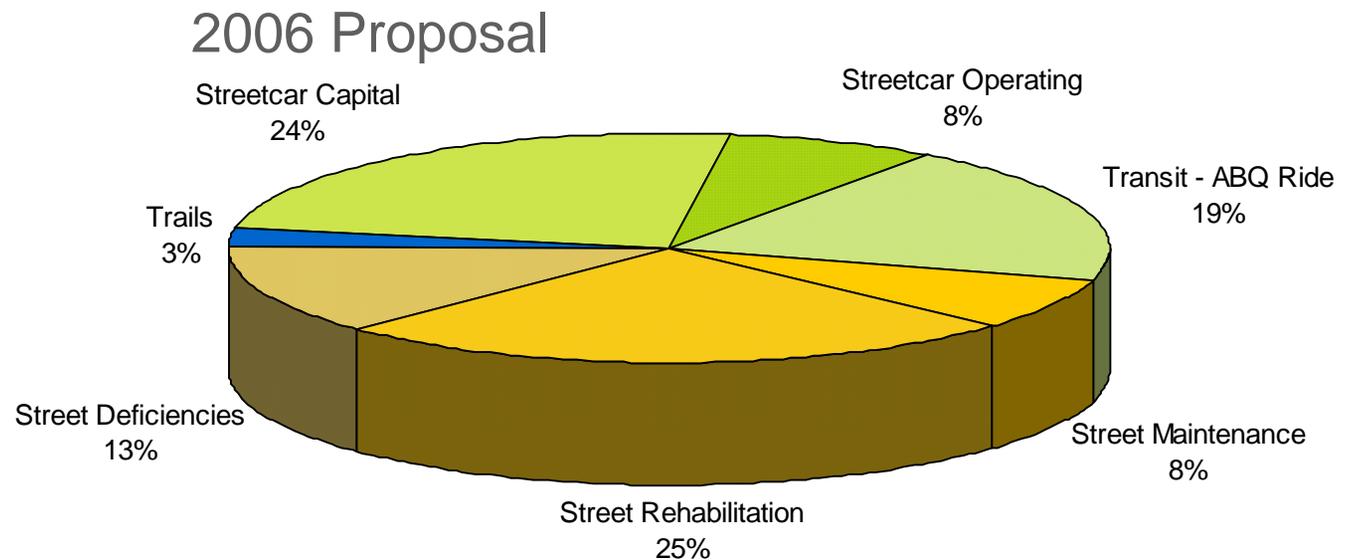
- Other Streetcars
 - Variety and creativity
 - Local projects, Local funding sources
 - Developer/private sector participation

- Private / Other
- Federal
- State
- County / Region
- City
- Tourism/Events Assessment
- Local District

