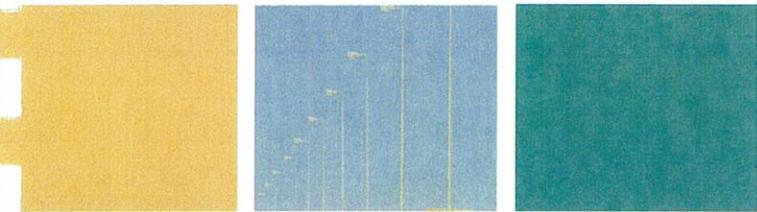


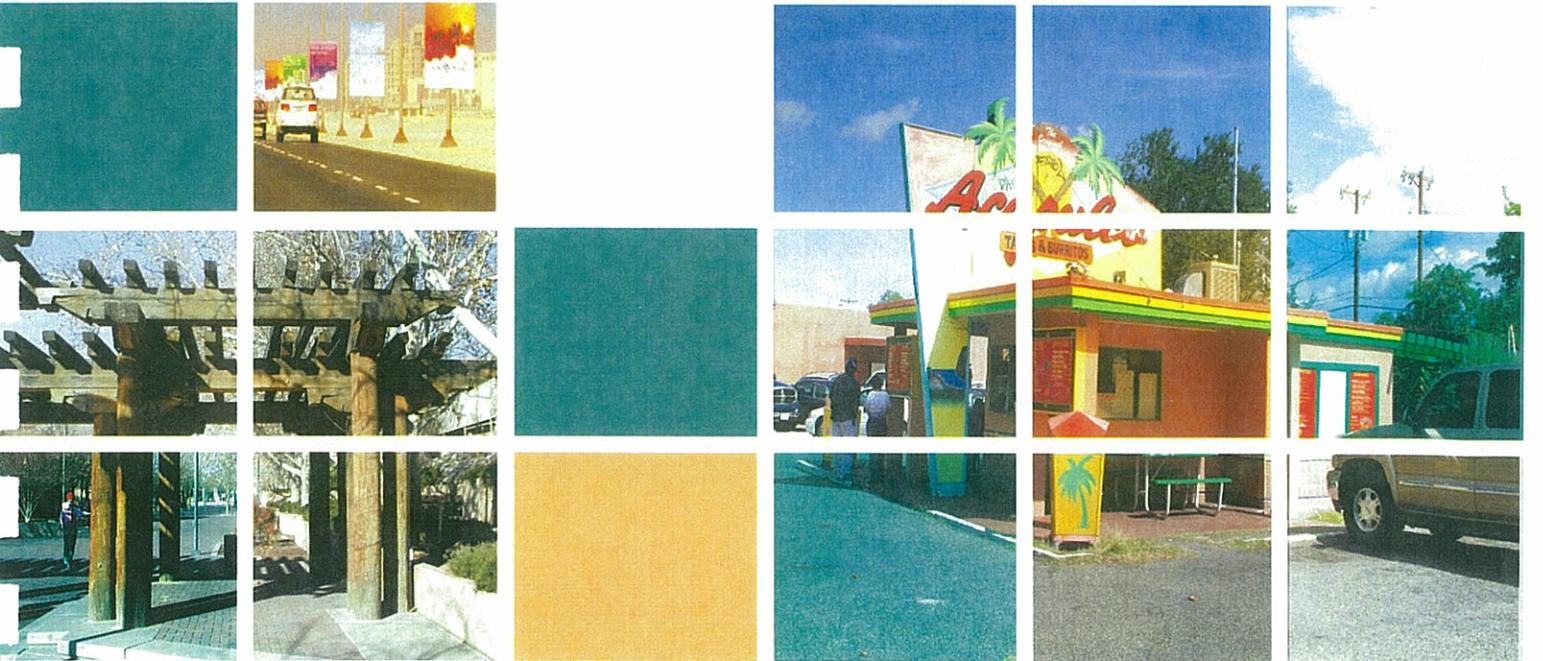
Near Heights MRA Expansion Plan

June 2010



Prepared for:
Albuquerque Metropolitan Redevelopment Agency
City of Albuquerque Planning Department

Prepared by:
Sites Southwest LLC



Acknowledgements

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Debbie O'Malley, District 2

Isaac Benton, District 3

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**CITY of ALBUQUERQUE
NINETEENTH COUNCIL**

COUNCIL BILL NO. R-10-49

ENACTMENT NO. 2010-005

2010-005

SPONSORED BY: Rey Garduño

RESOLUTION

APPROVING THE NEAR HEIGHTS EXPANSION METROPOLITAN REDEVELOPMENT PLAN.

WHEREAS, the New Mexico Legislature has passed the Metropolitan Redevelopment Code (herein "Code"), Sections 3-60A-1 to 3-60A-48 inclusive NMSA, 1978, as amended, which authorizes the City of Albuquerque, New Mexico (the "City") to prepare metropolitan redevelopment plans and to undertake and carry out metropolitan redevelopment projects; and

WHEREAS, The City Council, the governing body of the City, (the "City Council") after notice and public hearing as required by Code, has duly passed and adopted Council Resolution No. R-08-29 Enactment R-2008-051, including the recently formed Eastern/Alvarado Metropolitan Redevelopment Area (R-07-283), making certain findings, among other things, that one or more blighted areas exist within the corporate limits of the municipality and that the rehabilitation, conservation, development and redevelopment of and in the Area designated as the Near Heights Expansion Metropolitan Redevelopment Area is necessary in the interest of public health, safety, morals and welfare of the residents of the City; and

WHEREAS, the City Council, by Resolution No. R-08-29 Enactment R-2008-051, has made certain findings which declare the Near Heights Expansion Metropolitan Redevelopment Area to be blighted, has designated the Area as appropriate for Metropolitan Redevelopment Projects and has called for the preparation of a metropolitan redevelopment plan identifying the activities to be carried out to eliminate the present conditions; and

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1 WHEREAS, the Albuquerque Development Commission, which acts as the
2 Metropolitan Redevelopment Commission under the provisions of the City
3 Council Ordinance 14-8-4-1994, (the “Commission”) recommends approval of
4 the Near Heights Expansion Metropolitan Redevelopment Plan (the “Plan”) for
5 the redevelopment of the Area, as required by the Code; and

6 WHEREAS, the City Council has conducted a public hearing, after proper
7 notice as required by the Code, on the Plan; and

8 WHEREAS, the expanded Plan proposes redevelopment of certain sites
9 within the project area; and

10 WHEREAS, the expanded Near Heights Metropolitan Redevelopment Area
11 Plan boundaries incorporate and replace the Eastern/Alvarado Metropolitan
12 Redevelopment Plan (R-07-283); and

13 WHEREAS, the expanded Plan identified three catalyst projects; 1) The
14 development of the vacant Eastern/Alvarado site; 2) An International themed
15 streetscape project along San Mateo Boulevard and Gibson Boulevard and; 3)
16 Development of nine vacant parcels south of Southern Boulevard on the east
17 side of San Mateo Boulevard for a future mixed use retail and housing
18 development; and

19 WHEREAS, the expanded Plan proposes a coordinated redevelopment of
20 certain public and private projects in the area which will meet the objectives of
21 the code and will benefit the City’s efforts to revitalize the Near Heights
22 Expansion Metropolitan Redevelopment Area; and

23 WHEREAS, this expanded Plan for projects will promote the local health,
24 general welfare, safety, convenience and prosperity of the inhabitants of the
25 City and will benefit the City’s effort to revitalize the area.

26 **BE IT RESOLVED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY OF**
27 **ALBUQUERQUE:**

28 **SECTION 1.** The City Council, after having conducted a public hearing
29 pursuant to the code, finds that:

30 A. The expanded Plan and the proposed redevelopment of the Near
31 Heights Expansion Metropolitan Redevelopment Area will aid in the
32 elimination and prevention of blight or conditions which lead to development
33 of blight.

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1 **B. The expanded Plan does not require the relocation of any families**
2 **or individuals from their dwellings; therefore, a method for providing**
3 **relocation assistance is not required.**

4 **C. The expanded Plan complements the Albuquerque/Bernalillo**
5 **County Comprehensive Plan and affords maximum opportunity consistent**
6 **with the needs of the community for the rehabilitation and redevelopment of**
7 **the Near Heights Expansion Metropolitan Redevelopment Area by the public**
8 **activities and the private enterprise; and the objectives of the Plan justify the**
9 **proposed activities as public purposes and needs.**

10 **D. The expanded Plan, attached as Exhibit A, and made a part hereof,**
11 **is approved in all respects.**

12 **SECTION 2. The entire Near Heights Expansion Metropolitan**
13 **Redevelopment Area is specifically included for purposes of tax increment**
14 **financing, and the creation of a tax increment district.**

15 **SECTION 3. SEVERABILITY CLAUSE. If any section, paragraph, sentence,**
16 **clause, word or phrase of this resolution is for any reason held to be invalid or**
17 **unenforceable by any court of competent jurisdiction, such decision shall not**
18 **affect the validity of the remaining provisions of this resolution. The Council**
19 **hereby declares that it would have passed this resolution and each section,**
20 **paragraph, sentence, clause, word or phrase thereof irrespective of any**
21 **provisions being declared unconstitutional or otherwise invalid.**

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31 **X:\SHARE\Legislation\Nineteen\R-49final.doc**

1 PASSED AND ADOPTED THIS 7th DAY OF June, 2010
2 BY A VOTE OF: 8 FOR 0 AGAINST.

3
4 Excused: Jones

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7 Ken Sanchez, President
8 City Council

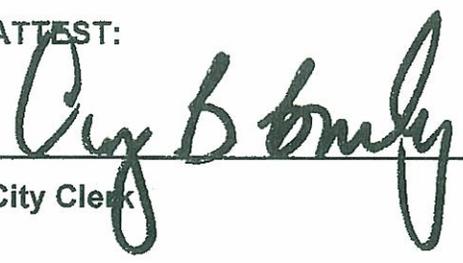
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11 APPROVED THIS 18 DAY OF June, 2010

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14 Bill No. R-10-49

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18 Richard J. Berry, Mayor
19 City of Albuquerque

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22 ATTEST:

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25 City Clerk

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Designation Resolution Approval

EXHIBIT A

CITY OF ALBUQUERQUE
CITY COUNCIL

05/11/08 10:10:22

INTEROFFICE MEMORANDUM

4/14/08

R-2008-051

TO: Martin Chávez, Mayor

FROM: Laura Mason, Director of Council Services

LM

SUBJECT: Transmittal of Legislation

Transmitted herewith is Bill No. R-08-29 Designating The Near Heights Boundary Expansion a Metropolitan Redevelopment Area, Including The Recently Formed Eastern/Alvarado Metropolitan Redevelopment Area (R-07-283); Making Certain Findings and Determinations Pursuant To The Metropolitan Redevelopment Code, and Authorizing and Directing The Metropolitan Redevelopment Agency To Prepare a Metropolitan Plan For The Near Heights Expansion Metropolitan Redevelopment Area (Garduño), which was passed at the Council meeting of April 7, 2008, by a vote of 9 FOR AND 0 AGAINST.

In accordance with the provisions of the City Charter, your action is respectfully requested.

LM:db
Attachment
4/8/08

101

CITY of ALBUQUERQUE

EIGHTEENTH COUNCIL

COUNCIL BILL NO. R-08-29

ENACTMENT NO. B-2008-051

SPONSORED BY: Rey Garduño

RESOLUTION

1
2 DESIGNATING THE NEAR HEIGHTS BOUNDARY EXPANSION A
3 METROPOLITAN REDEVELOPMENT AREA, INCLUDING THE RECENTLY
4 FORMED EASTERN/ALVARADO METROPOLITAN REDEVELOPMENT AREA
5 (R-07-283). MAKING CERTAIN FINDINGS AND DETERMINATIONS PURSUANT
6 TO THE METROPOLITAN REDEVELOPMENT CODE, AND AUTHORIZING AND
7 DIRECTING THE METROPOLITAN REDEVELOPMENT AGENCY TO PREPARE
8 A METROPOLITAN PLAN FOR THE NEAR HEIGHTS EXPANSION
9 METROPOLITAN REDEVELOPMENT AREA.

10 WHEREAS, Section 3-60A-8 NMSA 1978 of the Metropolitan Redevelopment
11 Code (Sections 3-60A-1 through 3-60A-48 NMSA 1978) states: "A municipality
12 shall not prepare a metropolitan redevelopment plan for an area unless the
13 governing body by resolution determined the area to be a slum area or a
14 blighted area, or a combination thereof, and designated the area as
15 appropriate for a metropolitan redevelopment project"; and

16 WHEREAS, the City of Albuquerque ("City") and the Metropolitan
17 Redevelopment Agency of the City and their employees and agents, have for
18 some time engaged in a study of blighted areas within the City, and have
19 submitted their findings and recommendations concerning the area detailed in
20 the Near Heights Metropolitan Redevelopment Area Expansion Designation
21 Report which is attached as Exhibit A to this Resolution and incorporated
22 herein by reference; and

23 WHEREAS, pursuant to Section 3-60A-8 NMSA 1978 of the Metropolitan
24 Redevelopment Code, the Council caused to be published in the Albuquerque
25 Journal a newspaper of general circulation, a notice containing a general
26 description of the proposed metropolitan redevelopment area and the date,

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1 time and place where the Council will hold a public hearing to consider the
2 adoption of this resolution and announcing that any interested party may
3 appear and speak to the issue of the adoption of this resolution; and

4 WHEREAS, the Albuquerque Development Commission held an advertised
5 public meeting on October 17, 2007, took testimony from the public, and
6 recommended to the Council the designation of the Near Heights Metropolitan
7 Redevelopment Expansion Area, as set forth in the Staff Report attached to
8 this resolution as Exhibit B; and

9 WHEREAS, the Land Use Planning and Zoning Committee of the Council
10 and the City Council, at a time and place designated in a public notice, to hear
11 and consider all comments of all interested parties on the issue of the
12 adoption of this resolution; and

13 WHEREAS, the Near Heights Expansion Metropolitan Redevelopment Area
14 expands the Near Heights MRA Plan that was adopted in the year 2000. Due to
15 economic investment along the San Mateo Blvd and Gibson Blvd corridors,
16 along with the relocation of the Lovelace Medical Center facility on Gibson to
17 their new downtown location, a destabilizing impact is noticeable in the area;
18 and

19 WHEREAS, the Near Heights Expansion boundaries include the
20 Eastern/Alvarado MRA site recently approved by City Council on November 5,
21 2007 (R-07-283). The area boundaries begin at the northeast corner of the
22 intersection of Eastern and Palomas, easterly along Eastern to Alvarado;
23 northerly along Alvarado to Ross; westerly along Ross to Palomas; southerly
24 along Palomas to the northeast corner of Eastern and Palomas, being the
25 points of beginning; and

26 WHEREAS, the Council has considered the findings and determinations set
27 forth in Exhibit A attached hereto; the Staff Report attached as Exhibit B; and
28 all comments made at the public hearing concerning the conditions which
29 exist in the proposed Near Heights Metropolitan Redevelopment Expansion
30 Area.

31 BE IT RESOLVED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY OF
32 ALBUQUERQUE:

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1 Section 1. The Council finds and determines that the area from the
2 commercial corridor along San Mateo Blvd. from Bell Street to Gibson Blvd.
3 and the commercial corridor along Gibson Blvd. from San Mateo Blvd. to
4 Kentucky Street, near Louisiana Blvd. is hereby included into the Near
5 Heights Metropolitan Redevelopment Area. The boundary excludes recently
6 redeveloped properties on the south side of Gibson Blvd. from Dakota Street
7 to Kentucky Street. It includes the shopping center along the west side of San
8 Pedro Blvd, which is bounded on the north by Kathryn Ave. and the south by
9 Anderson Ave., and is adjacent to the existing Near Heights Metropolitan
10 Redevelopment Area. The Near Heights Expansion area further described in
11 Exhibit A to this Resolution, is, by reason of the presence of a substantial
12 number of deteriorated structures, unsafe conditions, deterioration of site and
13 other improvements, obsolete and impractical planning and platting and low
14 levels of commercial activity and redevelopment which substantially impair
15 and arrest the sound growth and economic well being of the City and the Near
16 Heights Metropolitan Redevelopment Area, constitute an economic and social
17 burden and a menace to the public health, safety, and welfare in its present
18 condition and use, the blighted areas that are appropriate for a metropolitan
19 redevelopment project or projects and are hereby designated the Near
20 Heights Metropolitan Redevelopment Expansion area.

21 Section 2. The Council finds that the rehabilitation, conservation,
22 development and redevelopment of and in the Near Heights Expansion
23 Redevelopment Area are necessary in the interests of the public health, safety,
24 morals and welfare of the residents of the City.

25 Section 3. The Metropolitan Redevelopment Agency is hereby authorized
26 and directed to prepare a Metropolitan Redevelopment Plan or Plans for the
27 Near Heights Expansion Area which, without limitation, shall seek to eliminate
28 the problems created by the blighted conditions in the area, shall conform to
29 any general plan for the City as a whole, and shall be sufficient to indicate the
30 proposed activities to be carried out or encouraged in the area and the Plan's
31 relationship to defined local objectives respecting land uses, improved traffic
32 patterns and controls, public transportation, public utilities, recreational and

1 community facilities, housing facilities, commercial activities or enterprises,
2 and other public improvements.

3 Section 4. SEVERABILITY CLAUSE. If any section paragraph, sentence,
4 clause, word, or phrase of this resolution is for any reason held to be invalid or
5 unenforceable by any court of competent jurisdiction, such decision shall not
6 affect the validity of the remaining provisions of this resolution. The Council
7 hereby declares that it would have passed this resolution and each section,
8 paragraph, sentence, clause, word or phrase thereof irrespective of any
9 provisions being declared unconstitutional or otherwise invalid.

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1 PASSED AND ADOPTED THIS 7th DAY OF April, 2008
2 BY A VOTE OF: 9 FOR 0 AGAINST.

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8 Brad Winter, President
9 City Council

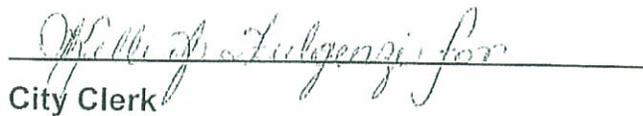
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12 APPROVED THIS 17th DAY OF April, 2008

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15 Bill No. R-08-29

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19 Martin J. Chávez, Mayor
20 City of Albuquerque

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24 ATTEST:

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27 City Clerk

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Executive Summary

Introduction and Overview

The Near Heights Metropolitan Redevelopment Area Expansion Plan is a supplementary document to the Near Heights Metropolitan Redevelopment Area Plan that was adopted by the City of Albuquerque in September 2000. It expands the original boundaries of the 1,010-acre MRA to encompass properties along the San Mateo and Gibson Boulevard commercial corridors, as well as the Willow Village Shopping Center on San Pedro and a 3.7-acre vacant parcel at the corner of Eastern Ave. and Alvarado Street. The expansion area was designated as a metropolitan redevelopment area by City Council in April 2008. Under the Metropolitan Redevelopment Code (3-60A-1:48 NMSA 1978) this designation allows municipal acquisition, ownership, lease and improvement of properties within the area to spur economic development. It also offers other incentives to private developers such as impact fee waivers, bonds, and improvements financed through tax-increment financing.

Planning Process

Using a series of public participation meetings, charrettes, work groups and interviews, the project team identified three likely sites for redevelopment. The community and team analyzed the opportunities and constraints of each site as well as the improvements, goods, and services sought by residents and businesses to come up with three project concepts to generate activity.

History and Vision

Projects took into account the community's vision for the area: a safe, walkable, economically viable area with neighborhood retail and more home ownership opportunities. Residents envision the area as part of the recently designated International District in Albuquerque, promoting a multi-cultural theme marked by gateways, heritage markers, information kiosks, and public art.

Redevelopment Strategies

The redevelopment strategies grew out of the market analysis and community desires. The trade area (zip code 87108) had approximately 38,000 people in 2008. Residents tend to be slightly older, less educated and more racially diverse than the City at-large. Just over half are Hispanic or Latino. In general, residents earn about 74 percent of the median household income in Albuquerque.

Area strengths and opportunities are its residential density, its proximity to employment centers such as Kirtland AFB, Sandia Labs, the Veteran's Hospital, and Gibson Medical Center, providing a customer base for different times of the day. It has moderate weekday traffic flows along San Mateo Blvd. and Gibson Blvd. and is also close to the airport and bus service. Its multi-cultural population and concentration of ethnic restaurants and other businesses suggest the international theme can become a magnet for drawing residents, tourists and employees from other parts of the city. It also has a strong base of community residents and non-profit organizations working for change. Weaknesses to overcome include the area's reputation for being unsafe, vacant buildings and parcels, and the general economic downturn.

The project team came up with five redevelopment strategies for the community and City to pursue:

- Build upon the existing ethnic businesses and population to transform the area into an international, multi-cultural "destination," attracting City residents, employees and tourists.
- Develop neighborhood retail that will draw local residents to San Mateo Blvd. and more housing to increase the number of residents. Data indicate that residents leave the area to purchase groceries, home improvement items, drug store items, clothing, and to eat at full-service restaurants.
- Attract more employees from nearby employment centers by catering to their needs and schedules.

- Help businesses in the area to expand and draw on existing residents' special talents to help them create new businesses in the MRA.
- Designate the MRA as a Tax-Increment Financing District, allowing the incremental increase in property taxes following redevelopment to be funneled back into the area to help finance more revitalization.

Opportunity Sites & Catalytic Projects

Three vacant opportunity sites were selected by the community in consultation with the City and project team. They were chosen for their location and potential for helping catalyze more redevelopment in the area. They include:

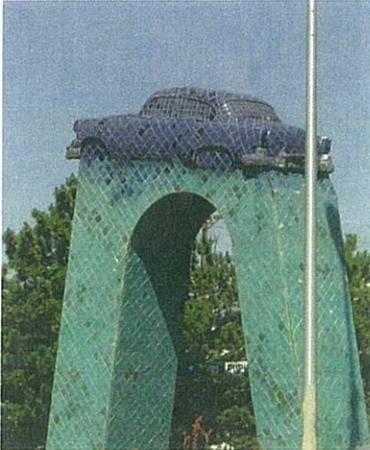
1. The 3.7-acre former parking lot at the corner of Eastern Ave. and Alvarado Ave. that was donated to the City by Lovelace Medical System.
2. The streetscapes along Kathryn Avenue (from San Mateo to San Pedro), San Mateo (from Bell Ave. to Gibson Blvd.) and Gibson Blvd. (from San Mateo Blvd. to Kentucky).
3. Nine vacant lots north of the gas station/convenience store along the west side of San Mateo Blvd.

Potential projects were conceptualized to carry out one or more of the development strategies.

- **Opportunity Site/Project #1:** As a large site already owned by the City but located on secondary streets, the Eastern/Alvarado site is proposed to have a mix of uses: for-sale residential, office space (potentially for local non-profit organizations seeking to expand), a public plaza and a community use, such as an economic incubator with a commercial kitchen, and a café. Connections from this site to the Siesta Hills Shopping Center would be fostered by promenades and special streetscape treatments.
- **Opportunity Site/Project #2:** Improvements proposed in this project include a group of streetscape designs and elements along three streets: Gateway, heritage markers, and other design elements at various corner locations would herald and reinforce the entrance to the International District. Landscaping, pedestrian street lighting, and bicycle lanes would create a safer, east-west pedestrian-bicyclist boulevard along Kathryn Ave. from San Mateo Blvd. to San Pedro Drive. Part of the street could be closed occasionally for community events, such as a farmer's market.
- **Opportunity Site/ Project #3:** This project would build upon the private health club development slated to be constructed on the existing Parkland Hills Shopping Center site at San Mateo Blvd. and Kathryn Ave. It calls for an additional 7,500 square feet of new retail space, including a café with outdoor seating, as well as a public plaza for events. It is hoped that the new clientele brought in by the private development can be drawn farther north along San Mateo Blvd. to help support the retail.

The remaining chapters in the report document the history, existing conditions, zoning and land use, vacant land, existing architecture, the market study, and include a few case studies of other relevant redevelopment projects.

1. Overview



A. Introduction

In 1998 the Albuquerque City Council designated the Near Heights Metropolitan Redevelopment Area. The Metropolitan Redevelopment Agency selected a planning team to complete the Near Heights Metropolitan Redevelopment Area (MRA) Plan, which was adopted in 2000. Since adoption, the Talin Market World Food Fare and accompanying streetscape projects and City-initiated land acquisitions for future projects at Central and Louisiana have been completed. In 2007, The Metropolitan Redevelopment Agency initiated an expansion to the Near Heights MRA boundary. Mayor Chavez and then District 6 City Councilor Heinrich supported the MRA expansion.

The City of Albuquerque Metropolitan Redevelopment Agency solicited proposals for an updated redevelopment plan for the Expanded MRA and selected Sites Southwest to lead the effort. The Expanded Near Heights MRA boundary was approved in April 2008.

B. Project Sponsor

The City of Albuquerque Metropolitan Redevelopment Agency is primarily responsible for executing projects and programs that lead to revitalization of blighted commercial corridors, enhance small business development and job creation, stabilize low income neighborhoods, and increase affordable housing in the City. The Agency's primary focus is implementation. It focuses on the creative use of City land and financial resources to trigger private and other public investment. It also cultivates partnerships with community-based and nonprofit organizations to develop and implement projects.

The Agency's role in the Near Heights community included identifying it as one in need of commercial and residential revitalization. It subsequently embarked upon an extensive community involvement process that will culminate with the implementation of projects and programs identified within this plan.

C. New Mexico Metropolitan Redevelopment Code

The State of New Mexico has several statutes intended to help municipalities promote economic development, redevelopment, and stability where these are hindered by a variety of factors. The New Mexico Metropolitan Redevelopment Code (§3-60A-1 to 3-60A-48 NMSA 1978) is one such statute. It provides New Mexico cities with the powers to correct conditions in areas or neighborhoods within municipalities that "substantially impair or arrest the sound and orderly development" within the city. These powers can help reverse an area's decline and stagnation; however, the municipality may only exercise these powers within designated Metropolitan Redevelopment Areas (MRAs).

Designation of an MRA is based on findings of “slum or blight” conditions, as defined in the Metropolitan Redevelopment Code (§3-60A-4). The criteria in 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;”

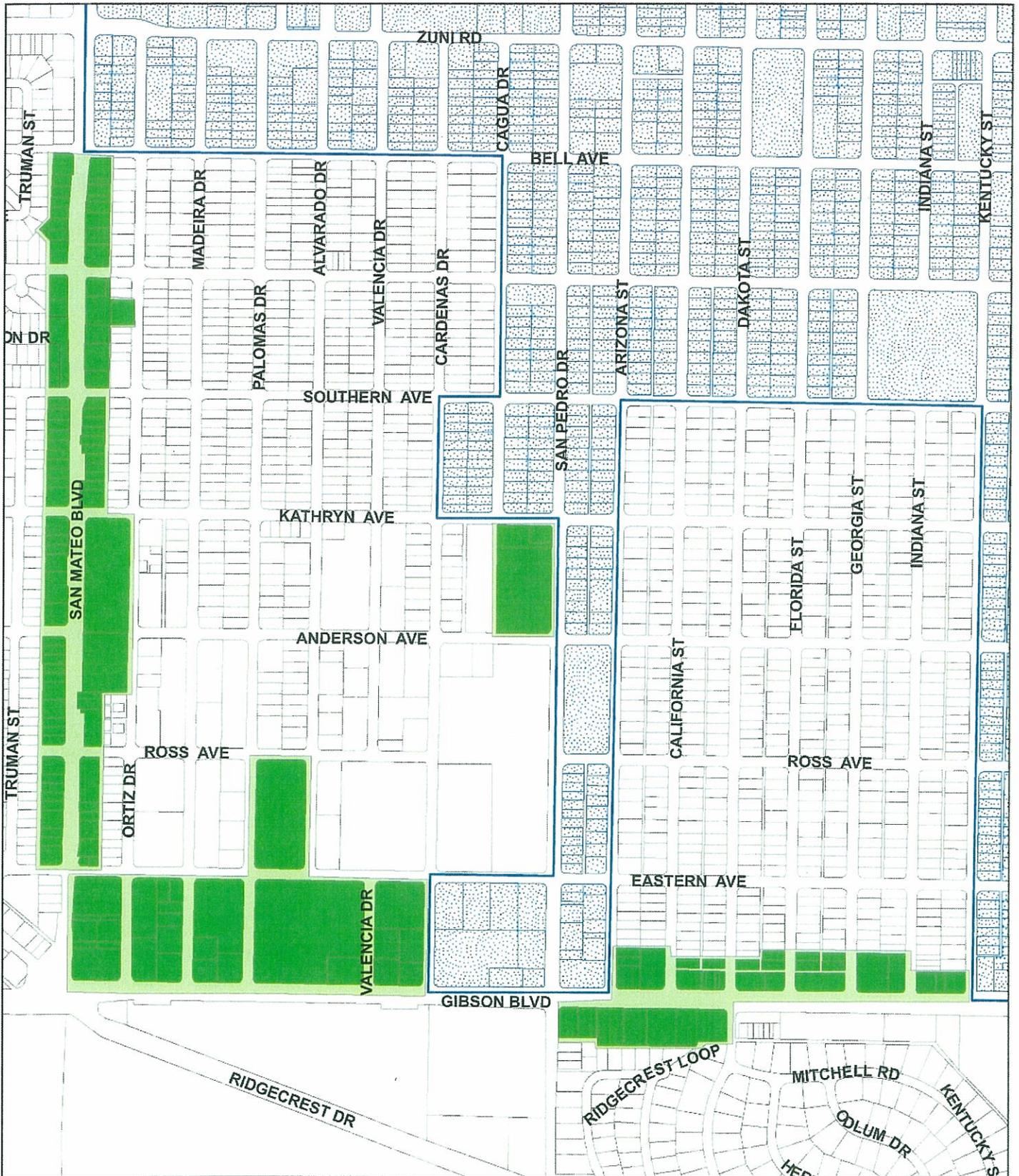
In April 2008, the Albuquerque City Council approved the designation of the Expanded Near Heights MRA.

