Cover Analysis

1. What is it?

Recommendation for the approval of "The Near Heights Metropolitan Redevelopment Plan".

2. What will this piece of legislation do?

The plan has three projects, designed to stimulate private and public reinvestment into the area. The plan will promote the local health, general welfare, safety, convenience and prosperity of the inhabitants of the City.

3. Why is the project needed?

The plan will serve as catalyst for revitalization of the area, including an International Market Place; Motel Re-Use; and Housing component. The plan proposes a coordinated redevelopment of several public and private projects in the area which will benefit the City's efforts to revitalize the Near Heights Metropolitan Redevelopment Area.

4. How much will it cost and what is the funding source?

The resulting development agreement will detail the actual costs for the project presently estimated to be 10.5 million dollars, a majority of which must come from private sources. The City's investment is estimated to be an additional $3.5 million dollars. Only $900,000 dollars is presently available for land assembly; of this amount $500,000 was previously approved in the '97 GO Bond Program and $400,000 was approved in the '99 GO Bond Program. An additional $2.5 million will be included in the 2001 GO Bond Series as a separate request. The International Marketplace, however, will require City investment to become a reality.

5. What will happen if the project is not approved?

The plan illustrates strong community involvement and determination to revitalize the East Central corridor. Redevelopment is necessary in the interest of public health, safety, morals and welfare of the residents of the city.

CITY of ALBUQUERQUE
FOURTEENTH COUNCIL

COUNCIL BILL NO. R-90 ENACTMENT NO. 84-2000

SPONSORED BY: Hess Yntema by request

RESOLUTION

APPROVING THE NEAR HEIGHTS 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-111 Enactment 110-1998, finding, 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 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-111 Enactment 110-1998 has made certain findings which declare the Near Heights Metropolitan Redevelopment Area to be blighted, has designated the Area as appropriate for a Metropolitan Redevelopment Project and has called for the preparation of a metropolitan redevelopment plan identifying the activities to be carried out to eliminate the present conditions; and

WHEREAS, the Albuquerque Development Commission, which acts as the Metropolitan Redevelopment Commission under the provisions of City Council

[+Bracketed/Underscored Material+] - New
[-Bracketed/Strikethrough Material-] - Deletion

Ordinance 14-8-4-1994, (the "Commission") recommends approval of the Near Heights Metropolitan Redevelopment Plan (the "Plan") for the redevelopment of the Area, as required by the Code; and

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

WHEREAS, the Plan proposes acquisition and redevelopment of certain sites within the project area; and

WHEREAS, the Plan proposes a coordinated redevelopment of several public and private projects in the area which will meet the objectives of the code and will benefit the City's efforts to revitalize the Near Heights Metropolitan Redevelopment Area; and

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

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

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

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

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

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

D. The Plan, attached as Exhibit A, and made a part hereof, is approved

+ Bracketed/Underscored Material +] - New
[~~Bracketed/Strikethrough Material~~] - Deletion

in all respects.

SECTION 2. If any section, paragraph, clause or provision of the Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not effect any of the remaining provisions of this Resolution.

[+ Bracketed/Underscored Material +] - New
[- Bracketed/Strikethrough Material -] - Deletion

PASSED AND ADOPTED THIS 18th DAY OF SEPTEMBER, 2000
BY A VOTE OF: 9 FOR 0 AGAINST.

Michael Brasher, President
City Council

APPROVED THIS 12 DAY OF October, 2000

Bill No. R-90

Jim Baca, Mayor
City of Albuquerque

ATTEST:

City Clerk

[+Bracketed Material+] - New
[-Bracketed Material-] - Deletion

CITY OF ALBUQUERQUE

Albuquerque, New Mexico

Office of the Mayor

INTER-OFFICE MEMORANDUM May 25, 2000

TO: Michael Brasher, President, City Council

FROM: Jim Baca, Mayor

SUBJECT: **Transmittal of Recommendation Approving the Near Heights Metropolitan Redevelopment Area Plan**

On May 16, 2000, the Albuquerque Development Commission recommended approval of the Near Heights Metropolitan Redevelopment Plan (see attached).

Albuquerque Development Services and Planning Technologies Inc. coordinated the plan in consultation with area residents and businesses. The process included the use of a Citizens Action Team, which guided the development of the plan. Numerous meetings were conducted with neighborhood leaders, community based organizations and other interested parties to keep them apprised of the plan's progress. The plan includes projects, which will serve as a catalyst for revitalization of the area, including an International Market Place; Motel Re-use; and Housing component. Included in the Plan is a recommendation that $2.5 million dollars in capital funds, be made available to ensure the success of the Plan. The Plan illustrates strong community involvement and determination to revitalize the East Central corridor.

This transmittal is forwarded to the Council for consideration and action.

Recommended:

Gerald Ortiz y Pino, Director
Dept. of Family & Community Services

Reviewed as to form:

Robert M. White
City Attorney

Recommended:

Lawrence Rael
Chief Administrative Officer

Reviewed by:

Anna Lamberson, Director
Dept. Finance & Administrative Svcs.

FISCAL IMPACT ANALYSIS

TITLE: The Near Heights Metropolitan Redevelopment Plan

R-_____ O-_____

FUND: _____

DEPT: Family & Comm. Services

[ ] No measurable fiscal impact is anticipated, i.e., no impact on fund balance over and above existing appropriations.

[ ] (If Applicable) The estimated fiscal impact (defined as impact over and above existing appropriations) of this legislation is as follows:

	CURRENT YEAR *	NEXT YEAR*
Base Salary/Wages		
Fringe Benefits at_____%		
Subtotal Personnel	$ -0-	$ -0-
Operating Expenses	$ -0-	$ -0-
Property		
Total	$ -0-	$ -0-

[ ] Estimated revenues not affected
[ ] Estimated revenue impact $_____ $_____

* These estimates do not include any adjustment for inflation.
* Range if not easily quantifiable.

Number of Positions -0- -0-

COMMENTS:

COMMENTS ON NON MONETARY IMPACTS TO COMMUNITY/CITY GOVERNMENT:

PREPARED BY:

FISCAL ANALYST

APPROVED:

DIRECTOR (date)

REVIEWED BY:

EXECUTIVE BUDGET ANALYST

REVIEWED BY:

BUDGET OFFICER (date)

REVIEWED BY:

CITY ECONOMIST

TABLE OF CONTENTS

Section	Page
1. Acknowledgements	1
2. Executive Summary	3
3. Introduction	6
• Background	6
• Project Sponsor	6
• Metropolitan Redevelopment Code, Area, and Plan	6
• Location of the MRA	6
• Statement of Purpose	6
• Zoning and Land Use in and around the MRA	9
- Zoning	9
- Land Use	11
4. The Need for Revitalization	14
• Low Levels of Commercial or Industrial Activity or Redevelopment	14
• Aging Motels as a Blighting Factor in the Area	16
• Conditions Retarding Provisions of Housing Accommodations	16
5. Vision Statement	17
6. The Planning Process	18
• The Community Action Team	18
• Reconvening the CAT	18
• Establishing a Vision Statement	18
• Neighborhood Tour	18
• Business Focus Group	19
• Housing Focus Group	19
- Selected Focus Group Results	20
- Priority Test	20
• Evaluation Criteria Development	21
• CAT Project Proposal Evaluation	21
- Commercial Project Concepts	21
- Motel Re-Use Project Concepts	21
- Housing Project Concepts	21
• Open Houses	22
7. Opportunity Programs and Sites	23
8. Commercial Corridor Project: International Marketplace	27
• History of Commercial Development in the MRA	27
• Current State of Commercial Development in the MRA	27
• Opportunities and Constraints	27
- Constraints	27
- Opportunities	28
• Options	29
- International Marketplace	29
- State Fair Plaza	31
- Workforce Training Center	32
• Recommendations	32
• Description of the Recommended Option	33
- Summary	33
- Description of the Boundaries of the Project Area	33
- Prevailing Conditions	35
- Objectives of the Project	38
- Process	38
• Economic Elements of the International Marketplace	38
- Ethnic Identity	39
- Market Trade Area	39
- Market Trends and Lease Rates	41
- Project Expenses	41
- Income and Expense Analysis	44
• Implementation	47
• Streetscape	47
• Streetscape Implementation	48
9. Motel Re-Use Project: Route 66 Courtyard Motel	49
• History of Motels along Route 66	49
• Current State of Motels in the MRA	50
• Opportunities and Constraints	53
• Options	55
- Albuquerque Motel Re-Use Case Studies	55
- Determining A Programmatic Response to Motel Re-Use on East Central Avenue	56
• Recommendations	57
• Description of the Recommended Option	57
- Summary	57
- Description of the Boundaries of the Project Area	59
- Prevailing Conditions	59
- Objectives of the Project	60
- Process	60
- Developing Local Organizational Capacity	62
• Implementation	62

TABLE OF CONTENTS

Section		Page
	- HUD Section 202 Supportive Housing for the Elderly Program	63
	- Low Income Housing Tax Credit	63
	- Establishing a Community Housing Development Organization (CHDO) in the Near Heights	64
	- Technical Assistance and Capacity Building for Near Heights Nonprofits	65
9.	Housing Master Plan	71
	• History of Housing Development in the MRA	71
	• Current State of Housing Development in the MRA	72
	- Demographics of the Area Residents as they Affect Housing Choices	72
	- The Character of Housing in the Near Heights	75
	- Inventory of Implemented Projects in the Area	77
	- Plans for Kirtland Air Force Base	89
	• Opportunities and Constraints	90
	- Constraints	90
	- Opportunities	91
	• Options	92
	- New Housing Development	92
	- Multi-Family Owner Occupied Properties Program	92
	- Rehabilitation of Multi-Family Housing	92
	• Recommendations	92
	• Description of the Recommended Option	93
	- Summary	93
	- Description of the Boundaries of the Program Area	93
	- Objectives of the Program	93
	- Process and Implementation	94
10.	Contributors	95

List of Exhibits

Exhibit No.		Page
Exhibit 1:	MRA Boundary	7
Exhibit 2:	Neighborhood Associations in the MRA	8
Exhibit 3:	Zoning in the MRA	10
Exhibit 4:	Land Use in the MRA	12
Exhibit 5:	Institutional Uses in the MRA	13
Exhibit 6:	Employment in the MRA	15
Exhibit 7:	Vacant Properties	24
Exhibit 8:	Underutilized Commercial Properties	25
Exhibit 9:	Underutilized Residential Properties	26
Exhibit 10:	Commercial Project Opportunity Sites	30
Exhibit 11:	Recommended Option – International Marketplace	33
Exhibit 12:	International Marketplace Existing Zoning	36
Exhibit 13:	International Marketplace Existing Land Use	37
Exhibit 14:	Motels in the MRA	51
Exhibit 15:	Recommended Option – Motel Re-Use for Assisted Living	58
Exhibit 16:	Albuquerque Indian Center Property Ownership	61

List of Tables

Table No.		Page
Table 1:	Zoning in the MRA	9
Table 2:	Land Use Differences between the MRA and Albuquerque as a Whole	11
Table 3:	Employment in the MRA versus Albuquerque as a Whole	14
Table 4:	International Marketplace Costs	42
Table 5:	International Marketplace Income and Expenses	45
Table 6:	Motels in the MRA	52
Table 7:	Motel Re-Use Code and Program Analysis	53
Table 8:	Albuquerque Indian Center Property Ownership	60
Table 9:	Albuquerque Indian Center Assisted Living Facility Costs	66
Table 10:	Albuquerque Indian Center Assisted Living Facility Income and Expenses	68
Table 11:	Housing Units in the MRA by Year Built	71
Table 12:	Population	72
Table 13:	Total Number of Households	72
Table 14:	Households by Income	73
Table 15:	Households by Age by Poverty Status	73
Table 16:	Households with Children	74
Table 17:	Occupied Units by Type	75
Table 18:	Persons Per Unit	75
Table 19:	Units by Structure	76
Table 20:	1990 Owner Occupied Property Values	76

List of Appendices

Appendix No.

Appendix I: Housing Focus Group Results
Appendix II: Open House Participant Comments
Appendix III: October 23, 1999 Article from the Albuquerque Journal: "Police, Neighbors Force Motel to Shut Down"
Appendix IV: Implementation Schedule

Section 1: ACKNOWLEDGEMENTS

1. ACKNOWLEDGEMENTS

Prepared by:

Planning Technologies
Harrison T. Higgins, AICP
Keri Holley

Dekker/Perich/Sabatini
Gary Holbrook

The STAR Group
Bill Moye
Toni Martorelli

Grubb & Ellis | Lewinger Hamilton
Todd Clarke, CCIM

Prepared for the:

City of Albuquerque
The Honorable Jim Baca, Mayor
Michael Brasher, City Council President
Alan Armijo, City Council Vice President
Adele Baca-Hundley, Councilor
Vincent Griego, Councilor
Tim Kline, Councilor
Mike McEntree, Councilor
Greg Payne, Councilor
Brad Winter, Councilor
Hess Yntema, Councilor

Albuquerque Development Commission
Alex Romero, Chairman
Loretta A. Armenta
Michael Albers
Vangie Gabaldon
Ron Morgan

Department of Family and Community Services
Gerald Ortiz y Pino, Director

Albuquerque Development Services Division
Ken Balizer, Manager
Richard Asenap
Doug Chaplin
Al Soto
Susie Marbury

With assistance from:

Department of Family and Community Services
Elizabeth Dwyer
Karen Dunning
Marg Elliston
Marti Luick
Pat Holmes
Patricia Torn

New Mexico State Fair
Tom Tinnin, Commission Chairman
Kay Shollenbarger, General Manager

The Community Action Team (CAT)

Connie Alexander, Trumbull Neighborhood Association
Marco Banales, Weed & Seed Program
Tim Berry, New Mexico State Fair
Paulina Chaverri, Community Health Partnership
Eduardo Duran, Resident
Gayle Hilton, Landlord
Don & Sharleen Gould, Trumbull Landlord Cooperative
Pia & Pat Herring, Residents
Tom Kauley, Albuquerque Indian Center Development Council
Claude Lewis, District 6 Coalition
Bounphom Limary, Ta Lin Supermarket
Vicki Madden, Trading Company
Mick McMahan, La Mesa Neighborhood Association
Jeanette Moore, Photo Voltaic Test Site
Amir Nathoo, Tewa Lodge
Bobbie Nobles, Asian Community Consultant
Preecha Nonnapha, Ta Lin Supermarket
Judith Patchell, New Mexico State Fair
Daniel Pucetti, New Mexico Community Development Loan Fund
Angela Robbins, Albuquerque Public Schools
Kay Shollenbarger, New Mexico State Fair
Peter Simonson, Community Health Partnership
Willard Steinsiek, Fair West Neighborhood Association
Barbara Trujillo, La Mesa Elementary
Carol Weahkee, Albuquerque Indian Center

Section 2: EXECUTIVE SUMMARY

In October, 1998 the Albuquerque Development Services Division of the City of Albuquerque's Department of Family and Community Services solicited proposals for a redevelopment plan for the Near Heights Metropolitan Redevelopment Area. The plan is the second step in this long-term public participation process. It was preceded by a Metropolitan Redevelopment Area (MRA) designation by the City Council in July of 1998. The designation allows, under the Metropolitan Redevelopment Code [3-60A-1 to 3-60A-48 NMSA 1978], municipal acquisition, ownership, lease, and improvement of properties within the area to spur economic development. The code also requires that the governing body declare a geographic area as a slum or as blighted prior to beginning the redevelopment process. The MRA spans Central and Zuni avenues from San Mateo to Moon as well as a north-south commercial corridor along San Pedro from Gibson to Lomas (see Exhibit 1). It encompasses 1,010 acres. The boundary excludes the State Fairgrounds (which is not incorporated into the City of Albuquerque's jurisdiction), but does include a 50-foot buffer.

The Near Heights Metropolitan Redevelopment Plan has three elements:

- A Commercial Corridor Project
- A Motel Re-use Project
- A Housing Master Plan

For each of the three elements of this plan, the planning team analyzed opportunities and constraints for the area. Then, three opportunity sites and/or programs were identified for each element using a public input process. Factors used to determine eligible sites included whether each site and program:

- eliminates blight and prevents further deterioration of property values in the area
- stimulates public and nonprofit/private investment in the area
- increases the number of jobs in the area and increases the patronage of local businesses
- empowers residents while furthering economic self-sufficiency and sustainability
- promotes the image of a safer environment

Commercial Corridor Project

Constraints to commercial development in the area include a historically high crime rate and associated negative press coverage. Despite real improvements made through the efforts of local residents on the Albuquerque Police Department, the perception of danger lingers in many people's minds. Big box retail in the area has also adversely impacted smaller and mid-size retailers, and a relatively high number of adult oriented businesses may inhibit the development of other kinds of retail establishments

The plan proposes the development of an International Marketplace a physical and symbolic center for the various ethnic communities that have settled in the Near Heights. A few blocks long and located on two main streets (Louisiana and Alcazar) the International Marketplace is proposed as a home to many ethnic markets, community institutions, restaurants, and stores. It is centered on the existing Hawaiian Restaurant and Ta Lin Supermarket.

In order to expedite the implementation of the Plan, the City should acquire the recommended parcels, consider rezoning the property for a Special Use, and issue a Request for Proposal (RFP) for a Master Developer for the project. The recommended property acquisition strategy for this site is cooperation with existing landowners and condemnation where efforts to cooperate are unsuccessful. Funding for property assembly is available from two sources: $900,000 from the Capital Implementation Program budgeted for revitalization in the neighborhoods adjacent to the New Mexico State Fairgrounds and $150,000 of CDBG funds allocated by the Department of Family and Community Services for the acquisition of nuisance properties. Gaps between the eventual cost of property assembly and available funding may be able to be addressed through appropriations from the New Mexico Legislature.

An RFP will request the credentials of the developer and a project proposal. The selected developer will be invited to enter into a development agreement with the City in order to carry out the Plan and to purchase the properties from the City. The development agreement should provide for a public involvement process, the development of a detailed master plan for the project, design guidelines and specific uses, and a detailed explanation of how the project will be funded. The funding description should include information on the amount and necessity of bond financing, government loan guarantees, tax abatement incentives, and any other governmental assistance required to deliver the project. The City may share in the costs of a market study and master plan.

The plan also recommends that the City abate nuisances occurring in the vicinity the Blue Spruce Lounge by acquiring that property.

Design elements are essential to creating the "felt ambiance" of an ethnic commercial district like the International Marketplace. Creating the kind of ambiance that will make the International Marketplace a success means rethinking the streetscape adjacent to the marketplace in order to re-introduce the multi-sensory experience common to ethnic markets to the public domain. The plan estimates that the costs of streetscape improvements around the International Marketplace are estimated to be between $1,875,000 and $2,500,000, including design fees. Currently $75,000 has been budgeted by the City for streetscape improvements to Central Avenue in the right of way directly south of the New Mexico State Fair from San Pedro to Louisiana. The costs of extending those improvements east from Louisiana to Alcazar is estimated to cost another $60,000 and may be able to be funded through a cost sharing agreement between the Capital Improvements Program and the Department of Family and Community Services. Additional financing sources to complete the project could be made available through funds generated by General Obligation Bonds that would be approved by the electorate in 2001.

Motel Re-Use Project

Historic Route 66, known in Albuquerque as Central Avenue, has the greatest concentration of American post-war, strip motels in Albuquerque. Many of these historic motels lack some of the amenities demanded by many business travelers and tourists. As a result, the motels do not compete for patronage with market rate accommodations in other parts of the city for business travelers and some tourists. Instead, many of the motels appear to cater to guests looking for extended stay accommodations, looking for low rate accommodations, or looking to stay specifically in an historic Route 66 motel. Because there has been significant new development of market rate hotels in Albuquerque in recent years, the plan exams adaptive re-use programs for existing motel properties in the MRA. Constraints are posed by the condition of the buildings themselves and the specificity of their architecture.

The Community Action Team recommended proceeding with a more detailed feasibility analysis of the re-use for Assisted Living for the Elderly. An important consideration for the CAT was the presence of nonprofit organizations, notably the Albuquerque Indian Center, that are interested in providing transitional or special population housing in the area.

Federal subsidies for the development of elderly housing are available through the Community Development Block Grants, HOME, the Department of Housing and Urban Developments (HUD) 202 program for Supportive Housing for the Elderly, and the Internal Revenue Service's Low Income Housing Tax Credit (LIHTC).

Money may be made available by the City of Albuquerque through its CDBG and general funds for pre-development activities associated with the project. As much as $90,000 would be available for a contract project manager to administer preliminary activities associated with the development, including interacting with public agencies, professionals, and other nonprofit housing partners; and coordinating pre-development activities, including a needs analysis and market study. Additionally, $100,000 may be made available from the City's general funds, through the Department of Family and Community Services, for predevelopment activities themselves, including professional services related to appraisals, environmental assessments, building inspections, and possibly master planning and site control. Property acquisition and construction financing, on the other hand, will most likely result from leveraging private financing and grants with subsidies realized through HUD 202 or the LIHTC. Given the different requirements of each of the

programs, they may or may not be compatible in a way that allows the combining of funding sources. Other technical assistance is available both through federal government programs and private foundations.

Housing Master Plan

The area is characterized by a clustering of aging multi-family housing that has resulted in the highest concentration of renter occupied housing units in the City of Albuquerque. In nearly half of the census blocks in the vicinity of the MRA, 68 percent or more of the housing units are occupied by renter families as compared with 39 percent for all census blocks in Bernalillo County. The costs of housing also remain a burden for many area residents. Almost half of all residents of the MRA spend more than 30 percent of their income on housing.

Objectives of the Housing Master Plan included identifying programs that would increase the incidence of home ownership in the MRA, preserve the affordable housing stock, and provide incentives for rehabilitating declining properties. The MOOPs (Multifamily Owner Occupied Properties) Rehabilitation Program was chosen as the recommended option after input from the CAT. The program addresses the City's and area residents' most important housing goals: rehabilitation of exiting rental units in need of repair and increasing opportunities for home ownership by replacing absentee landlords with owner occupants.

The program, currently in the design stage by the City, will provide incentives and financial support to owner-occupants of two to four multi-family properties for purchase and rehabilitation. This program intends to instill a sense of pride and ownership in both the property owners and their tenants. The CAT felt that the program increases access to home-ownership for potential owner occupants while also improving the overall quality of the housing stock in the area. It also may decrease the number of landlords who do not live in the neighborhood and, therefore, are not always vigilant about activities taking place at their properties.