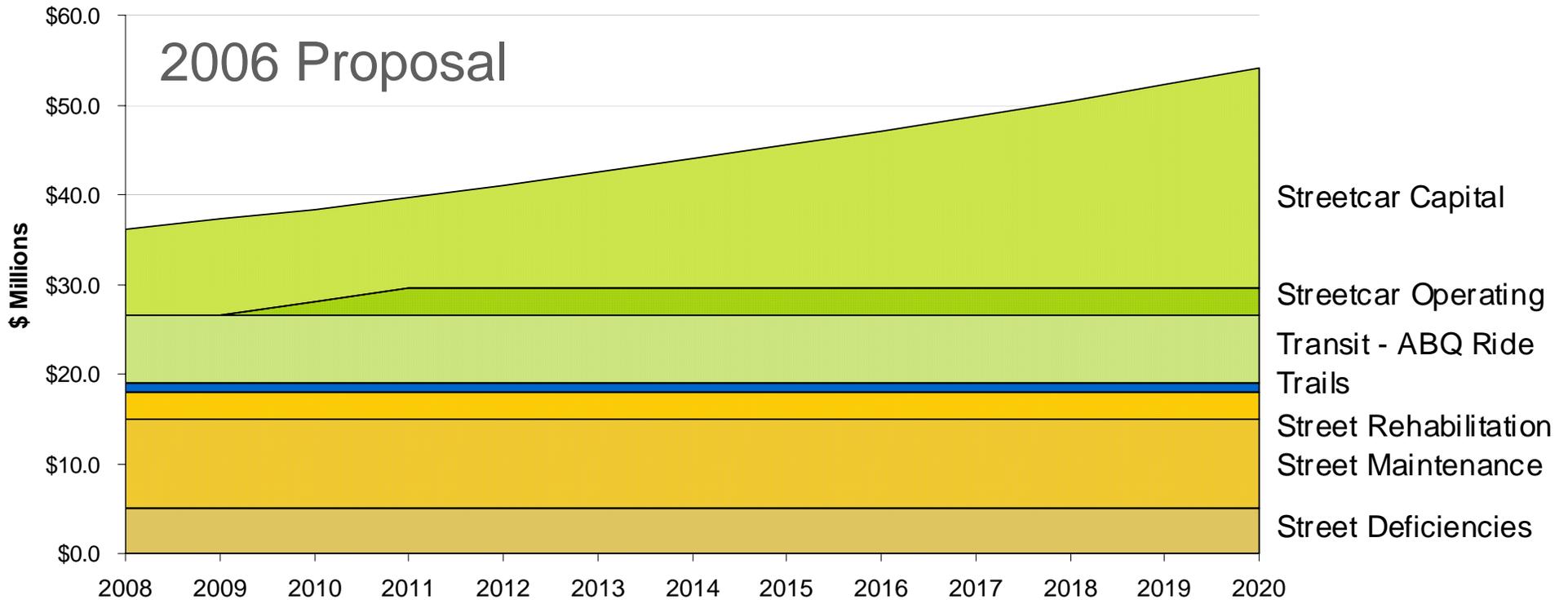


Quarter Cent Transportation Tax

- “Transportation Infrastructure Tax”
- Local Option Gross Receipts Tax
- First approved 2000
- Second proposal 2008 – 2020 (13 years)
- Annual Receipts
 - \$37M 2009
 - \$55M 2021



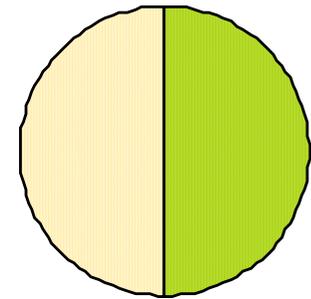
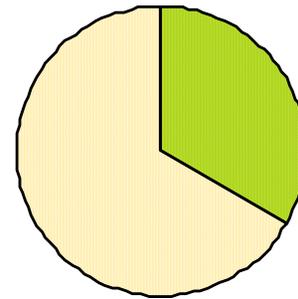
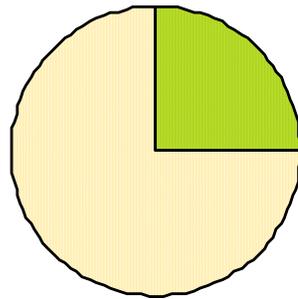
Quarter Cent



- No inflation adjustment on other allocations
- No bond revenue analysis

Quarter Cent

- What does a quarter of a quarter cent buy these days?



Capital
Operations
Line Length

\$88.6 M
✓
3.2 mi.

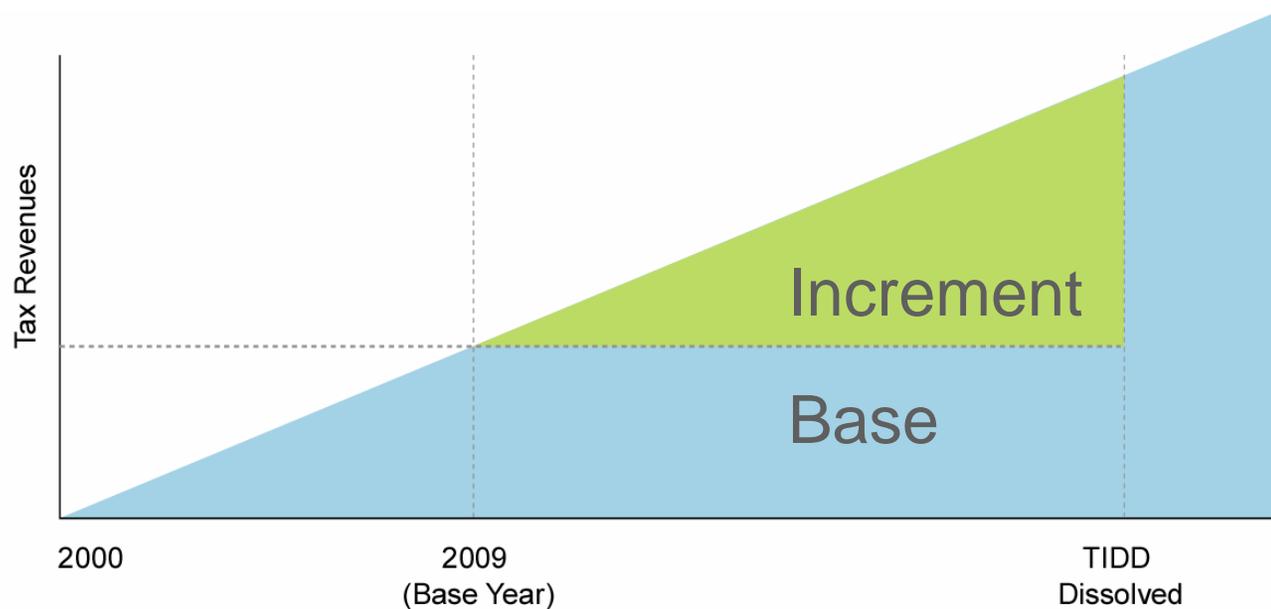
\$121.4 M
✓
4.3 mi.