D. Summary of Need

The Expanded Near Heights MRA exhibits a combination of factors that contribute to blight, including physical and economic conditions. There are a number of vacant lots filled with trash and weeds that residents say attract homeless people and drug deals, contributing to unsafe and unsanitary conditions. At the same time, many of these lots are contiguous and form parcels sizeable enough for redevelopment. Several businesses in the area have closed recently, some due to the departure of Lovelace Medical Center, which was located south of Gibson and recently was purchased by private investors. There are also a number of deteriorated or deteriorating buildings in the area that contribute to blight.

These factors combine to substantially impair and arrest the sound growth and economic health and well-being of the Near Heights Expanded MRA .

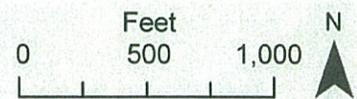




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Figure 1. Near Heights MRA



E. Location of MRA Expansion

The general boundaries of the Expanded Near Heights MRA are the commercial corridor along San Mateo Blvd. from Bell Ave. to Gibson Blvd. and the commercial corridor along Gibson Blvd. from San Mateo Blvd. to Kentucky Ave., near Louisiana Blvd. The boundary excludes recently redeveloped properties on the south side of Gibson from Dakota to Kentucky. The boundary also excludes the former Lovelace Medical Center facility on Gibson, which was purchased by a local investor. The boundary also includes two stand-alone parcels; the shopping center along the west side of San Pedro Drive, which is bounded on the north by Kathryn Ave. and the south by Anderson Ave., and is adjacent to the existing Near Heights MRA, and the vacant 3.7 acres at the corner of Eastern Ave. and Alvarado St. A more specific description of the area is as follows:

- San Mateo Blvd. Corridor
 - From Bell Ave. to Eastern Ave., one lot deep along San Mateo Blvd.
- Gibson Blvd. Corridor West
 - On the north side: From San Mateo to Cardenas Drive, the blocks between Eastern Ave. and Gibson Blvd.;
 - Lot A-1 Block 20 Plat of Lot 1 Block 20 Virginia Place Addition containing 3.7091 acres (known as Eastern Ave./Alvarado St. Corner site)
- Gibson Blvd. Corridor East
 - On the south side: one block deep along Gibson Blvd. from San Pedro Drive to Dakota Street.
 - On the north side:
 - Block 26A, Elder Homestead Addition, Lots 8, 9, A (Replat of lots 10-12), B (Replat of lots 13, 14) and A (Replat of lots 15-21).
 - Block 27A, Elder Homestead Addition, Lots 9, A (Replat of lots 10-14), 15, 16, 17, 18, 19, and 20.
 - Block 28A, Elder Homestead Addition, Lots 9, A (Replat of lots 10-15), 16, 17, 18, 19, 20 and 21.
 - Block 29A, Elder Homestead Addition, Lots 10 through 21.
 - Block 30A, Elder Homestead Addition, Lot A (Replat of lots 8-16) and Lot B (Replat of lots 17-21)
- San Pedro Drive Corridor
 - Block 8, Virginia Place Addition (Willow Village Shopping Center)

2. The Planning Process



The planning process employed several methods of involving area residents and business owners in the plan. These included:

1) **Public Meetings/ Citizen Advisory Team Meetings:** The redevelopment team held five area-wide meetings, beginning in May 2008, to gather input from residents and business owners about their future vision for the area, shopping patterns, suggestions for redevelopment projects and other area improvements, and comments on the proposed redevelopment projects and overall plan. Originally intended to be split between the Citizen Advisory Team (CAT) and the general public meetings, the distinction disappeared as most participants came to both. Altogether, more than 100 people attended one or more of the meetings.

2) **Business survey and interviews:** The owners or staff of at least 37 businesses in the MR area were interviewed personally by the redevelopment team members to learn the nature and longevity of their business, the current business climate, where their customers came from, and what changes they thought would most improve the business climate in the Near Heights expanded MRA.

3) **Neighborhood Charrette:** Once the community had generated a list of desired businesses and improvements, Sites Southwest held a neighborhood design charrette the evening of October 1, 2008 from 6:30 pm to 9 pm. An initial slide presentation pointed out potential opportunity sites for redevelopment along San Mateo and Gibson Boulevards, including vacant parcels and potential spaces for gateways, streetscapes and crosswalks. Slides of photos from Albuquerque and other cities illustrated various design elements and types of residential and retail development. Participants were then given aerial maps, the list of desired businesses and improvements for the area, and asked to package together potential businesses and design elements into projects for particular opportunity sites. This resulted in four main proposals that were sketched onto the maps.

4) **Special Meetings:** Sites Southwest held two Work Group meetings to flesh out specifics of each project and potential implementation steps, involving their design staff to help develop the ideas graphically. City Redevelopment staff also held a special meeting with area businesses to explain the intent of the plan and answer questions. This meeting focused on detailing the benefits to businesses of an MRA plan, including long-term bonds financing, impact fee waivers, public-private partnerships, State tax credits, and tax-deferred financing. Victor Limery, owner of the Talin International Market, was on hand to describe the benefits his establishment obtained through the existing Near Heights MRA plan and his partnership with the City.

Community residents actively helped with outreach, particularly members of the Southeast Heights Health Coalition and St. Joseph Community Health. The Endorphin Power Company and Wilson Middle School generously offered their facilities for public meetings for the plan.

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3. Area History and Vision

A. Area History

The Near Heights area that surrounds the San Mateo Boulevard and Gibson Boulevard MRA of this plan encompasses a number of neighborhoods. The closest are South San Pedro and Elder Homestead to the north and east; Siesta Hills to the southeast; and Parkland Hills to the west. Farther to the northeast are La Mesa and Trumbull Village neighborhoods. Affluence tends to decline east of San Mateo and rise to the west of San Mateo.

La Mesa began to develop before it was incorporated into the city and thus early development there had few controls. The area was annexed into the city in the late 1940s. After the area was annexed, the quality of the earlier developments generally improved, but the area still did not attract as high a quality development as much of the rest of the Heights, mainly because of the poor quality of the earlier developments and because of the incompatibility of the Tesuque Drive-In Theatre in the middle of the area with the residential development around it (City of Albuquerque 1976).

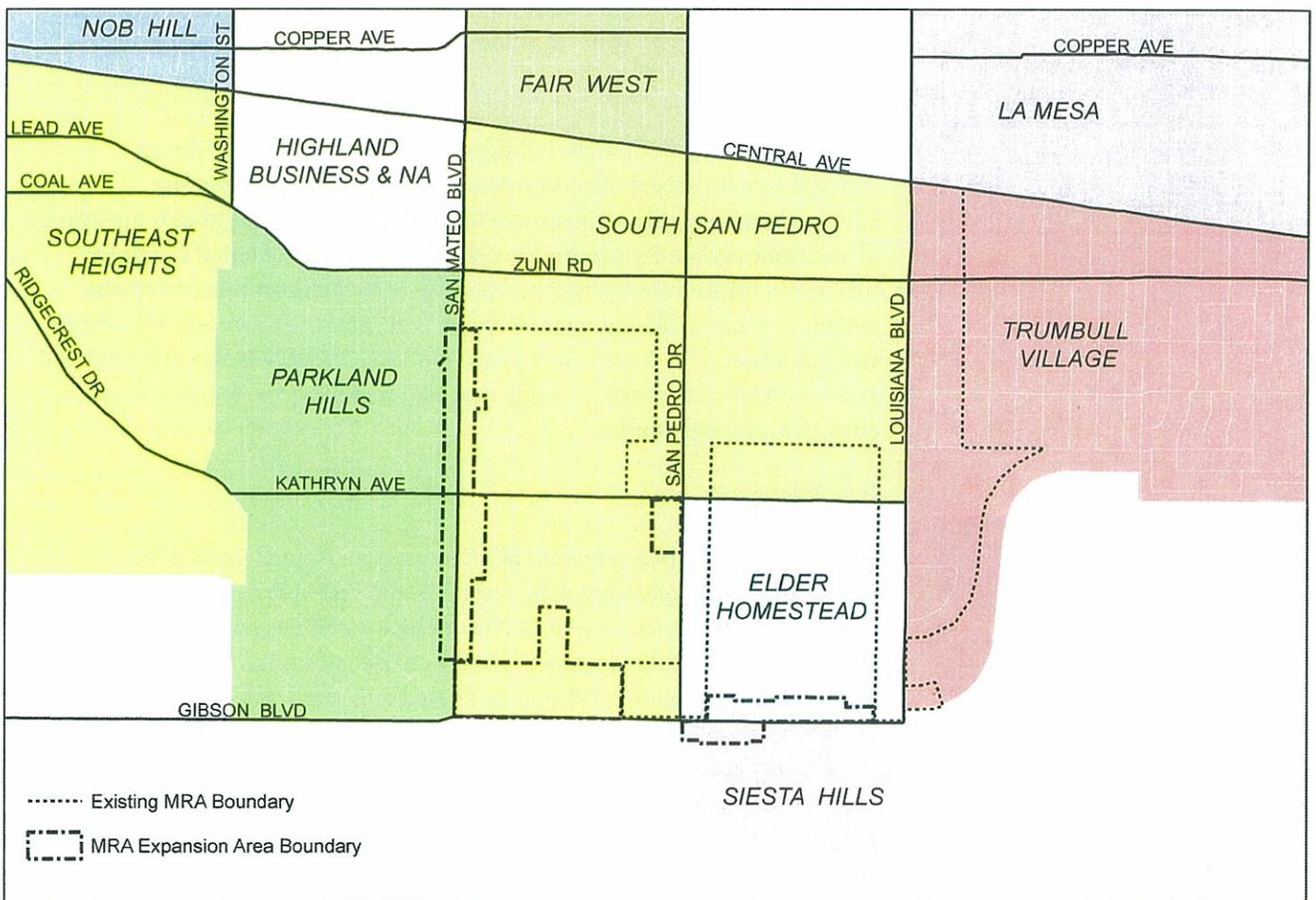
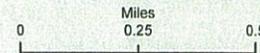


Figure 2. MRA Area Neighborhood Associations



Trumbull and La Mesa, which were east of the Fairgrounds, were heavily influenced by a zoning pattern in the 1950s that assumed a need for future apartment development near Kirtland Air Force Base. The rationale for vast areas of high-density housing was the area's proximity to major employment centers, such as the Base and the US Veteran's Administration Hospital, which opened its doors in 1932 on a 516-acre site. The zoning contributed to a proliferation of individually owned, four-unit apartments with inadequate consideration of parking, landscaping, or management. By the early 1980s the social and aesthetic problems inherent in this development pattern caused the established neighborhoods nearby to push for rezoning, city amenities, and city services to meet the needs of a dense and highly mobile population.

After WWII, the VA Hospital, now designated the Albuquerque Veterans Administration Medical Center Historic District, donated 28 acres to the Air Force, 41 acres to the highway, and 92 acres to the City of Albuquerque, from which was created Bullhead Park. In 1951 the VA dedicated a new building with kitchen and dining facilities, a recreation hall, library, Mental Hygiene Clinic, and a number of medical units. Most recently in 1980, an education building was opened. (City of Albuquerque Historical File Document, no date).

Other institutions that anchored the community continue to thrive, sometimes with mixed effects on the neighborhood. Albuquerque International Airport is convenient to the Near Heights, although the impact of air traffic on nearby neighborhoods has been hotly debated in public forums on future runway expansions. The State Fairgrounds underwent extensive renovation and upgrading recently, seeking to secure its place in the community. Two other long-term presences, Presbyterian Hospital and Lovelace Medical Center, recently moved out of the area, to other locations. (Biebel, Szoka Pahl, Taylor)

B. Vision

The vision for the Near Heights MRA Expansion Area is for San Mateo Boulevard to be a pleasant, safe, walkable and bikeable commercial area for neighborhood residents. Vacant lots would be redeveloped into businesses or for-sale housing desired by the community. A multi-cultural, international theme would be consolidated and publicized by circulating information about existing ethnic business such as the Thai and Mexican restaurants and Chinese market, and expressed further through the design of streetscape elements such as gateways, heritage markers, signage, and public art. Kathryn Ave. would be transformed into a pedestrian and biking thoroughfare, eventually connecting Whittier Elementary School to Louisiana Boulevard. The international theme would be carried through to Gibson Boulevard, which would continue to serve regional as well as local clientele. The shopping center on the southwest corner of Kathryn Ave. and San Pedro Dr. would undergo a face-lift with new facades and landscaping.



4. Redevelopment Strategies Opportunities

In selecting opportunity sites for potential redevelopment, the team and community considered several criteria. Initially, overall redevelopment strategies for the area were considered; second, the individual characteristics of each site were examined.

A. Redevelopment Strategies

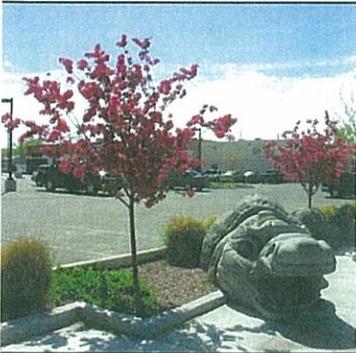
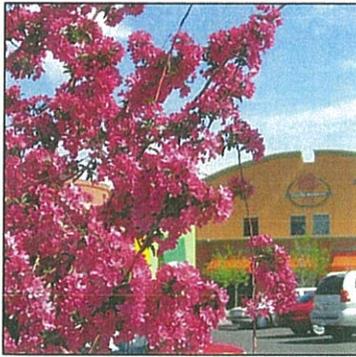
With the community's input, the team devised four redevelopment strategies for the MRA expansion area.

1. **Continue the area's transformation into an international, multicultural "destination" to attract residents, employees and tourists from all over the city, and even beyond by creating future public improvements with an international "ethnic" theme.**
2. **Draw more neighborhood residents to the area by facilitating the retailing of desired products and services in the expanded MRA area.**
3. **Attract more employees from surrounding employment centers such as Kirtland Air Force Base, the Veteran's Administration Hospital, the new tenants at the Gibson Medical Center, and the Kirtland Technology Park mixed-use development to rise west of San Mateo, by catering to their needs.**
4. **Help existing businesses to expand in the area and draw on existing residents' special talents to help them create new businesses in the MRA.**
5. **Tax-Increment Financing to fund further redevelopment in the MR expansion area.**

Each of these strategies would require actions and commitments beyond the scope of this plan. However, because they helped to inform the selection of opportunity sites and projects, they are described in more detail below.

Redevelopment Strategy 1. Continue the area's transformation into an international, multicultural "destination" to attract residents, employees and tourists from all over the city, and even beyond.

The re-characterization of the surrounding area as the "International District" has been in the works for several years. The idea is to replace the area's existing depiction as a crime area in the media and on-line with a more positive image. The Albuquerque District 6 Coalition has been promoting this re-characterization and recently, in cooperation with the Southeast Heights Health Coalition, successfully urged the NM State Legislature and the Albuquerque City Council to adopt legislation to this effect.



This new branding evolves both from the diverse cultural backgrounds of people living in the wider area and from the international flavor of many of its businesses. The Talin market at Louisiana Blvd. and Central Ave. recently expanded into a new building, complete with a new streetscape and multi-cultural artwork. Nearby are two Vietnamese restaurants and a pharmacy.

The Near Heights MRA expansion area offers a Thai restaurant, a Mexican restaurant and a taqueria, and a Mexican fruit and vegetable market on San Mateo Boulevard. Along Gibson Boulevard is an Oriental market and restaurants offering Mexican, sushi, and Chinese food. A new Salvadoran restaurant opened on Gibson just west of San Mateo. At the Willow Village Shopping Center on San Pedro Dr., also part of the expanded Near Heights MRA, is a Vietnamese restaurant and a Italian pizzeria. Farther north on Zuni are a Mexican restaurant, a Chinese buffet, and a Mexican food market.

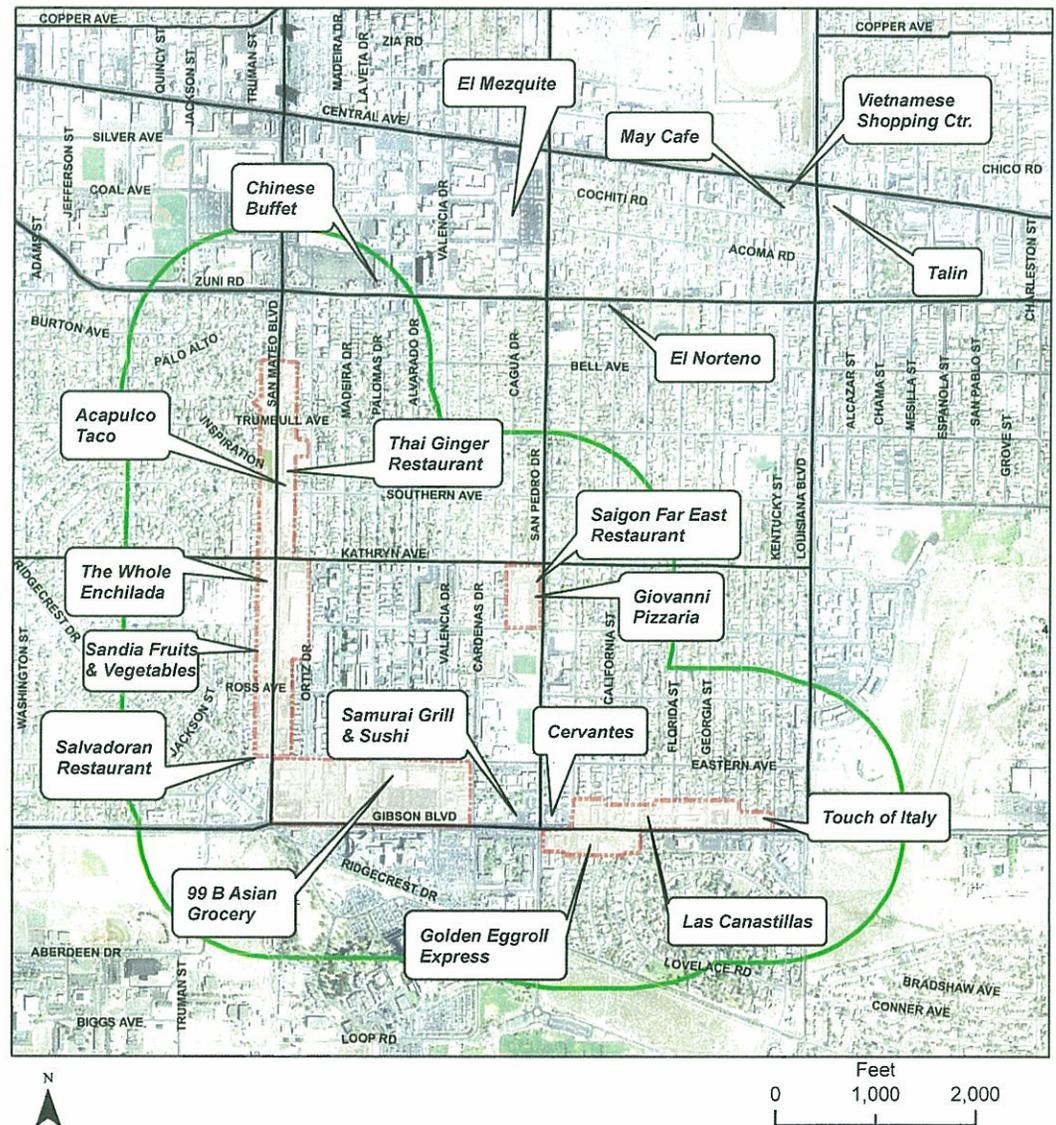


Figure 3. MRA International Establishments

Table 7 in Appendix B demonstrates that the residents in the 87108 zip code (between Central Ave. and both sides of Gibson, and from Carlisle to Wyoming) are more racially diverse than residents in the City of Albuquerque generally.

Moreover, in personal surveys of at least 37 businesses in the MRA, 18 or nearly half said they thought establishing a distinct international character would improve business.

Actions to help implement this strategy might include:

- A brochure and/or map promoting all of the ethnic businesses.
- Neighborhood encouragement of more ethnic businesses to establish in the area such as a Chinese bakery or international food court.
- International design themes depicted in gateways, public art, historical interpretation (signage, obelisks, sidewalk markers).
- International celebrations in the area, fiestas, parades. (An international neighborhood celebration was held in September in the parking lot of the Talin Market.)
- An Asian American or other ethnic center located in the area, providing a place for performances, classes, foreign language film screenings, and other multi-cultural events.
- An international theme for housing.
- Alliances with existing networks and resources, such as Sister City programs.

Redevelopment Strategy 2. Draw more neighborhood residents to San Mateo Blvd. and Gibson Blvd. commercial areas by offering desired products and services now unavailable in the expanded MR area.

To a certain extent, the type and number of business in the MRA reflect the incomes and shopping habits of the surrounding residents as well as area employees. They also reflect the impact of the surrounding competition—primarily big box stores and the malls at Uptown and Coronado—as well as competition from on-line retailing. All these businesses are competing for the same consumer dollar. The advantages of patronizing local businesses include more personal service, opportunities to socialize with friends and neighbors, being able to walk instead of drive to a store, and keeping dollars circulating in the community instead of flowing to a far-away corporate headquarters.

Clues to what goods and services may be undersupplied in the area come from the feedback given by the more than 100 residents and business owners who came to the MRA meetings and from analyzing the Retail Marketplace Opportunity Gaps.

Among those goods, services and improvements repeatedly requested by the approximately 100 residents who attended MRA meetings were:

Retail Goods/ Places: Cybercafé for kids, a local coffee shop or café with outside seating, ice cream shop, microbrewery or pub, a hardware store, a flower shop, a bakery, non-chain restaurant with live music, language-diverse bookstore, a grocery store.

Services: Business incubator and job training, a dance studio/gymnastics, community service center (domestic violence, medical and children's services, wellness), summer programs for middle schoolers.

Community Facilities: Asian-American Center, Farmer's Market, swimming pool, skate park, open plaza/gathering space, better bike paths and neighborhood lighting (especially along Kathryn), business incubator with commercial kitchen, family recreation center (with picnic tables, skate park, pool, playground, basketball hoops, skateboarding), bus shelter improvements.

The community facilities and services are more commonly programmed through sector development plans than the more targeted MRA plans; however, some of these could be included in redevelopment projects and through public/private partnerships.

Another indicator of a lack of local supply compared to the demand is information in the Retail Market Opportunity Gap report. This report compares data on what consumers spend in a certain geographic location (Consumer Expenditure Survey) to the supply in that geographical area (Census of Retail Trade). A positive gap between the two indicates that the local supply is not keeping up with the local demand in that retail category and thus may be an opportunity for additional sales in the area. Table 1 shows the opportunity gap for particular retail categories in the 87108 zip code. This zip code was chosen because nearly everyone who participated in the MRA plan meetings lived in this zip code. (See "Figure 19. Zip Code Map (87108)" on page 71).

Table 1. Retail Opportunity Gap

Retail Stores in Zip Code 87108 Totals	Demand (in dollars)	Supply (Retail Sales) (in dollars)	Opportunity Gap (in dollars)
Supermarkets, Grocery (Ex Conv) Stores-44511	62,197,916	38,813,996	23,383,920
Home Centers-44411	15,801,994	0	15,801,994
Full-Service Restaurants-7221	23,908,435	10,382,307	13,526,128
Pharmacies and Drug Stores-44611	22,986,806	10,709,719	12,277,087
Family Clothing Stores-44814	8,227,623	844,001	7,383,622
Other Motor Vehicle Dealers-4412	6,119,004	2,923,207	3,195,797
Office Supplies and Stationery Stores-45321	2,540,751	0	2,540,751
Women's Clothing Stores-44812	3,456,139	959,531	2,496,608
Convenience Stores-44512	3,112,866	801,549	2,311,317
Nursery and Garden Centers-44422	3,028,881	1,131,683	1,897,198
Shoe Stores-4482	2,968,282	1,324,679	1,643,603
Book Stores-451211	2,008,570	624,888	1,383,682
Department Stores Excl Leased Depts-4521	27,541,943	26,275,062	1,266,881
Other Health and Personal Care Stores-44619	1,672,196	482,311	1,189,885
Gift, Novelty and Souvenir Stores-45322	1,940,969	845,178	1,095,791
Men's Clothing Stores-44811	1,068,000	0	1,068,000
Childrens, Infants Clothing Stores-44813	1,005,752	0	1,005,752
Special Foodservices-7223	4,336,410	3,423,162	913,248
Paint and Wallpaper Stores-44412	843,148	0	843,148
Hardware Stores-44413	3,632,868	2,840,052	792,816
Specialty Food Stores-4452	2,100,776	1,374,326	726,450
Other Clothing Stores-44819	934,787	320,974	613,813
Outdoor Power Equipment Stores-44421	540,604	0	540,604
Musical Instrument and Supplies Stores-45114	742,919	351,127	391,792
Camera and Photographic Equipment Stores-44313	352,043	0	352,043
Clothing Accessories Stores-44815	313,508	0	313,508
Luggage and Leather Goods Stores-44832	206,368	0	206,368
Home Furnishing Stores-4422	4,514,436	4,313,150	201,286
News Dealers and Newsstands-451212	107,388	0	107,388
Radio, Television, Electronics Stores-443112	7,696,939	7,622,545	74,394

Source: Claritas Dec. 2008

The Retail Opportunity Gap table indicates potential local sales opportunities of \$23.4 million in groceries, \$15 million in home items, \$13.5 million in full-service restaurants, \$12 million in pharmaceuticals and drug store items, and \$7 million in family clothing stores based on the gap between what consumers spent last year on these items and actual retail sales in the area. A caveat is that at least one big box or category-killer store exists not far beyond the zip code area that may be meeting some of the demand for these items, even though this doesn't register in the table. Still, these two sources point to some potential unmet needs in the local area that could be catered to by new businesses.

Redevelopment Strategy 3 Cater to the needs of and attract more employees from surrounding employment centers such as Kirtland Air Force Base, the Veteran’s Administration Hospital, the new tenants at the former Lovelace Medical Center on Gibson Blvd., and the budding Kirtland Technology Park, a commercial and office mixed-use development slated to be built west of San Mateo Blvd. on Gibson Blvd.

There are plans by private developers to redevelop the Parkland Shopping Center on the southwest corner of San Mateo Blvd. and Kathryn Ave., which, if completed, will substantially advance the MRA area. This could serve as a huge catalyst for the San Mateo Blvd. corridor, attracting employees in the areas as well as residents east and west of San Mateo Blvd. Once there, visitors could be drawn to other parts of the corridor for food, drinks, groceries, and other items. Continuing reuse of the Gibson Medical Center will likely bring new employees and clients to the Gibson Blvd. corridor. A new residential treatment center is being established at the old Lovelace Hospital site and is expected to hire 1,000 employees and attract new clients to patronize local businesses. Moreover, a new 92-acre, mixed-use development (the Kirtland Technology Park) just west of San Mateo Blvd. is eventually expected to employ 2,000 people in the area, although many of their needs may be served by the technology park itself.