Background

In October, 1998 the Albuquerque Development Services Division of the City of Albuquerque's Department of Family and Community Services solicited proposals for a redevelopment plan for the Near Heights Metropolitan Redevelopment Area. The Planning Team chosen to lead the effort consisted of Planning Technologies, Dekker/Perich/Sabatini, the STAR Group, and Grubb & Ellis | Lewinger Hamilton.

Project Sponsor

The Albuquerque Development Services Division of the Department of Family and Community Services 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 Division's primary focus is implementation and centers 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 Division'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.

Metropolitan Redevelopment Code, Area, and Plan

The plan is the second step in this long-term public participation process. It was preceded by a Metropolitan Redevelopment Area (MRA) designation by the City Council in July of 1998. The designation allows, under the Metropolitan Redevelopment Code [3-60A-1 to 3-60A-48 NMSA 1978], municipal acquisition, ownership, lease, and improvement of properties within the area to spur economic development. The code also requires that the governing body declare a geographic area as a slum or as blighted prior to beginning the redevelopment process. Because of this, the designation process centered on determining which parts of the Near Heights Community Planning Area (CPA) were eligible for metropolitan redevelopment activities. The result of the process was the development of carefully selected geographic boundaries determining the redevelopment area.

Location of the MRA

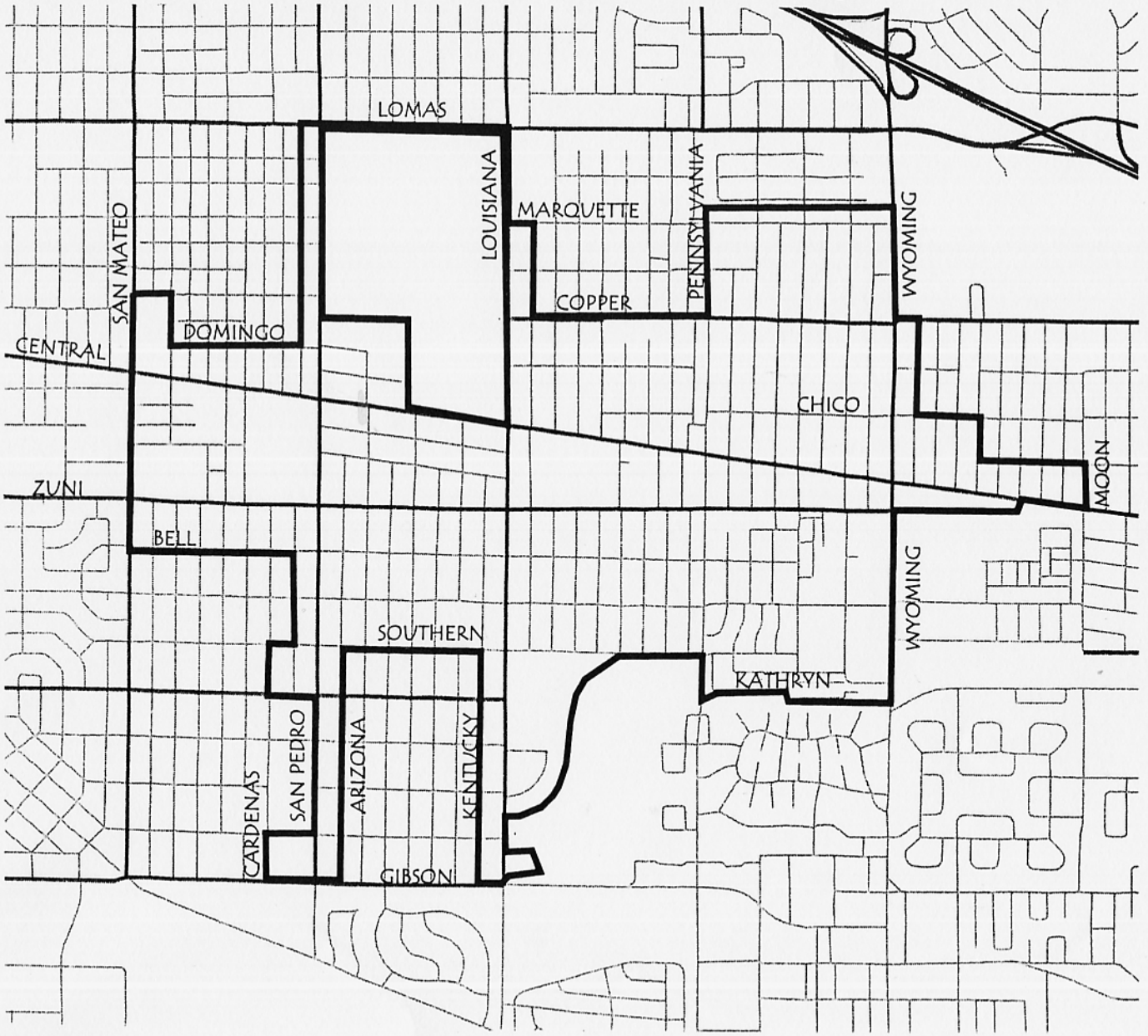
The MRA spans Central and Zuni avenues from San Mateo to Moon as well as a north-south commercial corridor along San Pedro from Gibson to Lomas (see Exhibit 1). It encompasses 1,010 acres. The boundary excludes the State Fairgrounds (which is not incorporated into the City of Albuquerque's jurisdiction), but does include a 50-foot buffer from the Fairgrounds property line into the Fairgrounds itself. The boundary also excludes stable single-family residential areas north of Copper between Alcazar and Pennsylvania and south of Southern between Arizona and Kentucky Streets. On the other hand, it includes multi-family housing areas east and west of Louisiana between Gibson and Southern Boulevards. Neighborhood associations in the area include Fair West, La Mesa, South Los Altos, South San Pedro, Trumbull, and Elder Homestead (see Exhibit 2).

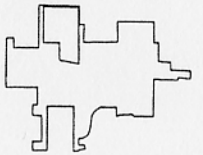
Statement of Purpose

The Near Heights Metropolitan Redevelopment Area Plan furthers the implementation strategies of other area plans. These include:

- the Albuquerque/Bernalillo County Comprehensive Plan
- the Trumbull Neighborhood Sector Development Plan
- the La Mesa Sector Development Plan
- the Designation of Trumbull and La Mesa Neighborhoods as a Weed and Seed Site
- the City of Albuquerque Consolidated Plan 1998-2002 for the federal Community Development Block Grant (CDBG), HOME Investment Trust, and Emergency Shelter Grant programs

MRA Boundary





Legend

Roads

Major Arterials

MRA Boundary

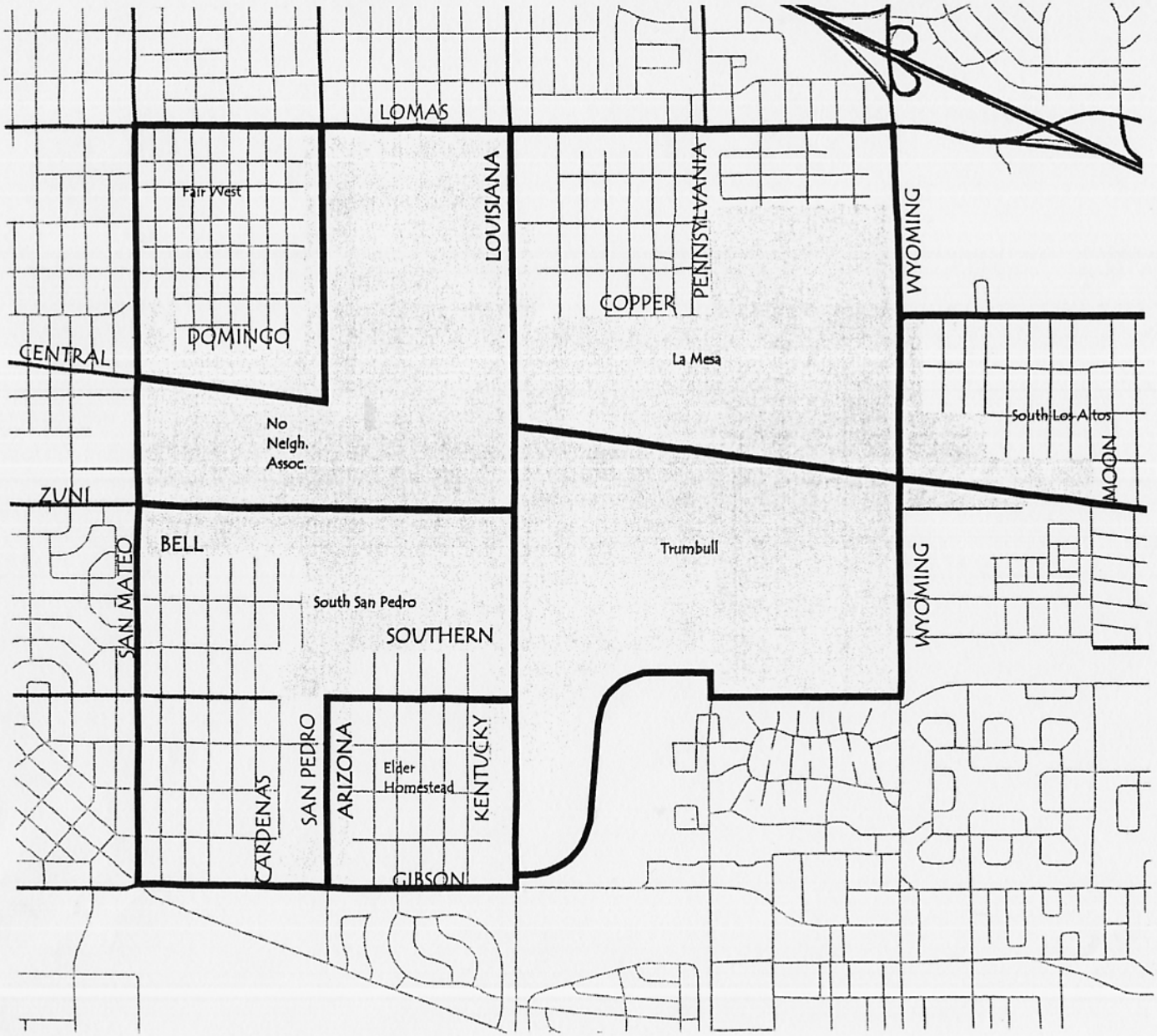
N

0.3 0 0.3 Miles

Exhibit 1

Section 3: INTRODUCTION

Neighborhood Associations in the MRA



Legend

- Roads
- Major Arterials
- Neighborhood Associations
- MRA Boundary

N

0.3 0 0.3 Miles

Specifically, the plan addresses the need for commercial development between Central and Zuni, called for by the Trumbull Neighborhood Sector Development Plan, and the need for an overall economic development plan, called for by the La Mesa Sector Development Plan. Section IV, "Economic Empowerment Development Strategy and Implementation Plan," of the Consolidated Plan 1998-2002 calls for commercial development, business retention strategies, and job training programs for residents for the Trumbull and La Mesa Neighborhoods:

> A major priority for economic development in the Near Heights CPA, in which the Trumbull/La Mesa Neighborhoods are located, will be the preparation and implementation of a redevelopment plan that includes streetscape improvements on Central Avenue east of San Pedro and on Louisiana south of Lomas.

The City of Albuquerque allocated a total of $90,000 in General Fund and Metropolitan Redevelopment Fund monies for this purpose. In addition, $900,000 in CIP funds has been allocated for neighborhood redevelopment in the New Mexico State Fairgrounds area.

Zoning and Land Use in and around the MRA

Zoning and land use for the area (see Exhibits 3 and 4) are consistent with its orientation along Central Avenue, with commercial activity centered on the main thoroughfares and residences located further north and south of Central.

Zoning

Approximately 40 percent of the area is zoned for retail and service commercial industry (see Table 1). Twenty-two percent of the area is zoned for minor retail and commercial property. Commercial corridors run the east-west length of Central as well as the north-south commercial corridor on San Pedro mentioned above. Over 50 percent of the area is zoned for and comprised of residences. Twenty-seven percent is multi-family residential, while 28 percent is single-family.

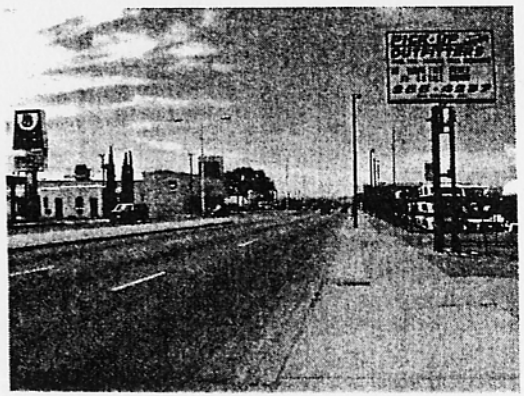
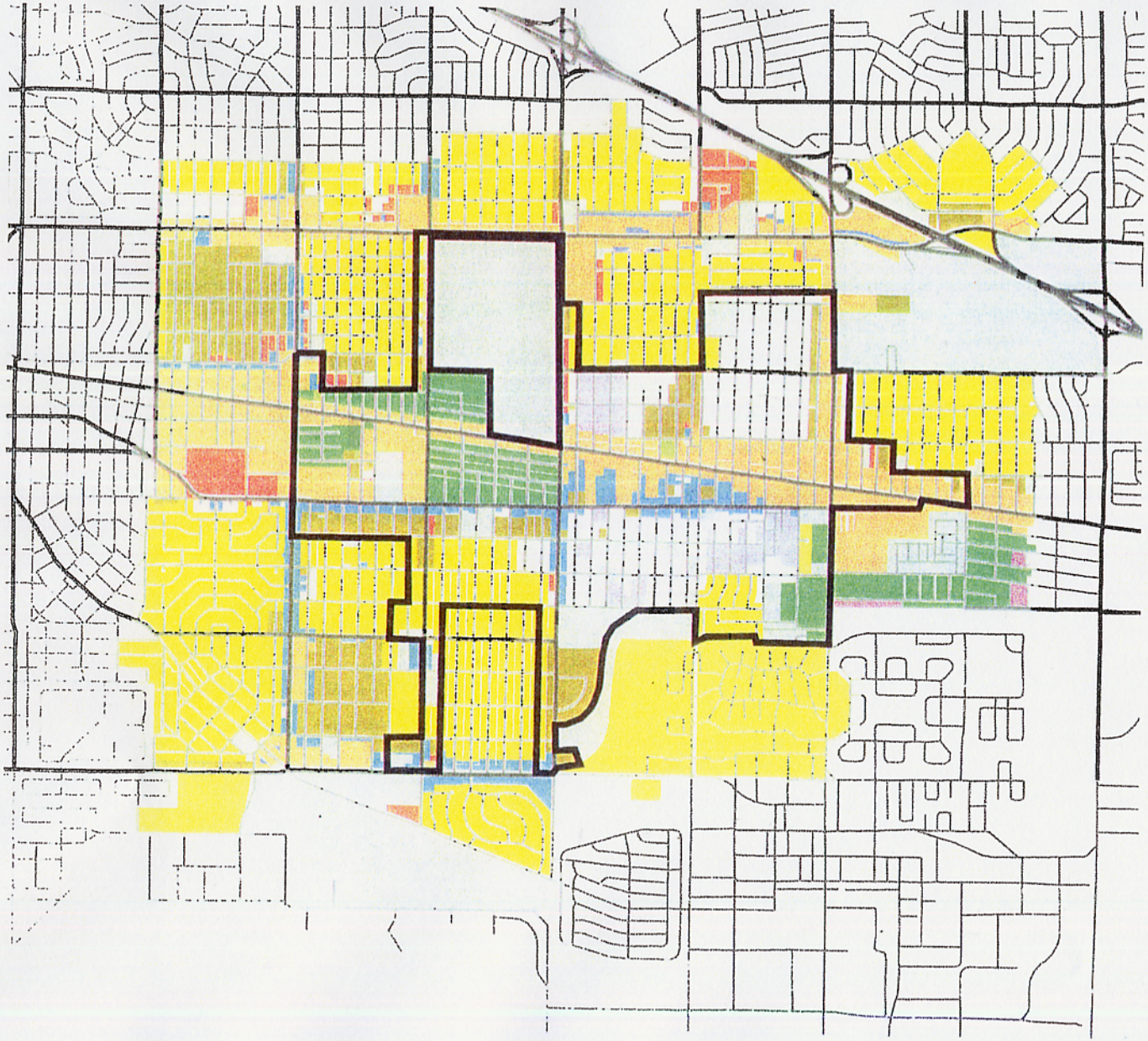


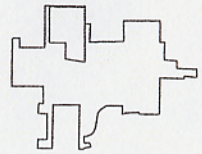
Figure 1: Commercial Corridors run the east-west length of Central Avenue.

ZONE CODE	NUMBER OF PARCELS	ACRES	PERCENT OF TOTAL ACREAGE
C-1	174	68.69	6.80%
C-2	454	214.64	21.25%
C-3	259	126.91	12.56%
O-1	23	8.5	0.84%
P-R	7	4.36	0.43%
QCD	4	0.55	0.05%
R-1	80	112.94	11.18%
R-2	449	216.4	21.42%
R-3	172	109.34	10.82%
R-C	9	5.3	0.52%
R-LT	1	0.4	0.04%
R-T	96	60.68	6.01%
SU-1	46	79.15	7.83%
US G	3	0	0.00%
Not coded	68	2.43	0.24%
TOTAL	**1845**	**1010.29**	

Table 1: Zoning in the MRA

Zoning in the MRA





Legend

- Roads
- Major Arterials
- MRA Boundary

MRA and Surrounding Zoning

- A-1
- C-1
- C-2
- C-3
- EASE
- M-1
- O-1
- P
- P-R
- QCD
- R-1
- R-2
- R-3
- R-C
- R-LT
- R-T
- SU-1
- US G

N

0.4 0 0.4 Miles

Land Use

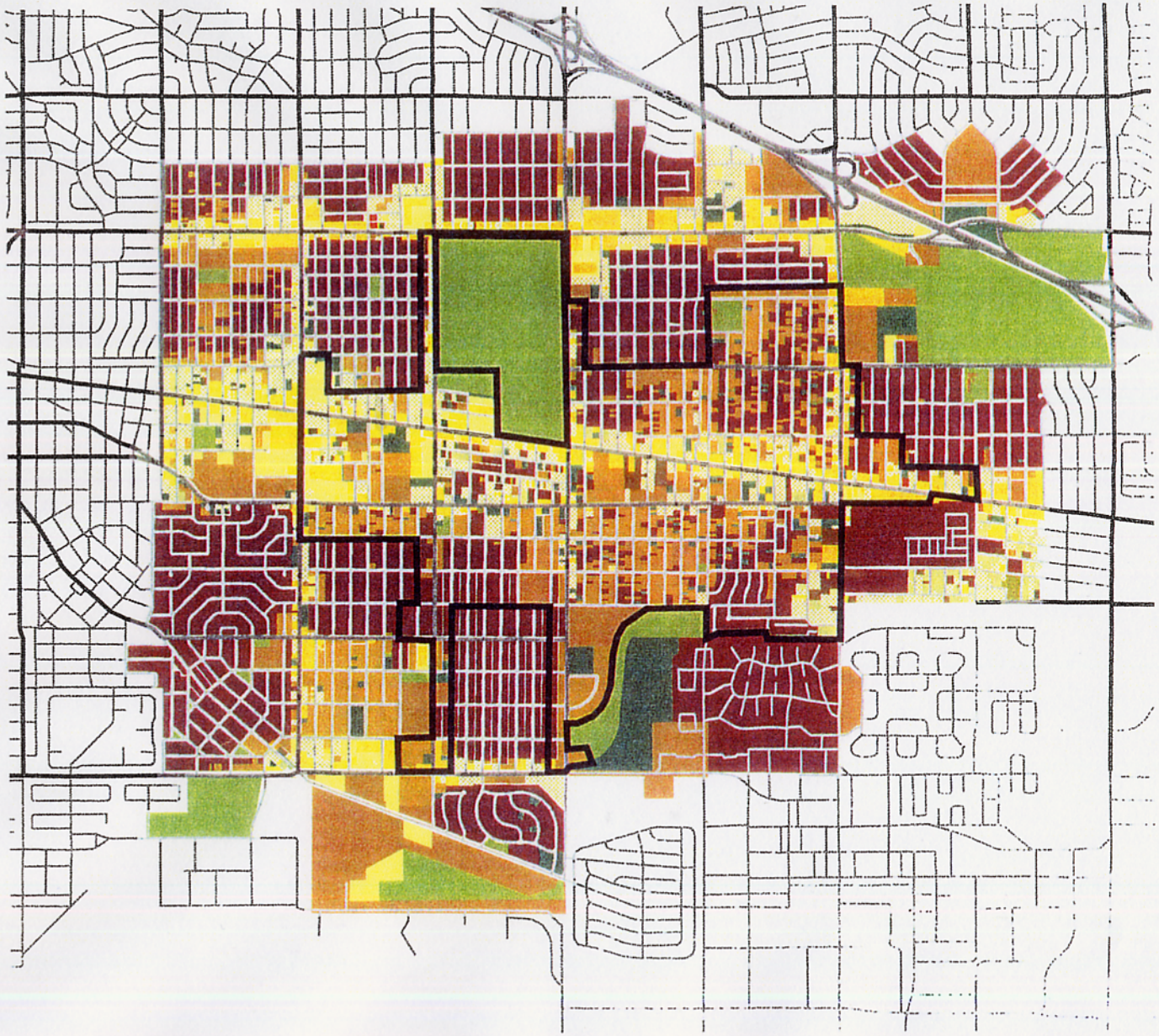
Twenty-one percent of the acreage in the MRA is comprised of commercial retail and service uses, compared to 5 percent for the city as a whole (see Table 2). Twenty-seven percent of the land is used for multi-family housing, while only 3 percent of land in Albuquerque is dedicated to that use. Approximately 6 percent of the land within the MRA remains vacant. Three percent of the area is comprised of industrial, manufacturing, warehousing, and wholesale uses, which is slightly less than the rest of Albuquerque (4 percent). Two percent of the land is dedicated to open space and parks. Educational and public institutions are situated on 7 percent of the land in the area (see Exhibit 5).