\$184.7 M
✓
6.6 mi.

Tax Increment Development District (TIDD)

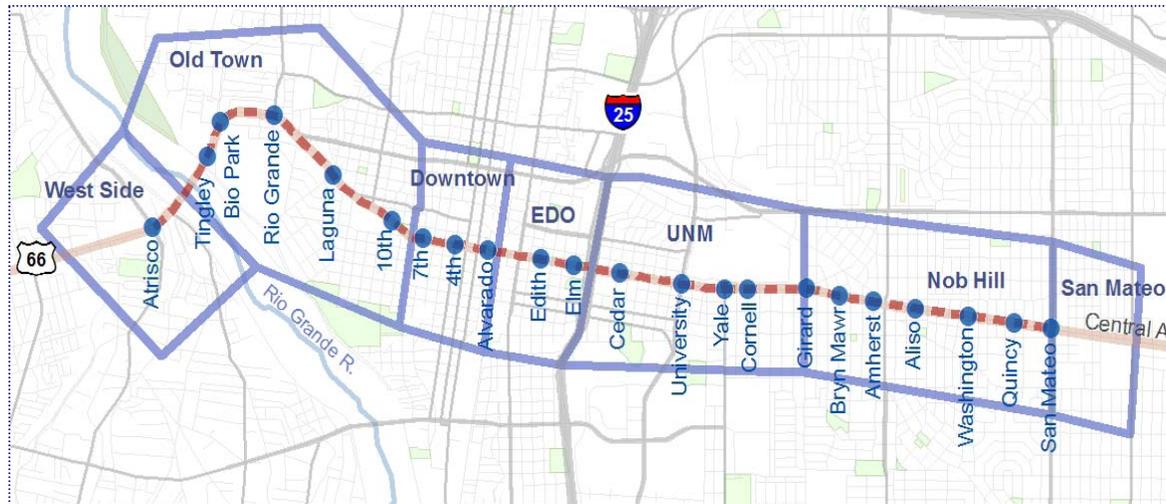
- Captures shares of:
 - Gross Receipts and Property Taxes
- Two in place: Mesa Del Sol, SunCal
- Mesa Del Sol: \$394M

How
TIDD
Works



TIDD

The District



- Keys to Central Ave TIDD Success
 - State Participation
 - *Private* Business Growth
 - *Predictable* Business Growth
- Fund more than just the streetcar

TIDD

- Fiscal Impact to City may be net positive
 - Municipal revenue lost, State revenue gained
- Implementation Uncertainties
 - Business receipts not tracked at a fine grain
 - Similar problems for property tax
 - TIF (Tax Increment Financing)
 - Possible political resistance
 - Bond underwriter perceptions

TIDD

- Revenue Potential (10 year bond)
 - With State GRT Share: \$175M
 - Without State: \$75M
 - Anemic business growth, no State share: \$60M+
- Assumptions
 - Large District



Other Funding Sources

- Capital Implementation Plan (CIP)
 - Biennial, project submittals due now!
 - \$80M per year allocated
 - Transit allocation (\$5 - \$8M) historically for ABQ Ride
- Metropolitan Transportation Plan (MTP / TIP)
 - MRCOG facilitated, leverages fed, state, local \$
 - \$5 - \$10M possible
- Public Improvement District (LID)
 - Property owner/developer participation
 - Portland, Seattle, California transit projects

Funding Sources – State and Federal

- GRIP
 - Governor Richardson's Investment Partnership
 - Revenue potential unclear
- Federal Transit Administration
 - Small Starts and Very Small Starts (<\$25M)
 - Competitive, uncertainty, long waits