Catering to new employees or even to residents with higher incomes just west of San Mateo Blvd. could help boost demand for new retail and other services. Businesses seeking to attract this clientele would do well to find out what needs are going unmet at the Base, the VA, and other employment centers and strategize to meet those needs. Ones suggested at the MRA meetings include a need for meeting spaces and better restaurants.

Redevelopment Strategy 4. Help existing businesses to expand in the area and draw on existing residents’ special talents to help them create new businesses in the MRA.

Growing local businesses—either new ones or expanded ones— is a time-tested strategy for boosting investment and generating new jobs in an area. The MRA expansion area already has a number of assets that could contribute to this strategy:

- Several establishments have said they would like to expand if adequate, reasonably-priced space was available: the bookstore, the public library, and the garden store. Each needs a different type of space.
- More than 1,000 residents in the zip code area reportedly are self-employed. Some may be home-based businesses ready to move into another space if it were available.
- There is a good supply of vacant lots that could be built on as well as abandoned buildings that could be rehabilitated for space.

- Technical assistance for navigating City Hall and start-up money is available through the Southwest Team for Entrepreneurial Success (STEPS). The STEPS program in the area is a non-governmental organization based on the Sirolli Institute model that works to create wealth from within communities by nurturing the intelligence and resourcefulness of community members, such as by facilitating home-based businesses.
- There is a recently organized Albuquerque Independent Business Alliance in the City that promotes local businesses and offers seminars, workshops, and other training opportunities.
- The example and leadership set by the Endorphin Power Company, strategically located near the county Metropolitan Assessment and Treatment Services (MATS) facility, in innovatively addressing the recurring problems of substance abuse in the City.
- An energetic and committed group of neighborhood leaders.

There are also challenges in the area that constrain this strategy, including

- Burglaries and break-ins of businesses, particularly over night.
- The perception—and sometimes reality—of safety issues for customers. A lack of adequate lighting in places contributes to this problem.
- The lack of a business organization in the area.
- Vacant, sometimes boarded, storefronts, lots, marginal businesses and nonprofits, weeds and trash.
- Asking prices or rents for property that may be unrealistically high for the area.

Catalyst MR projects might be able to provide expansion space at a lower cost by facilitating development of vacant lots or rehabilitating abandoned and deteriorated buildings. They could help improve safety by improving lighting along major pedestrian corridors. Other components of strategies 2-4 would have to be addressed by the neighborhood and business community, such as obtaining more police presence, starting a business organization that could help address common problems, and making sure City building codes controlling weeds, trash, and other unsightly blight are enforced on vacant and abandoned property.

Redevelopment Strategy 5. Tax Increment Financing. This strategy allows the difference in property taxes before and after redevelopment to be channeled back to the MRA to finance more improvements within the district.

The Near Heights MRA can benefit from the Implementation tools of Tax Increment Financing by:

- Once the Plan is approved and a project is identified within the MRA, the Metropolitan Redevelopment Agency shall notify the county assessor and taxation and revenue department of the taxable parcels (lots) within the designated project.

- Upon notification by the MRA, both government agencies shall identify the parcels within the MR project and certify the net taxable value of the properties at the time of the notification as the base value for the distribution of the property tax code (7-35-1 NMSA 1978).
- If by acquisition by the MRA, the property becomes tax-exempt, when the parcel becomes taxable again the MRA shall notify the county assessor and the taxation and revenue department of the parcels of property that because of their rehabilitation or other improvements are to be revalued for tax purposes.
- Current tax rates shall be applied to the new taxable value. The amount by which the revenue received exceeds that which would have been received by application of the same rates to the base value before inclusion in the MR project shall be credited to the municipality and deposited in the MR fund.
- The procedures specified above shall be followed annually for a maximum period of twenty years following the date of notification of inclusion of the property as coming under the transfer provisions of this section.

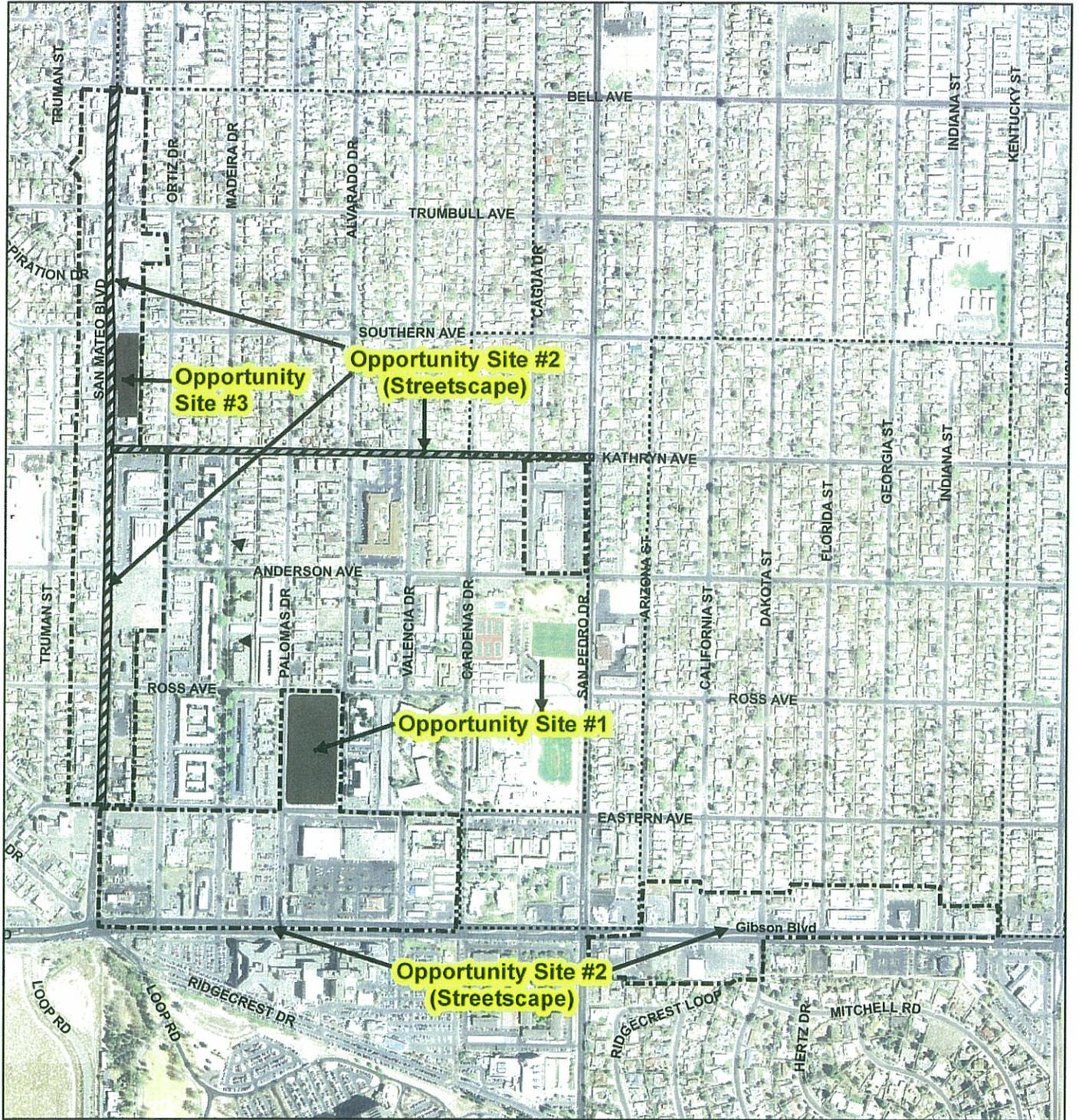
B. Selection of Opportunity Sites

Opportunity sites were chosen through a collaborative process involving City staff, the public and the consultant team with the above strategies as well as by the following criteria in mind:

- Potential as a catalyst for future development in the area.
- Vacant land or deteriorated building with a willing and reasonable seller.
- Potential to interest a developer with financial capability.
- Potential to eliminate blight and prevent future deterioration of property values.

A number of sites were presented to the community on maps and discussed. The following sites were selected during the community charrette when participants brainstormed and came up with ideas and potential designs for the sites. The three sites are:

1. 3.7 vacant acres at Eastern Ave./Alvarado St. corner
2. San Mateo Blvd./Kathryn Ave./Gibson Blvd. streetscapes
3. Vacant lots on the east side of San Mateo Blvd. at Southern Ave.



- Existing MRA Boundary
- MRA Expansion Area Boundary
- █ Opportunity site - parcel
- ▨ Opportunity site - streetscape



Figure 4. Opportunity Sites



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5. Proposed Opportunity Sites & Catalytic Projects

A. Introduction

The following chapter discusses the recommended opportunity sites in greater detail and proposes catalytic projects that might succeed on those sites. In each case, the focus is on developing a unique and distinctive sense of place. In addition, the choice of potential projects was mindful of the following preferences expressed by the community during public meetings:

- Prefer for-sale housing over multi-family rentals
- Favor mixed-use projects with access to transit
- Desire projects to be sensitive to cultural diversity
- Favor projects that promote biking/walking
- Prefer developers who are willing to work with the community

B. Site and Project Information

The discussion of each site and proposed project includes the following information:

- A SWOT analysis, detailing the internal *strengths* and *weaknesses* as well as external *opportunities* and *threats* that may be present.
- A statement of the Vision, Goals and Objectives that describe the desired future for each site and present recommendations to reach it.
- A Redevelopment Concept that describes the recommended economic development in more detail.
- A Design Plan that illustrates the vision for each opportunity site through site plans and other graphics,
- An Implementation Section that recommends specific development projects and, where necessary, changes to existing development policies and regulations.
- Anticipated benefits from the proposed redevelopment.

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Opportunity Site #1. Eastern Ave./Alvarado St. Corner

The Eastern Ave./Alvarado St. Corner site is a 3.7-acre tract of land donated to the City by Lovelace Healthcare System. Located a block to the north of Gibson Blvd., the site currently accommodates a black-top parking lot and is surrounded by a black wrought-iron fence.



SWOT Analysis:

Strengths/Weaknesses:

- City already owns and controls the property.
- Site is vacant except for the parking lot.
- Site is only a block north of Gibson Blvd. and sits behind the Siesta Hills Shopping Center.
- On-site infrastructure is available.
- Site is a block away from public transportation to the west on San Mateo Blvd. and to the south on Gibson Blvd.
- Impact fee waiver for commercial development in a MRA area.
- Site is not on one of the major corridors (San Mateo or Gibson), so is less desirable for retail.
- Development on the site may have less impact on the area than development on San Mateo Blvd. or Gibson Blvd.

Opportunities/Threats:

- Large parcel could accommodate mixed use development—housing and a public or private use.
- Residents want space for meeting rooms, computers, family recreation, neighborhood café, small business assistance, commercial kitchen.
- Asian-American community is looking for space to construct an Asian-American Center.
- There are financial incentives available for affordable housing, although the existing residents are not in favor of deteriorated, low income apartments.
- There is potential to attract private or non-profit investment.
- Community would like more parks in the area.
- Non-profits in area need room to expand.
- Current economy is uncertain.
- Public or private investment may not be immediately forthcoming.
- Mixed-use projects are more complex to package financially.

Vision, Goals and Objectives

Vision: Eastern Ave. / Alvarado St. site is a new mixed-use project on 3.7 acres that contains a) a public use such as an economic incubator and commercial kitchen, b) office space for non-profit organizations potentially with for-sale housing on the same lot or upper floors, c) an Asian-American Center with garden/plaza, or d) a public plaza with two-story townhomes. Each option includes a public plaza.

Goal 1. Develop a mixed-use project consisting of a public use, such as an economic incubator and or commercial kitchen; office space for non-profit organizations; a café; condominiums or two-story townhomes; a plaza and shared parking.

- **Objective 1.** Secure a public use and potential tenants for the non-profit office space, with funding.
- **Objective 2.** Develop a public-private partnership between COA and a private developer to build for-sale housing on the property.

Alternative Goal. Develop an Asian-American Center with a garden, plaza and possible housing.

Implementation

To achieve this vision, the recommended development strategy is for the City to work with the a City agency or non-profit organization to secure a public or non-profit use—if such a use is to be included in the site program—then develop an RFP to partner with a developer to build for-sale office space and condominiums or townhomes. A zone change may be required to allow an economically feasible, mixed-use project to be developed on this site. The existing O-1 (Office) zoning may have to be changed to SU-1 zoning for specific uses, which would require a site development plan to be approved for the site. The City and the selected developer(s) should enter into a development agreement providing for sale of the property to the developer.

The community also recommends first holding a design charrette and incorporating international elements into the design.

Implementation Steps

- Secure a public and/or non-profit use and/or private housing developer
- Research potential funding sources for feasibility, construction costs, operations
- Research the program, the square footage needed and the type, number, and size of housing units.
- Conduct a project-specific market analysis to determine price points.
- Determine adequacy of infrastructure (water, sewer, utilities) or necessary upgrades
- Prepare site-specific plan
- Prepare RFP package
- Select developer for project through RFP process
- Development agreement

Potential Partners/Tenants

- District 6 Coalition
- St. Joseph’s Community Health
- South San Pedro Neighborhood Association
- Southeast Heights Health Coalition
- The Southeast Team for Entrepreneurial Success (STEPS)
- Endorphin Power Company
- First Nations Community Health Source
- The Women’s Collective, a Project of St. Joseph’s Community Health

Financial Analysis

To give a preliminary sense of financial feasibility and to determine how much public subsidy may be required, the following section presents a financial analysis of a hypothetical redevelopment project for the Eastern Ave./ Alvarado St. Corner site.

Table 2. Eastern Ave./Alvarado St. Corner Proposed Building Program

Description	Land Area (SF)	Building Area (SF)
New office space	15,300	15,300
New condominiums	50,331	85,362
Cafe	2,090	2,090
Public Facility	9,522	9,522

• Project Costs

□ Land acquisition

Land was donated to the City so land costs were set at “0” in the pro forma calculations.

□ Site Development Costs

Site development includes demolition and grading, the plaza and patios, common landscaping, and other streetscape elements such as sidewalks, site furnishings, pedestrian lighting, screen walls, specialty paving, shade structures, and bollards. Total site development costs are estimated to be \$835,200.

□ New Building Construction

For this hypothetical project, the following building space would be constructed:

- 15,300 square feet of office space / 76 parking spaces
- 85,362 square feet of for-sale residential space (approximately 77 condominium units) / 115 parking spaces
- 2,090 square feet of café space / 33 parking spaces
- 9,522 square feet of public facility space / 47 parking spaces

The calculations assume a construction cost of \$75 a square foot for residential and a blended rate of \$135 a square foot (including tenant improvements) for the office/commercial/public facility space. Total building construction costs are estimated to be approximately \$3.1 million for the office space and cafe, \$7.2 million for the condominiums, and \$1.6 million for the public building.

□ **Services and Fees**

Professional services and fees, construction interest, water and sewer charges, and permits-- known as “soft costs”—were calculated at 12 percent of hard costs. They are included in the total construction costs for each type of use.

□ **Financing Costs and Interim Interest**

These costs were built into the total construction costs for each use.

Table 3. Estimated Project Costs: Eastern Avenue/Alvarado Street Corner

Land and Building Acquisition	3.7 Acres	\$0
Site Development Costs		\$828,200
Demolition and Grading		\$65,000
Plaza/Patios		\$65,500
Landscape		\$155,000
Other Streetscape elements		\$542,700
New Construction (Hard and Soft Costs)		\$10,049,478
Office and Commercial Space	17,390 SF	\$2,924,000
Residential Space	85,362 SF	\$5,815,000
Public Facility Space	9,522 SF	\$1,309,700
Total Project Cost		\$10,877,678

• **Income and Expense Analysis**

□ **Assumptions**

- Total residential construction costs plus a 10 percent profit allow the condominiums to be sold at \$100 a square foot. The square footage costs include parking construction. Higher prices might generate a subsidy for the office component.
- The public facility construction cost and rent would be contributed by government funds.

□ **Feasibility**

- Break-even commercial rents for the office and restaurant spaces came to a (blended) rate of \$19.94 a square foot. While this is just below the median rent for the Southeast Heights for the first quarter of 2009, it is still high for this area of town. More realistic lease rates might be between \$10 and \$15 a square foot for new office space, which would require additional subsidies. A vacancy rate of 5% is factored in. Square footage costs cover parking construction.
- This part of the project would deliver a cash-on-cash return of 8% and has a cap rate of about 9.6%.
- Debt service expense assumes a 20-year mortgage at 8.0% on a maximum loan-to-value of 75%.

□ **Remaining Costs**

- The remaining costs unaccounted for in the commercial rent or residential sales figures are those for demolition and grading, patio and plaza, landscaping, and streetscape elements. The total for these is an estimated \$828,200.

• **Benefits**

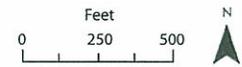
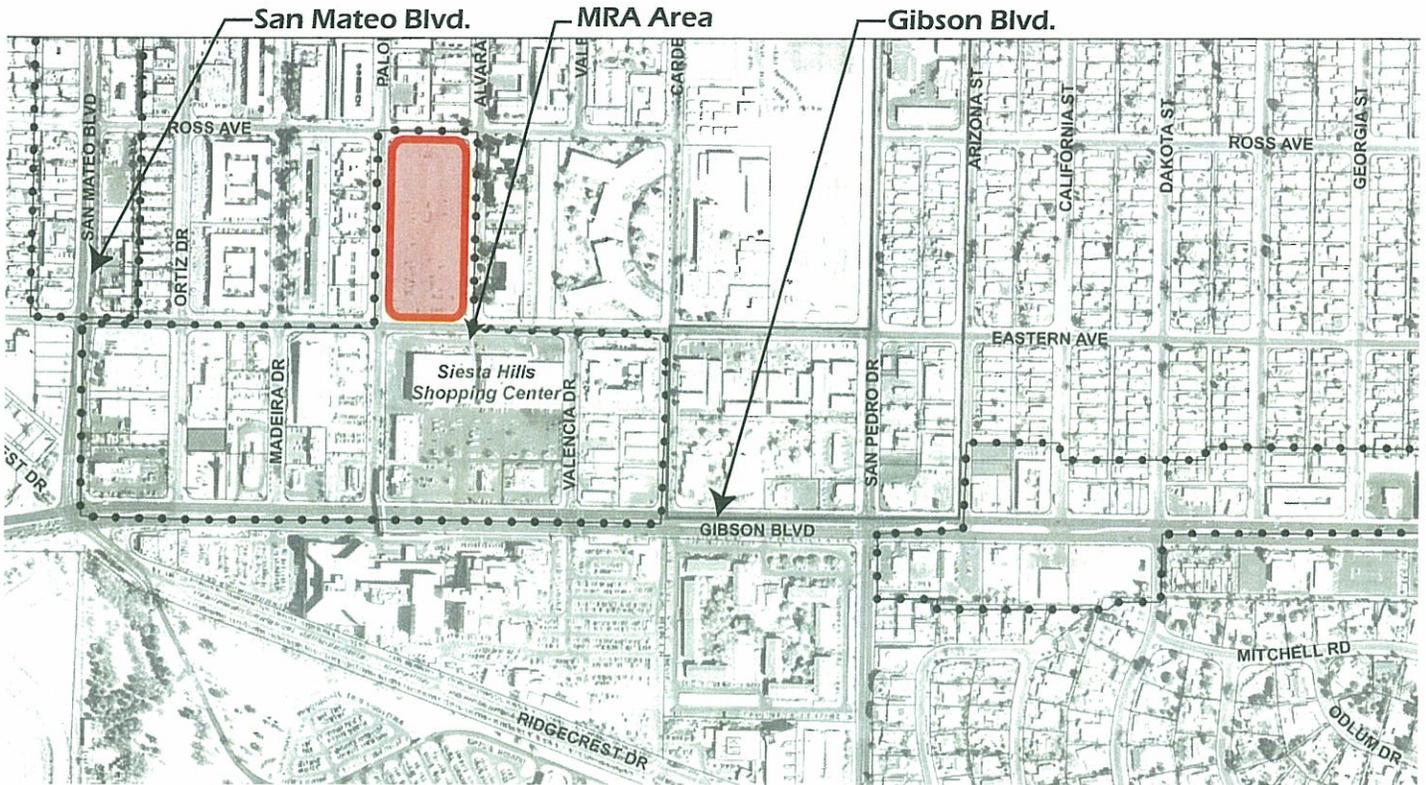
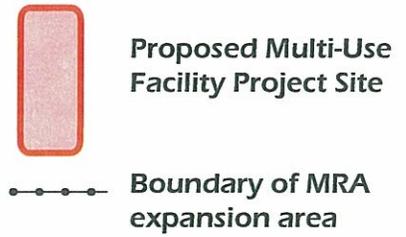
The proposed project for the Eastern Ave./Alvarado St. Corner would further Redevelopment Strategy 4 by helping non-profit organizations and other businesses expand in the area and by drawing on existing residents' special talents to help them create new businesses in the MRA. It also would support Redevelopment Strategy 2 in drawing more residents to the area by providing more home ownership opportunities. The proposed project would bring the following benefits.

- It will provide a lower-cost space for a public use or local non-profit services working with the community.
- It will provide opportunities for home ownership.
- It will add households to the trade area.
- It will increase property values in the MRA, generating Tax Increment Financing (TIF) funds for further improvements in the MRA.

Opportunity Site #1 Eastern Avenue/Alvarado Street Corner

Proposed Multi-Use Facility Project Site

The corner site at the intersection of Eastern Ave. and Alvarado Street provides an opportunity for public/private development that could combine for-sale housing with other potential uses.



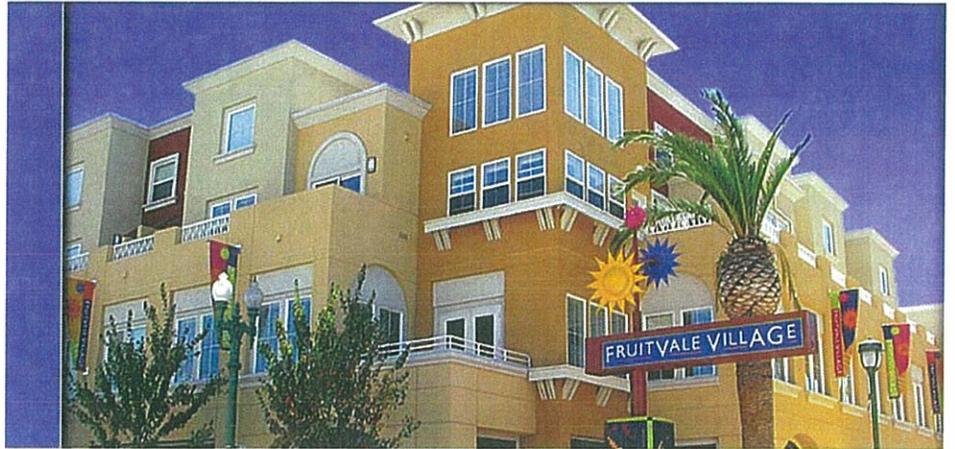
The Boulevard – Kirkland, WA

The Boulevard is a three story building with a multilayered front that features small enclosed patios for some units. The design of the building interprets downtown Kirkland's Strategic Plan and combines an existing pedestrian walkway with landscaped plazas and through-ways. The building has 167 condominiums ranging from studios to 2+ bedrooms, a fitness club and business center.

Figure 5. Opportunity Site # 1 Eastern Ave. - Alvarado Street Corner

Opportunity Site #1

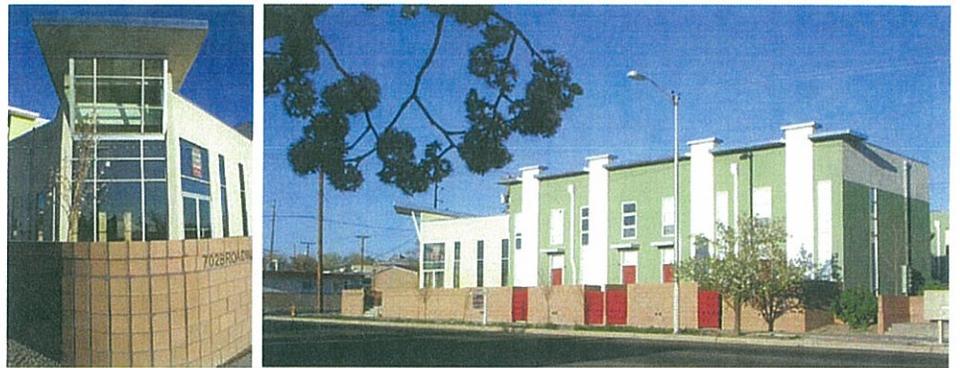
The proposed multi-use facility development at the NW corner of Eastern Ave. and Alvarado Street could include a public or nonprofit use, housing, meeting rooms, office space, computer access, family recreation, or all of the above. These photographs represent examples of these types of projects.



Fruitvale Village, Oakland, CA - The 15-acre Fruitvale Village replaced a BART parking lot in Oakland, CA with 114,510 SF of office space, 39,707 SF of retail space and 47 one and two-bedroom rental lofts and apartments. Anchor tenants were non-profit organizations such as Head Start, a medical clinic, and a senior center.