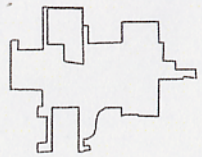
LAND USE	ACREAGE FOR ALBUQUERQUE*	PERCENT OF TOTAL ACREAGE FOR ALBUQUERQUE	ACREAGE FOR MRA	PERCENT OF TOTAL ACREAGE FOR MRA	PERCENT DIFFERENCE
AGRICULTURE	260.37	0.29%	0.84	0.08%	-0.21%
COMMERCIAL RETAIL	1971.43	2.19%	104.69	10.36%	8.18%
COMMERCIAL SERVICE	2757.71	3.06%	107.24	10.61%	7.56%
DRAINAGE & FLOOD CONTROL	2253.62	2.50%	0.04	0.00%	-2.49%
INDUSTRIAL & MANUFACTURING	2304.68	2.56%	12.21	1.21%	-1.35%
MULTI-FAMILY	2517.27	2.79%	268.54	26.58%	23.79%
PARKING LOTS & STRUCTURES	1718.63	1.91%	42.03	4.16%	2.25%
PARKS & RECREATION	9372.77	10.39%	21.25	2.10%	-8.29%
PUBLIC & INSTITUTIONAL	3325.48	3.69%	69.13	6.84%	3.16%
SINGLE-FAMILY	21933.2	24.32%	300.39	29.73%	5.41%
TRANSPORTATION & UTILITIES	3217.48	3.57%	2.01	0.20%	-3.37%
VACANT/OTHER	37717.26	41.82%	59.57	5.90%	-35.93%
WHOLESALE & WAREHOUSING	836.33	0.93%	22.35	2.21%	1.28%
UNASSIGNED	0	0.00%	0	0.00%	0.00%
TOTAL	**90186.23**		**1010.29**		

* Within Albuquerque municipal limits
Source: Bernalillo County Public Works Land Use Parcel Data

Table 2: Land Use Differences between the MRA and Albuquerque as a Whole

Land Use in the MRA





Legend

- Roads
- Major Arterials
- MRA Boundary

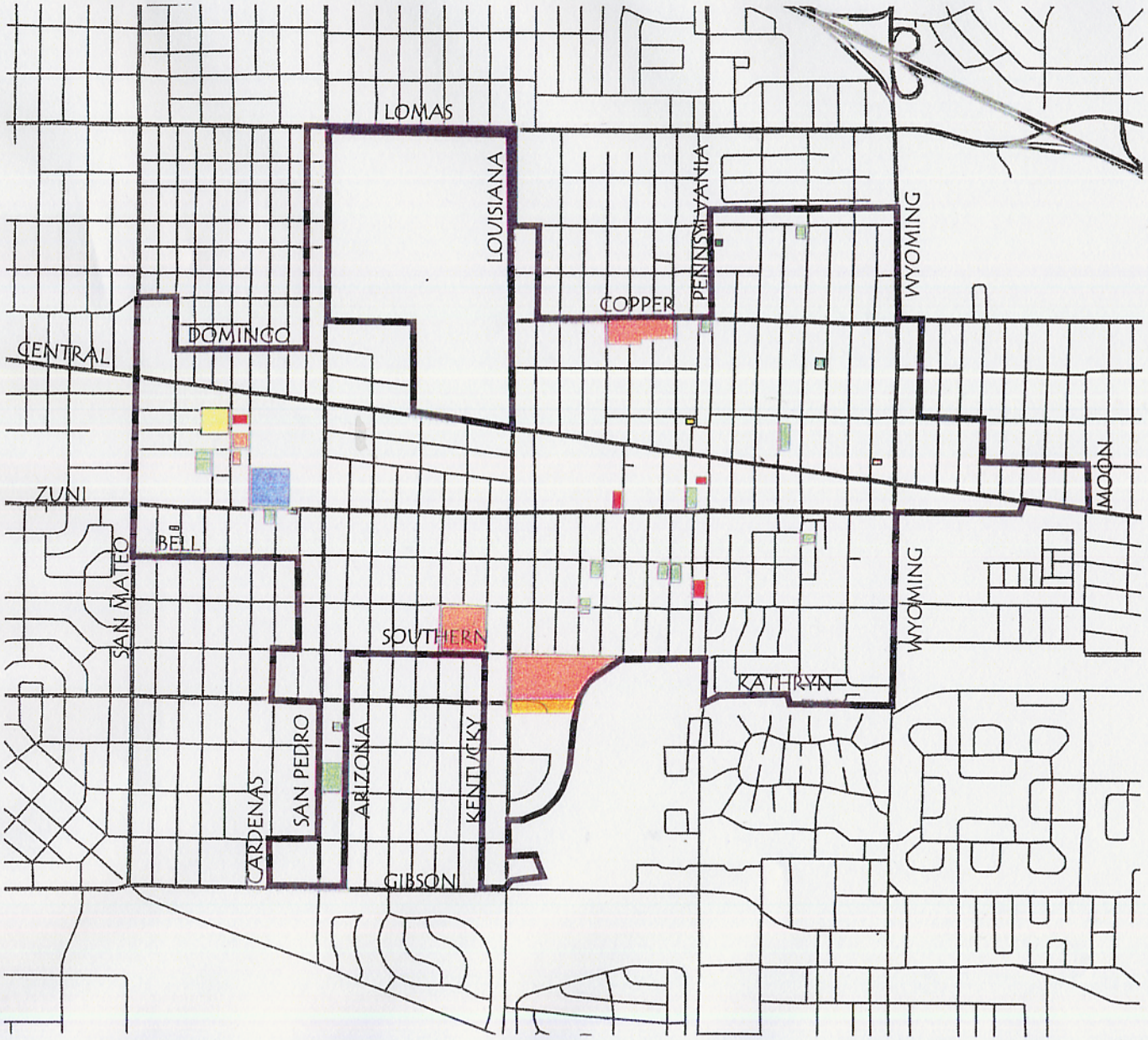
MRA and Surrounding Land Use

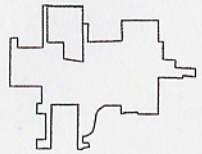
- AGRICULTURE
- COMMERCIAL RETAIL
- COMMERCIAL SERVICE
- DRAINAGE & FLOOD CONTROL
- INDUSTRIAL & MANUFACTURING
- MULTI-FAMILY
- PARKING LOTS & STRUCTURES
- PARKS & RECREATION
- PUBLIC & INSTITUTIONAL
- SINGLE-FAMILY
- TRANSPORTATION & UTILITIES
- VACANT/OTHER
- WHOLESALE & WAREHOUSING

N

0.4 0 0.4 Miles

Institutional Uses in the MRA





Legend

- Roads
- Major Arterials
- MRA Boundary

Insitutional Uses in the MRA

- Community Center
- Fire & Police Stations
- Hospitals and Related Uses
- Parks & Recreation Facilities
- Post Office
- Religious Institutions
- Schools

N

0.3 0 0.3 Miles

Section 4: THE NEED FOR REVITALIZATION

The MRA was established in the La Mesa and Trumbull neighborhoods to combat problems that undermine the economic and social vitality of the community. The MRA has low levels of commercial or industrial activity, high unemployment, and low-income levels. It also has a low proportion of homeowners and a highly migratory renter population. These factors, when taken together, form a persuasive argument for revitalization efforts in the area.

Low Levels of Commercial or Industrial Activity or Redevelopment

The census tracts within the MRA show generally high rates of unemployment, twice that of Albuquerque as a whole. In 1990, census data showed unemployment levels for the city at 6.4 percent while unemployment levels within the MRA reached 13 percent. Most residents who are employed work low-wage retail or service jobs.

There are 937 employers in the MRA. Table 3 shows differences between employment in the MRA versus employment in Albuquerque as a whole. The greatest percent of businesses in the area is retail (47.28 percent) compared to 33 percent for the entire city. On the other hand, the MRA is home to fewer services and offices (9.5 percent) and medical (3.74 percent) employers than the larger metropolitan area (14.55 percent and 7.53 percent respectively). Exhibit 6 shows the distribution of job types in the area.

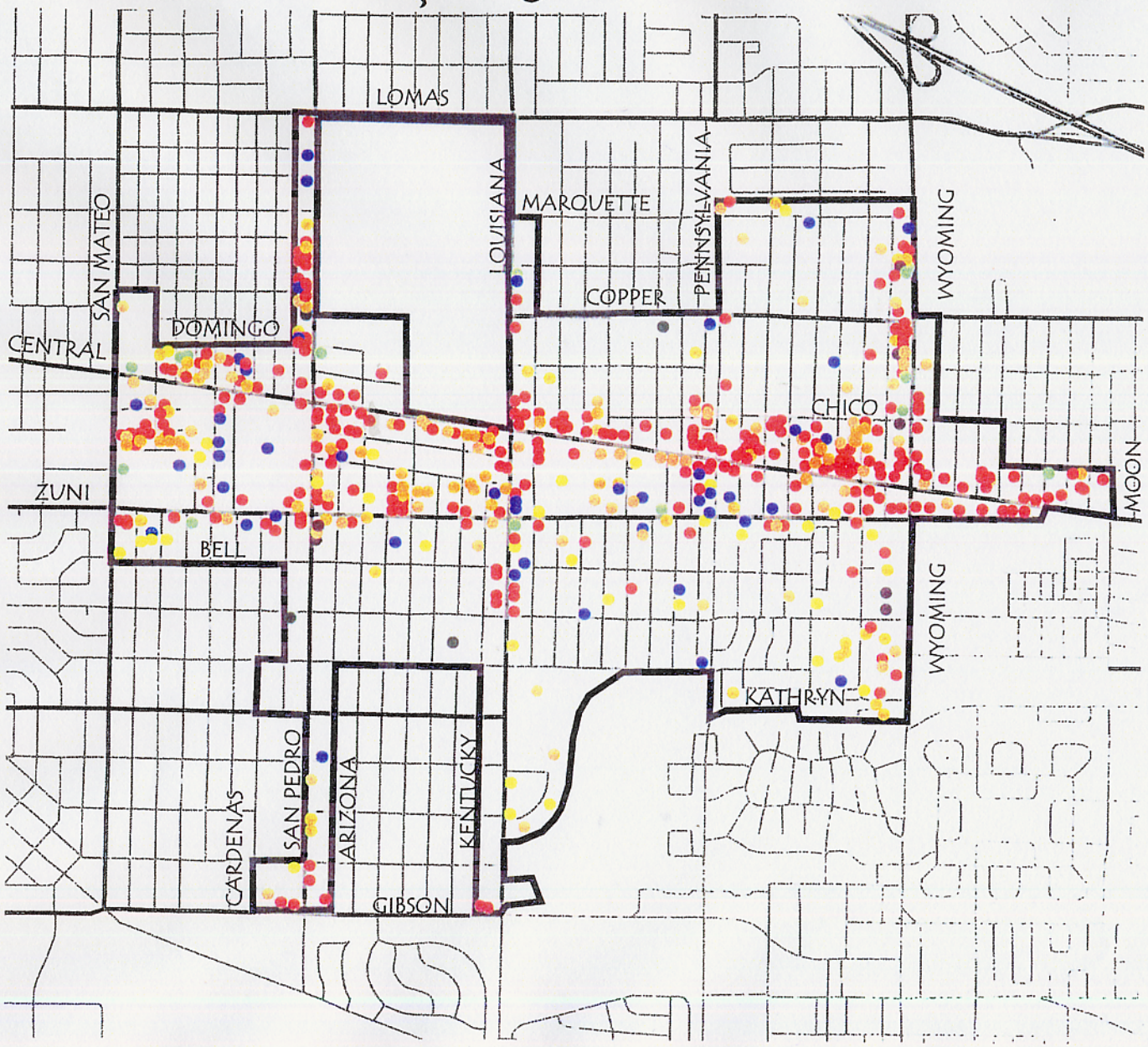
EMPLOYMENT CATEGORY	NUMBER OF BUSINESSES IN THE MRA	PERCENT OF TOTAL BUSINESSES	NUMBER OF BUSINESSES IN ALBUQUERQUE	PERCENT OF TOTAL BUSINESSES
AGRICULTURE, FORESTRY, AND MINING	11	1.17%	405	1.39%
FINANCE, INSURANCE, AND REAL ESTATE SERVICES	61	6.51%	2,233	7.66%
INDUSTRIAL, MANUFACTURING, AND WHOLESALE	139	14.83%	4,202	14.42%
MEDICAL	35	3.74%	2,195	7.53%
RETAIL	443	47.28%	9,659	33.14%
SCHOOLS	7	0.75%	397	1.36%
SERVICES AND OFFICES	89	9.50%	4,239	14.55%
OTHER	152	16.22%	5,813	19.95%
TOTAL	**937**		**29,143**	

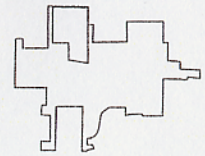
Table 3: Employment in the MRA versus Albuquerque as a Whole

The 1990 median household income for the census tracts included in the MRA was $14,670, compared to $27,679, the median household income citywide. Thirty-six percent of residents live in poverty (44 percent of those are children). At Emerson Elementary in the Trumbull neighborhood, 98.2 percent of students receive free lunch. More than 82 percent of the students at La Mesa Elementary receive free lunch.

Eleven percent of households in the area receive public assistance. The discrepancy between the poverty level (36 percent) versus the number of households receiving public assistance (11 percent) suggests that there is a high number of "working poor" in the area and may also reflect the concentration of recent immigrants in the area.

Employment in the MRA





Legend

- Agriculture, Forestry, and Mining (1.17%)
- Finance, Insurance, and Real Estate Services (6.51%)
- Industrial, Manufacturing, and Wholesale (14.83%)
- Medical (3.74%)
- Retail (47.28%)
- Schools (0.75%)
- Services and Offices (9.5%)
- Other (16.22%)
- Major Arterials
- Roads
- MRA Boundary

N

0.3 0 0.3 Miles

Aging Motels as a Blighting Factor in the Area

The prevalence of motels along Central Avenue is an issue the entire city is facing. Most motels along Central were built in response to a demand for rest stops for weary motor travelers along the historic Route 66. The motels are a remnant and celebration of the American love affair with the automobile. Many are typical highway tourist cabins and motor courts of the 1930s and 1940s. However, when interstate highways replaced smaller roads as the primary means for traversing the country, Route 66 became more of a nostalgic icon than a highly traveled byway. As a result, the motels became underutilized and aging structures. Individual aging Route 66 motels have at times become the base of operations for prostitution and drug trafficking, causing the Albuquerque City Council in 1997 to expand its definition of properties contributing to "nuisance" activities. Criminal activities at specific motel locations as well as the age of the motels contribute to the dampened economic conditions in the area. Newer chain hotels that are located conveniently near interstate ramps and are competitively priced hurt motel business in the MRA, forcing owners to lower their rates. There is only a small margin for dropping rates while remaining profitable, however, and this competition adds to the economic down spiraling already evident in the area. Implementing niche marketing strategies to bolster the existing hospitality industry, renovating historic motel properties, or, alternatively, finding new uses for the historic buildings are key to economic revitalization of the area.

Conditions Retarding Provisions of Housing Accommodations

Housing stock within the MRA is characterized by a large percentage of multi-family housing, over 80 percent of all dwelling units. The area has the highest concentration of renter occupied housing units within the City of Albuquerque. High levels of rental housing, the failure of a minority of property owners to regulate against the sheltering of criminal activity, and limited opportunities for home ownership in the area (only 31 percent of residents own homes compared to 61 percent for the county as a whole) contribute to the area's decline.

The cost of housing continues to be a burden for most residents. The percentage of renter households in the MRA who spend more than 30 percent of their income on housing costs approaches 50 percent. The La Mesa/Trumbull Housing Survey[1], which took a random sampling of 400 households in the area, states that 88 percent of respondents had been unable to pay rent at least once in the past six months. In addition, it found significant overcrowding conditions, with 20 percent of respondents using rooms other than bedrooms for sleeping quarters, a violation of space and occupancy standards of City Uniform Housing Code.

To compound these problems, most of the rental housing in the area was built to accommodate a rapidly growing adult population in the 1970s. Most of the development in the area was badly planned, ill-designed, and poorly constructed on narrow lots. Apartments are oriented around long outdoor walkways and some developments fail to address the street with more than blind building elevations. Many of the multi-family units in the area will be in need of replacement or rehabilitation by the year 2002, a critical factor for the area.

Faced with a softening demand for units as vacancy rates have increased since the early 1990's, individual landlords continue to offer incentives (such as a free month's rent) to attract tenants. Such incentives appear to contribute to the high degree of internal migration among area renters. These migration patterns have a negative effect on delivering adequate human and social services to the area residents who need them. Children are among those most profoundly affected. Albuquerque Public Schools demographers estimate that among the elementary schools serving this community, student turnover approaches 100 percent a year: the mobility rate at La Mesa Elementary is 96.6 percent and at Emerson Elementary in the Trumbull neighborhood it is 96.8 percent.

In response to the findings presented above, three plan elements were identified as key to redevelopment success in the area: commercial corridor development, motel re-use, and housing revitalization. These areas of improvement were succinctly captured by members of the Community Action Team in a Vision Statement for the area.

---

[1] The La Mesa/Trumbull Housing Survey was conducted by the Community Health Partnership, the Landlord-Tenant Hotline, the City of Albuquerque Family and Community Services' Weed and Seed Program, the Greater Albuquerque Housing Partnership, the Albuquerque Border City Project, the New Mexico Department of Health, and the University of New Mexico Health Sciences Center.

Section 5: VISION STATEMENT

The following community vision was created and adopted by the Community Action Team on June 30, 1999 for the purpose of guiding redevelopment interests in the area and forms the tenets of this plan.

Our vision is to reduce crime with the use of CPTED[2] redesign concepts, to increase community involvement, and to introduce initiatives in order to create an environment for new businesses, an international market, new employers, the revitalization of Route 66, and housing and landscaping that change the image and public perception of the Metropolitan Redevelopment Area.

[2] Crime Prevention Through Environmental Design

Section 6: THE PLANNING PROCESS

The Near Heights Metropolitan Redevelopment Area Plan represents the efforts of a strong, community-based planning process spanning seven months (June 1, 1999 through January 31, 2000). Albuquerque Development Services and the consultants developed the recommended projects based on input received from residents, landlords, business people, and planners working and living in the area. Extensive resident input was solicited through a variety of meeting formats, meeting venues, and languages used.

The Community Action Team

The Community Action Team (CAT), first brought together during the Metropolitan Redevelopment Area designation process, was reassembled for the purposes of writing this plan. The CAT represented a variety of points of view and differing interests. The group's function was to serve as the steering committee for the planning process and to help direct the content of the plan through study, discussion, and consideration of issues relevant to the MRA.

The CAT re-wrote the vision statement used to develop the designation report, nominated people to participate in focus group meetings, and reviewed and deliberated the pros and cons of the various project concepts presented by the planning team.

Extensive citizen input was solicited through various community activities with the intention to use the results to determine preferred project concepts. Focus group meetings and open houses were the primary methods for gathering information. The Community Health Partnership conducted a tenant survey to determine the needs of the community. Information available from the survey was taken into consideration and used to develop the housing concepts. The neighborhood residents and businesses represented a diversity of ages, ethnic groups, landlords, and tenants. Within such a diverse group of participants, consensus was reached on three project concepts as methods to improve the quality of life within the MRA.

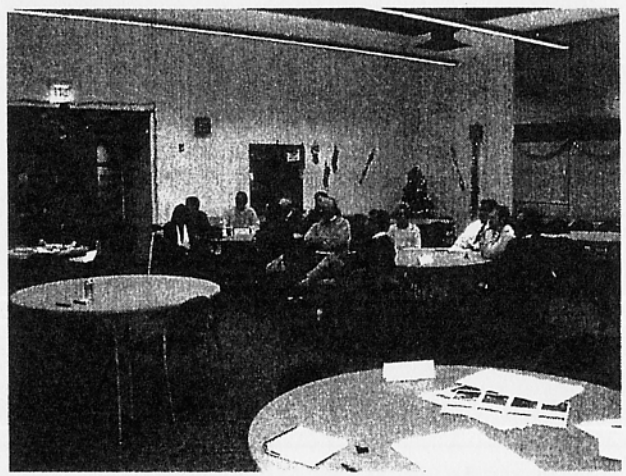


Figure 2: CAT members direct the project through study, discussion, and consideration of issues relevant to the MRA.

Reconvening the CAT

On June 10, 1999 the CAT members were brought together for an initial meeting to review and summarize the activities that had taken place in 1998 and 1999 while establishing the MRA boundaries and desired outcomes for area redevelopment. During this meeting the participants were exposed to the project goals and asked for nominations for new members to the CAT. Many other meetings followed, allowing the CAT membership to expand.

Establishing a Vision Statement

On June 30, 1999 a CAT meeting was conducted at the New Mexico State Fairgrounds in the Route 66 Building. The main purpose of this meeting was to establish a vision or most desirable future statement for use as the focal point for the planning team.

Neighborhood Tour

Available CAT members were taken on a tour of the MRA on July 9, 1999. The tour consisted of visits to several retail and manufacturing businesses in the area, visits to several apartment complexes, and a drive-by viewing of many of the motels on Central Avenue between Wyoming and San Mateo Boulevards. The tour exposed the members to different issues and concerns in the area. Additionally, members were able to see successful business operations and heard about their expansion potential.

Business Focus Group

The Business Focus Group meeting was conducted on July 24, 1999 at the Hawaiian Restaurant on Louisiana Boulevard. Business leaders were asked a series of questions to determine the reasons they did business in the area. The focus group also served to gather information regarding the business leaders' need for business expansion and their perception of the barriers that keep businesses out of the area. The essence of the responses to the barrier question is that poor lighting (in particular Trumbull between Louisiana and Pennsylvania needs additional lighting because of unusually long blocks, spanning approximately 600 feet each), fear of crime, and the appearance of blight keeps people out of the area. They admit that much has been done to reduce the crime rate, but much still remains to be done.

Housing Focus Group

On October 6, 1999, the Community Health Partnership, under the direction of Peter Simonson, conducted the second focus group meeting. The theme of this focus group meeting was housing and included both ownership and tenants. During the two-hour meeting the 12 participants were asked six specific questions. Just prior to the conclusion of the meeting they were asked to participate in a priority test. This priority test centered on eight issues and allowed respondents to identify two additional issues important to them. The theme of the focus group discussion may have inflated the importance people assigned to owning their own home. Nevertheless, the strength of people's response suggests that home ownership is indeed a top priority. A partial summary of the results follows. A complete summary is located at the end of this document in Appendix I.