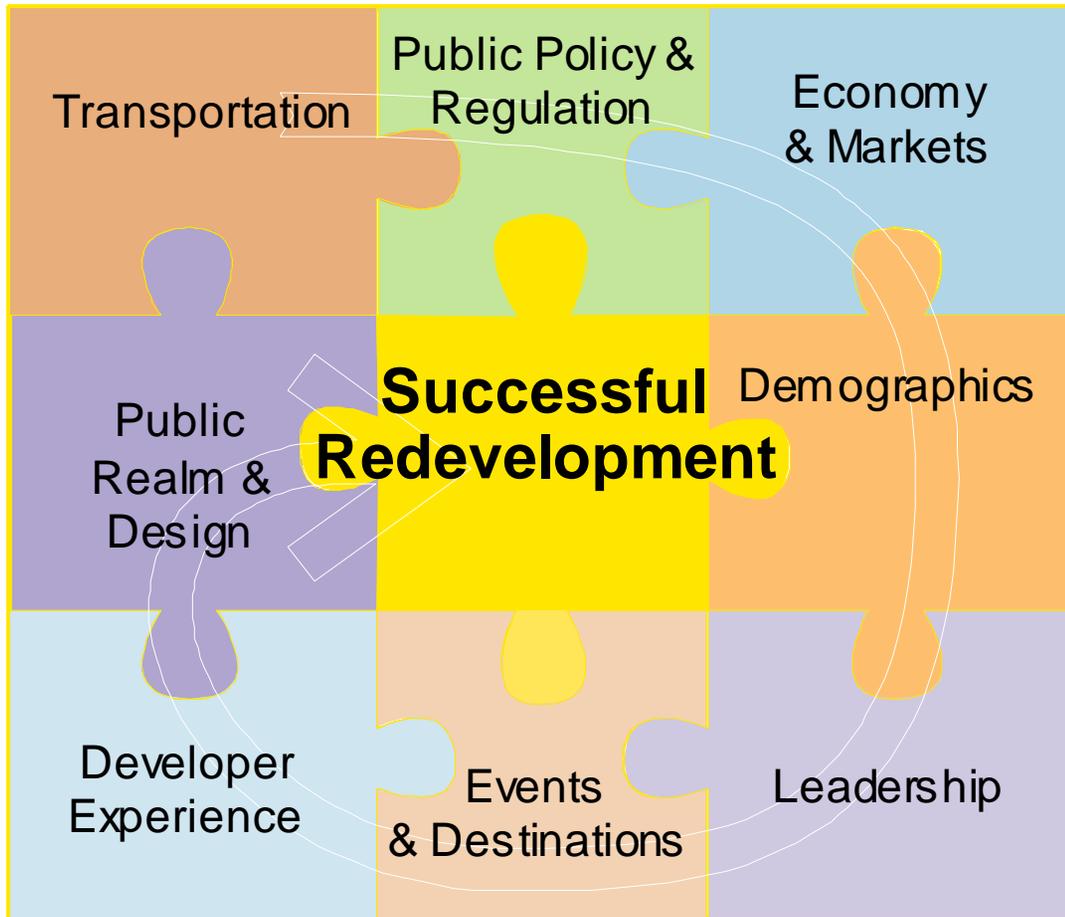
Funding Sources - Local

- Institutional Contributions
 - UNM, Presbyterian, others
- Hotel/Tourism Assessment
 - Streetcar – tourism connection
 - Likely small operations source
- Sponsorships and Advertising
 - Tampa raised \$2.5M, including TECO line naming rights
- Farebox
 - Operations only; conservatively estimated at 15%