**South Valley Economic Development Center
Albuquerque, NM**



Townhomes - South Broadway, Albuquerque, NM

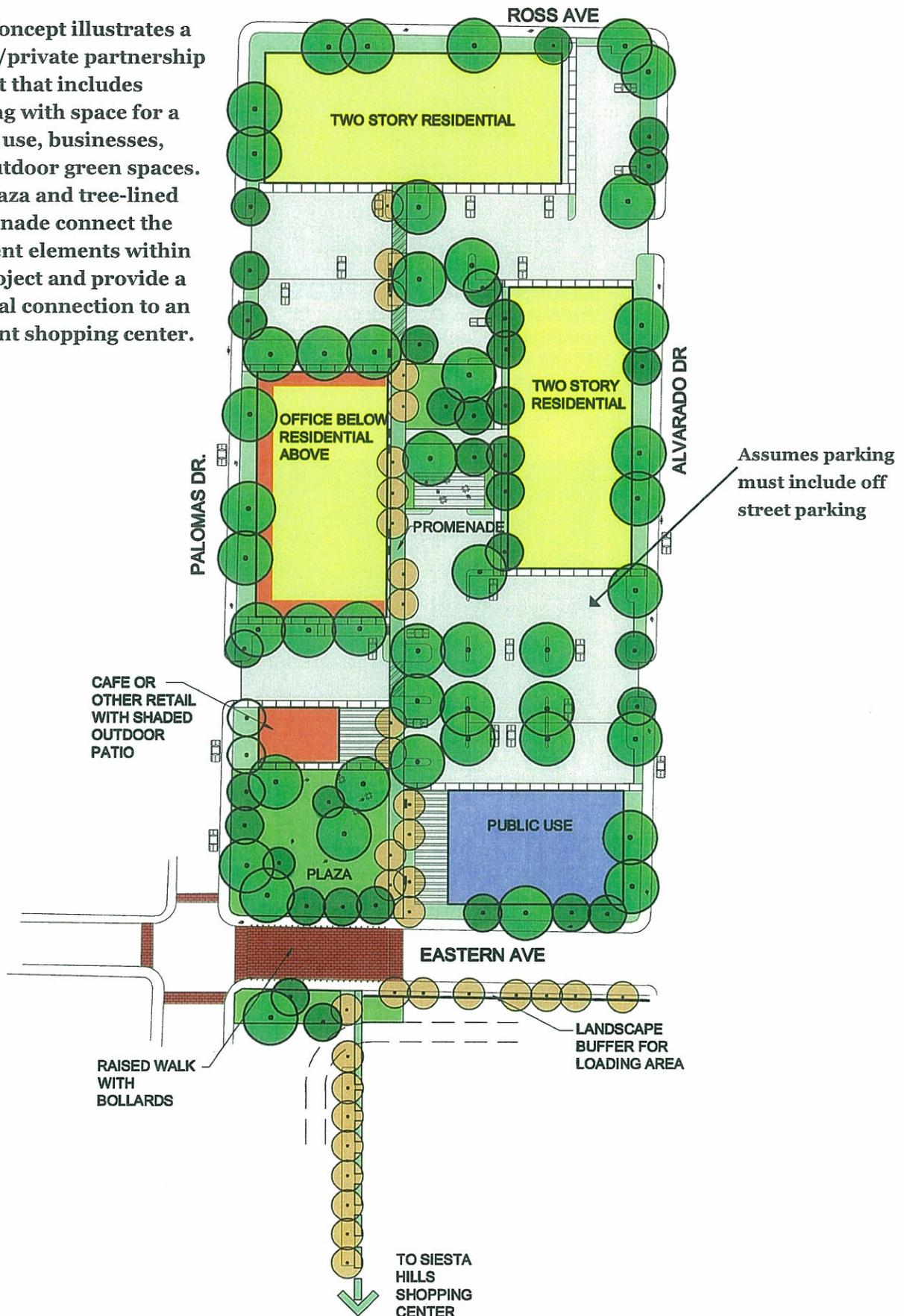


San Diego Science Center - San Diego, CA



Figure 6. Opportunity Site #1 Eastern Avenue/Alvarado Street Corner Concept

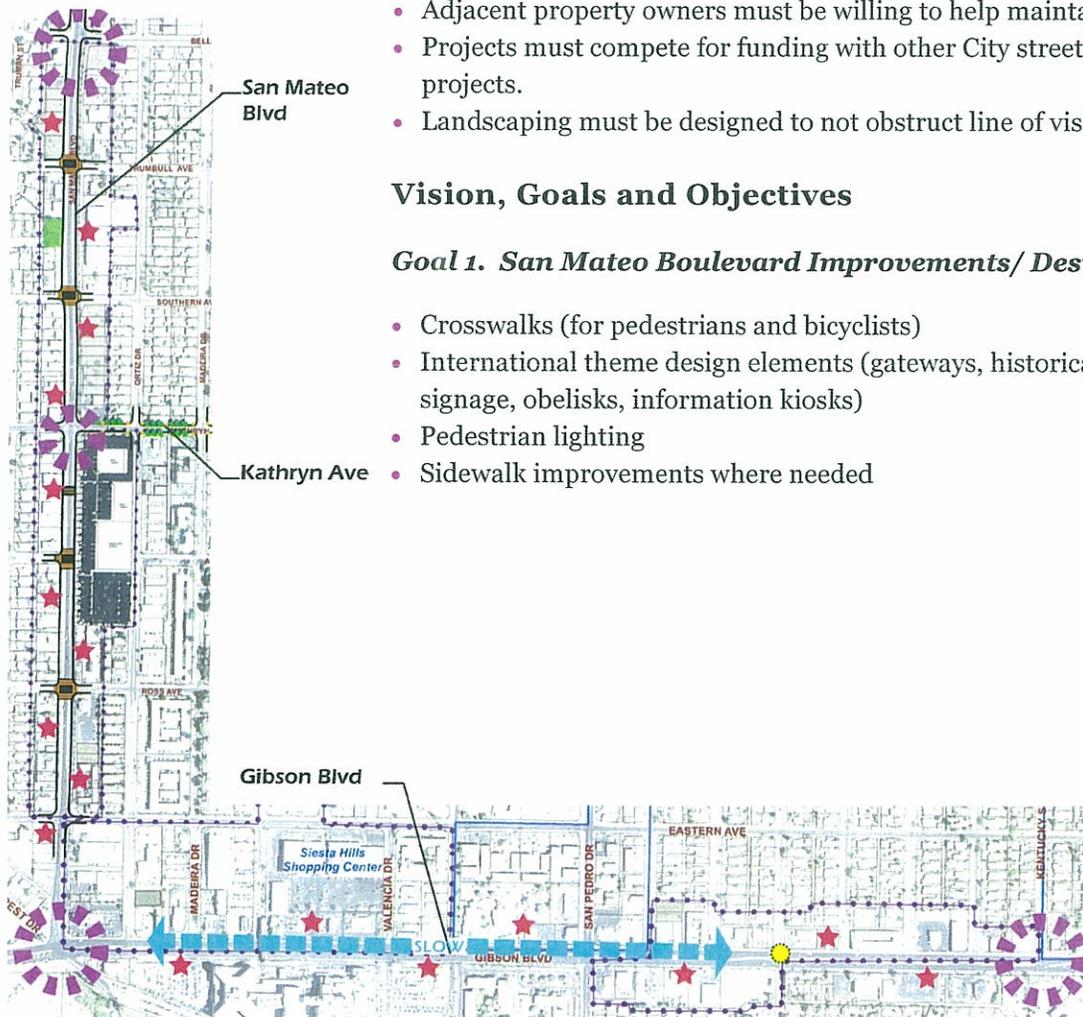
This Concept illustrates a public/private partnership project that includes housing with space for a public use, businesses, and outdoor green spaces. The plaza and tree-lined promenade connect the different elements within the project and provide a physical connection to an adjacent shopping center.



Opportunity Site #2. SWOT Analysis

San Mateo Blvd., Kathryn Ave. and Gibson Blvd. International Streetscape Project

The San Mateo Blvd. & Kathryn Ave. International Streetscape Project opportunity site stretches primarily along Kathryn Ave. from San Mateo Blvd. to San Pedro Dr. and along San Mateo Blvd. from Bell Ave. to Gibson Blvd. It also includes a few sites for gateways and markers on Gibson Blvd.



Strengths/Opportunities:

- City controls and can program rights-of-way.
- Site comprises major and minor corridors in area.
- National firm is planning to develop parcels at the southeast corner of San Mateo Blvd. and Kathryn Ave.
- Expanded MRA was recently included in City and State designation of International District.
- International theme and design elements could help create distinctive sense of place.
- Neighborhood has called for more pedestrian lighting within the residential area and creation of an east-west pedestrian/bikeway route.
- A number of residents use the bus service or ride bicycles.

Weaknesses/Threats:

- Need sufficient right-of-way along Kathryn Ave. to implement bike lanes, street trees, and pedestrian lighting.
- Adjacent property owners must be willing to help maintain landscaping.
- Projects must compete for funding with other City streetscape and art projects.
- Landscaping must be designed to not obstruct line of vision for motorists.

Vision, Goals and Objectives

Goal 1. San Mateo Boulevard Improvements/ Design Elements

- Crosswalks (for pedestrians and bicyclists)
- International theme design elements (gateways, historical markers, signage, obelisks, information kiosks)
- Pedestrian lighting
- Sidewalk improvements where needed

Vision: Streetscape improvements announce an International theme with gateways and heritage markers for the neighborhood's ethnic businesses and character. Kathryn Ave. is an internal neighborhood pedestrian/bikeway connecting San Mateo Blvd. to the Willow Village Shopping Center at San Pedro Dr. during the day and evening. Eventually this could extend as far as Louisiana Blvd. to the east and Whittier Elementary on the west.

Goal 2. Kathryn Avenue Improvements/Design Elements (San Mateo Blvd. to San Pedro Dr.)

- Bicycle lanes or route (depending on available right-of way)
- Pedestrian street lighting
- Street trees and landscaping where they do not obstruct motorists' vision.
- Sidewalk improvements
- Design elements to foster occasional street closure for farmers markets of other neighborhood events.

Goal 3. Gibson Boulevard Elements

- Traffic calming at Gibson and Dakota
- International design elements: gateways, heritage markers

Implementation

The recommended redevelopment strategy is to work with the City and the State legislature to obtain funding for design and construction of these improvements. Pedestrian lighting should, if possible, match installations used elsewhere in the City to facilitate maintenance and placement. Landscape and street tree design should preserve clear vision for motorists, particularly at intersections.

Implementation Steps

- Determine whether anything is planned for these roadways currently
- Measure roadways and sidewalks to determine right-of-way
- Research right-of-way, underground utilities
- Hold design charrette
- Determine boundaries, scope, design ideas, cross-section concepts
- Cost estimates
- Speak with legislature and Councilors regarding future funding
- Request future General Obligation Bond funding and/or grant funding

Potential Partners

- City Metropolitan Redevelopment Agency
- City Councilor, State Legislators
- Local businesses
- District 6 Coalition
- City Public Arts Program
- Area Neighborhood Associations
- St. Joseph's Community Health
- South San Pedro Neighborhood Association
- Southeast Heights Health Coalition
- Moises Gonzales, University of New Mexico Associate Professor of Community and Regional Planning who is working in the area

Table 4. Opportunity Site #2 Streetscapes Costs

San Mateo Streetscape (Bell to Gibson)		
1	Pedestrian Lighting	\$300,000
2	Gateway kiosks (2)	\$140,000
3	Site Furnishings	\$7,500
4	Heritage Markers	varies with type
	Sub Total	\$447,500
	20% Tax and Contingency	\$89,500
	Total	\$537,000
Kathryn- Marketplace and Streetscape (San Mateo to San Pedro)		
1	Landscape (parkways)	\$210,000
2	Gateway Kiosks (2)	\$140,000
3	Specialty Street Paving	\$305,000
4	Removable Bollards	\$3,000
5	Site Furnishings	\$12,000
6	Pedestrian Lighting	\$170,000
	Sub Total	\$840,000
	20% Tax and Contingency	\$168,000
	Total	\$1,008,000
Gibson Blvd. - Select Elements		
1	Gateways (1 @ Kentucky)	\$75,000
2.	Heritage markers	varies with type
3.	Traffic calming (Dakota)	varies with design
	Sub Total	\$75,000
	20% Tax and Contingency	\$15,000
	Total	\$90,000

Assumptions:

- * Demolition, soft costs, not included
- ** Excludes costs for heritage markers, traffic calming

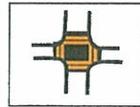
Benefits

This proposed project furthers Redevelopment Strategy 1 by continuing the area’s transformation into an international, multi-cultural “destination” that will attract residents, employees, and tourists from all over the city and even beyond. It also supports Redevelopment Strategy 2 by making it easier and more pleasant for existing residents to walk or bicycle to retail establishments. Additionally,

- Adding pedestrian lighting will increase the feeling of safety and security in the area.
- Adding bike lanes and crosswalks will increase the opportunity for multi-modal transportation.
- Street trees and sidewalk improvements will encourage more pedestrian traffic in the area.

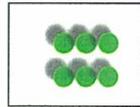
Opportunity Site #2 San Mateo Blvd., Kathryn Ave., and Gibson Blvd. International Streetscape

Streetscape improvements throughout the MRA district will help create a sense of place and destination while improving conditions and safety for visitors and residents



Crosswalk Improvements on San Mateo Blvd.

Add 4 new crosswalks at intersections and 1 mid-block median crossing as marked on map. Utilize medians and curb bump-outs as safe harbors for pedestrians.



Street Tree Improvements (see enlargement)

Add street trees to Kathryn Ave for pedestrians walking to the community center and to help counteract urban heat and pollution. Do not block motorists' views at intersections.



New Pedestrian Lighting (see enlargement)

Add pedestrian lighting to Kathryn Ave. from San Mateo Blvd. to San Pedro Blvd. and along San Mateo Blvd. from Bell Ave. to Gibson Blvd.



Bike Lanes (see enlargement)

Add bike lanes or route to Kathryn Ave. depending on available right-of-way. Colored paving and/ or dividers help separate vehicular traffic from cyclists.



International District Identity Markers

These markers will celebrate the international identity of the Near Heights neighborhood and help create a sense of place. They can come in many shapes and styles such as banners on lightpoles, informative kiosks, monuments or artwork (see examples on following page).



Traffic Calming

Add traffic calming devices at Gibson Blvd. & Dakota/Lovelace intersection



Slow Traffic

Slow traffic along Gibson Blvd east of San Mateo



Potential Gateway Locations

The gateways will signal arrival at the International District and help create a sense of place

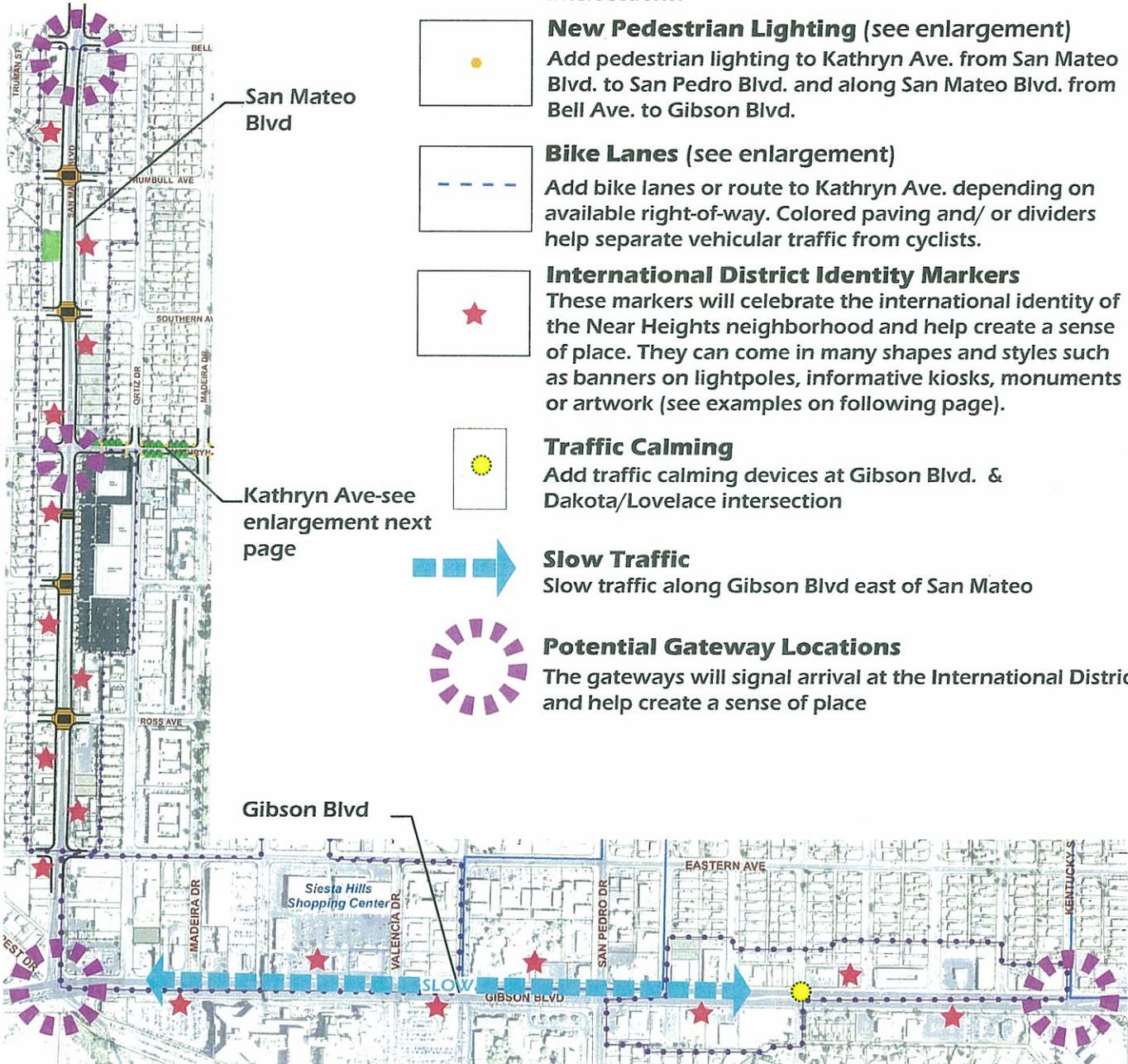


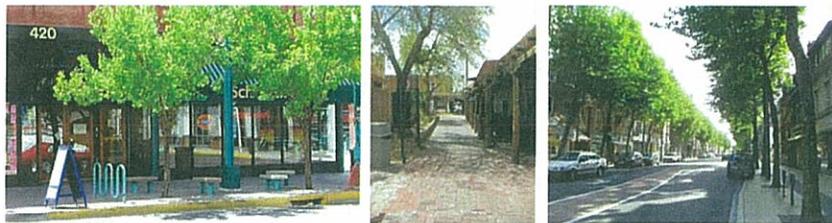
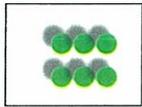
Figure 7. Opportunity Site #2 San Mateo Blvd., Kathryn Ave. and Gibson Blvd. Streetscape Project



Kathryn Ave. Street Improvements (enlargement)



1. Add crosswalks at signals or medians



2. Add street trees for shade and beauty



3. Add street lighting specifically for pedestrians



4. Add bike lanes to Kathryn Ave.



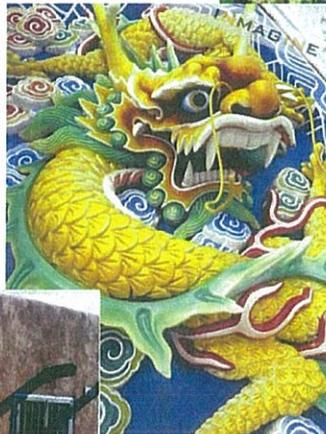
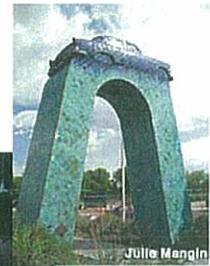
5. Design street markers that highlight this International Neighborhood

Figure 8. San Mateo Blvd. & Kathryn Ave. Streetscape Project Example Streetscape Elements

Opportunity Site #2 International Streetscape Improvements - Promoting Identity and History

The Near Heights of Albuquerque

comprises a multi-ethnic population with a varied mix of backgrounds, experiences, and heritage. The MRA Plan draws on this heritage to develop and promote the multi-cultural flavor of the area and transform it into a destination for City residents and tourists.



International Heritage Neighborhood Gateways and Identity Markers will help create a sense of place and identify the area within the MRA boundary as a unique part of town while celebrating its varied and rich heritage.

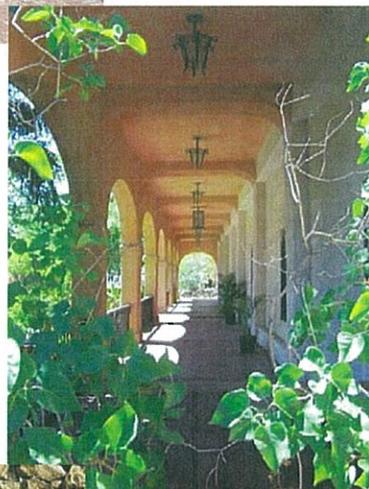
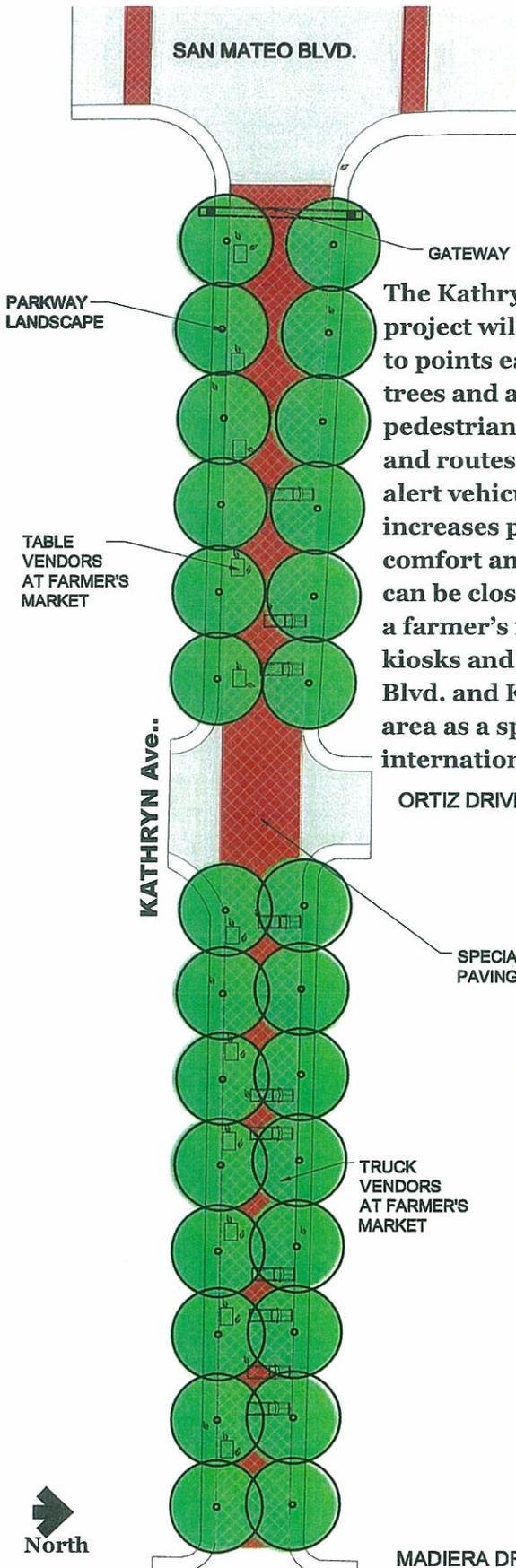
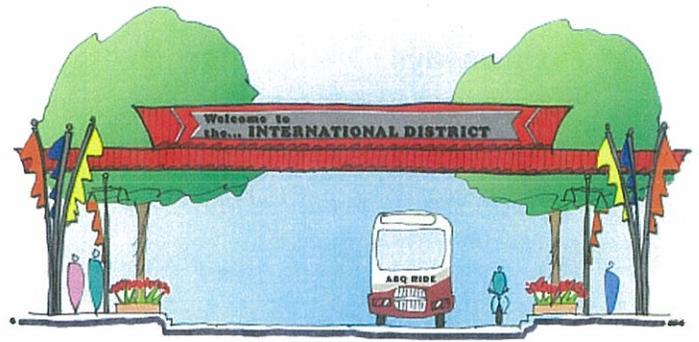


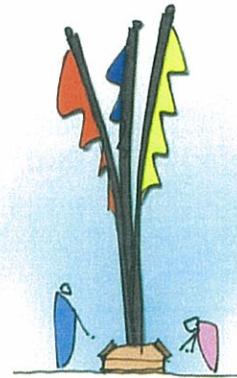
Figure 9. San Mateo Blvd. & Kathryn Ave. Streetscape Project

Figure 10. Kathryn Avenue Streetscape Concepts

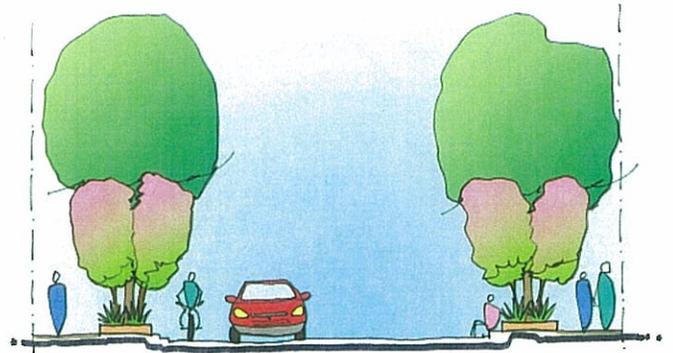
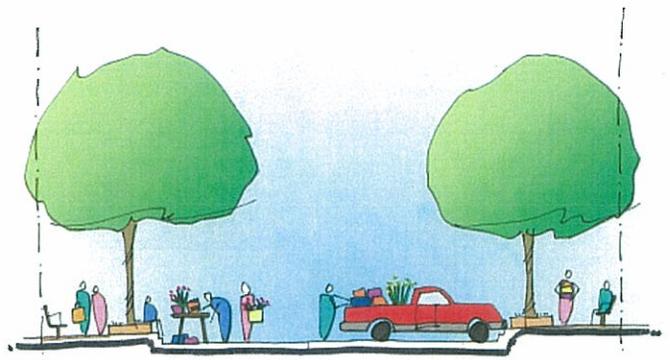
Gateway at San Mateo & Kathryn



The Kathryn Ave. Streetscape project will connect San Mateo Blvd. to points east. By providing street trees and a parkway landscape, pedestrian lighting, bicycle lanes and routes, and specialty paving to alert vehicular traffic, the project increases pedestrian and cyclist comfort and safety. The streetscape can be closed periodically to host a farmer's market. Informational kiosks and a gateway at San Mateo Blvd. and Kathryn Ave. highlight this area as a special place within the international heritage community.



Informational Gateway Kiosks at Kathryn Ave. & San Pedro Dr.

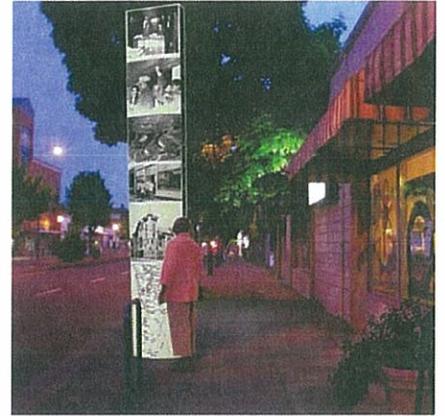
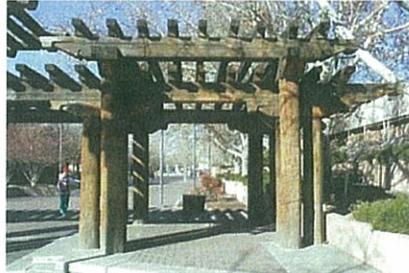


Street Sections

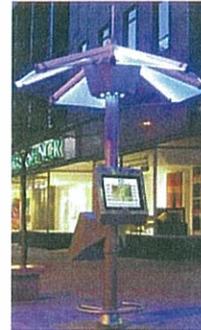
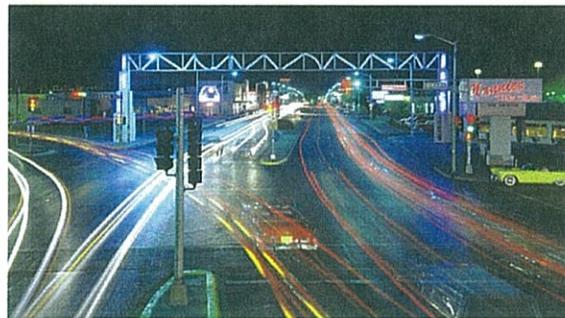
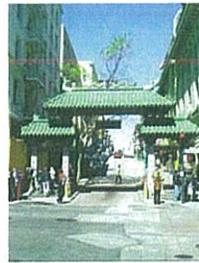


Gateways

Gateways help identify a neighborhood with a defined approach and boundary, providing the visitor with a sense of entry and destination and helping achieve the overall sense of place.



San Mateo Blvd



Heritage Markers ★
 markers placed throughout the neighborhood can celebrate the rich heritage of the area and create a sense of place.