Selected Focus Group Results

Why did you move to this neighborhood and what keeps you here?
Participants identified local schools, cheap rent, and the prevalence of Hispanics as reasons for both moving to and staying in the Near Heights. Many people liked their street (though maybe not the neighborhood in general) because it was "*tranquilo*," meaning tranquil, calm, or unthreatening. Also striking was the respondents' vision of the community as *predominantly Hispanic*. This may not be the typical public image of La Mesa/Trumbull. However, the idea that there is a prevalence of Hispanic community members is born out by enrollment figures from local schools and by data from this housing survey.

What would keep you here, what changes/improvements?
Enhanced City services, especially in the area of crime prevention, were characteristic of the responses to this question.

What opinions do you have about the houses/buildings in this neighborhood?
Respondents expressed a fair degree of frustration with the condition of multi-family rental housing in the area.

What is important to you about owning a home?
More space and more secure space were among the aspects of home ownership that most appealed to respondents. At some level, the respondents interpret the difference between their ability to acquire credit and Americans' as the result of discrimination.

What would motivate you to buy a house?
Respondents were more focused on obstacles to home ownership, detailed in the next question, than they were to motivating factors.

What obstacles are there to your buying a house?
Lack of credit, poor credit histories, and the lack of valid Social Security numbers, as well as a misunderstanding of the workings of variable rate mortgages were each stated as an obstacle to home ownership among the respondents. There also appeared among the respondents a cultural bias against debt, which also interfered with the development of personal credit histories.

Priority Test
Participants were asked to arrange, in order of priority, eight quality of life indicators. The rankings are portrayed below:

1 Own a home
2 A job with a good salary
3 Good education for my children
4 Obtain legal documents for my family and me
5 Good medical services for my family
6 Live in a safe neighborhood
7 More recreational parks in the neighborhood
8 Cheap and accessible childcare

Evaluation Criteria Development

This meeting of the CAT was conducted on September 16, 1999 to discuss the criteria for the selection and analysis of the three project concepts. Six criteria were agreed to and used for evaluating the commercial project, as follows.

Does this project concept:

- eliminate blight and prevent further deterioration of property values in the area
- stimulate public and nonprofit/private investment in the area
- increase the number of jobs in the area and increase the patronage of local businesses
- empower residents while furthering economic self-sufficiency and sustainability
- promote the image of a safer environment

It was determined that the housing project should be reviewed and analyzed based on the members' input as to the pros and cons of each project.

CAT Project Proposal Evaluation

Commercial Project Concepts

The CAT meeting held on September 29, 1999 at the Albuquerque Indian Center focused on reviewing the concepts for three commercial project concepts within the area. Gary Holbrook of Dekker/Perich/Sabatini presented all three concepts. The members discussed many positive attributes of each project. Members of the CAT overwhelmingly approved of an International Marketplace project concept.

Motel Re-Use Project Concepts

On December 14, 1999 the CAT met at the Cesar Chavez Community Center to review the project concepts regarding motel re-use. Of the three concepts presented, Option C, Motel Re-Use as Assisted Living, was the overwhelming favorite. The method used to determine which option was most favorable was the listing of pros and cons. Option A and Option B both offered some pros but had a considerable number of cons. Options C, Motel Re-Use as Assisted Living, had only three negative issues compared to 12 positive observations. The negatives included the likelihood of people wanting to live on Central Avenue, the need for the project site to adequately accommodate public space, and the possibility of environmental problems in older buildings.

Housing Project Concepts

On November 4, 1999 the CAT met at the Cesar Chavez Community Center to review the project concepts regarding housing. The members discussed many positive and negative attributes of each project. Members of the CAT overwhelmingly favored the Multi-Family Owner Occupied Properties program concept.

Open Houses

Open House meetings for the Near Heights Metropolitan Redevelopment Area were conducted on January 15 and 19, 2000, at the Cesar Chavez Community Center. These two meetings were conducted between noon and 4 p.m. and between 4 p.m. and 8:30 p.m. respectively. On Saturday the 15th, 34 people reviewed the three project concepts. On Wednesday the 19th, 23 people reviewed the project concepts. On both days there were a number of people who did not sign the attendance sheet but reviewed the projects and made verbal comments regarding the project concepts. The verbal comments were not captured.

Over 400 contacts were made in the Trumbull/La Mesa area. These contacts included:

- Twenty-four members of the Citizens Action Team
- 200 business owners and managers doing business along Central Avenue, Louisiana Boulevard, San Pedro Boulevard, Gibson Boulevard, and Zuni Avenue

In addition, staff of the following organizations were contacted and asked to invite their members and clients:

- Community Health Partnership, Weed & Seed, and the APD Phil Chacon Substation
- Albuquerque Indian Center

Participant comments from both open house meetings of January 15th and 19th are located in Appendix II at the end of this document.

Section 7. OPPORTUNITY PROGRAMS AND SITES

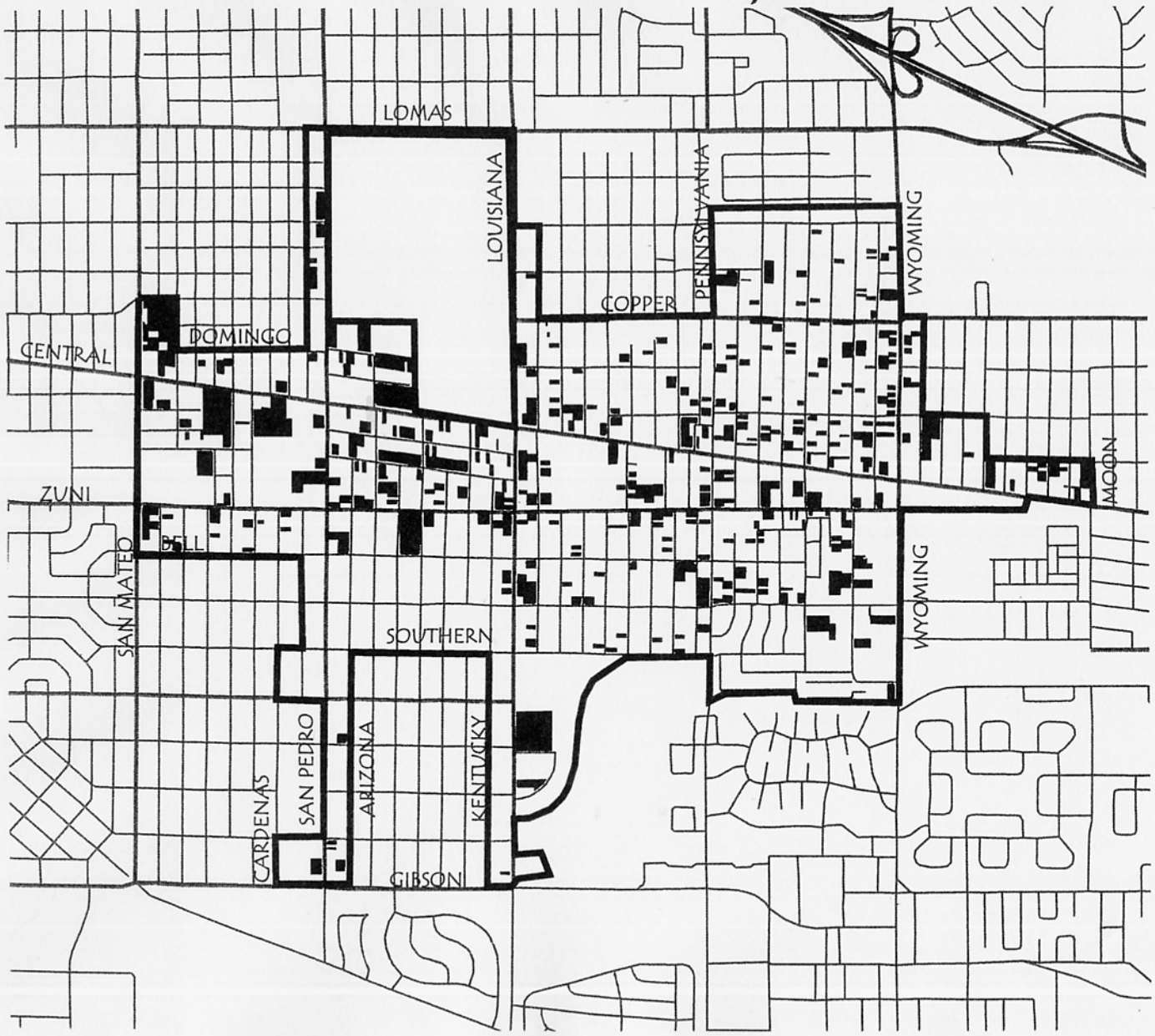
For each of the three elements of this plan (commercial corridor, motel re-use, and housing) the planning team analyzed opportunities and constraints for the area. Then, three opportunity sites and/or programs were identified for each element using a public input process. Factors used to determine eligible sites included whether each site and program:

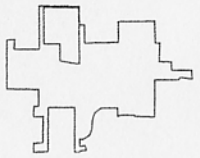
- eliminates blight and prevents further deterioration of property values in the area
- stimulates public and nonprofit/private investment in the area
- increases the number of jobs in the area and increases the patronage of local businesses
- empowers residents while furthering economic self-sufficiency and sustainability
- promotes the image of a safer environment

In addition, the planning team analyzed vacant (Exhibit 7) and underutilized commercial (Exhibit 8) and residential properties (Exhibit 9) in the area to determine appropriate and available sites. Underutilized land was defined as properties where the total value of the land is greater than the value of the improvements on it. The value of the land and the value of improvements were derived from Bernalillo County assessor data.

Finally, for each element one site and/or program was chosen for conceptual design, implementation, and feasibility analysis.

Vacant Properties





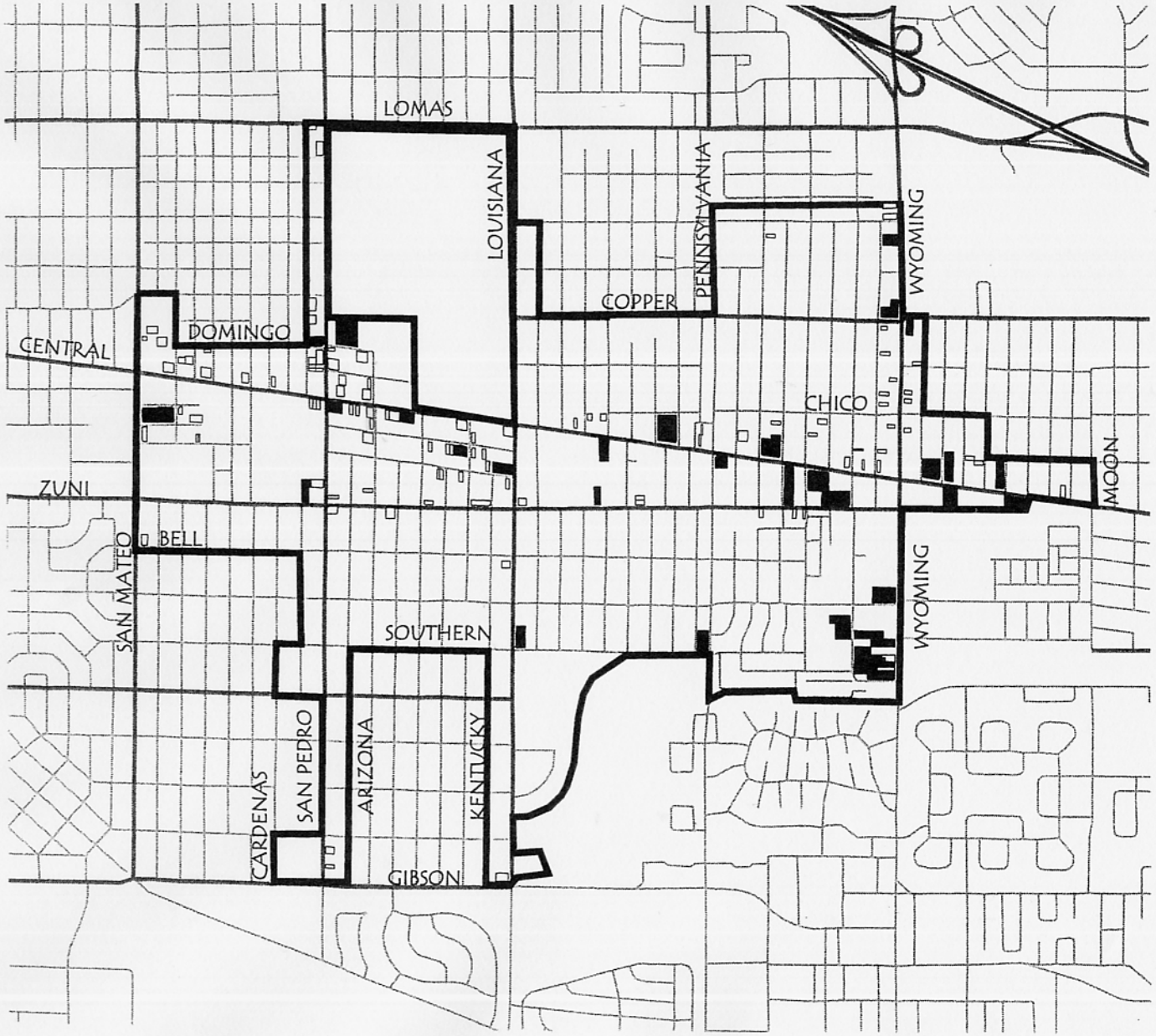
Legend

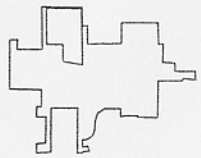
- Roads
- Major Arterials
- MRA Boundary
- Vacant Properties

N

0.3 0 0.3 Miles

Underutilized Commercial Properties





Legend

- Roads
- Major Arterials
- MRA Boundary

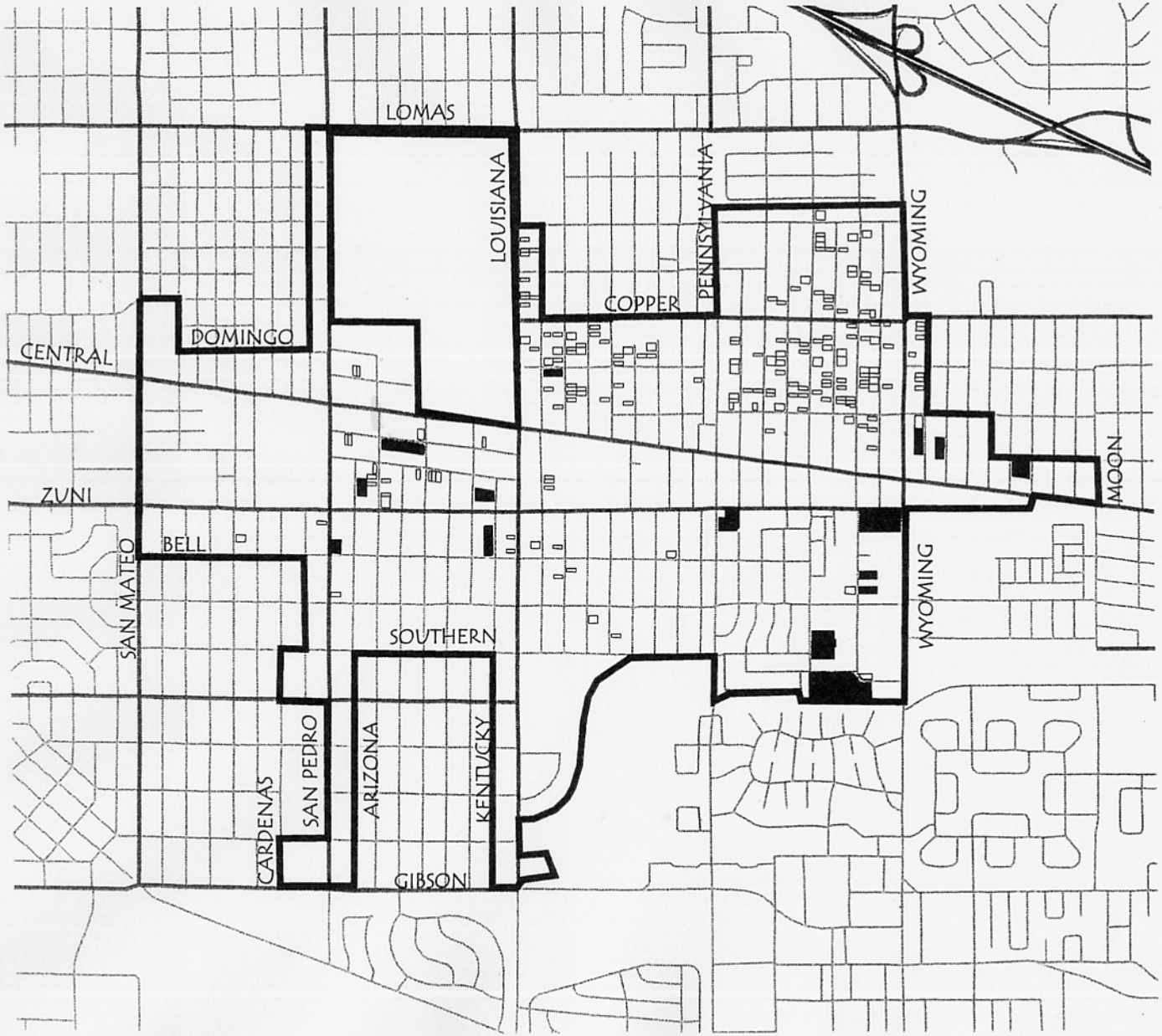
Underutilized Commercial Properties

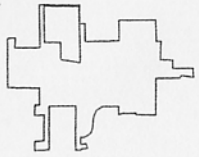
- Under 1 acre
- 1 - 5 acres

N

0.3 0 0.3 Miles

Underutilized Residential Properties





Legend

- Roads
- Major Arterials
- MRA Boundary

Underutilized Residential Properties

- Under 1 acre
- 1 - 5 acres

N

0.3 0 0.3 Miles

Section 8: COMMERCIAL CORRIDOR PROJECT: INTERNATIONAL MARKETPLACE

The Near Heights area has a number of strong commercial areas, including Uptown, Lovelace and the Veterans Administration Hospitals, the Albuquerque Sunport, Kirtland Air Force Base, and Sandia Laboratories. This concentration of major activity centers creates both potential employment opportunities for residents and a base for retail trade and other commercial trade for the Near Heights as a whole. Central Avenue – historic Route 66 - is the main commercial arterial of the Near Heights. The Nob Hill district along Central near the University of New Mexico is a beneficiary of the general activity in the area. The revitalized district has become one of Albuquerque's most fashionable shopping, dining, and entertainment areas. The MRA, in contrast, is dominated by older motels and increasingly blighted strip shopping areas. The MRA does, however, have great potential for commercial revitalization.

History of Commercial Development in the MRA

The Near Heights MRA includes part of Albuquerque's second historic office and commercial center. Located in the vicinity of San Mateo Boulevard and Central Avenue, in the midst of the city's new post-war suburbs, the Near Heights center was planned and marketed as a convenient alternative to locating offices Downtown. First National Bank of Albuquerque (now First Security) commissioned Max Flatow to build a new office tower at the northeast corner of San Mateo and Central. Other, less dense office structures followed. A suburban retail center was developed in the area around the Hiland Theater. Nevertheless, before the development in the area generated much momentum, development of a new building type, the regional mall, commenced on two sites in the area known as Uptown, which immediately became the preferred office location during much of the 1980s and 1990s.

Current State of Commercial Development in the MRA

The commercial areas of the MRA run along Central Avenue (the historic Route 66) and Zuni, Gibson Boulevard, San Mateo Boulevard, and along Louisiana Boulevard, from Southern Avenue north to Lomas Boulevard. Minor commercial activity also occurs in segments along San Pedro Boulevard. The community west of the area, known as Nob Hill, has had considerable success becoming a pedestrian oriented shopping destination of boutiques, bakeries, and restaurants that are active into the evening. Central Avenue east of San Mateo, however, is characterized by auto-oriented, pedestrian-unfriendly uses.

Opportunities and Constraints

Constraints to development for the commercial corridor include public perception problems, a relatively high rate of adult businesses in the area, and competition from neighboring big box retailers. Opportunities for the MRA include the existence of a nonprofit organization to assist local business owners, its unique demographics, its location along Central Avenue, and its proximity to tourist destinations at the New Mexico State Fairgrounds and to major employment centers on and near Kirtland Air Force Base.

Constraints

Public Perception

Constraints to commercial development in the area include a historic and perceived high crime rate and associated negative press coverage. In 1995 and 1996, the area had the highest crime rate in four specific areas: forcible rape, auto theft, simple assault, and disorderly conduct. Past realities have lingered in the public mind, despite increased efforts by the Albuquerque Police Department, the implementation of CPTED in the area, and the formation of a Crime Free Multi-Housing Program by local residents and business owners. Press coverage has recently turned favorable with the designation of the MRA and, increasingly, the public is taking notice of the hard work area residents have put into this community. However, a public perception problem for the area still remains.

Adult Businesses

Another constraint for development related to public perception of the area is the high concentration of adult businesses in the area. Historically in Albuquerque, adult entertainment venues clustered in specific areas and targeted patrons outside the immediate area. In 1980, the City of Albuquerque regulated the location and concentration of adult entertainment businesses through the amended Zone Code. The Zone Code states that there must be 1000 feet between adult entertainment establishments and that there must be 500 feet between an adult entertainment establishment and a school, church, or residentially zoned property. This applied to any business coming to the area after 1980. However, within the Metropolitan Redevelopment Area, there are some non-conforming uses that pre-date the code. Under a settlement between the businesses and the City, these businesses were allowed to remain in place, leading to a higher concentration of adult businesses in the MRA than in newer areas of the city.

Big Box Retailers

Regardless of products being sold, all merchants in the area are vulnerable to competition from larger "superstores" nearby, including, Wal-Mart, Target, Home Depot, and others off of Eubank and I-40. Neighborhood merchants are vulnerable particularly because these types of store are newer, are open longer, are more accessible to highway traffic, have free and available parking, and provide "one-stop" shopping. The MRA covers a more developed part of Albuquerque, where stores are older and maintenance costs higher. Stores are limited to on-street parking, in many cases, and have no capacity to stay open for 24 hours or to sell a wide variety of merchandise.