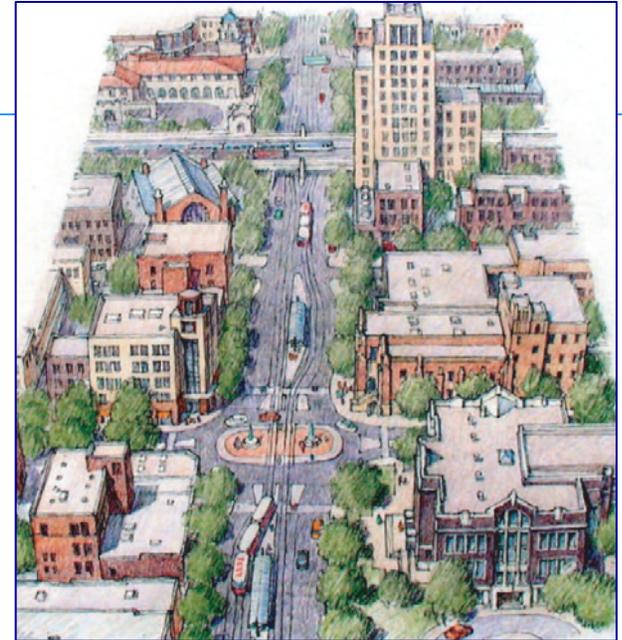
Strategic Recommendations

Conditions for Success



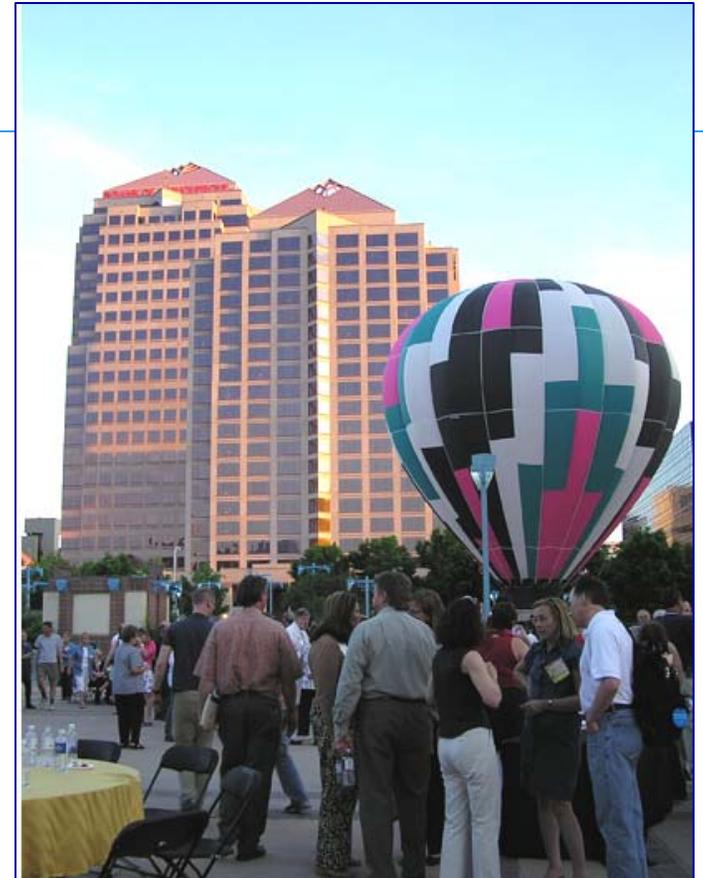
Strategic Considerations

- Public Finance
 - Implement TIDD
 - Harness other sources
 - Line up \$\$\$ for complementary projects
- Public Policy and Regulation
 - Make desirable development easy
 - Create TOD staff or department
 - Review zoning for ease of implementation; consistency with big-picture planning goals; residential-employment mix.



Strategic Considerations

- Anchor Uses
 - Events Center
 - Grocery and convenience retail
- Public Realm Urban Design
 - Continue streetscape improvements
 - Plazas and open space
- Organization (Human Infrastructure)
 - Central Corridor Branding
 - Corridor organization and management
 - Streetcar ownership and management
- Other
 - Increase perception of safety





Cost-Benefit Matrix

Decision making for:

- Funding mix
- Alignment length
- Phasing

Cost Benefit Matrix

Alignment Section	Length	Cost	
		Capital	(\$ million)
A	Atrisco to 4th Street	3.0	\$84.0
B	4th Street to Girard	2.0	\$56.0
C	Girard to San Mateo	1.5	\$42.0
Full	Central Alignment	6.5	\$182.0



Cost Benefit Matrix

Benefits				
	Annual Ridership (year 1)	Residential Growth (units)	Employment Growth (s.f.)	Major Destinations
A	493,228	749	561,964	●●●○○○○○○○
B	1,125,668	2,050	1,380,873	●●●●●○○○○○
C	678,092	1,232	642,572	●●○○○○○○○○○
Full	2,296,988	4,031	2,585,409	●●●●●●●●●●



Cost Benefit Matrix

Cost-Benefit Measures

	Ridership (capital \$ per rider, year 1)	New Residential units/mile	New Empl. s.f./mile	Percent of Quarter Cent
A	\$170	250	187,321	23%
B	\$50	1,025	690,436	15%
C	\$62	822	428,381	12%
Full	\$79	620	397,755	50%





Discussion

Funding

- Non-Quarter Cent sources
- Share of Quarter Cent

Alignment

Phasing



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