Kathryn Ave

Gibson Blvd west

Gibson Blvd east

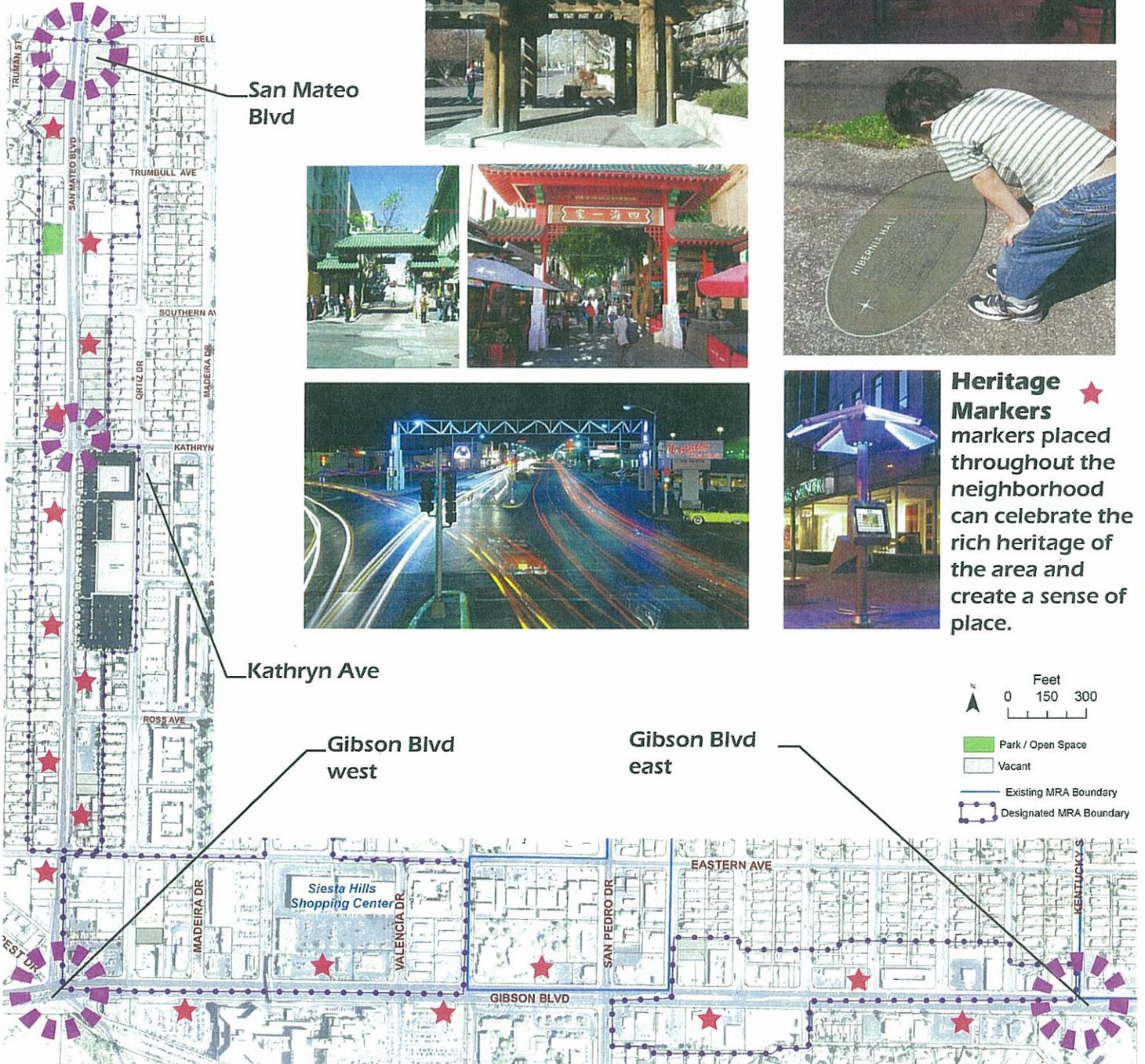
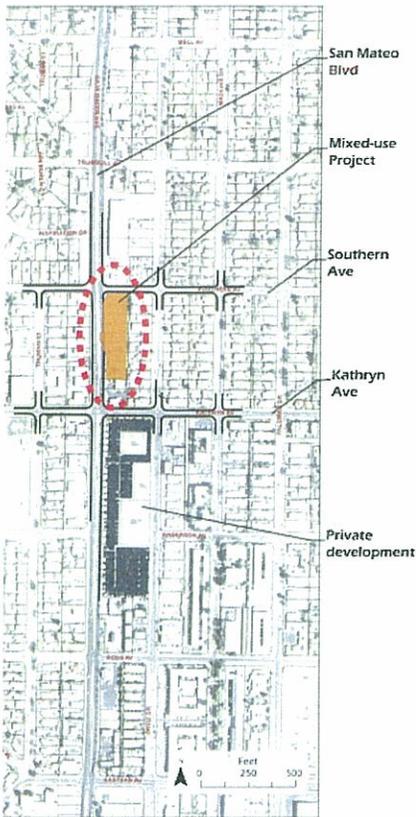


Figure 11. San Mateo Blvd. & Kathryn Ave. Streetscape Project Neighborhood Identity

Opportunity Site #3
San Mateo Blvd./
Southern Ave. Mixed-Use
Development

The San Mateo Blvd./ Southern Ave. project site comprises nine vacant lots on the east side of San Mateo Blvd., beginning south of Southern.



SWOT Analysis:

Strengths/Opportunities:

- Site is vacant and of sufficient size.
- Site appears to have one owner.
- Site has been for sale.
- New development can take advantage of MRA impact fee waivers and other MRA incentives for commercial development.
- Site is along a major arterial.
- Site is near forthcoming private redevelopment site at San Mateo Blvd. and Kathryn Ave. and could potentially draw clientele farther north on San Mateo Blvd.
- Development on the site could help form a continuous street frontage that is more attractive to pedestrians than vacant lots.
- A few existing businesses are interested in expanding in the area.
- Site offers potential to attract private investment.

Weaknesses/Threats:

- Land may be too expensive.
- Lots are shallow.
- Could be land assemblage problems.
- Current zoning may have to change to attract mixed-use development.
- Current economy may not be conducive to starting new businesses or expanding old ones.
- Getting a development loan from the bank may be difficult in current economy.



Vision, Goals and Objectives

Vision: Successful mixed-use development of neighborhood retail and/or housing constructed on vacant lots along San Mateo Blvd. south of Southern Ave.

Goal: To develop the site as a mixed-use project with neighborhood retail or office space, a cafe, and a public plaza. Development might also include residential either on a second floor or adjacent to retail.

- **Neighborhood suggested retail/services:**
 - Retail or office space on lower level or adjacent
 - Bakery, coffee shop, ice cream shop, outside seating
 - Open plaza/garden/band shell (City investment)
 - Music performance space
 - Police substation
 - International language bookstore
 - Dance studio
 - International food court
 - Retail outlet for goods created by the community

Implementation

The redevelopment strategy would be for the City to purchase the site and issue an RFP for a private or non-profit developer to design and develop the site. The City might fund a plaza or park within the development.

Implementation Steps

- Contact property owner regarding price, willingness to sell
- Purchase of property by City
- City issues RFP for developer

Potential Partners/Tenants

- Local non-profits and public agencies who would lease space
- Existing businesses seeking to expand
- St. Joseph's Community Health
- South San Pedro Neighborhood Association
- Southeast Heights Health Coalition
- University of New Mexico Associate Professor of Architecture Kristina Yu.
- The Women's Collective, a Project of St. Joseph's Community Health

Financial Analysis

- To give a preliminary sense of financial feasibility and to determine how much public subsidy may be required, the following section presents a financial analysis of a hypothetical redevelopment project for the San Mateo Blvd./Southern Ave. Mixed-Use site.

Table 5. San Mateo Blvd./Southern Ave. Mixed-Use Building Program

Description	Land Area (SF)	Building Area (SF)
New retail space	7,500	7,500
Plaza space	3,750	3,750

• Project Costs

□ Land acquisition

Land cost is unknown at this time. Cost was set to “0” for calculations.

□ Site Development Costs

Site development includes demolition and grading, as well as paving of new parking areas and common landscaping. Total site development costs are estimated to be \$210,000.

□ New Construction

A total of 7,500 square feet of retail space would be constructed as part of the project at an estimated construction cost of \$105 per square foot. In addition would be 3,750 square feet of plaza space. The cost of 42 parking spaces is included in total development costs.

□ Services and Fees

Fees and contingency costs include permit fees, architectural and engineering fees, and other miscellaneous soft costs. These costs are estimated at 12% of hard costs.

Table 6. San Mateo Blvd./Southern Ave. Mixed Use Building Program

Estimated Project Costs

Total Estimated Project Costs	\$1,597,000.00
Site Development Costs	\$210,000.00
Demolition and Grading	
Site Work	
New Construction	\$750,000.00
Retail Space (7500 SF)	\$708,750.00
Plaza/Patio Space (3750 SF)	\$40,500.00
Public Improvements	\$331,300.00
Landscape	\$100,000.00
Alley	\$39,000.00
Service Parking	\$2,800.00
Sidewalk Paving	\$32,500.00
Pedestrian Lighting	\$70,000.00
Site Furnishings	\$41,000.00
Screen Walls	\$12,000.00
Monument Signs	\$8,000.00

Assumptions

Architecture, demolition, soft costs, not included

- **Income and Expense Analysis**

The income and expense analysis is based upon the assumptions described below.

- **Rental Income**

- Rent was calculated at \$13.78 per square foot for the retail space. These lease rates are close to current retail in the area.

- **Vacancy Rates**

- A vacancy rate of 5% is factored into the income and expense calculations.

□ **Operating Expenses**

Operating expenses include insurance, maintenance and management fees.

□ **Financing Assumptions**

The debt service expense assumes a 20 year mortgage at 8% interest at a loan-to-value ration of 75%.

□ **Project Feasibility**

This project would require a subsidy for the cost of the land, the site development and landscape/plaza costs in addition to the debt and equity capital it could attract.

Benefits

The proposed project for the San Mateo Blvd./Southern Ave. Mixed-Use Site could further Redevelopment Strategy 2 by providing updated space for retailing of neighborhood-desired products and services and potentially adding more residents to the area. Depending on the products and services offered, it could also attract area employees and help existing businesses to expand, supporting Redevelopment Strategies 3 and 4. In addition, it will bring the following benefits.

- It will improve the appearance of the San Mateo Blvd. corridor, helping eliminate the feeling of emptiness and vacancy with its accompanying weeds and trash.
- Additional residential properties will put more “eyes on the street.”
- It will increase property values in the MRA, generating Tax Increment Financing (TIF) funds for further improvements in the MRA.
- It will support the private development planned for the Southeast corner of Kathryn Ave. and San Mateo Blvd.

Opportunity Site #3 San Mateo Blvd./Southern Ave. Mixed-Use Development



○ Commercial strip on Carlisle Blvd



○ Mixed-use in UNM neighborhood



○ Commercial strip on Silver Ave blending w/ adjacent residential



○ Mixed-use multi-story development in Nob Hill on Richmond



○ Large scale mixed-use development on Central Ave in Nob Hill

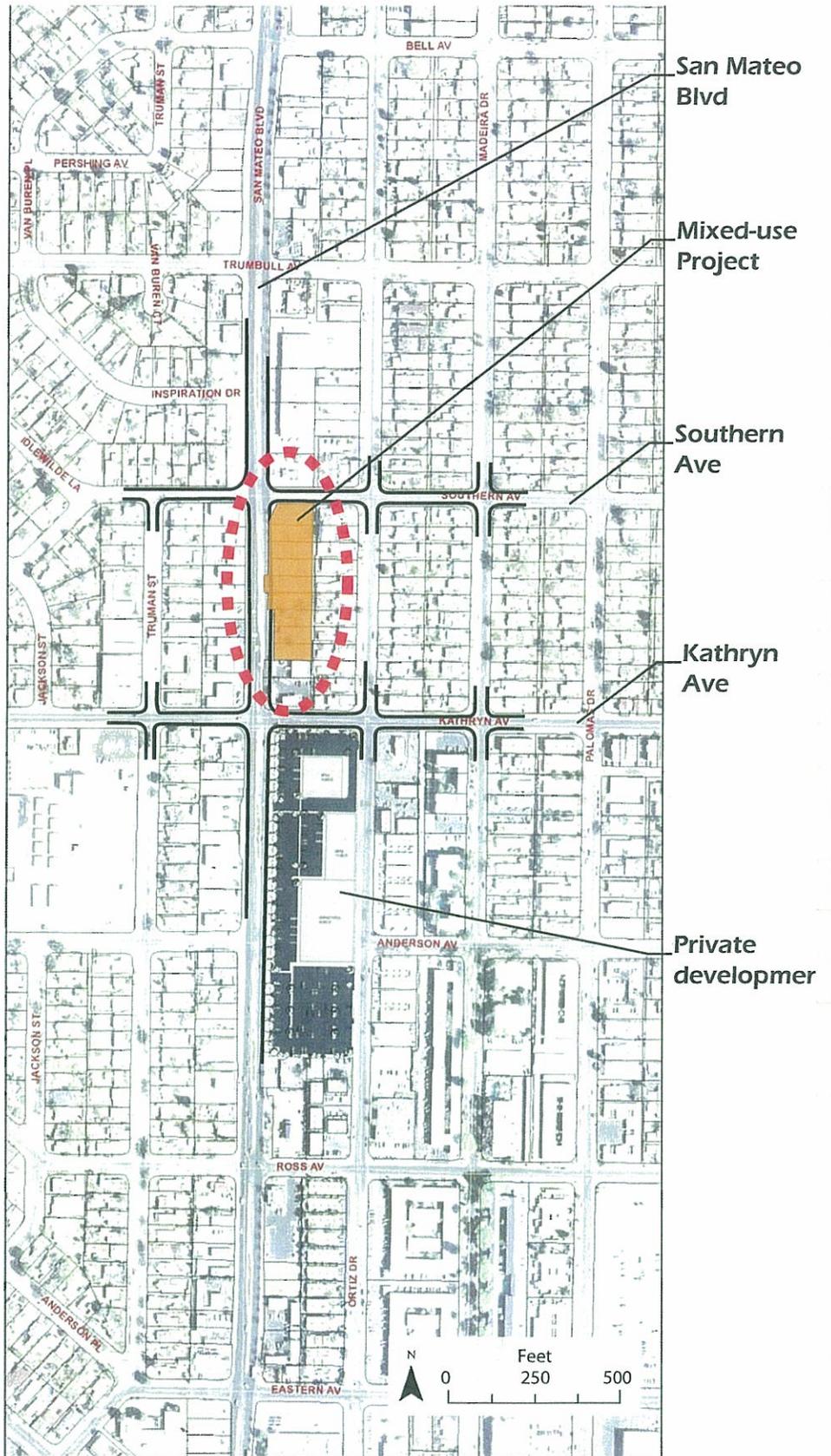


Figure 12. Opportunity Site #3 San Mateo Blvd./Southern Avenue Mixed-Use Development

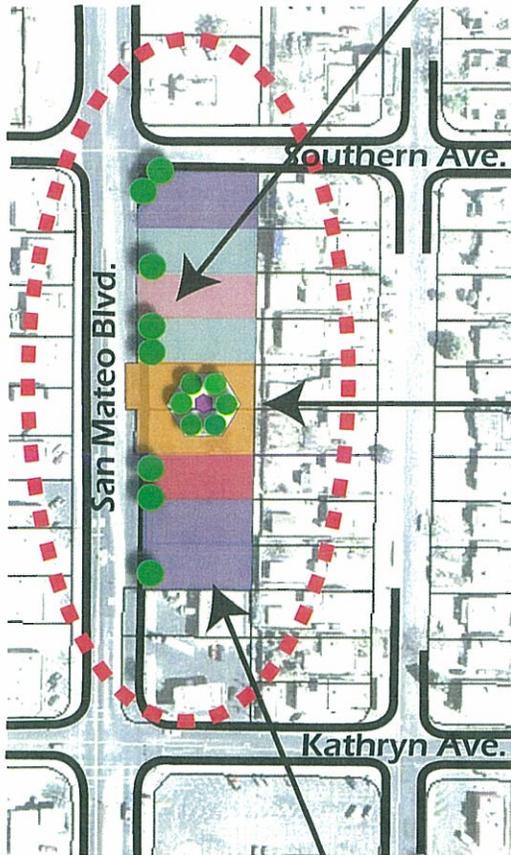


Pedestrian amenities such as shade trees, planters, seating and gathering areas on a spacious sidewalk help create an inviting site.



Businesses distinguished by different colors or architectural features add interest.

Mixed-use Project:



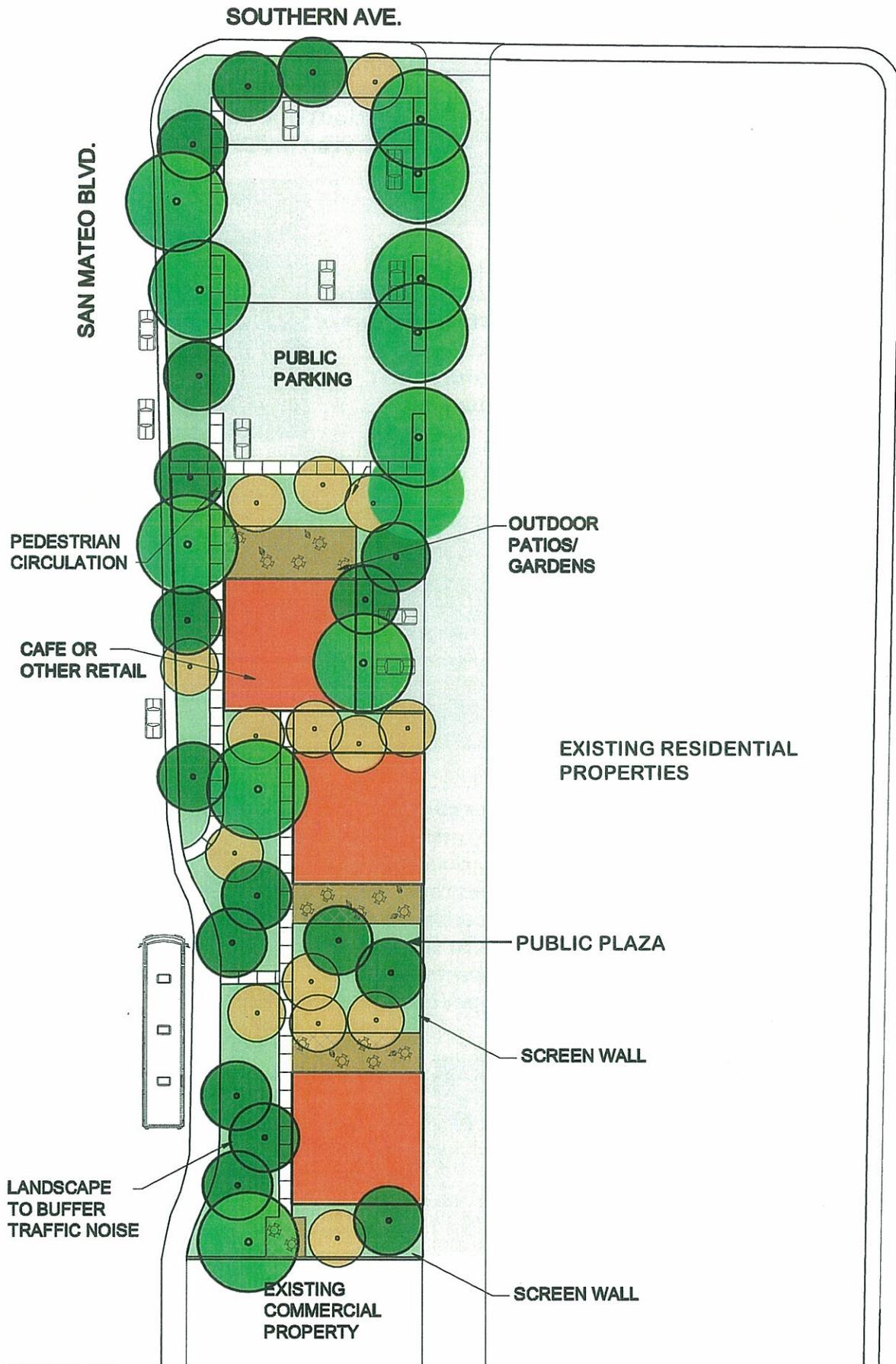
This mixed-use development in a 2-story building provides retail and other commercial outlets at street level with apartments on the upper level.



A strip mall renovation adds new roof lines, differing exterior colors and textures combined with colorful awnings for a new look. A short wall and landscaping help separate a busy road from the development.

Figure 13. Opportunity Site #3 San Mateo Blvd./Southern Avenue Mixed-Use Development

Figure 14. Concept for Mixed-Use Project corner of San Mateo Blvd. and Southern Ave.



C. Potential Implementation and Funding Sources

A number of funding sources from local, State and Federal agencies have been identified as potential opportunities to finance the implementation of the Near Heights Expansion MRA Redevelopment Plan.

1. Public/Private Partnerships

There are a number of opportunities for partnerships to occur between these various entities. Partnerships hold the highest potential for redevelopment opportunities to occur in the Near Heights expansion area. The City can provide incentives through public financing, land holdings, to serve as incentive/collateral for groups such as the NM Community Development Loan Fund, Accion, Wesst Corp, Small Business Association and private developers.

New Mexico Community Development Loan Fund

The New Mexico Community Development Loan Fund is a private, non-profit organization that provides loans, training and technical assistance to business owners and non-profit organizations. Their services support the efforts of low-income individuals and communities to achieve self-reliance and control over their economic destiny. Loans are available to new and existing small businesses for such needs as equipment, inventory, building renovations and operating capital. They provide loans to non-profits for such needs as bridge financing against awarded private and public contracts, capital improvements and equipment, and loans to non-profits that develop affordable housing.

This program provides loans of up to \$250,000 to municipalities and counties to construct or implement projects necessary to encourage the location or expansion of industry, in order to create jobs, stimulate private investment, promote community revitalization, and expand the local tax base. Eligible uses include infrastructure improvements, rehabilitation or installation of public facilities, site improvements and utilities, and commercial or industrial buildings or structures and other commercial or industrial real property improvements.

Tax Increment Financing Districts

Tax increment financing is created through a local government's property tax assessment. The incremental difference in tax is used to finance the improvement within the district. In NM, tax increment financing is enabled in forms through the Metropolitan Redevelopment Code, Enterprise Zone Act and the Urban Development Law. The City of Albuquerque uses tax increment financing within its designated Metropolitan Redevelopment Areas (MRA).

Capital Improvement Plan

The purpose of the City of Albuquerque's Capital Improvement Plan (CIP) is to enhance the physical and cultural development of the City by implementing the Albuquerque/Bernalillo County Comprehensive Plan and other adopted plans and policies. Through a multi-year schedule of public physical improvements, CIP administers approved capital expenditures for systematically acquiring, constructing, replacing, upgrading and rehabilitating Albuquerque's built environment. In practice, the CIP develops, and sometimes directly implements, diverse projects and improvements to public safety and rehabilitation of aging infrastructure such as roads, drainage systems and the water and wastewater network.

Industrial Revenue Bonds (IRB)

In economic effect, an IRB is a loan by a lender/bond purchaser to a company, where the loan proceeds and the loan repayments flow through a government issuer. The tax benefits of IRBs result from the form of the loan and the involvement of a government issuer. In its simplest form, an IRB structure involves a company (typically a corporation, a limited partnership or limited liability company) that wants to purchase and/or construct and/or equip a facility. Instead of purchasing, constructing or equipping directly, the company enters into an agreement (usually a lease) with a government issuer. The agreement provides that the company will lease the facility from the government issuer, construct and equip the facility and, at the end of the lease term, purchase the facility from the issuer at a nominal price. Importantly, the company constructs and equips the facility as the agent of the issuer. In order to obtain the funds to purchase, construct and equip the facility, the issuer issues bonds. The City does not finance bonds; nor does the City provide any credit enhancement. The proceeds of the bond sale are used to pay the expenses of the facility. The bonds are paid off solely with the payments made by the company to the issuer under the lease.

Only "projects" can be financed with IRBs. Projects include land, buildings, furniture, fixtures and equipment. Municipal projects (as opposed to county projects) do not include facilities used primarily for the sale of goods or commodities at retail and certain regulated utility projects. Projects do not need to include land; they can be for equipment only. Also, any land included in a project need not be owned in fee. The costs of projects that can be financed are limited to capital costs and transaction costs. Working capital generally cannot be financed with IRBs, nor is there any benefit associated with doing so.

Metropolitan Redevelopment Bonds

Metropolitan Redevelopment Bonds, while similar in some respects to Industrial Revenue Bonds, have certain differences. These projects

are restricted to designated Metropolitan Redevelopment Areas, and are available to a wider variety of projects. The public purpose for these projects is to stimulate redevelopment activities in economically distressed areas.

Metropolitan Redevelopment Bonds provide a limited property tax abatement on the net improvements to the project site (i.e., current property taxes on the existing value of the property are not exempted). The maximum property tax abatement period is for seven years. Also, Metropolitan Redevelopment Bonds do not offer gross receipts or compensating tax exemptions on the purchase of equipment for the facility. However, they are a reasonable option for projects that may not generally qualify for Industrial Revenue Bonds.

As with Industrial Revenue Bonds, the City does not provide the financing or credit enhancement for the bonds; the applicant is responsible for finding their own financing, based solely on the rates they can negotiate with the purchasers of the bonds. All financing and legal costs are paid by the applicant.

Transportation and Equity Act for the 21st Century (TEA-21)

Federal TEA-21 Enhancement funds, in excess of \$200 billion, is allocated to integrate transportation projects with environmental and community revitalization goals over a period of six years. TEA-21 funds are applicable beyond highways, road and transit maintenance – funds may also be used for relevant environmental restoration, pollution abatement, historic preservation, trails, bike paths and pedestrian infrastructure including aesthetic enhancements.

2. State Financing Programs

Business Loans

The State of New Mexico has several loan programs to support business expansion and relocation to the state.

- Business Bonds
- Private Activity Bonds for Manufacturing Facilities
- Real Property Business Loan
- Severance Tax Permanent Fund/Participation Interests in Business Loans
- Severance Tax Permanent Fund/Purchases of SBA/FMHA Obligation
- Federal Financing Programs

3. Loans

1. HUD funds for local CDBG loans and “floats”

Community Development Block Grants are used to finance locally determined activities and can include coping with contamination and financing site preparation or infrastructure development. Eligible activities include planning for redevelopment, site acquisition, environmental site assessment, site clearance, demolition, rehabilitation, contamination removal and construction. Also, when a grant recipient can show that previously awarded CDBG funds will not be needed in the near term, it may tap its block grant account on an interim basis, using a “float” to obtain short-term, low interest financing for projects that create jobs. Money borrowed from grants in this way may pay for the purchase of land, buildings and equipment, site and structural rehabilitation (including environmental remediation) or new construction.

The City of Albuquerque receives an annual Community Development Block Grant from the U.S. Department of Housing and Urban Development to fund redevelopment activities in low and moderate income communities across the City. The City’s consolidated plan, which specifies how the funds are to be spent over a five-year period, has established several programs that could support redevelopment activities in the Near Heights MRA Plan: Crime Prevention through Environmental Design (CPTED), which funds neighborhood improvements designed to reduce crime and enhance security; Acquisition of Nuisance Property, which funds the purchase of property creating conditions of slum and blight; Neighborhood Business Assistance Fund, which assists businesses with low-interest loans, façade improvements and technical assistance; and Job Training for Businesses in Low/Mod Areas, which provides funding for training employees.

2. SBA Micro loans

These loans are administered through responsible nonprofit groups, such as local economic development organizations or state finance authorities that are selected and approved by the SBA. The SBA loans the money to the nonprofit organization which then pools the funds with local money and administers direct loans to small businesses.

SBA micro loans are administered much like a line of credit and are intended for the purchase of machinery and equipment, furniture and fixtures, inventory, supplies and working capital. The funds are intended to be dispersed with close monitoring of the recipient and a self-employment training program may accompany the loan. The maximum maturity for a micro loan is six years. The average loan size is \$10,000. The loan cannot be used to pay existing debts.

3. SBA' Section 504 development company debentures

Small businesses can receive long-term capital for fixed assets from SBA-certified local development companies who issue notes backed by SBA. These resources can support up to 40 percent of a project's total costs, up to \$750,000. A private financial institution must provide 50 percent of the project financing, but has first claim on collateral. The remaining 10 percent of funding must be obtained from the developer, a non-federal economic development program, or owner equity.

4. Facade Improvement Loans

These loans/grants were made available in the past through HUD-CDBG funds to business owners to give their buildings a face-lift. All facade improvement funds are administered by Family and Community Services through a community development corporation.

4. Loan Guarantees

1. HUD Section 108 loan guarantees

Under Section 108, state and local governments receiving Cobs can receive federally guaranteed loans, often at lower interest rates, to cover the cost of multi-year development projects too large for single year financing with CDBG funding. City or state applicants can pledge up to five times their annual CDBG grants as collateral. State can also pledge their own CDBG allocation on behalf of their small cities.

2. SBA's Section 7(a) and Low-Doc programs

Under Section 7(a), SBA will guarantee up to 90 percent of private loans of less than \$155,000 to small businesses and up to 85 percent of loans between \$155,000 and \$500,000. The Low-Doc Program offers SBA-backing of 90 percent and a streamlined application, review, and approval process for guarantees of loans of less than \$100,000.

5. Grants

1. HUD's CDBG Grants

The CDBG program, one of the nation's largest Federal grant programs, is administered by the Department of Housing and Urban Development to promote the revitalization of neighborhoods and the expansion of affordable housing and economic opportunities. This includes activities that support the redevelopment of properties in distressed areas if such activity supports the mission of the program. CDBG is a "bricks and mortar" program, with the rehabilitation of affordable housing traditionally being the largest single use of CDBG funds.

2. EDA Title I and Title IX

Grants are available to government and nonprofit organizations in distressed areas to fund improvements in infrastructure and public facilities, including industrial parks.

3. HUD-CDBG Façade Improvement Funds

Grants or loans for façade improvements are sometimes made available to private businesses from the federal Department of Housing and Urban Development and Community Development Block Grants through a local community development corporation. Such funds can only be applied to an area designated as low-to-moderate income.