Opportunities

On the other hand, the MRA's neighbor to the west, the Nob Hill area, has capitalized on the aspects that make small, locally owned retail shops more attractive to consumers than big box retail. Through revitalization, façade improvements, and retailers who serve a unique and specialized market niche, Nob Hill has boomed with successful retail, restaurants, and services. A similar opportunity could be present for the Near Heights MRA. Unlike Nob Hill, however, the area lacks a tradition of pedestrian orientation and the built environment to support it.

La Mesa/Trumbull Business Project

One barrier to economic development seen by neighborhoods of all types is lack of access to capital. Many small businesses in the MRA operate on smaller margins, serve specific markets, or are too small to be able to use traditional sources of funding for business capital. In other cases, individuals may have access to capital, as well as energy and ideas for new enterprises but lack specific technical skills, such as business planning or marketing, to succeed. One source for business expansion capital and technical assistance for business owners in the area is the La Mesa/Trumbull Business Project. The project, formed by the New Mexico Community Development Loan Fund and WESST corp (The Women's Economic Self-Sufficiency Team), supports small business development in the area through job creation and retention, training, and technical assistance, and by providing loans to qualified businesses and individuals. The project targets disenfranchised businesses, such as women and minority entrepreneurs, business owners challenged by disability, and linguistically isolated groups, as well as more traditional clientele. Technical assistance offered ranges from broad to specific topics as requested by businesses and is performed on site. The project offers translators when needed. Loans range from $200 to $100,000 with an interest rate of 10 percent for a period of six to 60 months. Preference is given to projects that can contribute to the economic revitalization of the area.

Demographics

The MRA is home to a diverse community. Some residents hail from various parts of Asia (Vietnam, Korea, Thailand, China, and Japan) and Latin America. It is also a center for many urban Native Americans. While some facilities in Albuquerque celebrate our multi-ethnic city (the Albuquerque Indian Center, the Indian Pueblo Cultural Center, and the Hispanic Cultural Center), a center dedicated to more recent additions to our community is a possible niche to fill.

Route 66

Another strength to build upon is the MRA's central transportation feature, historic Route 66. Used as a thoroughfare since 1926, when U.S. Highway 66 was first established, Central Avenue has served as an icon of the automobile and cross-country travel. It has figured prominently in Albuquerque's history and will continue to be celebrated as the city gears up for the Route 66 Jubilee in the summer of 2001. The Jubilee will attract tourism and may serve as an impetus for revitalization all along Central Avenue. There is a possibility that the Jubilee could be an annual event thus adding to revitalization opportunities. In addition, an overall streetscape theme for East Central Avenue would benefit the neighborhood businesses and could be realized with participation in the Façade Improvement Program or the Scenic Byway Program. Historic preservation advocates have lobbied the National Parks Administration to establish Route 66 as an historic monument.

The State Fair

Anchoring the MRA on the western end of Central is another tourist destination, the New Mexico State Fairgrounds. The New Mexico State Fair attracts thousands of people each fall. Additional seasonal and non-seasonal activities (including sporting and musical events at Tingley Coliseum) also draw a sizable crowd to the area. Fair officials are currently planning for a proposed year-round amusement facility, which will increase its visitors. An attraction within the MRA could capitalize on the sheer number of people pouring into the area. It could also serve as a gateway from the Fair into the community. Strong physical and thematic ties to the Fairgrounds might bolster a project's commercial success, keep visitors to the area in the area longer, and improve relations between the neighborhoods and the Fair. This could be accomplished by tying together festivals and special occasions in the community with monthly events or a series of events on the Fairgrounds.

Major Employment Centers

To the east of the MRA is one of Albuquerque's largest employment centers, Kirtland Air Force Base (KAFB), providing jobs for over 31,000 people. Although the federal sector of the local economy is unlikely to increase in size, revitalization and increased commercial activity in the MRA could attract the KAFB population to the area. In fact, MRA business owners have reported that high traffic from the base helps their businesses survive. Even with the realignment of Gibson Boulevard and the closure of the Louisiana gate, traffic from the Base will continue to flow through the MRA through the new San Mateo gate and the existing Wyoming and Eubank gates. In addition, KAFB is currently considering options for privatizing its housing, which abuts the MRA. Changes to infrastructure due to possible construction in the area may impact the MRA. Two other major employers on the periphery of the MRA boundary are Lovelace Hospital and the Veterans Administration Hospital.

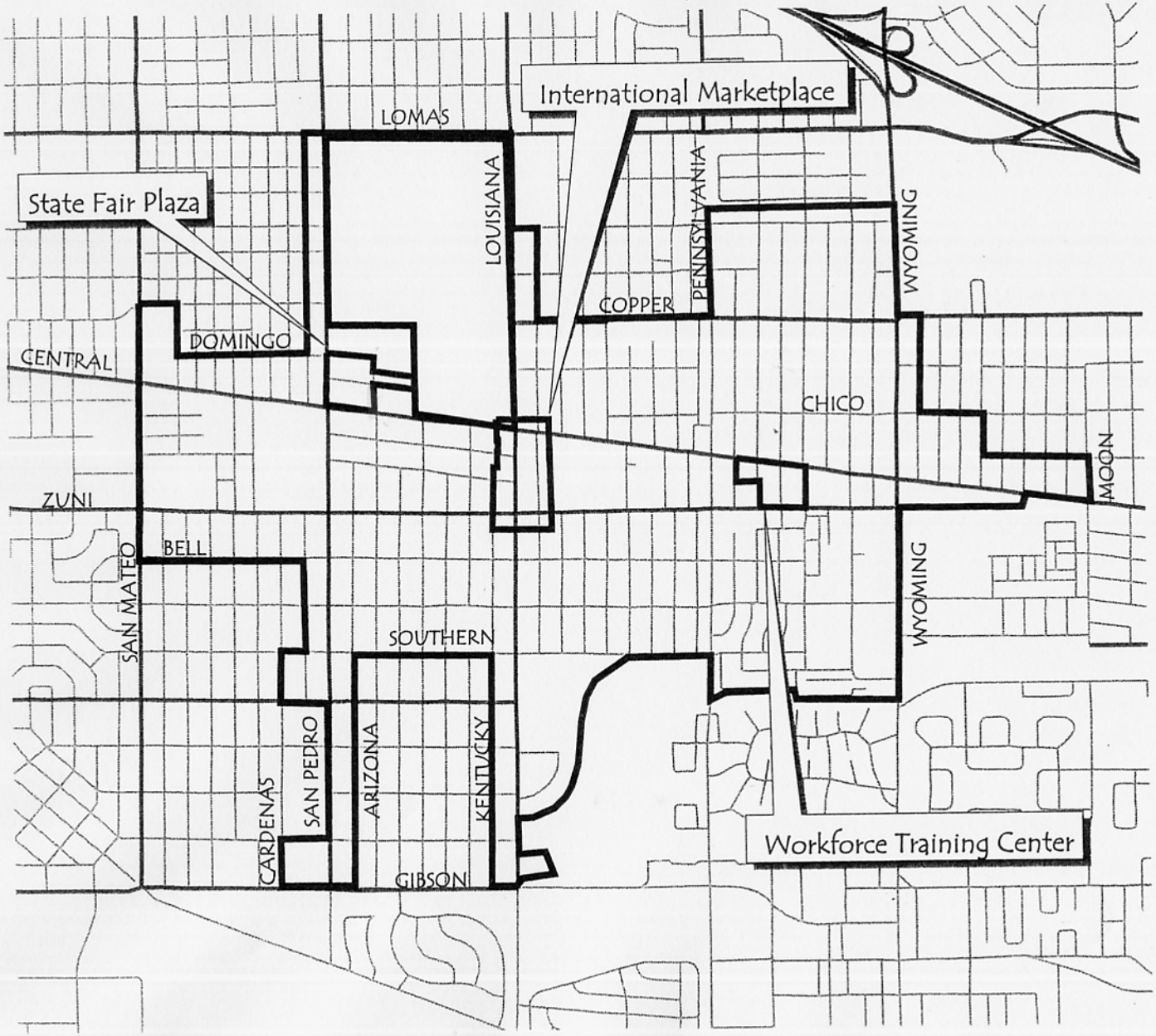
Options

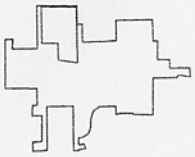
Three opportunity sites (see Exhibit 10) were identified for commercial development. Project options for these sites include the International Marketplace, the State Fair Plaza, and the Workforce Training Center.

International Marketplace

Albuquerque's International Marketplace is proposed as a physical and symbolic center for the various ethnic communities that have settled in the Near Heights. A few blocks long and located on two main streets (Louisiana and Alcazar) the International Marketplace is proposed as a home to many ethnic markets, community institutions, restaurants, and stores. It is centered on the existing Hawaiian Restaurant and Ta Lin Supermarket. Design elements that will ensure the project's success include a willingness to view crowdedness as an asset. An atmosphere of bustling activity and an onslaught of sights, sounds, and smells have helped create a distinct sense of place in similar projects, such as the Asian Garden Mall in San Bernadino's Little Saigon, the Farmer's Market in San Diego's Hispanic Logan Heights, Market Square in San Antonio, and the Haitian Center in Miami. Like the International Marketplace, each of these is a planned center, an intentional acceleration of an evolving district. The immigrant communities were present in these places but commercial development had not occurred to any great extent prior to the development of a new stand-alone building or the adaptive re-use of an existing structure. Sidewalks and pedestrian walkways should be viewed as a blank canvas, so that members of the community are allowed to create their own image for the center. Vendors should be encouraged to "take ownership" of sidewalks. Pedestrian and parking access should be convenient.

Commercial Opportunity Sites





Legend

- Roads
- Major Arterials
- MRA Boundary
- Opportunity Sites

N

0.3 0 0.3 Miles

Strengths of this program include the capacity of the center to serve as the community's source of goods and services as well as a means to draw people from outside the community. The marketplace would serve as a community center, providing neighborhood services and general merchandise to area locals, while restaurants and food, crafts, and entertainment venues would attract people from around the city. Thus, the center would both serve and revitalize the community, keeping neighborhood dollars inside the area while also bringing much needed revenue from the outside.

Promotional strategies for the marketplace should center on an audience that includes the immediately surrounding ethnic communities and the children of the immigrant population as they become dispersed throughout the city. A second audience includes other community members and the larger population of Albuquerque as a whole. Other potential audiences include regional, national, and international target markets. These larger markets are captured by a strong promotional strategy, marketing, and secure adjacent parking. For Olvera Street in Los Angeles and Market Square in San Antonio, this type of marketing was achieved by nonprofit organizations, such as chambers of commerce, merchant associations, or community development corporations.

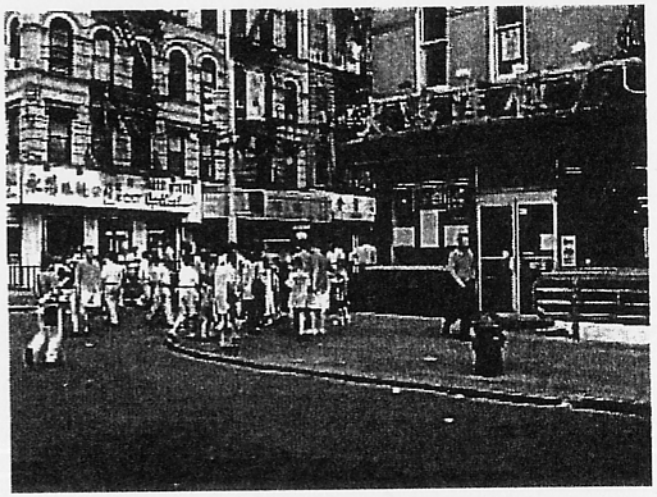


Figure 3: Crowdedness should be viewed as an asset.

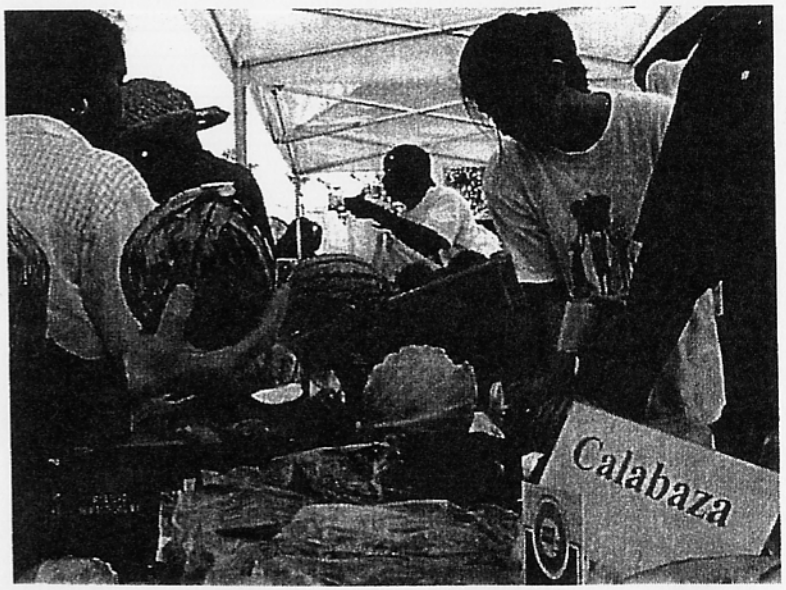


Figure 4: Fresh foods and produce sold during the growing season at an open-air market could build upon the success of the State Fair Flea Market.

State Fair Plaza

The State Fair Plaza is envisioned as a thriving open-air market centered on the commerce currently existing at the State Fair Flea Market and expanded to include fresh foods and produce during the growing season. This could be achieved in part by designing space that would be appropriate to the farmers who currently sell at the Farmer's Market in the Caravan East parking lot on Central Avenue and to flea market vendors selling from the State Fair parking lot each week. The Market Place is envisioned as a destination retail area adjacent to the historic State Fairgrounds which would stimulate year round activity through proposed revitalization projects: a permanent market building to house an expanded flea market and farmer's market, a kitchen incubator, and adjacent manufacturing activity in the nearby warehouses drawing on the area's concentrated workforce. The State Fair Plaza would represent a renewed commitment to keep sustainable economic development alive with the buying and selling of collectibles, antiques, near antiques, and lost treasures as well as locally grown produce, exotic imported herbs, fresh bakery goods, and prepared New Mexican foods.

Workforce Training Center

The Workforce Training Center is proposed as a place where Native Americans can participate in job training, skill building, literacy programs, and other initiatives to support economic self-sufficiency. It may also provide local employers with a quality workforce through the provision of assessment, support services, and employability skills training to eligible American Indians in the area. The proposed project is sited next to the existing Albuquerque Indian Center, an organization whose purpose is to serve as a resource to the American Indian community in the Albuquerque metropolitan area, and is intended to be a physical and programmatic expansion of the center's current operations. Due to the project's proximity to a local union hall, a possible partnership with organized labor in the area could be mutually beneficial.

This project targets a specific community in need of increased services, the urban Native American population. According to 1990 census statistics, there are approximately 16,296 Native Americans living in the Albuquerque metropolitan area. Native Americans are traditionally under-represented in the census due to a significant migratory population that travels between Albuquerque and the "Pueblo Home," a large Native American homeless population, and confusion with census-taking terminology, e.g. many specified their "Indian home" rather than Albuquerque as a place of residence. Projected population numbers based on a State of New Mexico funded study, "Native American Health Needs Assessment and Action Plan," estimate that there are actually 35,000 Native Americans currently residing in Albuquerque. A study undertaken by the Albuquerque Indian Center and the Albuquerque Human Services Collaborative indicates that Albuquerque's Indian population is centered primarily in the South Valley and the Southeast Heights, which includes the MRA.

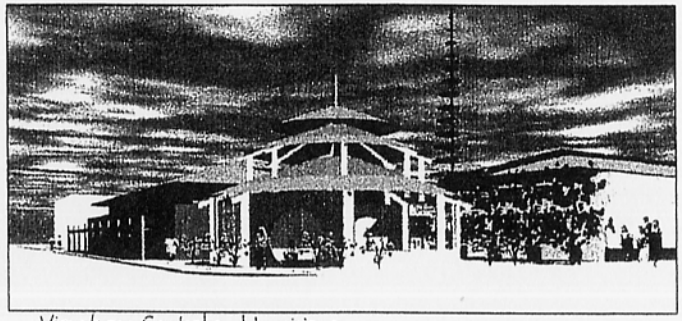
1990 census data showed that 11 percent of the Albuquerque Indian population is unemployed, 23 percent live below the poverty level, 35 percent are single parent families, and that the average urban Native American's median income is $20,119, well below the Albuquerque median household income of $27,679. This may be even lower for Native Americans living within the MRA where the average median household income is $14,670. Current service providers in the area are limited by lack of sufficient space.

Essential elements for any workforce training and job placement project to succeed include strong relationships with area businesses and a commitment to tailor work training programs to market needs in order to maximize program efficiency and to ensure that job placement is a success in the long-term. One of this program's strengths is its adjacency to and association with local nonprofit agencies, including the Albuquerque Indian Center, and union halls, which allows high synergy with existing social services and access to a pool of potential employers. A model project that has succeeded by incorporating these elements is the Oakland EcoPark's Workforce Development Campus, developed by the United Indian Nations Community Development Corporation and Levine-Fricke EcoParks. Other successful programs include JobNet in Portland, Oregon, First Source in Berkeley, California, and Neighborhood Employment Network in Minneapolis, Minnesota.

Recommendations

Of the three options outlined above, the International Marketplace project was chosen as the recommended option after community input. This project attempts to address goals identified by the CAT during the planning and design process. Exhibit 11 shows a conceptual site plan that aims to correct existing blight through development of an "urban park" defined and surrounded by new and existing structures with a meshed multi-ethnic theme. The plaza is envisioned as a year-round community space and stage for ethnically themed celebrations. Supporting retail, restaurants, open-air markets, small office space, community meeting spaces, loft apartments, and the existing Ta Lin Supermarket will surround it. It could also contain an oversized public art object that could function as a beacon and landmark for the plaza. Due to its adjacency, the marketplace will be focused to take advantage of the high visibility and constant activity of Central and Louisiana by fronting pedestrian friendly restaurants and retail along these corridors. The combination of businesses oriented toward the local communities and a themed plaza that attracts both locals and potential tourists helps define an active node for the Trumbull and La Mesa neighborhoods. Exhibit 11 is only a conceptual site plan and further design input should be gathered after a market study can be performed. In addition, any new multi-family housing built on-site should be planned to concur with demand in order to avoid increasing the vacancy at existing properties.

COMMERCIAL REDEVELOPMENT
INTERNATIONAL MARKET PLAZA



View from Central and Louisiana

View from Alcazar

View from Supermarket

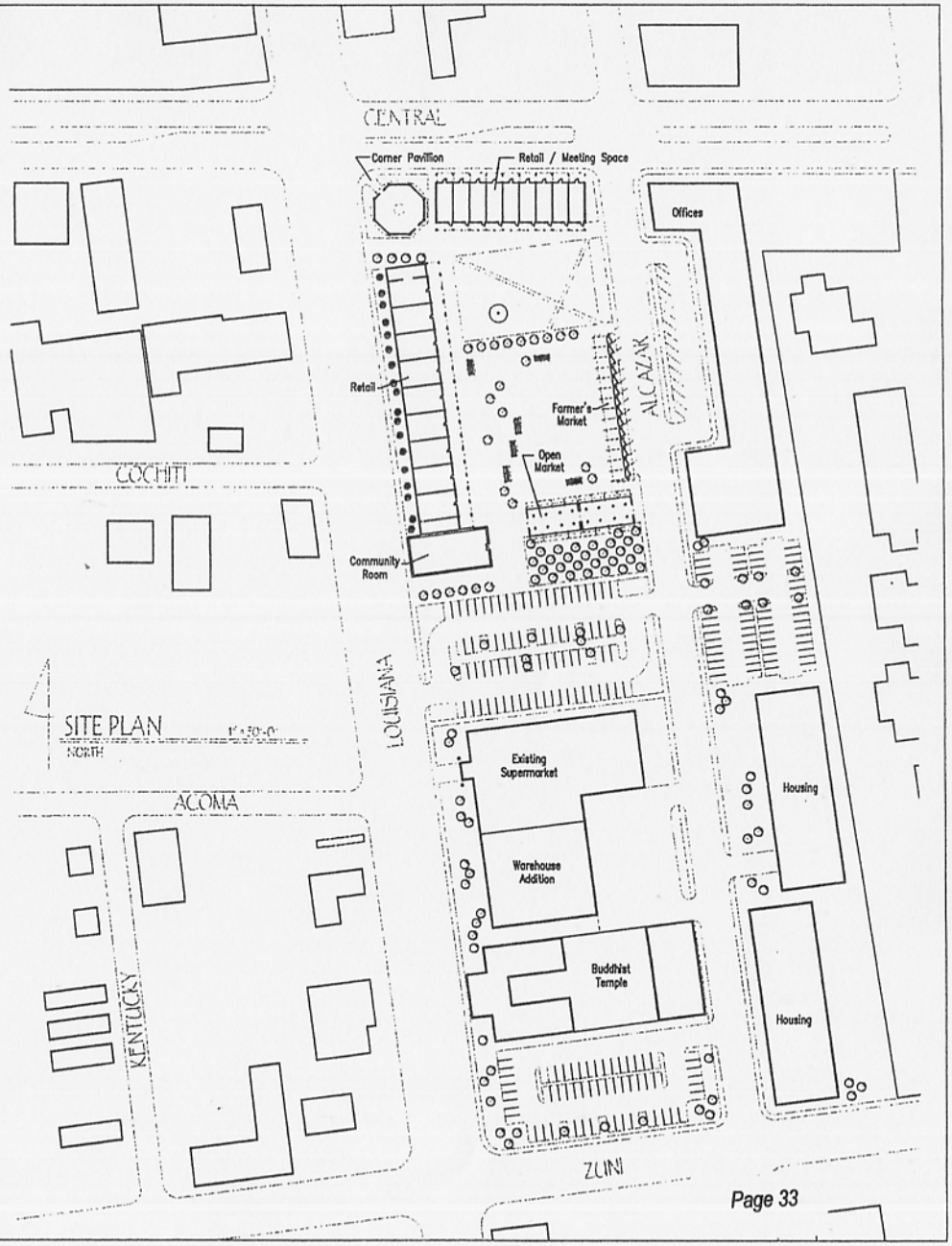


Exhibit 11

Description of the Recommended Option

Summary

The site located at the southeast corner of the intersection of Central Avenue and Louisiana Boulevard and extending south to Zuni is composed of several lots on both sides of internal Alcazar Street and collectively covers 11.3 acres. A primary strength of this site is its proximity to a mix of residents who are adding to the cultural diversity of the surrounding Trumbull and La Mesa neighborhoods. These ethnic communities include Chinese, Thai, Vietnamese, Cuban, African-American, Mexican, and American Indian. Local businesses have arisen to cater to the needs of these communities as is evident of this site, which includes and is adjacent to multiple ethnic restaurants, salons, a Buddhist Temple, ethnic video rentals, a multi-ethnic grocery, and housing. The site's most prominent neighbor is the State Fairgrounds positioned cattycorner to the site across the intersection of Central and Louisiana. The State Fair, in its attempt to increase year-round activities, has added an element of tourism to the area that can benefit the existing and proposed businesses at the International Marketplace site.

