

**METROPOLITAN REDEVELOPMENT AGENCY**

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## **NOTIFICATION OF DECISION**

October 19, 2020

Zydeco 66, LLC.  
c/o Richard Yates, CEO  
428 Sandoval, Ste. 200  
Santa Fe, NM 87501

East Downtown Redevelopment  
RFP #01-2020

On September 29, 2020, the East Downtown Redevelopment Area RFP Selection Advisory Committee, voted to RECOMMEND the selection of Zydeco 66, LLC., or its successor corporation, company or organizations, as an approved RFP Area A submission to proceed to negotiations.

The Albuquerque Development Commission (ADC), after its consideration of the presentation and the materials and documentation before it, finds the following and recommends the Metropolitan Redevelopment Agency staff proceed with negotiations with Zydeco 66, LLC. based on the findings as presented in the ADC staff report.

### **FINDINGS:**

1. Pursuant to the Downtown 2025 Metropolitan Redevelopment Area plan there is need to redevelop and activate real properties in the area in order to:
  - Make Downtown a “pedestrian-first”, “park-once” place with excellent pedestrian, transit, and bicycle facilities;
  - Develop, manage, and operate parking as an essential civic infrastructure, and reducing overall parking ratios over time to a “park-once” environment;
  - Create new parks, open space and plazas that are easily accessible to downtown residents, workers, students, and visitors;
  - Maintain Downtown as New Mexico’s largest employment center and the region’s center of economic activity; and
  - Have at least 20,000 people living within one mile of the Downtown Core, and 5,000 living within the Downtown Core by 2025.

2. As provided in the New Mexico State Metropolitan Redevelopment Code and the Metropolitan Redevelopment Agency Ordinance for the City of Albuquerque, the MRA issued a Request for Proposal #01-2020 on March 5, 2020, soliciting redevelopment proposals for two Subject Areas, including the referenced property.
3. The MRA received five (5) proposals in response to the RFP #01-2020. Three (3) proposals received were deemed to be responsive to the criteria in RFP #01-2020, including the Proposal by Zydeco 66.
4. Zydeco 66's proposal responds to the goals of the Downtown MRA Plan by:
  - Proposing development of a pedestrian bridge connecting Albuquerque Convention Center parking and future residential and/or hospitality developments on adjacent properties;
  - Creating a new plaza connected to the proposed Rail Trail Multimodal Corridor; and
  - Adding to the number of people living and working downtown through the development of the two outlying tracts.
5. Zydeco 66's Proposal met all the RFP response criteria including having site control and not requesting pre-development funding from the MRA.
6. The Proposal received 383 points from the Selection Advisory Committee in the following categories: team experience, design, financial structure, financial capacity, and timeline.
7. The following findings support the RFP Evaluation Criteria:
  - Consistency with Stated Project Goals: Elimination of blight; Meets goals of the relevant Metropolitan Redevelopment Plan; Increasing housing and employment density and options; Enhancing placemaking and urban vibrancy; Catalyzes further redevelopment and economic activity; Supports local, small, minority, women and disadvantaged business enterprises.
    - a. Project is a hybrid (public-private) infrastructure development that is catalytic in creating new community spaces (public plaza) and unlocking future developments that will/may include residential, retail, and hospitality; and
    - b. Rail Trail corridor integration into public plaza design and construction is supported by the project developer.
  - Team Experience: Past performance and overall experience of individuals or project team on similar projects.
    - a. Project team has demonstrated experience with largely small-scale, infill development across New Mexico; and
    - b. The team's development experience spans a variety of property types, including residential, retail, office and hospitality.
  - Design: Design of the Project is appropriate for the location and urban context of the site; The Project incorporates sustainable design features and renewable energy elements; Demand for parking is adequately addressed and takes advantage of transit/shared parking opportunities to reduce parking on site; Project incorporates renewable energy

and other measures to reduce carbon footprint. Project incorporates Crime Prevention through Environmental Design concepts.

- a. Project design is unique in that the proposed construction constitutes both a public infrastructure project as well as a project that unlocks future private development opportunities;
  - b. The project will shift isolated surface parking into structured parking to serve the associated Springer Square office building and future residential parking needs; and
  - c. Parking shifts from surface to structured open the first adjacent parcel for planned residential development.
- Financial Structure: Market demand and pro-forma assumptions are documented and justified; Project budget is realistic and support by evidence, including (but not limited to) construction, soft costs, developer fee, initial reserve amounts, and contingency; Pro-forma is realistic and achievable, including income expenses, reserve contributions, debt payments, etc.; City investment is leveraged with other funding resources; Structure of City investments provides a return to the City, if possible.
    - a. Project financial structure includes land and building contributions that equate to 33% of the total development costs;
    - b. Owner equity and conventional debt make up the majority of the remaining financial structure; and
    - c. \$1 million public portion of the proposed financial structure may be eligible for GO bond funding.
  - Financial Capacity: Proposer demonstrates adequate financial capacity to develop the proposed Project (evaluated through information provided in response to other Financial Obligations, Financing References and Financial Statements); Proposer demonstrated adequate financial risk in the Project.
    - a. Project team has demonstrated sufficient cash and cash equivalents to provide the specified level of owner's equity required for the project, in addition to the real property contributed to the project by the project owner.
  - Timeline: Evaluation of the achievability of the Proposer's schedule and the Proposer's ability to complete the project satisfactorily in a timely manner.
    - a. Project proposes construction start as early as December 2021 and is expected to have a duration of approximately one year.

Development on adjacent parcels is tied to construction of the sky bridge to connect parking to future office and future residential development

**APPEAL:** If you wish to appeal this decision, you must do so within 15 business days of the Notice of Decision.

For more information regarding the appeal process, please refer to Section 14-8-4-8 of the Metropolitan Redevelopment Agency Ordinance. The Metropolitan Redevelopment Agency Appeal Form can be found at: <https://www.cabq.gov/metropolitan-redevelopment-agency/request-for-proposals>

You will receive notification if any person files an appeal. If there is no appeal, the decision of the ADC

as accepted by the Metropolitan Redevelopment Agency is final.

Sincerely,

*Karen Iverson*

Karen Iverson

Metropolitan Redevelopment Agency Manager

cc. John DuBois, Assistant City Attorney

cc. Lawrence Rael, COO