6. Equity capital

1. SBA's Small Business Investment Companies

Licensed and regulated by the SBA, SBIC's are privately owned and managed investment firms that make capital available to small businesses through investments or loans. The use of their own funds plus funds obtained at favorable rates with SBA guaranties and/or by selling their preferred stock to the SBA.

7. Tax incentives and tax-exempt financing

1. Historic Rehabilitation Tax Credits

Investors can receive a credit against their total income taken for the year in which a rehabilitated building is put into service. Rehabilitation of certified historic structures qualifies for a credit equal to 20 percent of the cost of the work; rehabilitation work on non-historic structures built before 1936 qualifies for ten percent.

2. New Markets Tax Credits (NMTC)

The NMTC Program permits taxpayers to receive a credit against Federal income taxes for making qualified equity investments in designated Community Development Entities (CDEs). Substantially all of the qualified equity investment must in turn be used by the CDE to provide investments in low-income communities. The credit provided to the investor totals 39% of the cost of the investment and is claimed over a seven-year credit allowance period. In each of the first three years, the investor receives a credit equal to five percent of the total amount paid for the stock or capital interest at the time of purchase. For the final four years, the value of the credit is six percent annually. Investors may not redeem their investments in CDEs prior to the conclusion of the seven year period.

3. Low-income Housing Tax Credits (LIHTC)

The LIHTC program offers a ten-year credit for owners of newly constructed or renovated rental housing and sets aside a percentage of the units for low-income individuals for a minimum of 15 years. The amount of the credit varies for new construction and renovation. The project must receive allocation of New Mexico State's annual credit ceiling or use multi-family housing tax-exempt bonds that receive allocation of New Mexico State's bond volume cap. Allocations are made on the basis of the New Mexico State Qualified Allocation Plan.

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6. Existing Conditions

The expanded MRA encompasses the primarily commercial street frontages along San Mateo Boulevard from Bell Avenue to Gibson Boulevard and along Gibson Boulevard from San Mateo Boulevard to Kentucky Street. It also picks up the vacant 3.7-acre City-owned parcel bounded by Eastern Avenue, Alvarado Avenue, Ross Avenue, and Palomas Drive and the Willow Village Shopping Center at San Pedro Drive and Kathryn Avenue.

A. Physical Characteristics, Zoning and Land Use

1. Acreage in MRA Expansion

The total size of the new MRA expansion area is approximately 93 acres (including ROWs). This is about six percent of the existing adjacent MRA of 1,010 acres. Land along the San Mateo corridor constitutes nearly 36 acres. Land included along the Gibson Corridor encompasses 52 acres. Finally, the Willow Village Shopping Center on San Pedro is 4.8 acres.

2. Zoning

Zoning in the planning area is primarily neighborhood commercial (C-1) along San Mateo except for the large parcel of C-2 (community commercial) at the southeastern corner of San Mateo and Kathryn and two small R-2 (medium-density residential) parcels near the north and south ends. Gibson Blvd., east of San Pedro, is also zoned C-1 neighborhood commercial, while to the west it is zoned primarily C-2, with a few pockets of medium and high density residential. The Eastern/Alvarado site is zoned O-1 (Office), while Willow Village Shopping Center carries a C-1 (neighborhood commercial) designation.

3. MRA and Surrounding Land Use

Land use in the expansion area largely reflects the zoning designations, except for a number of residences that occupy commercially zoned lots along San Mateo. There are retail and service-oriented commercial properties along San Mateo and along the north side of Gibson. The largest size and concentration of vacant lots can be found along San Mateo, particularly on the east side. The vacant 3.7 acres at the Eastern/Alvarado site was formerly a parking lot. Willow Village Shopping Center houses neighborhood retail, services and restaurants.

Examining the internal square of blocks framed by San Mateo, Gibson, Louisiana and Zuni shows that the southwest quadrant of blocks is primarily multi-family apartment buildings (plus Wilson Middle School and the Willow Village shopping center) while single-family homes occupy blocks in the other three quadrants. Single-family neighborhoods lie to the west of San Mateo and to the southwestern side of Gibson. South of Gibson lie the Gibson Medical Center (formerly Lovelace), the Veteran's Administration Medical Center, and Kirtland Air Force Base.



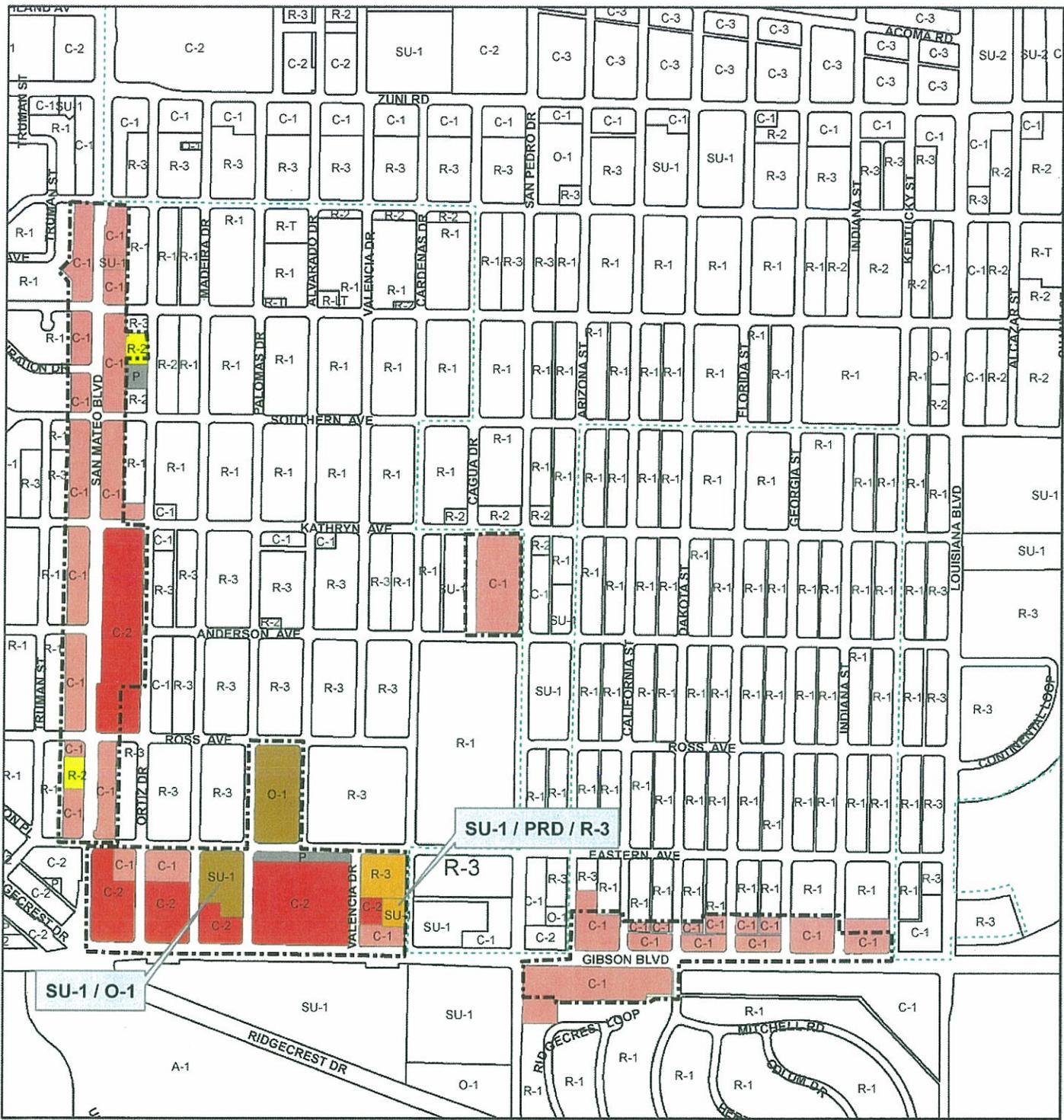


Figure 15. Near Heights Expansion Area Zoning

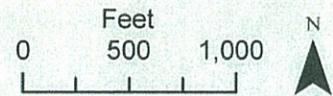




Figure 16. Near Heights Expansion Area Land Use

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 500



4. Vacant Land

The planning area suffers from the presence of a number of vacant parcels, which comprises 20 parcels (nearly 5 acres) along the San Mateo corridor and 5 parcels (5.4 acres) along the Gibson corridor including the Eastern Avenue/Alvarado Street corner parcel. At the same time, vacant land and deteriorated buildings can offer the best opportunities for revitalization of a commercial area.

Altogether, vacant land encompasses more than 7 acres or 8 percent of the total MRA expansion acreage. The percentage of vacant land is 20 percent in the northern section (San Mateo Boulevard corridor) but only 3 percent in the southern section along Gibson Boulevard.



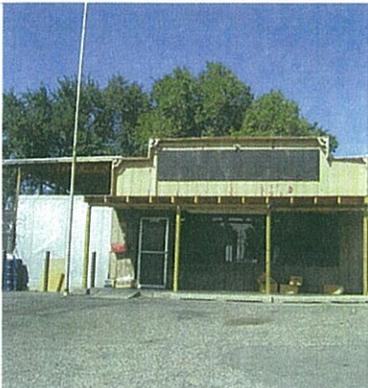
Along San Mateo Boulevard the lot sizes vary from 0.12 acres to 1.86 acres, although a number of vacant lots are grouped together to form larger parcels, some under the same ownership. Lots tend to be shallow due to the additional right-of-way used to expand the roadway. There is now limited parking for businesses that formerly relied on parking space in the front of their buildings. Street trees are other casualties of the narrowed parking facilities.

There are five vacant parcels along the Gibson corridor, ranging from approximately 0.15 acres to 1.21 acres. While a few parcels are paved, most are gravel or dirt and blighted by tall weeds and trash. The exception is the lot fronting Arizona, which is neatly mowed. Residents say the empty lots create a haven for trash, drug deals and homeless persons.



5. Deteriorated Buildings

A number of commercial properties in the proposed MRA area along the San Mateo and Gibson corridors present a blighted condition, as seen in the adjacent photos. Altogether, deteriorated buildings make up 0.71 acres in the San Mateo corridor and 3.75 acres along the Gibson corridor. Although there are some thriving small businesses, including ethnic grocery stores, restaurants, and auto-related shops, there are also a number of vacant, boarded-up commercial buildings.





- | | | |
|--|---|---|
|  Existing MRA Boundary |  Closed Business |  Deteriorated Building |
|  Designated MRA Expansion |  Deteriorated Building & Closed Business |  Vacant |



Figure 17. Near Heights MRA Expansion Northern Section

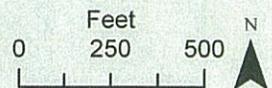




Figure 18. Near Heights MRA Expansion Southern Section

- Existing MRA Boundary
- Designated MRA Expansion
- Vacant
- Closed Business
- Deteriorated Building & Closed Business
- Deteriorated Building



B. Area Character and Design

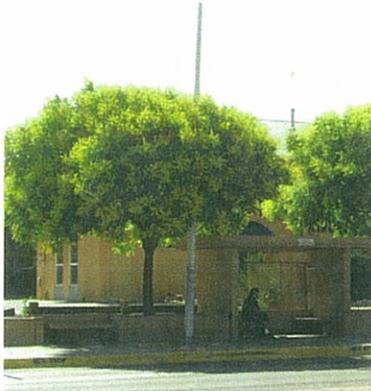
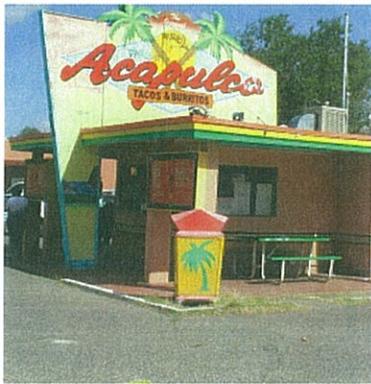
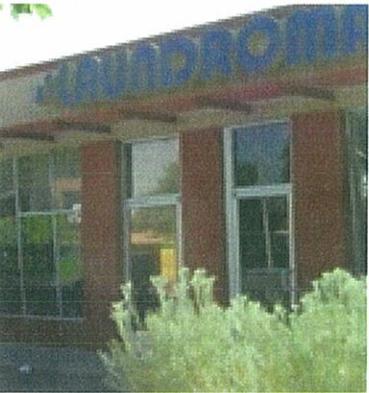
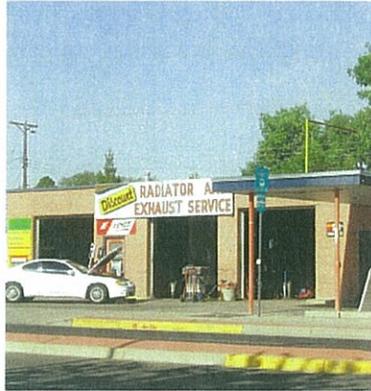
The purpose of the design analysis is to identify positive design features of the area that provide a model for redevelopment to enhance the existing character of the Near Heights Redevelopment Area. Sites Southwest conducted a photographic inventory of the San Mateo and Gibson corridors to document these characteristics.

Conditions vary within the district, from well-maintained buildings with mature landscaping to vacant buildings and buildings in poor condition. The San Mateo corridor is characterized by small-scale, one-story commercial buildings and strips. The Gibson corridor is characterized by national chains and larger-scale developments. Vacant land in the district is primarily located along San Mateo.

The photographs on the following pages illustrate architectural character, public infrastructure and landscapes. Architectural character includes building styles, color and materials, scale of development and the relationships of buildings to their surroundings. Public infrastructure includes roadways, sidewalks, bus stops and storm water management. Landscape features include plantings, lighting, signage, and parking.

For the purpose of this design analysis, the San Mateo and Gibson corridors are considered separately.

San Mateo Corridor



Architectural Character

- Small-scale, one-story local businesses
- Mixture of commercial strips and free-standing buildings
- Presence of taxpayer strips – a row of stores united under a single roof. These were developed in the early 1900s along streetcar lines and automobile corridors as urban settlement spread out from the city center. They derive their name from the speculative developers who built them because the buildings were designed to generate enough revenue to pay the taxes and hold the space for more concentrated development.
- Typical components include large display windows and a large parapet wall above windows for signage.
- Brick and stucco are common materials for façades
- Use of bright, bold colors

Public Infrastructure

- Tree-lined streets with shade for pedestrians
- Bus shelters with attractive landscaping
- Landscaped medians
- Lack of pedestrian lighting; street lighting is designed to accommodate automobiles with cobra head style fixtures.
- Storm water treatment is drained into inlets on San Mateo.



Landscaping Features

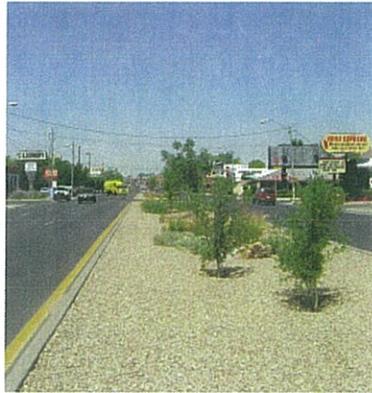
- Some attractive landscapes and xeriscapes
- Landscape buffers between sidewalks and businesses
- Free-standing, small-scale signs oriented toward pedestrians and automobiles
- Signage painted directly on the building

Gibson Corridor



Architectural Character

- One-story, free-standing buildings
- National chains with generic franchise architecture
- Buildings designed for automobiles with ample parking and drive-thru windows
- Neutral colors
- Remnants of older generation automobile-oriented development such as motels



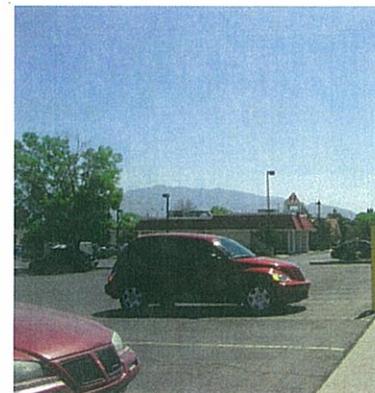
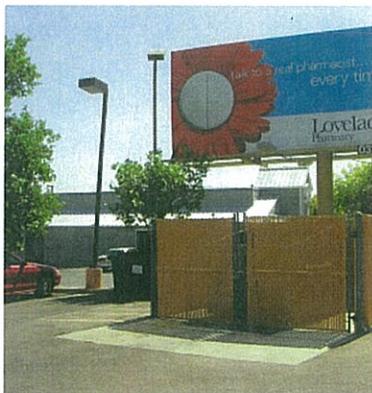
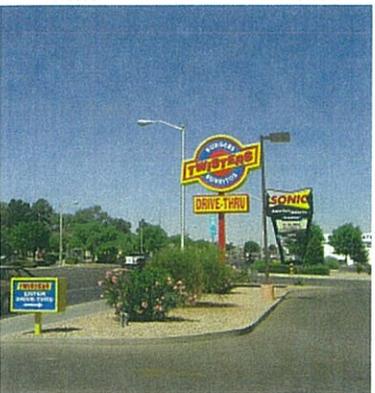
Public Infrastructure

- Lack of pedestrian lighting; street lighting is designed to accommodate automobiles with cobra head style fixtures
- Benches at bus stops
- Landscaped medians on eastern end of corridor
- Storm water treatment is drained into inlets on Gibson



Landscaping Features

- Well-maintained landscapes and xeriscapes
- Landscaping strips between the sidewalk and businesses
- Large, internally lit, free-standing signs
- Billboard signs on western end of corridor
- Ample parking, generally in front of buildings along Gibson



C. Policy Framework

The following existing plans give guidance to redevelopment plans for the Near Heights MRA expansion area:

Albuquerque/Bernalillo County Comprehensive Plan (2003)

The Comprehensive Plan is a Rank 1 plan that sets Albuquerque's course of action for the long-term physical development of the City. The Plan designates development areas of different intensities and character, including activity centers and transportation corridors. Within the Near Heights Expanded MRA boundaries, both the San Mateo and Gibson corridors are identified as Enhanced Transit Corridors. The goal is *"to develop corridors, both streets and adjacent land uses, that provide a balanced circulation system through efficient placement of employment and services, and encouragement of bicycling, walking and use of transit/paratransit as alternatives to automobile travel, while providing sufficient roadway capacity to meet mobility and access needs."* Enhanced Transit Corridors have a maximum speed of 35 to 45 mph and are served primarily by express bus service. These corridors are designed to maximize pedestrian connections to transit with 6- to 8-foot sidewalks. Development along Enhanced Transit Corridors should provide street entrances, have a minimum setback to provide for landscaping or pedestrian activity areas, and parking in the rear or on the side. Policies to promote this goal for Enhanced Transit Corridors include structuring capital expenditures and land use regulations to support additional housing and jobs along the corridor, increasing transit ridership by adding dwelling units, promoting and integrating pedestrian opportunities, and developing a metropolitan recreational and commuter bicycle and trail network.

The intersection of San Mateo and Gibson is identified as a Major Activity Center in the Comprehensive Plan. The goal of activity centers is to *"expand and strengthen concentrations of moderate and high-density mixed land use and social/economic activities which reduce urban sprawl, auto travel needs, and service costs, and which enhance the identity of Albuquerque and its communities."* As a Major Activity Center, the San Mateo/Gibson intersection *"provides the most highly concentrated locations of commercial, service and employment uses in conjunction with area-wide needs."* The San Mateo/Gibson Major Activity Center should serve the entire metropolitan population and beyond and be accessible by all modes of travel. Typical land uses for a Major Activity Center include commercial, office, and technology centers and medium to high-density residential in sensitive relationship to employment. Major Activity Centers generally have net densities above 30 dwelling units per acre.

2030 Metropolitan Transportation Plan (MTP) for the Albuquerque Metropolitan Planning Area, Mid-Region Council of Governments (2007)

The Metropolitan Transportation Plan is a long-range, regional planning tool developed by the Mid-Region Council of Governments, which includes representatives of the constituent municipalities, school districts, and water management agencies in Bernalillo, Valencia, Sandoval, and Torrance counties. This MTP includes policy and funding designations for the development of an integrated transportation system that facilitates the efficient movement of people and goods. It evaluates the current transportation system, how the region is likely to grow and what the transportation system should look like in the future. The Albuquerque Metropolitan Planning Area includes the Near Heights Expanded MRA boundary, but the MTP does not include any specific recommendations for the area.

Near Heights Metropolitan Redevelopment Plan (2000)

This redevelopment plan covers Central and Zuni Avenues from San Mateo to Moon as well as a north-south commercial corridor along San Pedro from Gibson to Lomas, encompassing 1,010 acres but excluding the State Fairgrounds. Charged with developing concepts for three projects that would stimulate private investment in this blighted area, the team came up with a commercial corridor project, a motel re-use project, and a housing master plan. It selected opportunity sites for these projects and analyzed constraints and opportunities. It proposed an International Marketplace (now the expanded Talin Market World Food Fare), assisted living for the elderly at the hotel re-use project, and a housing plan that would rehabilitate declining rental properties and expand opportunities for home ownership in the area.

Eastern Alvarado MRA Designation Report and Project Plan (2007)

This was the original designation report and project plan for the 3.7-acre Eastern Ave./Alvarado St. Corner vacant lot donated for redevelopment to the City of Albuquerque by Lovelace Healthcare Systems. The report noted that an over-abundance of multi-family housing in the area had saturated the rental housing market, resulting in many vacant, blighted lots. It documented a need for additional for-sale housing. This plan will be supplanted by the Near Heights Expansion Area MRA Plan, which will incorporate the Eastern Ave./Alvarado St. Corner parcel into its boundary, when adopted.

Near Heights MRA Expansion Area Designation Report (2008)

This report designated the Near Heights Expansion area—primarily the commercial corridors of San Mateo Boulevard, from Bell Ave. to Gibson, and Gibson Boulevard, from San Mateo to Kentucky, and including the large shopping center at San Pedro Drive and Kathryn Ave. It documented the combination of vacant lots, closed businesses, and deteriorated buildings that contribute to blight in the area, qualifying it as a metropolitan redevelopment area.

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7. Appendices

A. Community & Business Priorities

1. Community Priorities

The following businesses, services and activities, and spaces were proposed by the community members who attended public meetings and then prioritized according to their desirability.

1. Cyber café for kids
2. Local coffee shop/café
3. Business incubator and job training
4. Asian American Center, Community wellness center, community garden, dance studio and gymnastics
5. Neighborhood identity/theme with themed street lights, art on sidewalks; swimming pool; ice cream shop; mixed-use on San Mateo
6. Economic Development
 - Bakery
 - Farmer's market at Wilson Park
 - Non-chain restaurants with live music
7. Public Infrastructure
 - Open plaza/gathering place
 - Better bike paths (particularly along Kathryn)
 - Music performance space
 - Upgrade to Great Streets standards where possible
 - Projects at intersections with connections for pedestrians, street trees: San Mateo/Kathryn, San Pedro/Kathryn, Louisiana/Kathryn.
 - Bike path on Kathryn to Cesar Chavez Community Center
8. Community Services/Facilities
 - Recreation for kids – summer programs for middle schoolers, skate park
 - Community Services Center – domestic violence, medical services, wellness
 - Family recreation center with picnic tables, skate park, pool, playground, basketball hoops, skateboarding

2. Business Priorities

Forty business owners in the area were surveyed in person about their business and the general business climate in the area. Some of their general characteristics were as follows:

- Most lease their buildings, although 11 own.
- Their length of time in business in area ranged from 1 week to 56 years with a median of 5.5 years and average of 14 years.
- Replies to the question: “How is business?” ranged from “slow lately” (particularly the restaurants) to “very good.” At least nine said they were affected by the closing of Lovelace Medical Center.

When asked which of the following measures they thought would improve the business climate in the area, business owners cited the following (shown with the percentage of owners who agreed).

1. Improved safety—62%
2. More people working in the area—59%
3. Establish distinct international character—49%
4. Better lighting—41%
5. Funds for façade improvements—35%
6. More people living in the area—32%
7. Higher incomes in the area—30%
8. Better streetscape—24%

Other observations made by at least one of the business owners were:

- Need more police presence
- Clean up rundown properties, build on vacant lots
- Would like a grocery store
- Need newer look/business assistance
- Would like better, upper-scale restaurants in the area
- Improve signage, curb appeal

B. Market Analysis

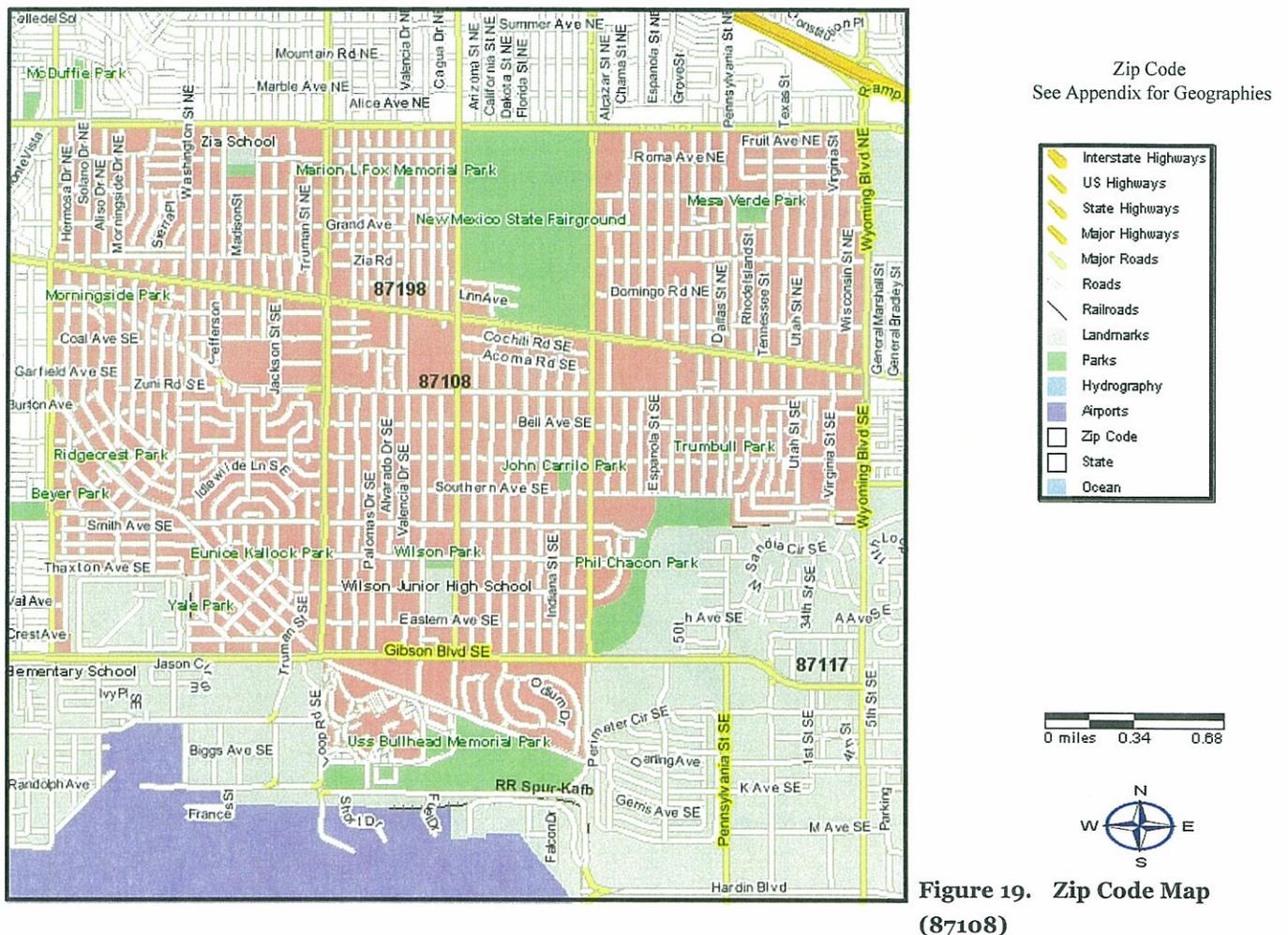
The market analysis looks at the existing and potential demand for goods and services in the area and compares it to the existing supply.