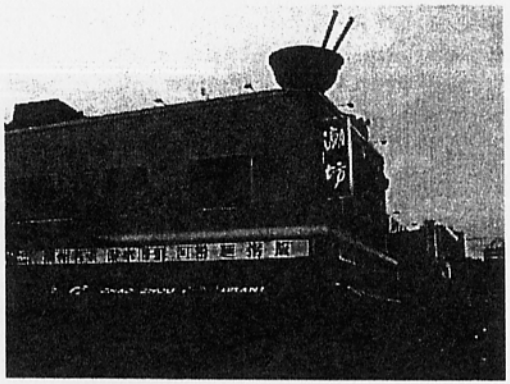


Figure 5: Marketplace in New York's Chinatown.

This project is a good candidate for community initiated development. As a commercial project, it already has a certain amount of momentum, with much of the property consolidated under one owner with access to financing. Public participation in the project would include assistance with property assembly, possible rezoning, and providing appropriate streetscaping. The International Marketplace concept takes advantage of the already existing concentration of ethnic populations in the area and existing businesses and services. It is an acceleration of an already evolving ethnic district. The marketplace, as a planned center, will be successful only with careful design and promotional strategies. This design concept has been successful in other parts of the country including the Asian Garden Mall in Little Saigon, the Farmer's Market in San Diego's Hispanic Logan Heights, Olvera Street in Los Angeles, Market Square in San Antonio, and the Haitian Center in Miami.

Site development costs would include collection of the lots and assembly into one plat and perhaps privatizing Alcazar Street so that it may be closed at times and used in conjunction with the plaza. The fact that the owner of the Ta Lin Supermarket has already begun this process lends feasibility to the site.

Building costs would include redevelopment of two existing buildings (the Ta Lin Supermarket and the Buddhist Temple). The rest of the building costs would be new construction including substantial landscape architecture.

Description of the Boundaries of the Project Area

The project area is bounded on the north by Central Avenue, on the west by the properties adjacent to the Louisiana Boulevard right of way, on the south by Zuni Road, and on the east by the properties adjacent to Alcazar Street.

Prevailing Conditions

Land Use and Zoning
The entire project area is governed by the Trumbull Sector Plan and is zoned primarily for commercial uses (C-1 Neighborhood Commercial, C-2 Community Commercial, and C-3 Heavy Commercial Zones). Such zoning is intended to permit commercial activities of varying intensity. Within the project boundary, there are some parcels zoned for residential uses, primarily for high-density residential uses (R-3). See Exhibit 12 for existing zoning in and around the project. The developed land in the area is generally being used as intended (see Exhibit 13). The vacant land is being used for surface parking to support the adjoining commercial and business activities and as construction staging areas and equipment storage. Re-zoning the area for a Special Use (SU zoning) would facilitate the development process and allow the eventual master developer of the project a greater degree of flexibility.

Characteristics
The area encompasses 11.3 acres of developed and vacant land, some of which serves as a blighting influence on the area. The Ta Lin market is a specialty retail destination that attracts both the local community and residents throughout the region searching for the specialty and foreign products and the fresh and frozen seafood it carries. The Hawaiian Restaurant is a successful eatery specializing in Chinese and Southeast Asian cuisine. The Old Tymer's Café is vacant. The Blue Spruce Lounge is an operating business that is often characterized by local residents as a nuisance and a blight on the area due to the high incidence of police activity at the address. A mix of residential, light industrial, and commercial uses and vacant property characterizes the rest of the area. The Buddhist Temple of New Mexico is also in the project area and is an important local institution.

Linkages
The project is intended to bolster other ethnic oriented enterprises in the area and to link to the various cultural villages (the Hispanic Village and the Indian Village) located at the State Fair.

Transportation
Located at the intersection of Central Avenue and Louisiana, the project area is crossed by several major bus routes and two of the city's most important arterials providing good access to other parts of Albuquerque and access to Interstate 40 to the north. The site and its surroundings are not pedestrian oriented. If clustered parking is provided and sympathetic master planning is undertaken, the site could become a park-once type of destination.

Utilities
Representatives of gas, electric, and sanitary sewer utilities have indicated that utilities located within the project area are adequate to support the proposed redevelopment project. The master developer of the project will be responsible for negotiation access and usage of private utilities. Any changes, alterations, or enhancements to the existing public and private utilities will also be the responsibility of the developer. Utility rights-of-way and the unsightly appearance of overhead utility infrastructure are a blighting influence and may prove to be an obstacle to development. The cost of burying the existing utilities underground is significant.

Historic Preservation
None of the buildings in the project area is of historic significance. The New Mexico Livestock Building on the northwest corner of Louisiana and Central, however, was designed by the New Mexico Architect John Gaw Meem, and is listed on both the State and National Historic Registers.

International Marketplace Existing Zoning

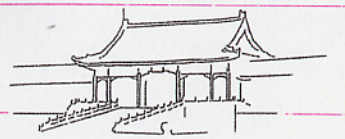
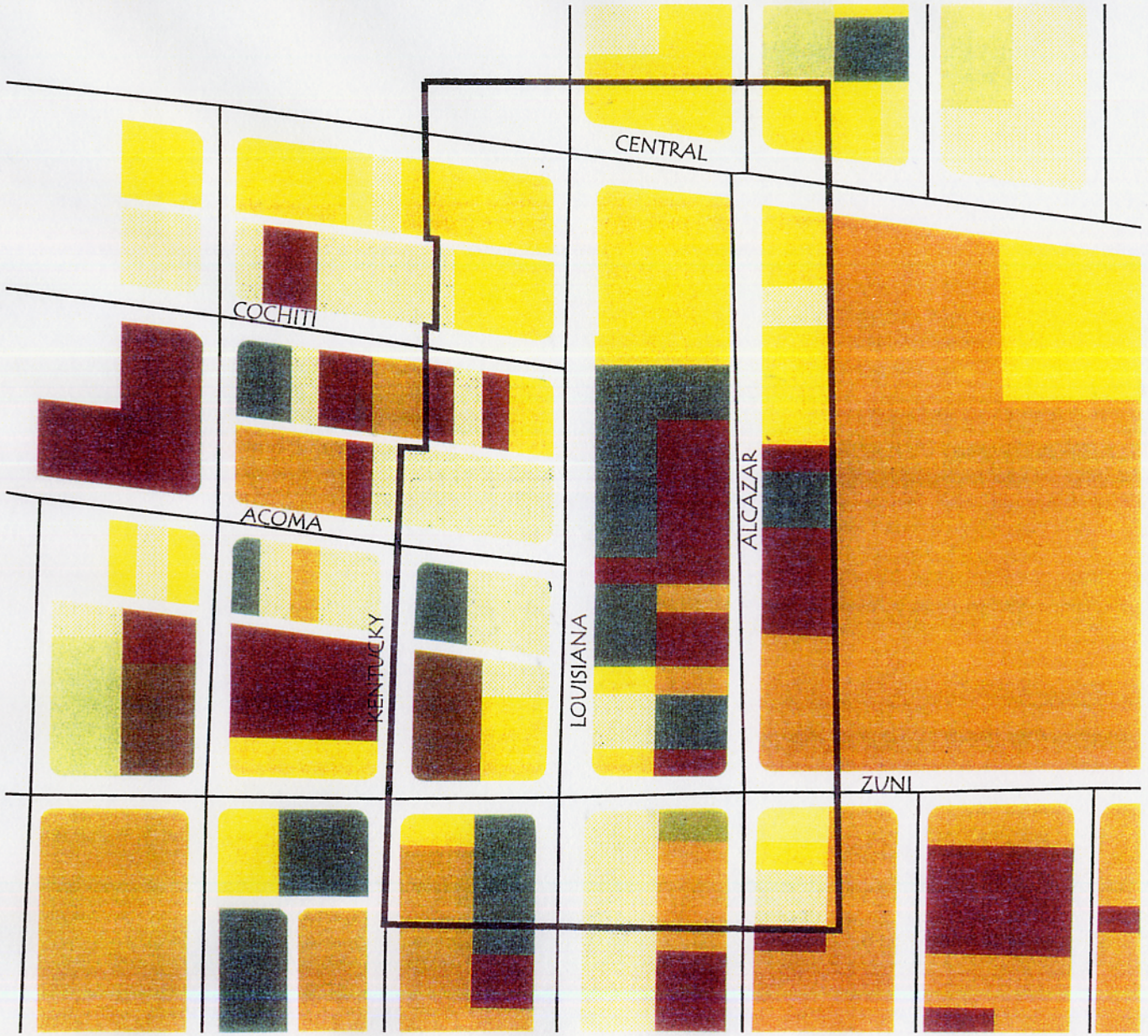


Exhibit 12

International Marketplace Existing Land Use



Legend

- Roads
- Site Boundary

Land Use

- COMMERCIAL RETAIL
- COMMERCIAL SERVICE
- INDUSTRIAL & MANUFACTURING
- MULTI-FAMILY
- PARKING LOTS & STRUCTURES
- PARKS & RECREATION
- PUBLIC & INSTITUTIONAL
- SINGLE-FAMILY
- TRANSPORTATION & UTILITIES
- VACANT/OTHER
- WHOLESALE & WAREHOUSING

N

250 0 250 Feet

Objectives of the Project

The objective of the project is to redevelop substantial portions of the project area in order to change the present land uses into more productive and compatible uses. Combined these uses should create a new activity center whose programs would be a catalyst for other redevelopment in the Near Heights in general and along East Central Avenue in particular.

Process

In order to expedite the implementation of the Plan, the City should acquire the recommended parcels, consider rezoning the property for a Special Use, and issue a Request for Proposal (RFP) for a Master Developer for the project.

Nuisance Abatement
The Blue Spruce Lounge is a property that has substantial nuisance activity related to public drunkenness and contributes to blight in the area. Located on the northeast corner of the conceptual International Marketplace site, it is one of the properties that would have to be acquired by a master developer in order to make the project feasible. The police have responded to more than 125 calls at the Blue Spruce Lounge in 1999, a fact that makes legal action a reasonable option for the City and neighborhood to undertake.

Economic Elements of the International Marketplace

There is no apparent formula for success for this type of project, and potential developers will need to carefully study the market characteristics specific to Albuquerque in general and the Near Heights in particular to determine the specific development and retailing strategies which would make the project feasible. Prospective developers will need to consider at least three elements to determine the feasibility of the project:

- Consumer Research

  The developer should identify the existing consumers, where they come from, their purchase patterns, and their demographics in order to determine the expected trade area and market share.

- Sales analysis

  The developer should be diligent in understanding the sales and traffic of prospective tenants in order to target the International Marketplace's marketing program.

- Trends

  The developer will need to stay abreast of any likely changes in shoppers' patterns and habits.

Although a complete market and feasibility study is beyond the scope of this project, we can provide some general information on the economic elements shared by most ethnic marketplaces

Ethnic Identity

The current Asian supermarket, Ta Lin, sells Caribbean, South Asian (Indian, Pakistani, and other), and some Mexican foodstuffs and condiments but only Asian decorative arts and crafts (primarily of Chinese or Hong Kong manufacture). An argument could be made, especially given the incidence of Cuban-, Mexican-, and Native-American populations for an International Marketplace that addressed the needs of those consumers as well. Proper precautions must be taken, however, not to dilute the ethnic theme or the ethnic-identity of the International Marketplace. If consumers find the cultural links of the center contrived or weak, they are not likely to return, thus denying the center the repeat visitors and frequent patrons upon which success depends.

Market Trade Area

There are several different ways for determining the trade area for the International Marketplace:

- an approach modeled on that used for conventional supermarket anchored shopping centers
- an approach used for specialty market halls
- an approach used for specialty shopping centers targeting a mix of local consumers and tourists

The International Marketplace as a Supermarket Anchored Shopping Center
The International Marketplace will require a sufficient population to support its retail activity. Typically, in Albuquerque, it appears that the average full-size supermarket is supported by approximately 3,500 households or a population of 8,900 (at 2.55 persons per household), and people purchase food at supermarkets within a few miles of their home. Among ten ethnic marketplaces studied by William Anderson of Economic Research Associates (ERA) in San Diego, more than three quarters of the consumers within ethnic commercial districts are associated with the center's particular ethnic orientation. Using the conventional model of supermarket consumer behavior, an International Marketplace anchored by a principally Asian grocery would require the support of 2,625 Asian households or more than 6,500 persons. In 1990, there were approximately 900 people of Asian descent within two miles of the International Marketplace site, 5,000 people of Asian descent within five miles of the site, and 8,000 people of Asian descent within the four county metropolitan area (Bernalillo, Sandoval, Torrance, and Valencia Counties). Between 1990 and 1998 the percent of persons of Asian descent in Bernalillo County grew from 1.5 percent to 2.4 percent. In 1998, the Bureau of Business and Economic Research estimated that the total number of Asians in the county was 12,871.

These numbers suggest that the Asian population in Albuquerque, while growing, is dispersed rather than concentrated. Persons of Asian descent are represented in the Metropolitan Redevelopment Area at approximately the same percentage as they are throughout Bernalillo County. In the absence of any concentrated Asian population in the vicinity, it is unlikely that International Marketplace would be able to survive on the support of the local ethnic community alone.

The International Marketplace as a Specialty Market
According to the Urban Land Institute, studies of specialty markets (including market halls and open air markets specializing in fresh produce) reveal different consumer patterns than those of a local marketplace. The social nature of the marketplaces, the quality of the produce, and the availability of "exotic" foods, lead to a more geographically dispersed consumer base. It is not unusual for patrons to travel up to 30 minutes to shop at these specialty markets. Given the dispersion of the Asian population in Albuquerque, modeling the retail program of the International Marketplace on that of a public market with vendors in stalls and a concentration on organic and locally grown produce may help establish a wider, regional trade area for the development.

Targeting the Tourist Population

Specialty shopping centers that primarily target tourists, like the Bazaar del Mundo in San Diego's Old Town (which is roughly equivalent to Albuquerque's Old Town in terms of ambiance), depend far less on ethnic residents for support. These specialty, highly-themed developments are successful when they are marketed within the context of a broader tourist program. The location of such developments and their proximity to tourist attractions is an important factor to their success. The proximity of the International Marketplace site to the New Mexico State Fairgrounds makes the attraction of day tourists to the center a possibility.

Hybrids of ethnic-based and specialty markets also exist. Olvera Street in Los Angels draws both the local Latino community and tourists. The local Latino population is attracted to the area church (which celebrates Mass in Spanish several times on Sundays and during the week), and visitors are drawn to the historic buildings and museums. A similar mix of uses is possible at the International Marketplace as long as it is anchored in part by cultural centers and faith-based institutions that draw the ethnic population and reinforce the center's cultural identity.

It should be noted, however, that success with tourists might affect the International Marketplace's orientation. The product mix will need to be directed towards local consumers. As a result, it may be better for the International Marketplace to focus on local day tourists traveling from other parts of town than on out-of-state travelers interested primarily in T-shirts, souvenirs, and postcards.

Principal tourist attractions in the area include the New Mexico State Fairgrounds and the Atomic Museum on Kirtland Air Force Base. The Fairgrounds attracts several hundred thousand visitors each year, most of them from the metropolitan area, for concerts, trade shows, special events, and the New Mexico State Fair each September. The Atomic Museum, currently located on Kirtland Air Force Base, attracts over 65,000 visitors each year, primarily from out-of-state. Various plans to relocate the museum off-base, and perhaps to another area of the city, have emerged in recent years,

Other attractions in the area that may attract out-of–state as well as day visitors include:

- A Ri Rang Oriental Market
- An Dong Oriental Market
- Buddhist Temple of New Mexico
- East Indian Spices
- Hawaiian Restaurant
- May Café
- Que Huong
- Ta Lin Supermarket

Annual festivals and events held in the neighborhood that may also draw local visitors to the International Marketplace include:

- Lunar New Year Celebrations — Winter
- Birthday of Buddha — Spring
- Asian Night at Summerfest — Summer
- Festival of Cultures — Summer
- Harvest Moon Festival — Fall

The area has a long-established hospitality industry, and it is the site of many hotels and restaurants. Within the MRA there are 54 restaurants. Estimating that on average there are 50 seats in each restaurant, with an average 1.5 turnover rate at lunch and an average 2.0 turnover rate at dinner, the restaurants serve almost 10,000 guests daily.

Market Trends and Lease Rates

Albuquerque has witnessed an explosive 100 percent population growth since 1960, according to Albuquerque Economic Development. The city experienced growth in excess of 14 percent in the 1990's, but the metropolitan area has not grown as quickly as other centers in the Intermountain West. Nevertheless, Drew Alexander, president for Houston-based Weingarten Realty Investors, has been quoted as saying, "The Albuquerque market is very strong, and there is a lot of expansion of retail space," speaking to a continuing demand for new retail space. In the late 1990's Albuquerque's retail vacancy hovered between a slim 5.4 percent in 1995 and 7.5 percent later in the decade. In recent years there have been spikes in the development of new retail space, which have contributed in part to higher vacancy rates. Neighborhood shopping centers, anchored by chain supermarkets, expanded during the period. According to Andrew Johnson of CB Commercial, well located, grocery-anchored centers have been leasing at rates of $12 to $15 per square foot.

The location of the International Marketplace, while providing benefits in terms of both visibility and access from the transportation network, may have a dampening effect on the lease rates the developer will realize from tenants. In addition to market characteristics, lease rates are determined by the productivity of the shopping center as determined by the occupancy cost ratio (OCR), the proportion of occupancy costs to sales per square foot. Specifically it is calculated by comparing the sum of the base rent, common area costs, taxes, and insurance to the tenant's sales per square foot. Typically those costs should not be more than 15 percent of the tenants' sales per square foot for an in-line store and 8 percent for a stall in a market hall. If the OCR is higher than 15 percent, it becomes increasingly difficult for a tenant to make a profit. Some tenants, jewelers for instance, appear to be able to shoulder higher OCRs than others. Of course, in very productive centers, a higher OCR is often more palatable.

The productivity of the International Marketplace, in terms of sales per square foot, may be hampered by the incomes of the households in its vicinity. The median income of households within a 2-mile radius of the site in 1990 was approximately 80 percent of that for all households within the City's municipal limits. This may mean that overall sales may be lower, forcing the developer to control costs in order to keep lease rates affordable. The developer may also have to take a very active role in promoting sales by positioning the International Marketplace as a community hub and a top choice for community events and other occasions that generate additional traffic and sales.

Similarly, despite positive changes, the perception of the Near Heights as unsafe persists and every opportunity should be taken to change this perception. If the International Marketplace is going to attract the necessary amount of day-tourist and visitor traffic it will need to succeed, shoppers will need to feel safe and security will have to be highly visible.

Project Expenses

The International Marketplace project is estimated to cost $10,527,906, including property assembly costs of $1,056,200 (see Table 4). The value for land acquisition was determined by Albuquerque Development Services staff based on the assessed value. Site development costs, including landscaping and re-paving total $722,335.13. The costs, at $2 per square foot, reflect the median costs for site development in Albuquerque. Higher levels of landscaping and the inclusion of thematic elements related to the design of the center would increase site development costs. The $75.00 for building construction costs includes $50.00 for shell construction and $25.00 for tenant improvement allowances.

INTERNATIONAL MARKETPLACE COSTS			
Property Acquisition Costs			
Property Assembly Cost	1		***$1,056,200.00***
Site Development Costs			
Site Construction Costs			
Land Development Costs ($/SF)			$2.00
Site improved (SF)			307,711
Subtotal Site Development Construction Costs			*$615,422.00*
Professional Services			
Landscape Architecture (@3%)		3%	$18,462.66
Engineering (@ 5%)		5%	$30,771.10
Surveying			$18,000.00
Subtotal Professional Site Services			*$67,233.76*
NMGRT on Site Work and Professional Services		5.8125%	$39,679.37
Subtotal Site Development Costs			***$722,335.13***

Table 4: International Marketplace Costs

INTERNATIONAL MARKETPLACE COSTS			
Building Redevelopment Costs			
New construction ($/SF)	2		$75.00
Area of New Construction			105,000
Subtotal Construction costs			$7,875,000.00
Architectural Services		5%	$393,750.00
NMGRT		5.8125%	$480,621.09
Subtotal Building Construction Costs			***$8,749,371.09***
Total Project Costs			**$10,527,906**
This estimate is conceptual in nature and is subject to change (up or down) once a thorough investigation of site issues and developer input is received.			
1 - Mid-range estimate.			
2 - Includes $50.00 psf for the shell and $25 psf for tenant improvements			
3 - The costs of burying overhead utilities is not included in this estimate.			

Table 4: International Marketplace Costs (cont.)

Income and Expense Analysis

The income and expense analysis (see Table 5) provided within this project is based on several assumptions:

Rent per Square Foot
Rent per square foot for the purposes of this plan was calculated at $10 per square foot. This lease rate is lower than the $12 to $15 achieved by supermarket anchored shopping centers in other parts of the city. The lower lease rates reflect the greater economic challenges faced by residents in the Near Heights, the specialty nature of the center, and the fact that opportunities to lease space at lower rates exist in the immediate vicinity. The lease rate is also discounted to allow for some non-retail occupancy, especially warehouse space for wholesale distribution, an important activity currently taking place at the site. Lower lease rates for warehouse space will also be offset by lower construction costs.

The lease rate reflects comparisons for similar centers in the Albuquerque market rather than Occupancy Costs Ratios. Nationally food retailers (bakers, dairy shops, butchers, seafood specialty shops, and produce vendors) report annual sales per square foot ranging from $300 to $450 annually, suggesting that these tenants could support rents significantly higher than what is being realized currently in Albuquerque.