1. Demand Characteristics

As a rule of thumb, customers are likely to walk to commercial/shopping areas within an eighth to a quarter mile from their home (5-10 minute walk) and drive to shopping centers up to three miles away. This is typically considered the primary trade area. There are many exceptions to this—among them, natural or psychological barriers such as rivers or freeways and the stronger pull of regional shopping centers, which draw from a larger area.

There are three primary sources of demand for goods and services in the Near Heights Expansion MRA: 1) nearby residents, 2) employer-based clientele, and 3) regional customers.

This market study examined in most detail the socioeconomic characteristics of the first group—people living in the 87108 zip code, which ranges east to west from Carlisle to Wyoming, and north to south from Lomas Blvd. to both sides of Gibson.

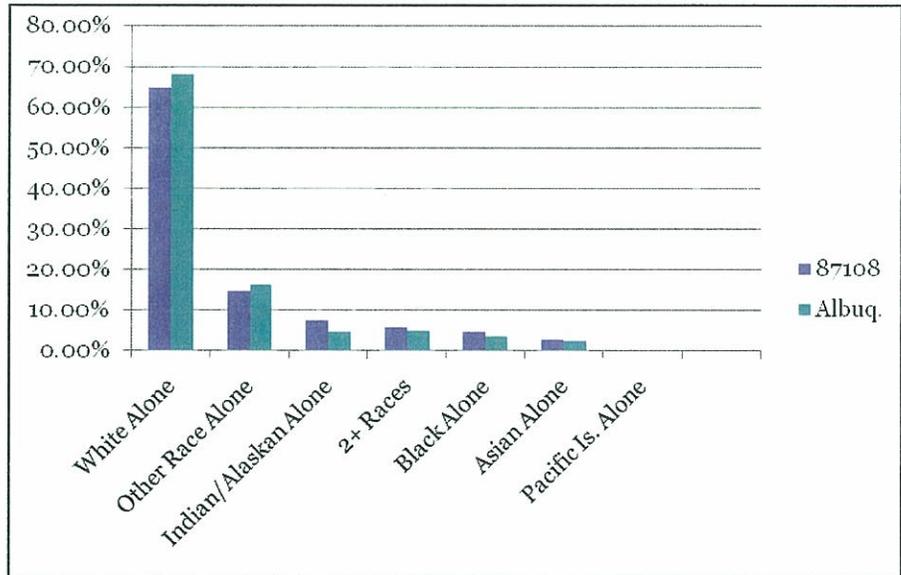


This information was the most readily available. The team selected the zip code area for several reasons. First, it was the zip code listed by nearly all the residents who attended the MRA meetings. Second, the distance is approximately three miles wide by two miles long. Third, the bordering streets—Lomas, Carlisle, Wyoming and Gibson—are major roads that act as psychological barriers. Residents living west of Carlisle, for example, tend to shop in Nob Hill or on Central Ave. Barring a special attraction that draws City-wide, most customers for the San Mateo/ Gibson Commercial Corridors are likely to come from this area. The area also includes the Wal-mart Supercenter at San Mateo and Zuni and the shopping center that houses John Brooks grocery and Big Lots at Zuni and San Mateo. Both places frequented by meeting attendees.

Socioeconomic Characteristics of the Trade Area

Compared with Albuquerque residents in general, those living in the MRA trade area (zip code 87108) are slightly older, slightly less educated, and more racially diverse. (See Table 1). For example, the median age in the trade area was 36.3 in 2008 compared with 35.9 for Albuquerque in general. Some 54.5 percent of Albuquerque residents had received a high school diploma or higher and 31.6 had earned a bachelor’s degree or higher compared with 50 percent and 25.5 percent, respectively, in the trade area. The difference in racial diversity can be seen in the chart below:

Figure 20. Racial Diversity in Near Heights Expansion MRA Trade Area compared with Albuquerque



Source: Claritas 2008

Compared with Albuquerque in general, the trade area is home to a higher percentage of American Indian and Alaskan natives, Black/African Americans, Asians, and those who considered themselves two or more races. The percentage of Native Hawaiian or Pacific Islanders is about the same as in the general Albuquerque population. Regarding ethnicity, just over half of the trade area is Hispanic or Latino (of any race) compared with only 44 percent of Albuquerque residents generally. Not surprisingly, only 59 percent of those living in the trade speak only English at home compared with 72 percent in Albuquerque generally. Those in the trade area are more likely to speak Spanish at home as well as English.

Perhaps the greatest disparity is in incomes. The median household income (an equal number of households earn more than and less than this) in Albuquerque was \$45,358 and the average household income was \$59,558, compared with only \$29,480 and \$40,065 in the trade area. Per capita income in the trade area was only \$18,549 compared with \$25,002 in Albuquerque generally (Claritas, 2008).

Of those residents employed in the civilian workforce, a similar percentage in both the trade area and Albuquerque worked for private businesses. Slightly fewer of the trade area residents worked for local, state or the Federal government while more of them were self-employed.

Many more households rent housing in the trade area (64.9%) than in Albuquerque generally (38.1%). This is consistent with the average household size, which is slightly smaller in the trade area (2.18 compared with 2.36 in Albuquerque).

While rent paid in the trade area ranged from \$100 a month to \$2,000 a month or more, 63 percent of tenants paid between \$350 and \$599 a month. The 2007 median price asked for vacant for-sale houses and condos in the trade area was \$186,641. The 2007 estimated median house or condo value in the trade area was \$160,511, compared with \$107,500 in 2000 (city-data.com).

Table 7. Comparison of Demographics in 87108 to the City of Albuquerque

Characteristic	87108	Zipcode	Albuquerque	
	Number	Percent	Number	Percent
Total Population (2009 Estimate)	38,092	100.0%	520,224	100.0%
2014 Population Projection	38,931	100.0%	562,250	100.0%
No. of Households	16,955	100.0%	215,946	100.0%
Average Household Size	2.18	(X)	2.36	(X)
Median Age (years)	36.3	(X)	35.9	(X)
Median Household Income	\$29,480	(X)	\$45,358	(X)
Average Household Income	\$40,065	(X)	\$59,558	(X)
Per capita income	\$18,549	(X)	\$25,002	(X)
<i>Ethnicity</i>				
Hispanic or Latino (of any race)	19,518	51.2%	229,910	44.2%
<i>Population by Race</i>				
White Alone	24,658	64.7%	353,491	68.0%
Black/African American Alone	1,767	4.6%	18,775	3.6%
Amer. Indian & Alaskan Native Alone	2,864	7.5%	24,040	4.6%
Asian Alone	1,043	2.7%	12,441	2.4%
Native Hawaiian/Other Pacific Islander Alone	53	0.1%	696	0.1%
Some Other Race Alone	5,522	14.5%	85,277	16.4%
Two or More Races	2,185	5.7%	25,504	4.9%
<i>Educational Attainment</i>				
High School Graduate or Higher	12,800	50.0%	187,376	54.5%
Bachelor's Degree or Higher	6,518	25.5%	108,733	31.6%
<i>Language Spoken at Home</i>				
English Only	20,741	59.2%	347,646	72.3%
Spanish	11,720	33.5%	110,359	22.9%
Asian/Pacific Islander	713	2.0%	6,848	1.4%
Indo-European	614	1.8%	8,649	1.8%
<i>Employment Status</i>				
Age 16+ in Civilian Labor Force	16,465	100.0%	253,939	100.0%
Private workers (for-profit/non-profit)	12,275	74.6%	189,650	74.7%
Government workers (Federal, State, Local)	3,049	18.5%	51,582	20.3%
Self-employed	1,118	6.9%	16,111	6.3%
<i>Housing Tenure (of occupied units)</i>				
Owner Occupied	5,960	35.2%	133,650	61.9%
Renter Occupied	10,995	64.9%	82,296	38.1%

Source: Claritas 2009

Employer-based Clientele

A number of large employers in the area create a market for lunch and daytime errands. Kirtland Air Force Base employs 35,690 civilians and 4,860 military personnel, although the market varies somewhat with security concerns at the base. Some 8,400 people work at Sandia National Labs and 1,600 work at the Veteran's Administration complex. Gibson Medical Center employs about 100 in addition to housing doctor's offices and their staff. This likely will increase once the center's operations are in full swing.

Regional Customers

Regional customers were the most difficult to obtain data about as they, by definition, come from all over the region. Specific businesses noted whether or not any of their customers were regional. Businesses that said they drew regional customers included a garden supply store, banks, medical supply, motorcycle repair, used bookstore, and several others.

2. Supply Characteristics

Commercial Space

Commercial uses predominate along both San Mateo and Gibson Boulevards. General characteristics are summarized below:

- Vacant commercial land: 10.4 acres
- Condition of commercial space: Fair to good
- Commercial rents: \$20.25 per square foot (First Quarter 2009)
- Average weekday traffic flows
 - San Mateo Blvd.: (from Gibson to Zuni) 13,400–17,500 in 2008; down from 21,200-23,400 in 2004
 - Gibson Blvd.: (from San Mateo to Louisiana) 26,100–16,300 in 2007; down from 29,200-23,600 in 2004
 - San Pedro Blvd. : (from Gibson to Zuni) 7,100–12,000 in 2008; down from 9,700-12,100 in 2004

Commercial Environment

There tend to be more small local businesses along San Mateo Boulevard and more national franchises along Gibson Boulevard.

San Mateo Commercial Corridor

Retail and service businesses predominate along the San Mateo corridor from Gibson Blvd. to Bell Ave. in the MRA expansion area. These include thrift stores, specialty garden supply sales, a woodworking shop, a furniture store, and a used bookstore. Service businesses include hair salons, photography, a dry cleaners, tax services, a laundromat, and several social service places. There are three restaurants which serve Mexican food, Thai food and fast-food tacos, in addition to a small

grocery offering primarily fruit and vegetables. A Dairy Queen is just to the east of the San Mateo corridor, along Kathryn. Remaining establishments include at least eight auto-oriented businesses (auto care and repair, oil and lube, radiator/exhaust, auto details and trim and a car wash) and four churches or drop-in clubs. There is one gas station at Kathryn Ave. In between are pockets of single-family houses, duplexes and medium density apartments.

Gibson Commercial Corridor

By contrast, food establishments are the predominant businesses along the Gibson corridor. Gibson sports some 18 restaurants between San Mateo and Louisiana Boulevards. Many are familiar fast food franchises such as McDonalds, Sonic, Twisters, Papa John’s and Starbucks, but a few are local restaurants, such as Cervantes and the Copper Canyon Café. Two more locally-owned establishments are slated to move in—a Sunshine Café and an anticipated new Salvadoran restaurant just to the west of San Mateo. The 99B Asian Grocery store anchors the Siesta Hills Shopping Center. The next most prevalent types of businesses are the approximately eight auto-related places (carwash, brake repair, oil and lube and seven service businesses (daycare, truck rentals, self-storage, motel, martial arts studio, preschool, computer network technical assistance). There are at least two gas stations in the vicinity. Rounding out the commercial establishments are a motorcycle repair place, a dollar store, and medical sales related to Gibson Medical Center.

Table 8. Type of Land Use By Location

Type of Land Use by Location (2007-2008)*	All three locations	San Mateo	Gibson	Willow Village
Food (Mostly fast-food except 6 & veg/fruit store)	26	5	18	3
Retail (Dollar stores, hobby, thrift/antiques, garden supply/organics/hydroponics/greenhouse, paperbacks)	16	11	3	2
Services (Storage, laundry, cleaners, taxes, survey, hair salons, daycare, IT)	22	10	7	5
Auto-related (repair and service)	16	8	8	0
Gas Stations	3	1	2	0
Churches/Clubs	5	4	0	1
Medical	5	0	4	1
Multi-Family	17	9	8	0
SF Res & Duplexes (Lots)	15	15	0	0
Vacant Lots	23	21	2	0
Vacant Buildings (or shopping center spaces)	4		2	2

*Sources: SSW and COA walking surveys. These are approximate counts

San Pedro Drive

San Pedro Drive passes by Wilson Middle School, San Pedro Library, and both single and multi-family residential areas as well as the Willow Village Shopping Center. An older shopping center, this center was included at the request of the local residents in hopes of giving the center more tools for revitalization.

Commercial Competition

Neighborhood residents report shopping at nearby stores and restaurants outside the expanded MRA. These “outside” establishments indicate places of commercial competition for the Near Heights MRA Expansion Area (Figure 21). Residents tended to purchase groceries at John Brooks, Sunflower Market, El Mezquite, the Talin and Wal-mart. For hardware and home items, they frequented Home Depot and Lowes. Shoes were purchased from Dillard’s, Shoes on a Shoe String, or Mervyn’s (which recently closed). Videos, DVDs and CDs came from Fair Heights Videos or Hastings, while books came from Page One, at Juan Tabo and Montgomery. The need for general purchases drew them to Wal-mart, Big Lots, Coronado Mall, and Sam’s Club. Participants generally felt that the area lacked eating establishments, home medical services, and that the San Pedro library was too small.

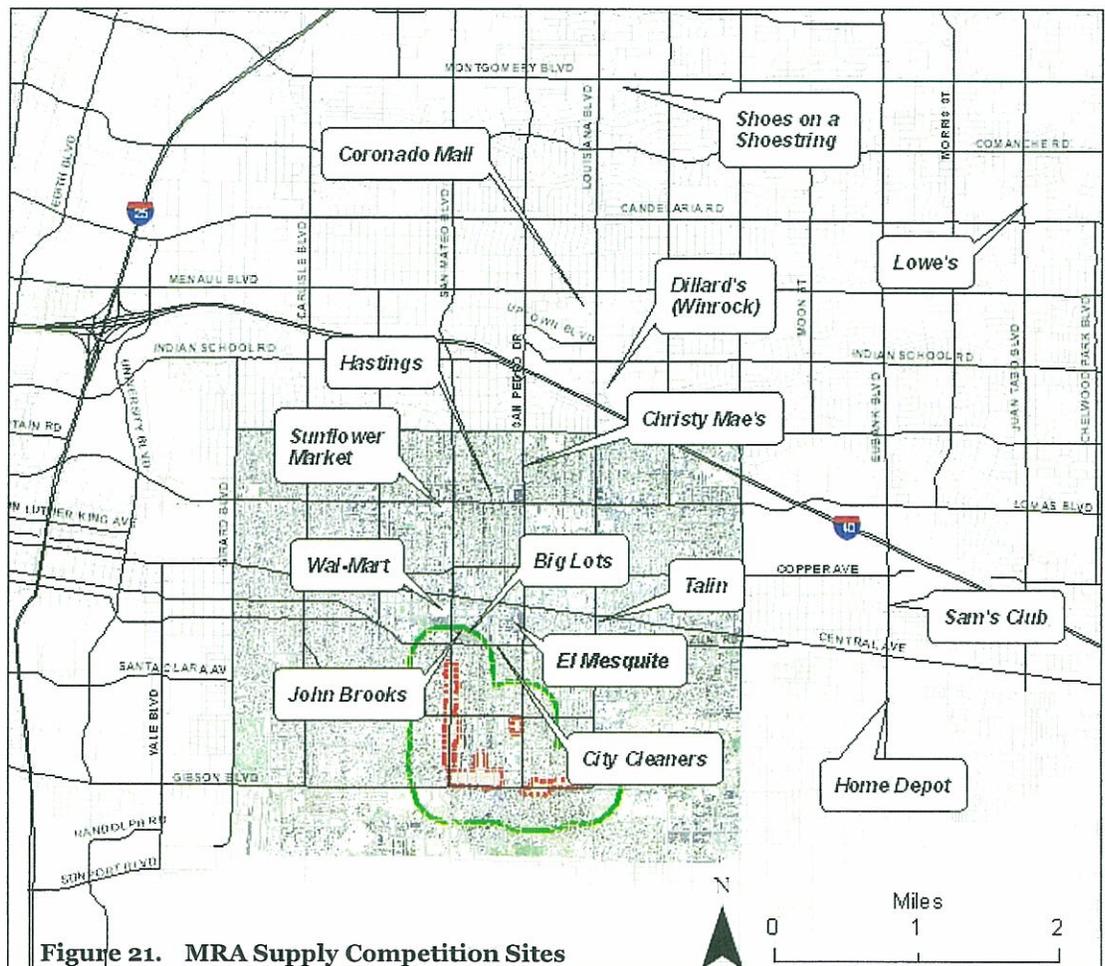


Figure 21. MRA Supply Competition Sites

Commercial Trends

The 550,000 SF Gibson Medical Center (formerly the Lovelace Medical Center) facilities are located just south of the planning area, bounded by Ridgecrest and Gibson. The former Lovelace hospital has merged with a downtown branch and no longer provides outpatient surgery or emergency services. The current facility has been renamed the Gibson Medical Center and recently was purchased by a local investor. The downsizing seems to have had less of a disruptive or destabilizing effect on the neighborhood and business than anticipated. The heaviest impact of the closing thus far, and the sinking economy in general, seems to have been borne by area restaurants, who lost Lovelace employees and patient families as customers, and Lovelace-related medical businesses.

Other closings include the Blockbuster video store in the Parkland Shopping Center on San Mateo, the laundromat on San Mateo and the Baskin-Robbins/donut shop on Gibson have been closed for several years. There is a lien on an oriental restaurant in the Siesta Hills Shopping Center. El Norteno Restaurant, serving Mexican food, recently experienced a fire but is anticipated to reopen.

On the more positive side, other medical offices have moved into the Gibson facility. A private health club is slated to develop the Parkland Shopping Center on the southeast corner of San Mateo and Kathryn. In addition, a new Mexican restaurant the Whole Enchilada, and Sandia Fruits and Vegetable recently opened on San Mateo, and two new restaurants are anticipated for the Gibson corridor: a new café and a Salvadoran eatery.

3. SWOT Evaluation of Existing Conditions

The following evaluates the strengths, weaknesses, opportunities and threats (SWOT) to the area to provide a framework and guide to potential solutions.

Area Strengths

- Residentially dense (38,092 in 87108 zip code).
- Area employment includes Kirtland Air Force Base, Sandia Labs, the Veteran's Administration Hospital, and new tenants at the Gibson Medical Center.
- Close proximity to the international airport or the Interstate (for businesses that are regional).
- Percentage of ethnic population higher than rest of Albuquerque.
- Area recently renamed the International District, providing a new identity.
- Fairly high numbers of cars travel the Gibson/San Mateo/San Pedro corridors.
- Streetscape construction on San Mateo in 1984 that created a generally walkable area with shade trees (though it also narrowed parking at stores). Easy to cross the street.
- Good bus service with shelters and benches.
- Lots of bicycle riders in neighborhood.
- Strong, motivated neighborhood associations.
- Talin Market and cluster of Asian restaurants, other ethnic businesses, draw people from around the City.
- Cluster of auto businesses on San Mateo and Gibson.
- Proximity to the State Fair.
- Neighborhood leadership in helping people stay sober, off drugs (Endorphin Power Company, Next Steps Club etc.).
- Presence of Southwest Team for Entrepreneurial Success (STEPS) (which follows Sirrolli Institute model for economic development).
- Fair number of viable businesses (especially franchises) along Gibson.

Area Weaknesses

- Large gaps in street wall frontage—“missing teeth”— along San Mateo impede attracting more pedestrians.
- Few businesses along San Mateo to draw neighborhood people. Have some restaurants, a few thrift shops, the fruit and vegetable store. The bookstore and garden store depend on the traffic from the KAFB, the VA Hospital and the Gibson Medical Center.
- Neighborhood is dark at night. No pedestrian lighting.
- People don't feel safe in the area (and businesses have been burglarized).
- Negative perception of the area as a crime area.
- Liquor stores result in drunks passing out around the apartment buildings as well as empty bottles and trash.
- Kirtland AFB since 9-11 closes the base periodically, diminishing traffic flow.
- Low household incomes compared with the rest of the City.
- Independent businesses along the corridor lack the common management, control of retail mix and access to the latest marketing and retail information that is common in malls.
- Streetscape construction removed some of the parking available in front of stores along San Mateo.
- Residents are only about one-third homeowners; the rest rent.
- Shopping centers and business districts have a number of vacancies.

Area Opportunities

- Gibson Medical Center is filling its vacant spaces with new tenants.
- A major new development is planned along San Mateo, south of Kathryn by a private developer.
- Potential for area to become known as the International District. Already a number of ethnic businesses and residents have persuaded the NM State Legislature and the City of Albuquerque to adopt a resolution to that effect.
- Number of vacant lots and buildings along San Mateo for redevelopment.
- New commercial investment can take advantage of MRA impact fee waivers and other MRA benefits.

Area Threats

- General economy is down. Hard to get loans for businesses; more people are out of work.
- Jobs in general are restructuring.
- Public/private funding may be limited in the future.

C. Bibliography

1. 48th NM State Legislature, *Metropolitan Redevelopment Code*, Article 60A, July 15, 2007.
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3. Biebel Charles D., Szoka Pahl, Mary Rose; Taylor, Phyllis. Updated by Phyllis Taylor. Albuquerque’s Environmental Story, Educating For a Sustainable Community, The Built Environment - A Sense of Place Near Heights.
4. City of Albuquerque, Development Services Division. *Near Heights Metropolitan Redevelopment Plan*, 2000.
5. City of Albuquerque, Metropolitan Redevelopment Agency. Eastern / Alvarado MRA Designation Report and Project Plan, 2007.
6. City of Albuquerque, Metropolitan Redevelopment Agency. Near Heights MRA Expansion Area Designation Report, 2008.
7. La Mesa Sector Development Plan. 1976, November
8. National Association of Realtors, *Economic Development Case Studies*, February 2005.

**Potential
Opportunity Site
(Identified by
University of New
Mexico School
of Architecture
Studio Project)**

D. Alternate Opportunity Site (University of New Mexico School of Architecture Studio Project)

The following site in the Near Heights MRA was developed in a class project by University of New Mexico Assistant Professor Kristina Yu's Architecture 301 studio in Fall 2008 with input from the Near Heights MRA Expansion Communities. The students examined and visually analyzed a number of aspects of the site and neighborhood, including density, crime, housing prices and design among others. Some of their information and illustrations are included here for additional ideas and inspiration.

1. Alternate Opportunity Site: Six Vacant lots at the northwest corner of Trumbull Ave. and San Mateo Blvd.

San Mateo Blvd./Trumbull Ave. Mixed Use Development

SWOT Analysis

Strengths/Opportunities:

- Vacant properties
- New commercial development can take advantage of the impact fee waiver
- One owner
- Along major arterial
- Mix of housing and retail

Weaknesses/Threats:

- Possible multiple owners
- Rezoning necessary for mixed use
- Economy may be uncertain for future development
- Difficulty getting development loan from the bank due to economy
- Lack of City funding to purchase property to initiate an RFP.

Goals and Objectives

To integrate housing into the commercial sector, ultimately enhancing the economic vitality of a major arterial walkable street.

Implementation

The redevelopment strategy would be for the City to purchase the site and issue an RFP for a private or non-profit developer to design and develop the site. The City might fund a plaza or park within the development.

Potential Partners

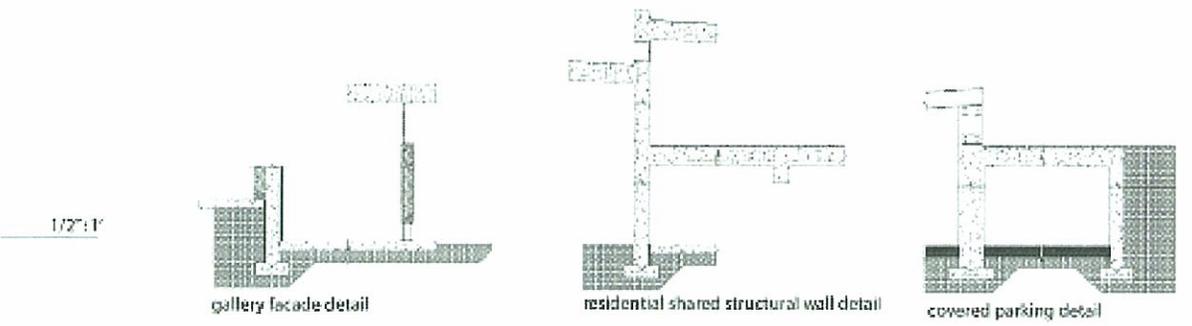
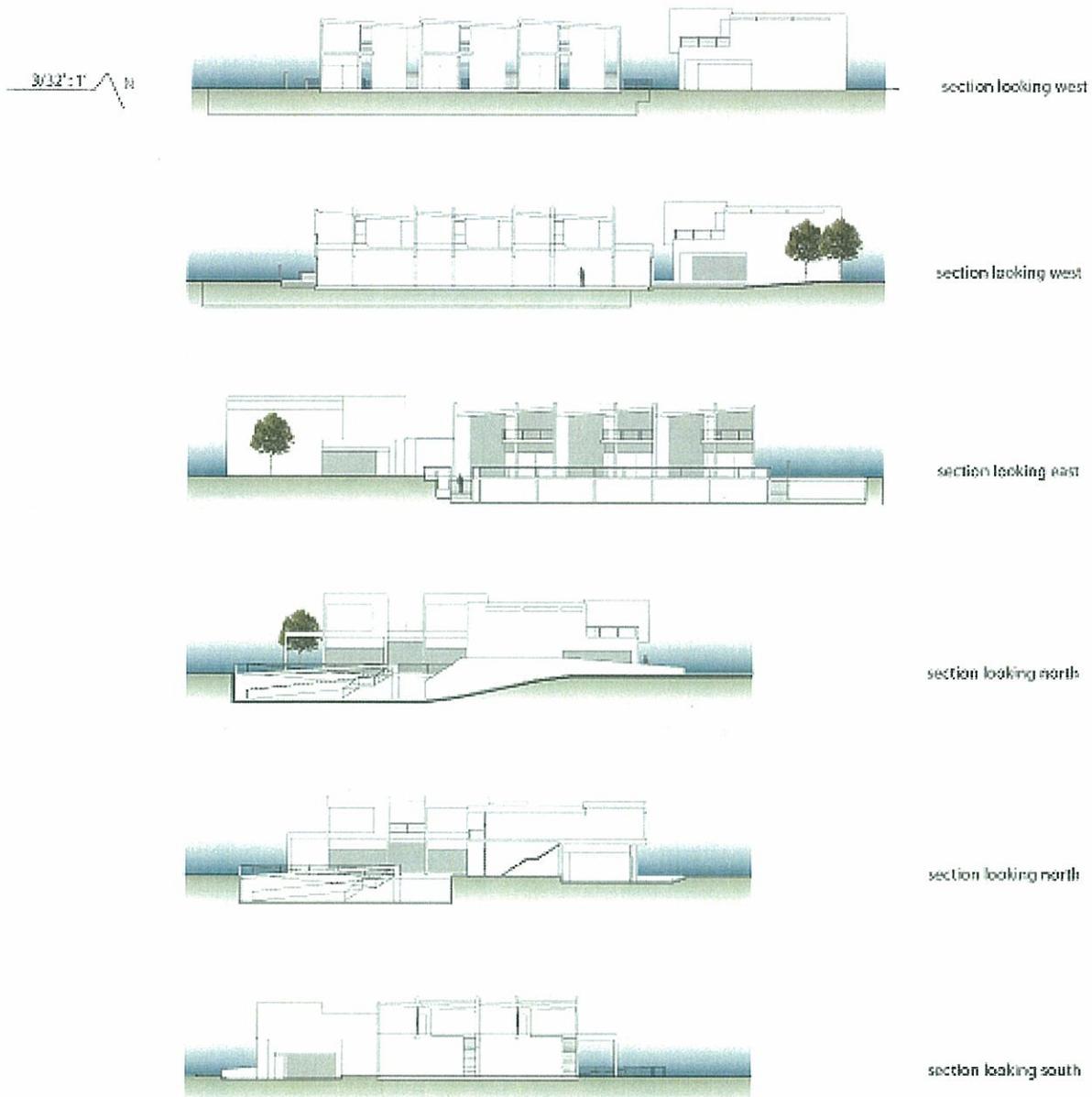
- Assistant Architecture Professor Kristina Yu, and UNM's School of Architecture Studio 301
- University of New Mexico Associate Professor of Community and Regional Planning Moises Gonzales

Implementation Steps

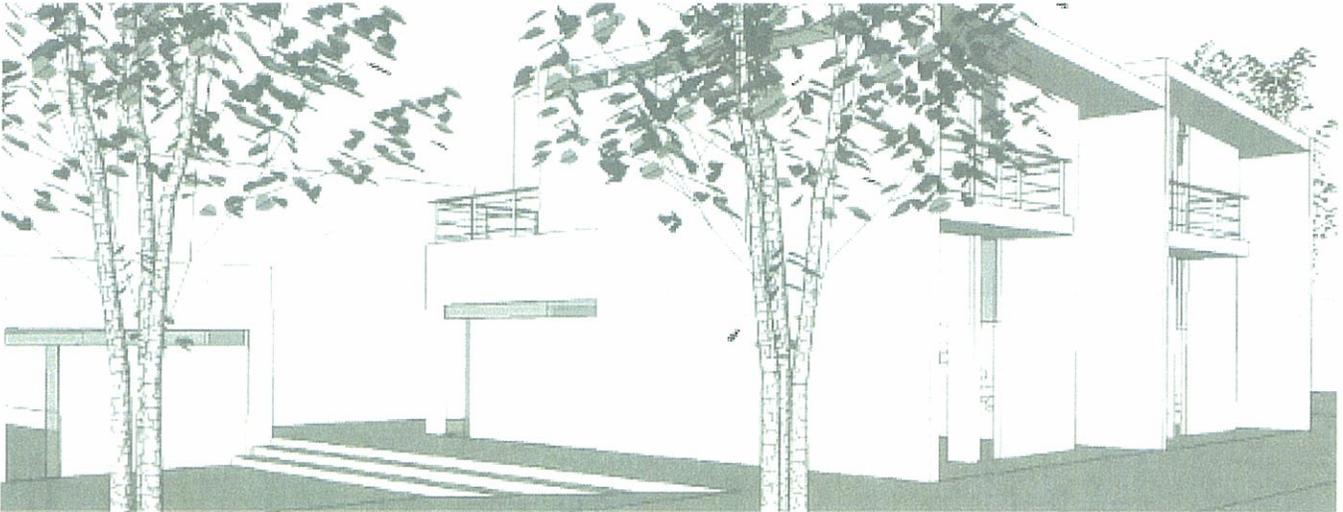
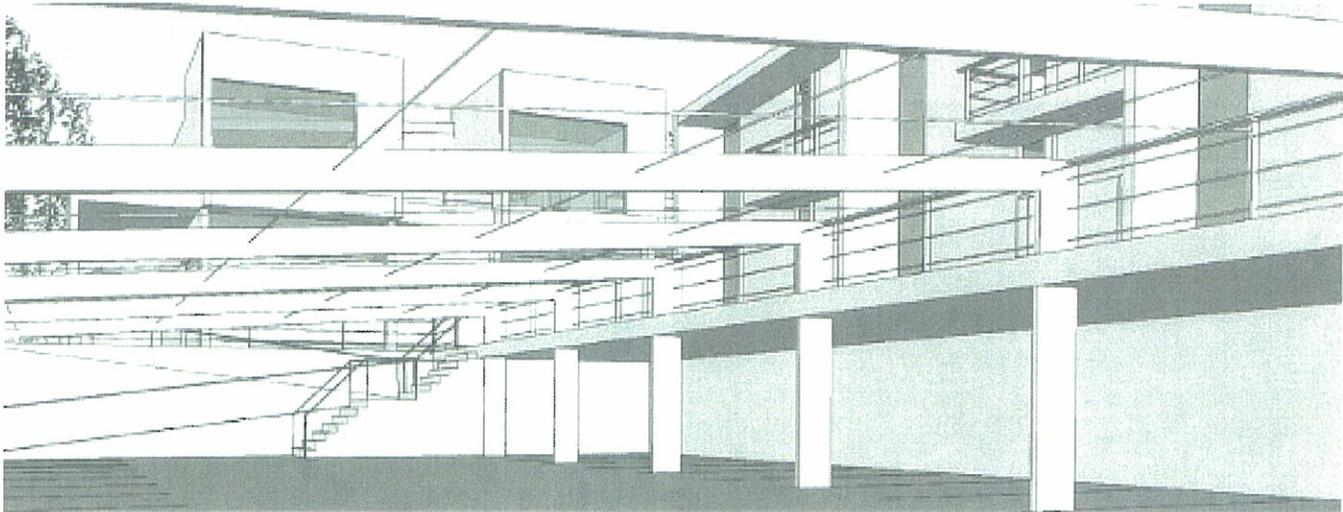
- Determine owner/ if land is for sale/ price.
- Purchase Property and review UNM architecture and planning work in the area.
- Issue an RFP.

Potential Opportunity Site (Identified by University of New Mexico School of Architecture Studio Project)

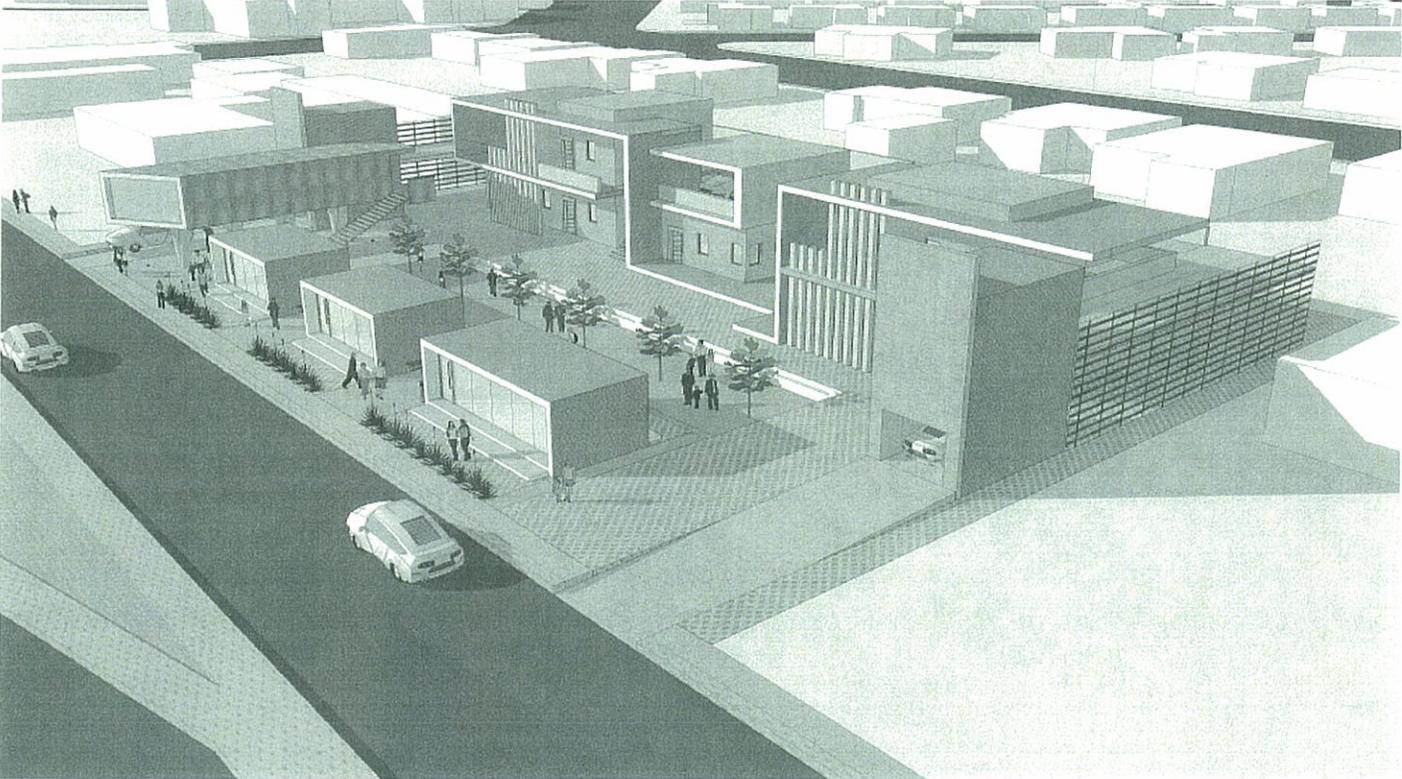
animate works and lives



Potential Opportunity Site (Identified by University of New Mexico School of Architecture Studio Project)



Potential Opportunity Site (Identified by University of New Mexico School of Architecture Studio Project)



E. Small Business Resource List

Accion

Non-Profit organization that increases access to business credit, makes loans and provides training to assist emerging entrepreneurs.

ACCION New Mexico

20 First Plaza NW, Suite 417

Albuquerque, New Mexico 87102

Phone: 505 243-8844

Toll-Free: 800 508-7624

Web Site: <http://www.accionnewmexico.org/>

E-mail: accion@accionnm.org

Enchantment Land Certified Development Corporation

Private, non-profit corporation that assists communities with their economic development goals by offering competitive long-term loans to finance capital assets

Enchantment Land Certified Development Company

625 Silver Avenue SW, Suite 195

Albuquerque, NM 87102

Phone: 505 843-9232

Toll-Free: 888 282-9232

Fax: 505 764-9153

Web Site: <http://www.elcdc.com/>

New Mexico Community Capital

Provides equity capital and business growth services for small business ventures in rural communities.

New Mexico Community Capital

115 S. Camino del Pueblo

Bernalillo, NM

Phone: 505 924-2820

Toll-Free: 866 222-1552

Fax: 505 213-0333

Web Site: <http://www.elcdc.com/>

E-Mail: info@nmccap.org

New Mexico Development Loan Fund

Organization that provides loans, training and technical assistance to business owners and non-profit organizations throughout the state and the entire Navajo Nation.

Mailing Address:

**The Loan Fund
PO Box 705
Albuquerque, NM 87103**

Street Address:

**The Loan Fund
423 Iron SW
(Corner of Iron & 5th SW)
Phone: 505 243-3196
Toll Free: 866 873-6746
Fax: 505 243-8803
Web Site: <http://www.nmcdlf.org>
E-mail: info@loanfund.org**

New Mexico Small Business Development Center

Partnership of the U.S. Small Business Administration, the State of NM, the NM Association of Community Colleges, and the private sector to provide small businesses and entrepreneurs with an assortment of services

NMSBDC Lead Center

**Santa Fe Community College
6401 Richards Avenue
Santa Fe, NM 87508
Phone: 505 428-1362
Toll-Free: 800 281-7232 or 800 281-SBDC
Web Site: <http://www.nmsbdc.org/suguide.html>**

Sandia National Labs New Ventures and Consulting Program

Provides skills training services and support to small businesses, start-ups, spin-offs, and entrepreneurs as well as free workshops in areas critical to business success.

Business Point of Contact:

**supplier@sandia.gov
Phone: 800 765-1678
Web Site: <http://www.sandia.gov/bus-ops/small-business/index.html>**

University of New Mexico Science and Technology Corporation

Non-Profit corporation formed by and owned entirely by UNM to protect and transfer its faculty inventions to the commercial marketplace.

STC

801 University Blvd., SE Suite 101

Albuquerque, NM 87106

Phone: 505 272-7900

Fax: 505 272-7300

Web Site: <http://stc.unm.edu>

E-Mail: info@stc.unm.edu

WESST Corp

Non-profit corporation that facilitates the start-up and growth of women and minority-owned businesses throughout the state of New Mexico.

WESST Enterprise Center

609 Broadway Blvd., NE

Albuquerque, NM 87102

Phone: 505 246-6900

Fax: 505 243-3035

Toll Free: 1-800-469-3778

Contact: Clare Zurawski, Albuquerque Regional Manager

Web Site: <http://www.wesst.org>

F. Case Studies of Similar Projects

1. Example Project: South Valley Economic Development Center, Albuquerque, New Mexico



Program:

Size: 15,000 square feet

Retail/Commercial: Commercial

Residential: None

Housing price mix: N/A

Major sources of funding: U.S. Department of Housing and Urban Development (HUD), U.S. Department of Commerce, U.S. Department of Health and Human Services, NM State Legislature, Bernalillo County, Office of University Partnerships, City of Albuquerque

Mission:

“We opt to build from within. We want to build capacity from within the community. By creating self-employment opportunities we involve the community in the vision, their vision.” (Former Bernalillo County Commissioner Theresa Cordova)

Formation and Financing:

Actors:

RCRP, The Resource Center for Raza Planning of the University of New Mexico, a group of mostly graduate students in Community and Regional Planning lead by Bernalillo County Commissioner and UNM Community and Regional Planning Professor Theresa Cordova

RGCDC, The Rio Grande Community Development Center, founded in 1986 “to pursue community-wide healthy economic and social development that enriches traditional cultural values and historical uses of the land, reducing poverty through entrepreneurial spirit and enterprise and supporting the peoples voice in development.”

Office of University partnerships, U.S. Department of Housing and Urban Development (HUD), Madlyn Wohlman-Rodriguez.

Bernalillo County government

Actions:

- 1995 RGCDC receives \$50,000 planning grant from the City of Albuquerque to study the economic development needs of the South Valley.
- Period Following Approximately \$2.5 million in grants trickled in from federal, state and government organizations including the Housing and Urban Development Department, the New Mexico State Legislature, the Department of Commerce, Bernalillo County, and the U.S. Department of Health and Human Services.
- RCRP Receives funding from Hispanic Serving Institutions Assisting Communities grant program to conduct needs analysis surveys in the South Valley Neighborhood:
1. Feasibility Study to access the incubators current and projected demand
 2. Marketing Plan identifying customers, regional markets, and competition
 3. Community Planning Process to involve the community
 4. Community Assessment providing documentation on South Valley resources, i.e. residents skills, the local economy, employment issues, service needs, and potential business opportunities.
- RCRP Helped raise \$2.2 million in grants and assisted with business and marketing plans and economic development plans for the SVEDC. RCRP was also instrumental in involving engineers and subcontractors in the community process.
- RGCDC Successfully purchased two acres of land to construct the incubator. RCRP's analysis surveys proved helpful in garnering funds for construction.
- April 2005 South Valley Economic Development Center opens doors.

Services

1. 2-3 year limit to use
2. Office Space: Low-cost, with flexible leases. Priority on office space is given to businesses that employ South Valley residents; however, all interested tenants are considered.

Amenities include:

- a. Training and networking opportunities

- b. High speed internet access
 - c. Phone services
 - d. Utilities
 - e. Office equipment
 - f. Receptionist services
 - g. Conference room
 - h. Kitchenette
 - i. Custodial services
3. Commercial Kitchen: Fully-equipped, state-of-the-art, FDA-certified for rent on a one-time or ongoing basis. Rates vary between \$14 and \$35 per hour. The kitchen is available 24 hours, 7 days a week. Kitchen orientations are held twice a month. Reservations are requested.
 4. On-Site Training in business management amenities include:
 - a. Business startup consulting
 - b. Help getting insurance, permits, and licenses
 - c. Marketing help
 - d. Accounting and bookkeeping assistance
 5. La Plazita Coffee Shop: sells goods produced in the SVEDC Kitchen and produce of local area farms, such as the Sanchez farm and Erda Gardens, and Los Poblanos Farms.

Amenities:

 - a. Fair trade coffee,
 - b. Wireless internet
 - c. High ceilings
 - d. Natural light
 - e. Dance and cultural performances

“SVEDC has incubated 29 businesses. Fourteen of these were office tenants, eighteen were kitchen businesses, two are non-profits, and one support organization.”

(SVED Economic Impact Report; June 2008)

Partnerships

Actors:

Mesa del Sol, a 12,900-acre mixed-use district located on Albuquerque’s South Mesa, being developed by Forest City Covington, NM, LLC in conjunction with other partners including the NM State Land Office, UNM, and with the support of the City of Albuquerque, Bernalillo County and the State of NM.

- Rio Grande Growers Association, (RGGA) an association of landscape growers and greenhouse operators in the South Valley

- MR-COG, Mid-Region Council of Governors
- CNM, New Mexico Community College
- Works New Mexico. Their mission is to improve the quality of the work force and to develop individual entrepreneurs.
- SCORE: The Service Corp. for Retired Executives, a national nonprofit organization of current and retired business people who mentor and counsel small businesses.
- LINCS: a federal program that works directly with clientele and offers placement services and work experience. LINCS works with employers like the Albuquerque City Transit System, the District Attorney's Office, Child Support and Health & Human Services Offices, and the Hispanic Cultural Center to provide students with relevant work experience.
- SER: Service Education/Employment and Redevelopment de Albuquerque, focuses on adult education programs, providing adults with training required to get a GED.
- WESST: a nonprofit organization providing quality entrepreneurial services throughout the state of New Mexico.
- La Plazita Institute: La Plazita is an organization that works with at-risk youths to run the Sanchez Farm, a community farm located in the community. La Plazita Gardens is leading the community in their vision of engaging youth and other members of the South Valley to practice innovative farming.

Senator Jeff Bingaman's Office

Activities

1. SVEDC, Rio Grande Growers Association (RGGA), and Mesa del Sol

RGGA was organized and is managed by the SVEDC, which filed articles of incorporation for the organization. The RGGA will be substantially controlled by the SVEDC for its first years of operation, though this control will be handed over to the growers' association eventually. By forming an association the group members are able to act as an economy of scale and perform pool-purchasing.

The RGGA formed to benefit from an arrangement proffered by Mesa del Sol development.

- April 22, 2008 Mesa del Sol/RGGA agreement was signed
Mesa del Sol funds administrative expenses for the SVEDC
Providing start-up capital for grower's association,
(\$100,000)
Mesa del Sol will appoint a landscape expert.
- Phase I: The growers will provide Mesa del Sol with plants for
its Aperture Park and for streetscape plantings along
University Blvd. extension.
- Phase II: Mesa del Sol requires its landscapers to purchase
approximately 50% of all plants going into the
development from the RGGA.

2. SVEDC, La Plazita Gardens at the Historic Sanchez Farm

La Plazita runs the small café located at the SVEDC. They strive to integrate more fresh vegetables directly from the Sanchez farm, managed by La Plazita, into their menu. They also offer muffins and salsa prepared by entrepreneurs at the SVEDC commercial kitchens.

The Sanchez Farm consists of approximately 11 acres, divided into 20 individual plots, and is part of a community farming effort. Many groups are working with youth on the farm to keep them out of trouble. Other groups farming this site include UNM, Gardens Edge, ARCA and Erda Gardens. (The New Mexico Program contributed to its formation)

3. SVEDC and SCORE

SCORE has provided personal free business advice for an average of 2.3 small businesses each month from the SVEDC location.

4. SVEDC and LINC'S

LINC'S works out of SVEDC to place students in jobs that offer relevant work experience with government employers and others.

5. SVEDC, MR-COG, CNM, and New Mexico Works

MR-COG negotiated with SVEDC to bring CNM to the SVEDC kitchen, where some classes are held.

MR-COG arranged for New Mexico Works program to locate to the SVEDC.

6. SVEDC and WESST

WESST will offer business classes entitled the Start Smart training series at SVEDC.

7. SVEDC and Senator Bingaman's office

Senator Bingaman's office initiated a project aimed at pooling all of the

South Valley group's projects into a shared information report entitled the Rio Grande Projects Initiative. The Rio Grande Projects Initiative aims to interview program leaders about current projects. The initiative will contain information on 12 South Valley projects including the name of the project lead, where the project will take place, project size, project benefits and needs. This initiative is directed by Tim Nisly of the SVEDC and is available on-line at: www.svedc.org.

"SVEDC works with over 27 businesses, financial, and community organizations to impact the South Valley. 17 small businesses use the SVEDC's services every day."(SVEDC Economic Impact Report, June)

New Mexico State Incubator Program and SVEDC Phase II

New Mexico State Incubator Program

The New Mexico Business Incubator Program, established by the NM State Legislature in 2005 has certified 4 incubators to date:

1. The Enterprise Center
2. The SVEDC
3. Santa Fe Business Incubator
4. The Quality Center for Business

Elizabeth Davis is the Director of the NM Economic Development Department's incubator certification program. (www.goNM.biz)

NM Economic Development Department's Incubator Certification Program recently awarded funding for three groups: The WESST Corp Enterprise Center, The Quality Center for Business at San Juan College in Farmington, and the SVEDC.

The SVEDC will receive \$100,000 to complete Phase II of their construction. SVEDC received the award for their outstanding collaborative efforts with other groups and incubators around New Mexico.

Economic Development Department received \$100,000 for business incubator operating grants and the RFP to award these funds. Maximum grants amounts were set at \$25,000 recently.

SVEDC Phase II

Phase II's projected cost is \$1.25 million dollars to construct two building needed for light manufacturing and childcare services and training. SVEDC is launching a TV channel to the South Valley (SVTV) dedicated to providing educational material such as ESL and GED prep.

"The Santa Fe Business Incubator alone has assisted 51 companies that have generated more than 350 jobs in its 8 years of operation."(Albuquerque Journal, January 13, 2006)

“For every \$1 of government money contributed to an incubator client companies generate \$30 in tax revenue alone.”(Albuquerque Journal, January 13, 2006)

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South Valley Center Fosters Small Business Success, Ashleigh Sanchez

South Valley Economic Development Center, September 2008 Newsletter

SVEDC Economic Impact Report; June

2. Project: Crawford Square, Pittsburgh, Pennsylvania



Source: National Association of Realtors

Program:

Size: 18.5 acres

Retail/Commercial: None

Residential: Garden stack and townhouse units, 1-, 2-, and 3-bedrooms

Housing price mix: ranges from \$350 – \$1,190/month

Percentage of affordable units: Approximately 50% of all unit types are affordable. Affordable units have rents based on 50% or 60% of the HUD table of median income levels. Rents are set at 33% of the 50% or 60% as determined by metropolitan area income levels.

Percentage of market rate units: 50%

Major sources of funding: Sun America Affordable Housing Partners, Urban Redevelopment Authority of Pittsburgh, Pennsylvania Housing Finance Agency (HOME), Local leader consortium, Department of Community Affairs, Local Foundations

Number of construction jobs created: N/A

Number of permanent jobs created: 10, multifamily housing management and maintenance

Role of public money: Federal low income housing tax credits, HOME Funds

History of the area: Located in uptown Pittsburgh, immediately adjacent to downtown, the Lower Hill district once was home to a vibrant community. However, in the 1960s and 1970s, the area was severed from downtown by highway construction and downtown redevelopment. Urban renewal progressed to uptown, but the community organized to halt any further downtown incursions at Crawford Street.

In the 1970s and 1980s several residential plans were considered, but never approved because they were not financially feasible. By the 1990s, the area was considered to be the most dangerous part of the city.

In the late 1980s and early 1990s, the Urban Redevelopment Authority (URA), the owner of most of the land in what would become Crawford Square, contracted with McCormack Baron, a developer in St. Louis with a reputation for successfully transforming similar urban sites. The goal that they later developed with members of the community was to develop a mixed-income neighborhood with the image of a market rate development in which there was no distinction between subsidized and market rate units.

Process: In the early stages of the pre-development phase there was considerable community resistance. According to McCormack Baron, “Some members of the community were concerned that the project would exclude minorities and low-income residents, while others were concerned that the development might provide housing exclusively for low-income residents.”

The Hill Cooperative Development Corporation (HCDC) and the Hill residents were engaged in the planning stages and invited to biweekly meetings in the pre-development phase to ease community concerns and they eventually endorsed the development. There was a series of working sessions with the leadership group. Additionally, there was a series of meetings and workshops to gauge the needs of the members of the community, their goals, and what they wanted to achieve. The bottom line, which emerged after several of these meetings, was that the residents wanted a neighborhood and not a project. They wanted brick facades and residences that looked like traditional housing. They also expressed a need for connections to the rest of the city that would require a change in the street pattern.

Project description: Today, Crawford Square is a successful residential development that once again is a vital and healthy part of the city. Although the local real estate community never believed that anyone would want to live there, it has proven to be a complete success. Because the project is held in high regard, it has set a new precedent for the city and it also received the attention of the Department of Housing and Urban Development (HUD), which in turn had an impact on how they fund Hope VI projects.

Crawford Square has proven to be a catalyst for a revitalization of the commercial district on nearby Center Street as well as Bedford Square, another mixed-income residential neighborhood. It has greatly improved the housing options in the lower hill district, increased occupancy viability, and lowered the crime rate. Housing values have increased and the residential development has led to spin-off commercial developments. It has stimulated business start-ups, including a grocery store. The development has also provided housing opportunities for people born and raised in the hill district.

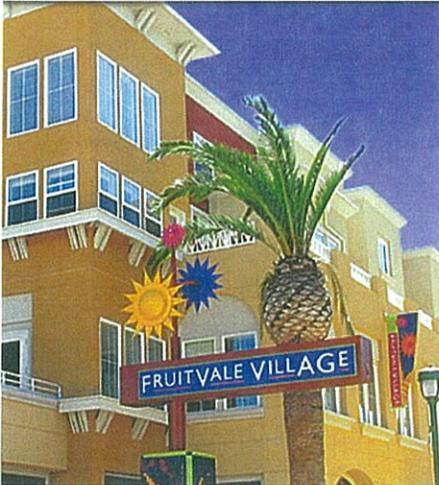
Challenges: Partly because it is steeply sloping, Crawford Square was a difficult site. The preparation costs were high. As part of an old and run-down neighborhood, the basic water/sewer lines had to be repaired. Therefore, the redevelopment costs were substantial. As noted, there was also considerable community resistance to the project in the pre-development stages.

Tools to encourage projects like Crawford Square:

- Organizations like the Urban Redevelopment Authority that have the ability to assemble properties and facilitate their development through financing assistance
- Local lender consortia comprised of banks and businesses that make low interest money available
- Federal low income housing tax credits
- Working collaboratively with the community and local leadership groups

Information gathered from interviews with Ray Gindroz (Principal, Urban Design Associates) and information submitted by McCormack Baron (Developer) as well as:

Jones, Tom, et. al. Good Neighbors: Affordable Family Housing. McGraw-Hill New York 1995. pp. 168-171. (National Association of Realtors 2005).



3. Project: Fruitvale Village, Fruitvale, CA

Project type: Revitalization of former transit parking lot into a livable community.

Size: 15 + acres total, (Phase I=257,000 square feet)

Retail/Commercial: Retail: 39,707 square feet, Office: 114,510 square feet (Phase I)

Residential: 52,716 square feet in 47 units, developed as one- and two-bedroom rental lofts and apartments. Ten of the 47 units are designated as affordable housing for residents earning between 35-80% of the Area Median Income. (Phase I)

Major sources of funding: Funding for the \$100+ million dollar project came from 30 sources, including a CDBG from the City of Oakland, GO Bonds sold by the City of Oakland, HUD grants, transportation funding from the Metropolitan Transportation Commission, the Unity Council, and Citibank Community Development.

Number of jobs created: The retail jobs are projected to create more than 200 new jobs which are in addition to employment at the new community service centers (clinic, library, and senior center) and other offices. With the eventual generation of 11,300 transit riders; many more jobs are anticipated.

Project Description: Fruitvale Transit Village is a success story that arose from community opposition to construction of a multi-level parking structure for BART (Bay Area Rapid Transit). A partnership that developed out of opposition turned what was initially a façade improvement project into a vital community that is one of the city top sales tax contributors.

The East Oakland community consisted of low-income Hispanic and Asian residents and businesses. The area was recognized as crime-ridden, and residents also felt that the proposed parking structure would create a barrier between neighborhoods, the BART station and shopping areas. They believed that this was an opportunity to develop a more comprehensive plan for the area. BART decided to work with the community and the Unity Council to formulate the vision and to proceed with revitalization plans that ultimately included an attractive plaza surrounded by live/work lofts, retail stores, business offices and community service centers such as a Head Start Child Center, a medical clinic, and a senior center. The Village is connected to International Boulevard via a pedestrian mall. Additional housing is planned for the second phase.

Process and Challenges: When BART released plans for the new structure in the early 1990's the Unity Council organized a public campaign to oppose the plan and worked with governmental agencies, BART and other non-profit groups, eventually creating the Fruitvale Development Corporation to support their real estate development efforts. Land assembly was one of the most challenging aspects of the project; eventually, a complicated land swap between the City of Oakland and BART provided the land necessary for the project.

A critical aspect of the project was that the anchor tenants for the development were to be non-profits that could meet two main requirements: the ability to pay rent and the ability to create foot traffic, which was not easy to find. The council decided to include housing in the mix and limited retail tenants to those would not compete directly with those on International Boulevard.

Another important consideration is that each component of the project was to be financially self-sufficient, including the child care center, office, retail, and housing.

Key Features:

Transit-based mixed-use revitalization project

Large pedestrian plaza that connects all the facilities within the Village to the BART, a bus intermodal transit center and an attended bicycle parking facility

Fruitvale Village has been recognized as a model for transit-based development and for the partnerships that were created to overcome the barriers posed by expense and the complexity of the project.