The leaseable space is assumed to be 100 percent of gross space. Parking spaces are provided at a rate of 1 per 200 gsf less 10 percent for being on a bus line.

Vacancy Rates
At 7 percent, the vacancy rate is at the high end of those currently experienced at similar centers. Again, the vacancy rate reflects the economic challenges of the Near Heights and the fact that lease rates for the center will be at the high end for the neighborhood.

Common Area Maintenance
The $2.00 per square foot per year is a mid-range value. Comparisons with other centers reflected rates varying from $1.24 to $3.31 per square foot per year. Other operating expenses are not depicted as being passed along to the tenant in this analysis.

Feasibility
The income and expense analysis reflects a project that is marginally feasible at a 4 percent return on a substantial equity contribution of 21 percent and capitalization rates of 8 percent. Higher capitalization rates would require both higher equity contributions from the developer and the realization of higher lease rates. As mentioned above, these higher lease rates may not be able to be supported by current neighborhood retailers. The feasibility of the project could be enhanced by the City's involvement with the project. Retail development creates jobs, particularly for entry-level workers and workers without degrees, and it generates gross receipts tax revenue, an important source of revenue for local government. The cost of land assembly for the development represents a significant portion, 10 percent, of the project costs. Arrangements could be made through the execution of the development agreement that could diminish the impact of those costs on a potential developer. Tax-increment financing could also provide significant benefits to the developer by allowing the developer to pay property taxes only on the value of the unimproved site even after the development is completed. The developer would pay the additional amount that would ordinarily be paid in taxes into a fund that could be used to pay for infrastructure and public improvements that, theoretically, would further increase the property's value.

INTERNATIONAL MARKETPLACE INCOME AND EXPENSES		
Project Costs		$10,527,906.22
Net Leasable Area (SF)	1	94,500
Income		
Rent		
Rent ($/SF/yr)	2	$10.00
Common Area Maintenance ($/SF/yr)		$2.00
Vacancy rate		7%
Anticipated Rental Income		
Rent		$945,000
Common Area Maintenance		$189,000
Less vacancy		($79,380)
Gross Operating Income		***$1,054,620***
Expenses		
Operating Expenses		
Real Estate Taxes	3	($75,109)
Property Insurance	4	($15,000)
Leasing Commissions	5	($63,277)
Other		($25,000)
Subtotal Operating Expenses		***($178,386)***
Net Operating Income		$876,234
Debt Coverage Ratio		1.20
Annual Debt Service		($730,195)
Monthly Debt Service		($60,850)
Maximum Permanent Financing	6	$8,292,796

Table 5: International Marketplace Income and Expenses

INTERNATIONAL MARKETPLACE INCOME AND EXPENSES	
Loan to Value Ratio	79%
Pre-tax Cash Flow	
Required Equity	$2,235,110
Cash Return	$146,039
Return on Equity	7%
This estimate is conceptual in nature and is subject to change (up or down) once a thorough investigation of site issues and developer input is received.	
1 - Assumes 90% net leasable space	
2 - Lease rate net of utilities and maintenance	
3 - Valued at $60.00 per SF of gross building area; taxable value is 1/3 of assessed value; mill rate is $35.766 per $1000	
4 - Source Charter Insurance; assumes $5000 deductible and sprinkled metal frame construction	
5 - 6% commissions on 3 years rent	
6 - Capitalization rate of 8% (may be low given current interest rates)	

Table 5: International Marketplace Income and Expenses (cont.)

Implementation

As mentioned above, in order to expedite the implementation of the Plan, the City should acquire properties in the area and issue an RFP in order to select a master developer for the project. The recommended property acquisition strategy for this site is cooperation with existing landowners and condemnation where efforts to cooperate are unsuccessful. The cost of assembling the properties is estimated to be between $1,206,600 and $1,327,260. Funding for property assembly is available from two sources: $900,000 from the Capital Implementation Program budgeted for revitalization in the neighborhoods adjacent to the New Mexico State Fairgrounds and $150,000 of CDBG funds allocated by the Department of Family and Community Services for the acquisition of nuisance properties. Gaps between the eventual cost of property assembly and available funding may be able to be addressed through appropriations from the New Mexico Legislature.

An RFP will request the credentials of the developer and a project proposal. The selected developer will be invited to enter into a development agreement with the City in order to carry out the Plan and to purchase the properties from the City. The development agreement should provide for a public involvement process, the development of a detailed master plan for the project, design guidelines and specific uses, and a detailed explanation of how the project will be funded. The funding description should include information on the amount and necessity of bond financing, government loan guarantees, tax abatement incentives, and any other governmental assistance required to deliver the project. The City may share in the costs of a market study and master plan.

Please refer to Appendix IV for an implementation schedule.

Streetscape

The International Marketplace is proposed as a hybrid district that combines the elements of the commercial center that has formed incrementally as immigrants have located to the area and a specialty marketplace that targets tourists and non-ethnic neighbors. Design elements are essential to creating the "felt ambiance" of an ethnic commercial district like the International Marketplace.

The intersection of two major arterials at Louisiana Boulevard and Central Avenue has been designed to facilitate the movement of rapidly moving automobile traffic, thus eliminating congestion. Because of the speed at which traffic moves and the numerous curb cuts, pedestrians may feel unsheltered, unsafe, and inconvenienced. Creating the kind of ambiance that will make the International Marketplace a success means rethinking the streetscape adjacent to the marketplace in order to re-introduce the multi-sensory experience common to ethnic markets to the public domain. In this context crowdedness is viewed as an asset. According to an American Planning Association report on the topic, sidewalks should be narrow and congested with vending carts, café tables, and outdoor market stalls. Parking should be close to the sidewalk and parallel to the curb. Automobile congestion adds to the sense of contact that is essential to feeling of liveliness. It is unlikely that Central Avenue or Louisiana Boulevard will be redesigned in the manner of San Francisco's Chinatown or New York's Little Italy to contain only two lanes of slow moving traffic that pedestrians can easily traverse. However, Alcazar Street could be rethought to become the "Main Street" of a district that would grow up around the International Marketplace.

Predictable aesthetics should be avoided. For instance the Mercado in Phoenix contains every possible icon attributed to Mexican culture, but it suffers commercially because it fails to embody the spirit of ethnic invention and provides inconvenient parking and pedestrian access. Removing vehicles from the scene contributes to a loss of activity and diminishes the feeling of shared public life.

Given the existing infrastructure, it may make sense to concentrate the first phase of any improvements on Alcazar Street, one block east of Louisiana.

Streetscape Implementation

The Central Avenue Streetscape Design, a project by Morrow Reardon Wilkinson, Ltd. and Marsha Lee Planning and Design for the City of Albuquerque Capital Improvements Program (CIP), encompasses Central Avenue from San Mateo Boulevard to Tramway Boulevard. This phased project focuses on nodes along the commercial corridor. The first phase of the project has been funded and includes Central Avenue from San Mateo to Wyoming. Intersections will receive an urban, post-modern treatment while the streetscape in between intersections will present distinct area themes. It is important that both the neighborhoods affected by this plan and Albuquerque Development Services, the sponsors of this redevelopment effort, coordinate the objectives of this plan with those of the city's Capital Improvements Program.

Based on the experience of constructing the 4th Street Streetscape in the Barelas neighborhood, it is estimated that the costs of streetscape improvements around the International Marketplace are estimated to be between $1,875,000 and $2,500,000, including design fees. Currently $75,000 has been budgeted by the City for streetscape improvements to Central Avenue in the right of way directly south of the New Mexico State Fair from San Pedro to Louisiana. The costs of extending those improvements east from Louisiana to Alcazar is estimated to cost another $60,000 and may be able to be funded through a cost sharing agreement between the Capital Improvements Program and the Department of Family and Community Services. Additional financing sources to complete the project could be made available through funds generated by General Obligation Bonds that would be approved by the electorate in 2001. Financing sources for smaller elements of the project or accessory projects (bus shelters, public arts projects, or street furniture, for example) include CDBG funds administered by the Department of Family and Community Services and the Capital Improvements Programs funded through General Obligation Bonds. Approximately $2,000,000 of CIP funds is set aside in each cycle for competitive applications by neighborhood associations. Additional money is available for small-scale, culturally oriented projects through the Urban Enhancement Trust Fund, also administered by CIP. Funding for maintenance of the existing street infrastructure, transit related development, and the provision of trails is also available from the ¼ of a cent optional gross receipts tax for roads administered by the Department of Public Works.

Related Off-Site Projects

The possibility exists for both the construction of a new fire station and a transit transfer point in the vicinity of Louisiana and Central. The design of these capital projects should be coordinated with design of the streetscape and the architecture of the International Marketplace.

Section 9: MOTEL RE-USE PROJECT: ROUTE 66 COURTYARD MOTEL

As a collector for the Trumbull and La Mesa neighborhoods and as a major avenue through the city, historic Route 66, known in Albuquerque as Central Avenue, has the greatest concentration of American post-war, strip motels in Albuquerque. Easily identified by their unique and historical street side signs, these motor court motels represent a glory era for Albuquerque and quite possibly the country. The prototype for these motels is easily discernible as a courtyard, U-shaped building with the open side facing Central. Single and double units surround and define the courtyard. The courtyard design provides ample parking and invites automobile travelers. One end of the building contains the office, which usually has a simple porte-cochere attached signifying the grand entry for the automobile. Most of these motels are single story, but occasionally a second story is added over the office as living quarters for the manager/owner. This is the standard the planning team used to narrow potential options for re-use.

History of Motels along Route 66

The history of Albuquerque's Central Avenue motels, including those within the Near Heights MRA, is the history of Route 66 and America's love affair with the private automobile. In 1910, two years after auto pioneer Henry Ford introduced the "Model T," there were almost half a million registered motor cars in the United States. By the 1920's, the U.S. Department of Agriculture saw a need to connect the east and west coasts of the North American continent with a highway that could be traveled by the sixteen million cars then owned by Americans. Advocates of good roads, among them Oklahoma State Highway Commissioner Cyrus Avery, sought to devise new routes and to create a federal highway commission to guide their construction and maintenance. Route 66 was largely Avery's brainchild, born of his expressed desire to improve the road network, mostly in the West, where it was an archaic hodgepodge of tracks, trails, lanes, and paths established over time by the Indians, Hispanic, and Anglo settlers, and French and American traders.

Not surprisingly, the new road would pass through Avery's home state of Oklahoma, bringing with it the hope of prosperity to communities along the right of way. The Great Depression intervened. Combined with droughts and sandstorms, the economic downturn of the thirties drove millions from Oklahoma's Dust Bowl onto the route in the direction of California. John Steinbeck recounted this period in 1939 in "The Grapes of Wrath," the saga of the Joad family's journey from Oklahoma to California. In the novel, Steinbeck dubs Route 66 the "Mother Road."

By 1938, pavement along Route 66 was complete. With the Great Depression ebbing and propositions for war on the horizon, prosperity did come to communities through which the new highway passed. What were once livery stables or blacksmith shops and even private homes became automobile repair stations and roadside oases for weary travelers. The displacement caused by the mobilization for the Second World War and the advent of the automobile created a new breed of nomads free to explore the North American continent. Fuel tanks thirsty for gasoline and radiators in need of water inspired entrepreneurs eager to serve the needs of auto travelers.

As early as the 1920s, many towns along Route 66 set up organized roadside camps to accommodate travelers who chose to spend the night. The next innovation in overnight shelter was the roadside cabin. Often very simple, four walls and a roof with outdoor restroom facilities, thousands of cabin clusters were built along the highways by the 1930s, along with mom and pop restaurants that served box lunches and fried chicken for the road. West Coast architect Arthur Heineman is credited with combining the words "Motor" and "Hotel" to create the name for the most popular destination of the American motorist by the 1950s, the ever-present motel lit up with a neon-sign. The new roadside architecture and neon signage would evolve quickly into particularly American art forms. With the continued improvement of the interstate highway system and the phenomenal prosperity of the American economy in the mid-twentieth century, a fierce competition began between roadside marketers. Larger and more elaborate signs and more peculiar buildings were needed to attract tourists.

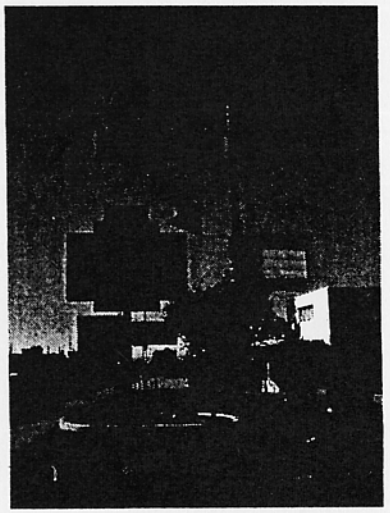


Figure 6: Elaborate signs were built to catch the eye of motor tourists.

A stable post war economy brought with it increased prosperity and more leisure and mobility to many Americans. Route 66 soon became too narrow to accommodate the increase in traffic, and accidents along the highway were numerous. In 1956, the Interstate Highway Act heralded the replacement of the old roads by Interstate Highways with several lanes, inspired by the German Autobahns that had impressed American troops with their efficiency during the war. The interstate system was the death knell for many commercial areas situated between the larger cities and for many of the roadside businesses along Route 66. In Albuquerque, Route 66 was replaced by Interstate 40, and new commercial centers were located near exits and entrances to the new highway.

Current State of Motels in the MRA

In 1985, Williams, Arizona became the final Route 66 town to be bypassed as Interstate 40 was completed. It is no longer necessary to travel any part of Route 66 to reach the Pacific from Chicago. Route 66 is now an historic road and, in some places, a scenic by-way. Its role as both a major transportation and economic corridor has ended. Central Avenue in Albuquerque remains an important local artery but is seldom used by locals or visitors to traverse the metropolitan area. Historic preservation advocates have lobbied the National Parks Administration to establish Route 66 as an historic monument.

There are 15 motels within the Near Heights MRA (see Exhibit 14). All are located along Central Avenue. While many of the motels date from the Route 66 heyday, a significant number are contemporary, post-Route 66 era structures. The Route 66 structures include the La Mesa Motel (1938), the Route 66 Inn (1946), the Pinon Motel (1946), the Tewa Motor Lodge (1946), the Luna Lodge (1949), the Pioneer Motel (1949), and the Trade Winds Motor Hotel (1955). The La Mesa, the Tewa, and the Luna Lodge are on the National and State Historic Registers. All of the Route 66 era structures at least 50 years old are eligible for the registers and would also be considered as contributing structures to any future Route 66 historic district. The motels provide more than 500 rooms for guests, but range in size from 10 rooms (at the small Lazy H motel) to 100 rooms (at the contemporary Economy Inn). Many motels lack some of the amenities demanded by many business travelers and tourists, such as food service or adjacent restaurant facilities, on-site laundry facilities, lounges, and recreational and fitness facilities such as pools or spas. Business travelers, in particular, may desire business services such in-room wiring for computing as well as fax and photocopy services somewhere on the premises. As a result, the motels do not compete for patronage with market rate accommodations in other parts of the city for business travelers and some tourists. Instead, many of the motels appear to cater to guests looking for extended stay accommodations (renting rooms by the week or by the month), looking for low rate accommodations, or looking to stay specifically in an historic Route 66 motel. While these guests may not desire all the amenities listed above, the lack of certain basic amenities (such as the lack of wiring for in-room telephones) makes it harder to compete with newer, market-rate facilities.

Table 6 lists motel location, historic status, year built, ownership, number of rooms, amenities, net taxable value, and appraised value.

One of the motels in the area has recently been demolished, partly as a result of neighborhood concern about activities occurring at the business. The City of Albuquerque shuttered the Sand & Sage Motel under previous ownership as a nuisance property for criminal activity (see Appendix III) and it has since been torn down.

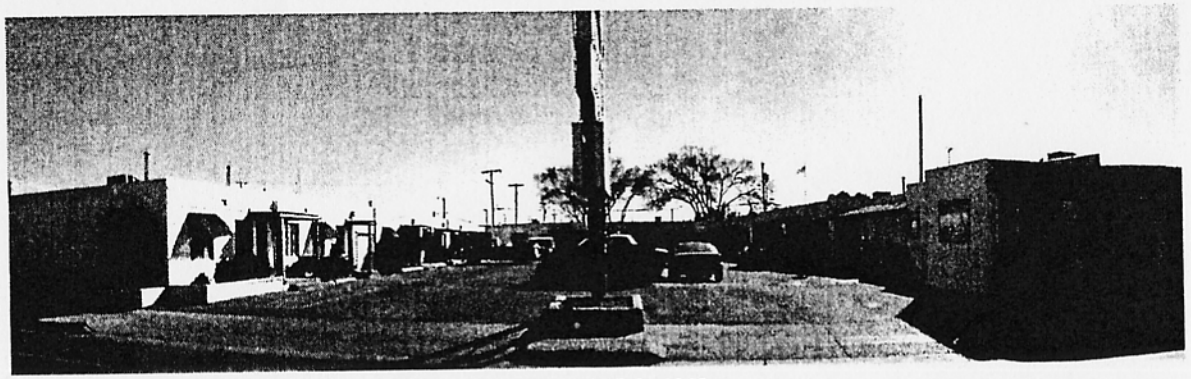
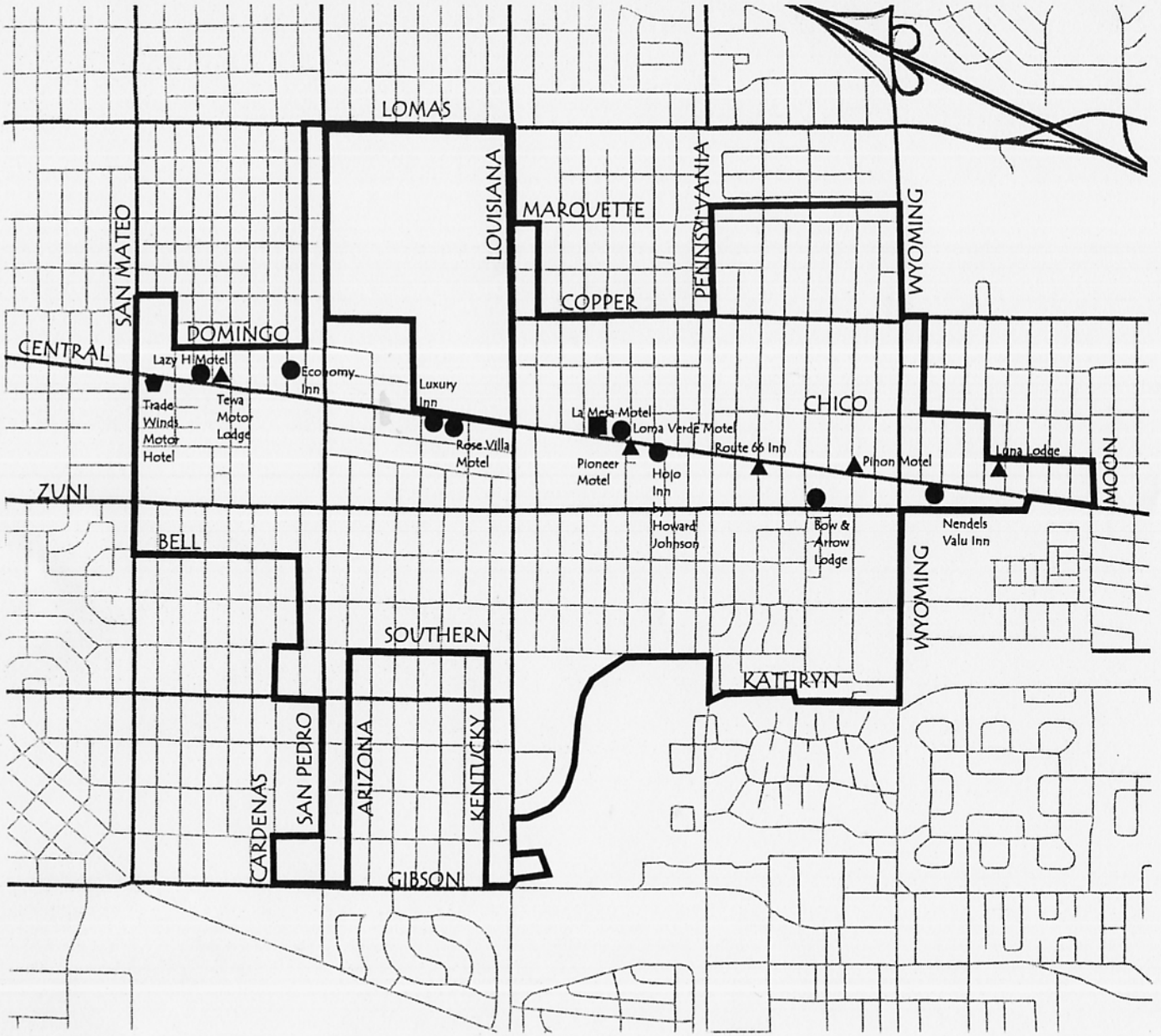
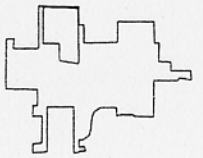


Figure 7: The Pioneer Motel, a typical motor courtyard, was built in 1949.

Motels in the MRA





Legend

- Roads
- Major Arterials
- MRA Boundary

Motels in the MRA

- Year Built Unknown
- 1930's
- 1940's
- 1950's

N

0.3 0 0.3 Miles

NAME	ADDRESS	HISTORIC STATUS	YEAR BUILT	OWNER	NUMBER OF ROOMS	AMENITIES	NET TAXABLE VALUE	APPRAISAL TOTAL
ROUTE 66 INN	8100 CENTRAL AVE SE		1946	Zenin Investment Co	54	None	113894	341716
BOW & ARROW LODGE	8300 CENTRAL AVE SE			Sanchez Joe & Alice	26	None	33026	99088
ECONOMY INN	6101 CENTRAL AVE NE		0	Kassam Nizar Ali	100	Lounge & pool	249975	75000
HOJO INN BY HOWARD JOHNSON	7640 CENTRAL AVE SE			Doshi Rashmi Inc A N	46	None	285050	855233
LA MESA MOTEL	7407 CENTRAL AVE NE	Register	1938		15	None	0**	0**
LAZY H MOTEL	5601 CENTRAL AVE NE			Kassam Mohamed S	10	None	31331	94003
LUNA LODGE	9119 CENTRAL AVE NE	Register	1949	Patel Suresh A & Jay	30	Restaurant	76492	229500
LUXURY INN	6718 CENTRAL AVE SE		0	Montu Incorporated	60	Pool & spa	453074	1359359
NENDELS VALU INN	8814 CENTRAL AVE SE			Kassam Mohamed	28	None	80798	242417
PINON MOTEL	8501 CENTRAL AVE NE		1946	Shah Pratima Etal	22	None	47329	142000
ROSE VILLA MOTEL	6808 CENTRAL AVE SE			Rosa Villa Motel Inc	27	None	44219	132669
TEWA MOTOR LODGE	5715 CENTRAL AVE NE	Register	1946	1213 Inc.	*	None	69357	208093
TRADE WINDS MOTOR HOTEL	5400 CENTRAL AVE SE		1955	Hanna Inc.	83	Laundry, restaurant, & pool	351327	1054087
PIONEER MOTEL	7600 CENTRAL AVE SE		1949	Ladha McHamed & Sara	20	None	66509	199546
LOMA VERDE MOTEL	7503 CENTRAL AVE NE			AA & S Inc			62250	186768

Source: Bernalillo County Public Works Land Use Parcel Data

Notes:

* Respondent at the motel was unwilling to disclose number of rooms.

** Bernalillo County parcel data had 0 values for these fields.

Fields have been left blank if motel owner or representative was not available to provide information.

Table 6: Motels in the MRA

Opportunities and Constraints

Opportunities for operating motel businesses include the possibility of increasing the demand for existing motels in order to enable restoration. Constraints to restoration might include the costly addition of certain basic amenities and facilities to aging buildings and infrastructures. A balance of cost-effective improvements that adequately increase demand without adding services or facilities that might not be desired by the current clientele may be difficult to achieve.

For re-use alternatives, many, if not all, of the factors affecting the commercial corridor project affect the options for re-using historic motel properties in the MRA. Additional constraints are posed by the condition of the buildings themselves and the specificity of their architecture. Table 7, prepared by Dekker/Perich/Sabatini, illustrates the programmatic, fire and life safety, building systems (mechanical electrical and plumbing or MEP), and remodeling cost consideration for redeveloping a typical 20-unit, Route 66-era motor court hotel of wood frame construction. Additional opportunities are created by the proposed federal designation of Route 66 as a scenic by-way, which may increase tourism in the area and enhance the demand for boutique motel stays.

MOTEL RE-USE	
CODE AND PROGRAM ANALYSIS	
Boutique Motel	Type R (Residential)
Programmatic Space:	same, would require only repair and refinish work
Fire & Life Safety:	code update
MEP:	code and repair upgrades
Remodel Cost:	$, repair and refinish costs
Transitional Housing	Type R (Residential)
Programmatic Space:	would require addition of kitchen and possibly storage, lobby may need revision
Fire & Life Safety:	code update
MEP:	addition of plumbing for kitchen and possibly electrical
Remodel Cost:	$$, repair and finish, kitchen addition
Light Manufacturing	Type F (Factory)
Programmatic Space:	would require more open space, electrical addition, and ventilation
Fire & Life Safety:	building type change, exiting and construction requirements more extreme
MEP:	more electrical, ventilation, and possibly plumbing
Remodel Cost:	$$$, building type change and interior space change

Table 7: Motel Re-Use Code and Program Analysis

MOTEL RE-USE	
CODE AND PROGRAM ANALYSIS	
Retail	Type B (Business)
Programmatic Space:	small space, may require more open space and "storefront" related changes, storage
Fire & Life Safety:	code update
MEP:	may require more electrical
Remodel Cost:	$$, mostly electrical and cosmetic
Office	Type B (Business)
Programmatic Space:	may require more open space or adjoining spaces and facilities upgrade
Fire & Life Safety:	code update
MEP:	more electrical, telephone, fiber upgrades, better ventilation
Remodel Cost:	$$, mostly electrical and communications
Incubator Space	Type B (Business)
Programmatic Space:	similar to Office requirements, may also need assembly space
Fire & Life Safety:	code update
MEP:	more electrical, telephone, fiber upgrades, better ventilation
Remodel Cost:	$$, similar to Office
Job Training Center	Type A (Assembly)
Programmatic Space:	more assembly space needed, could adjoin units to make it work, requires more parking
Fire & Life Safety:	code and exiting upgrade
MEP:	more electrical, telephone, fiber upgrades, better ventilation
Remodel Cost:	$$$, building type change and interior space change, may require parking upgrade

Table 7: Motel Re-Use Code and Program Analysis (cont.)

Options

Albuquerque Motel Re-Use Case Studies

In Albuquerque, some original motel properties have already been redeveloped to accommodate other uses. The most common re-use program is housing, both for special populations and for the general market, but other re-uses have also occurred. The planning team visited some of these projects and documented them as options for the Community Action Team to considerate.

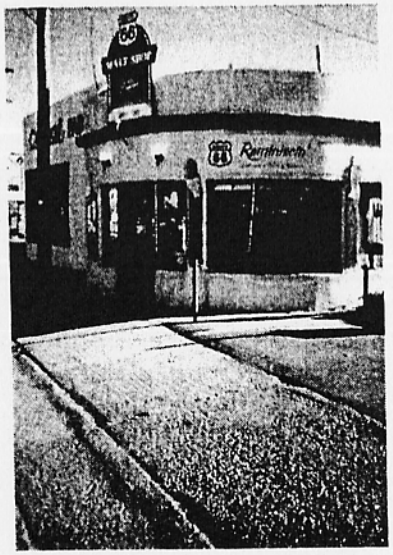


Figure 9: Old Horn Oil Station Malt Shop and Gift Shop

The Monterey Non-Smokers Motel
This project, located at 2402 Central Avenue SW (between Rio Grande Boulevard and the river), is a good example of a motel that has been rehabilitated to include some of the amenities required by current tourists. Its amenities include a swimming pool, an on-site laundry, and a vending area. The rooms have been completely renovated in order to obtain current standards of comfort. Marketed as a non-smoking motel and rated and listed by the American Automobile Association in its travel directories, the business has thrived by catering to a young clientele looking for a charming, offbeat place to stay along Route 66.

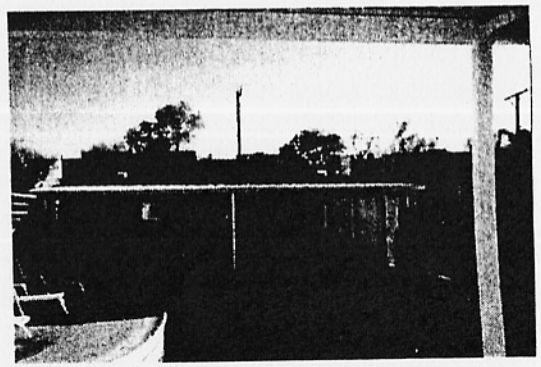


Figure 8: Monterey Non-Smokers Motel Pool

The Old Horn Oil Station
Originally developed as a combination of motor court accommodations and an automobile service station, this project continues to incorporate a mix of uses. These uses include: "market rate" apartments, a retail shop catering to tourists, a restaurant with a soda fountain, a pedicab service station and garage, and a bus station for long distance coach services operating between Albuquerque and El Paso. Part of the project's success has been that it built upon the existing use (a gas station) and has taken advantage of Route 66 history and nostalgia. Its location near the Old Town Plaza, a major Albuquerque tourist destination, has also helped. It is located at 1720 Central Avenue SW, east of Rio Grande Boulevard.

The Tower Courts
This project consists of converted apartments with approximately 20 "market rate" units. It is located at 2210 Central Avenue SW, west of Rio Grande Boulevard.

Albuquerque Mental Health Housing Coalition (AMHHC)
This successful alternative housing project serves the severely mentally ill and the homeless. The 11-unit complex consists of a mix of five one-bedroom units and six studios. Each unit has a kitchen and bathroom. Part of the project's success has been the construction of a wall and gated entry that creates an inner courtyard for residents, a buffer from the noise from and traffic on Central Avenue, and a sense of privacy surrounding the facility. It is located on 4223 Central Avenue NE at the corner of Graceland and Central.

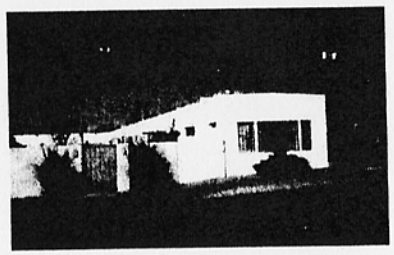


Figure 10: AMHHC Facility Entry

Determining A Programmatic Response to Motel Re-Use on East Central Avenue

Based on the information presented in Table 7, Motel Re-Use Code and Program Analysis, the planning team examined three re-use alternatives in further detail: re-use of the motel for office suites; for light industrial, manufacturing, or assembly use; and as assisted living. Each of the three re-use programs was considered using the same motel prototype: a courtyard motel of approximately 6,500 square feet, containing 12 single rooms (each with a private bath) at 200 square feet each, eight double room accommodations (each with a kitchenette and bath) at 400 square feet each, a management office and storage closet, and no further amenities.

Re-using Motels for Office Suites

Re-using existing motels for small office use attempts to address the perceived lack of small office rentals in the neighborhoods adjacent to Nob Hill. The Office Suite Option would require the relocation of interior walls and openings in order to combine single and double motel rooms to maximize the number of office suites. Because the typical motel plan contains several small rooms, the type of office use the option suggests is non-medical professional office as opposed to a more flexible open-space office plan. The typical office suite would contain a reception and common work areas (including a kitchenette and lavatory), a conference room, and two professional offices. Several improvements would also have to be made to building systems in order to accommodate an office re-use scenario. These include updating the telephone service to the property and adding data transmission technology, upgrading the electrical system, upgrading the plumbing, and upgrading the heating, ventilation, and air conditioning systems. Changes to the exterior, which may contradict the requirements of any historic building designation, include changing the position of window and door openings in the building's façade and replacing exterior doorways. The re-use options yields two office suites at approximately 600 square feet, two office suites at approximately 400 square feet, and a single 200 square foot office. Because building systems (and, therefore, utilities) would be shared and not separately metered, it is assumed that the offices would most likely be leased on a triple net basis.

Other improvements include improving the parking and upgrading the landscaping in order to provide the building with a more professional aspect. Additional parking off site, and perhaps additional storage space, would be key programmatic needs that would need to be met off-site in order to effect the re-use.

Re-using Motels for Light Industrial, Manufacturing, or Assembly Uses

Some successful light industries and assembly operations are currently located in the Near Heights MRA. The most successful of these include plants that assemble Western jewelry that is brought to market via television shopping channels, including QVC and the Home Shopping Network. Either because these operations grew incrementally or because they are unable to identify a single plant property that will adequately address their needs, the owners of this operation often operate several small facilities throughout the neighborhood. Many of the facilities are located in buildings that were originally designed to accommodate strip retail uses. Because the labor involved in these assembly operations requires easily attained craft skills and minor oral and written communication skills in English, the operators are able to offer employment to new immigrants that have settled in the area.

In order to accommodate the expansion of an existing light manufacturing or assembly operation or to accommodate a new business of the same type, the planning team investigated re-using an existing motel for this kind of use. The conceptual plan calls for three separate workshop areas but assumes a single operator or at least highly cooperative operations. In order to maximize the amount of space actually programmed for manufacturing or assembly activities, the conceptual plan includes a single employee lounge, a single restroom for each sex, and a single suite for administration and office uses.

The conceptual plan requires significant modification of the existing facility. On-site modifications would include maximizing open area by removing most of the interior partitions and bearing walls in order to create efficient workshop spaces. The removal of bearing walls, in turn, may result in having to replace the current roof structure with another that could be supported with the remaining walls. Because these operations may include processes that either generate heat or, in some cases, fumes and odors, heating, ventilation,

and air conditioning systems would have to be upgraded to accommodate industrial uses. Similarly the electrical system would have to be upgraded to accommodate the power needs of machinery, and various other modifications would have to be achieved to meet current building code requirements for this kind of occupancy. Some alterations would also need to be made in order to accommodate the turning radius of a truck delivering materials or loading finished product. Any provision for a loading dock would be difficult to achieve given the architecture of most of the original motels. As in the example presented above, this program would also require that additional storage and parking needs be met off-site.

Re-using Motels for Assisted Living

The third re-use option examined by the planning team was the re-use of the prototypical courtyard motel as assisted living. This examination follows closely the model of the Albuquerque Mental Health Housing Coalition described in the "Case Studies" section above. Based on the existing motel architecture, the project is proposed as 20 residential units: 12 studios (each with a kitchenette) at 200 square feet each and eight one bedroom apartments (each with a kitchenette and bath) at 400 square feet each. The interior locations of baths and kitchenettes would have to be reconfigured in order to meet Americans with Disabilities Act (ADA) requirements for kitchens, bathrooms, door openings, and areas around appliances. The existing site plan has been reconsidered in order to minimize the amount of area programmed for parking. In the place of what was parking, a landscaped courtyard is programmed as a common outdoor area. A screen wall is provided to afford residents the maximum privacy possible.

Although, in comparison to the other re-use options examined, the amount of architectural renovation of the existing prototypical facility is minimal, the off-site requirements for this program are more significant than in the other cases. Depending on the level of assistance that is expected for residents both in terms of dealing with the tasks of daily living (housekeeping, meal preparation, laundry, personal hygiene) and in terms of assistance with accessing the social service infrastructure, significant program elements would need to be accommodated on an adjacent or very proximate site. These include a common room for dining and social activities, space for adult day care, administrative offices, classrooms, storage areas, and parking.

Recommendations

Having considered the three motel re-use options described above, the Community Action Team recommended proceeding with a more detailed feasibility analysis of the re-use for Assisted Living (see Exhibit 15). The CAT felt that the re-use program provided the best opportunity for stabilizing a non-operating or marginally operating motel property and for rehabilitating that property to prevent its further decay. The re-use program is also likely to promote the image of a safer environment by replacing transient motel patrons with full-time residents anchored in the community. Another important consideration for the CAT was the presence of nonprofit organizations, including the Albuquerque Indian Center and the Albuquerque Mental Health Housing Coalition, that are interested in providing transitional or special population housing in the area. The program was viewed as the most likely to stimulate nonprofit/private investment in the area. Realizing the program through a neighborhood nonprofit was also seen by CAT members as a way of building the capacity of a local organization while furthering its economic self-sufficiency and sustainability as an institution. CAT members concurred if appropriate assisted living and social services are provided, then there is also an opportunity for the re-use program to increase the number of jobs in the area. Additional full-time residents in the area may also increase the patronage of nearby businesses.

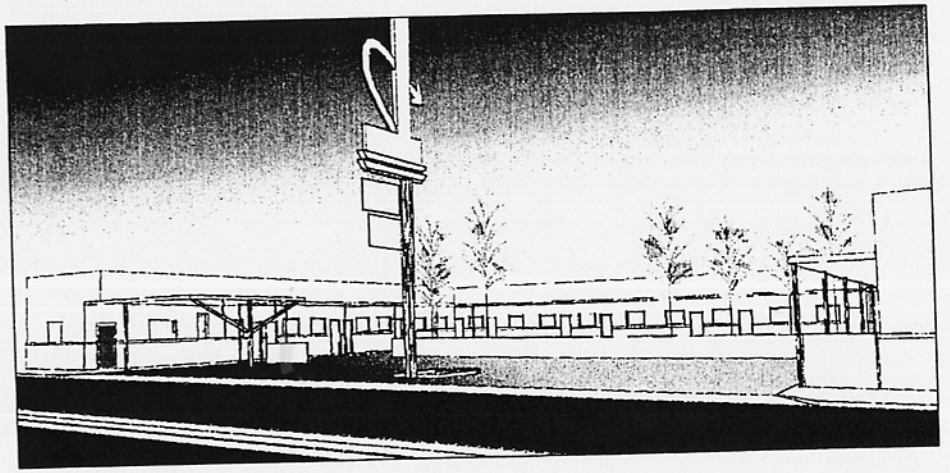
Description of the Recommended Option

Summary

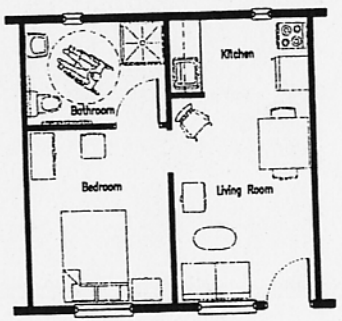
Through the planning process, the goal to satisfy the need for assisted living was established. The Assisted Living Model, a "residential" usage, easily translated into the "motel" typology by direct conversion of the units into apartments. Because of the relative age of these motels, some upgrades will be required including new appliances and plumbing fixtures, weatherproofing windows, refinishing, improved telephone and electrical lines, and perhaps improved heating and cooling units. Because of the similar building

COURTYARD MOTEL RE-USE
ASSISTED LIVING FACILITY

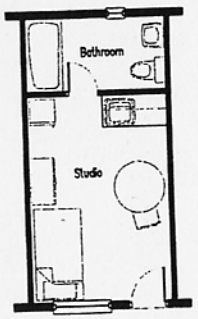
New Haight Metropolitan Redevelopment Area
January 2000



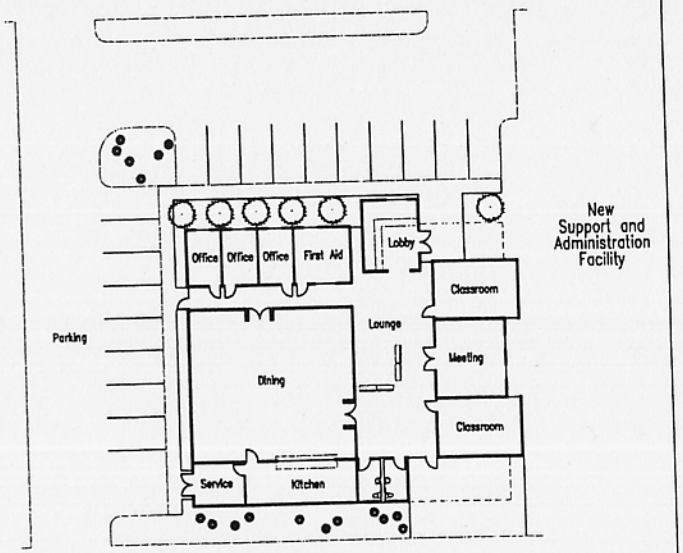
VIEW OF COURTYARD

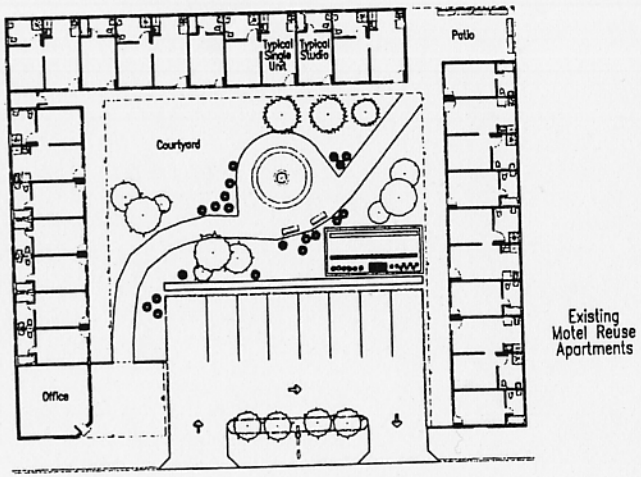


SINGLE BEDROOM 1/4" = 1'-0"
400 SF Accessible Unit



STUDIO 1/4" = 1'-0"
200 SF Non-Accessible Unit





ASSISTED LIVING FACILITY 1/16" = 1'-0"
20 UNITS

Exhibit 15

type, no structural revisions should be required unless the building is in disrepair or has code compliance issues. Any hard construction costs may include re-roofing, widening doors, adding kitchen units, and replacing plumbing. This should be used to determine the feasibility of motel re-use on a case-by-case basis. The central courtyard could double as visitor parking, with tenant parking off-site. It could also double as a common green-space used by the tenants for social gatherings and could include a communal garden.

The Assisted Living Model has a variety of off-site requirements that could not be easily supported by all of the existing motels, the most obvious being parking for the tenants. Depending on the level of "assistance" required for the tenants, other off-site needs could include a common dining room and kitchen, first aid facilities, office and support spaces, meeting rooms, classrooms, and storage. The planning team looked at the off-site requirements in full and added a schematic layout as a design option.

Finally, because of the physical limitations of the elderly tenants, some attention must be paid to accessibility and the Americans with Disabilities Act. The units would not need to be fully accessible, but would require planning for adaptability. This means some conversion for wheelchair clearances, reach limitations, and bathroom fixtures. Again, depending on the existing condition of the motel, this could be a minor or major remodel cost.

Re-use of an existing motor court motel as an Assisted Living Facility would help diminish blight and bring positive activity back to Albuquerque's most historical and apparent avenue as well as support the housing needs of the surrounding neighborhoods.

Description of the Boundaries of the Project Area

The project sponsor, the Albuquerque Indian Center, is located at Texas and Silver streets. The project site is bounded by Central Avenue to the north, Utah Street to the east, Zuni Road to the south, and parts of Rhode Island and Tennessee streets to the west. The apartments on the south end of the block between Rhode Island and Tennessee streets have been excluded. The parcel that contains the potential motel re-use portion of the project, the Route 66 Inn, is bounded by Central Avenue to the north, Texas Street to the east, Tennessee Street to the west, and abuts a vacant parcel on the south. The motel re-use as an assisted living facility concept works best in a general context of adjacent social services, a facet the larger Albuquerque Indian Center project site provides.

Prevailing Conditions

Land Use and Zoning

The entire project area is governed by the Trumbull Sector Plan and is zoned C-1 (Neighborhood Commercial) and C-2 (Community Commercial). Such zoning is intended to provide suitable sites for offices, most service and commercial activities, and certain specified institutional uses. The land use is a mix of privately owned developed and vacant lands. The developed land in the area is currently being used as intended. The vacant land is being used for surface parking to support the adjoining business activities. Re-zoning the area for a Special Use (SU zoning) may facilitate the development process and allow the eventual master developer of the project a greater degree of flexibility.

Characteristics

The area encompasses approximately 8.7 acres of predominantly developed land. The Route 66 Inn, situated on approximately 1.3 acres of the site, is one of several structures in the MRA eligible for the National Register of Historic Places. Other existing structures within the project boundary include the Fair N Square Food Store, a tire store, a Truck Camper Top Lot, a Circle K, and the Albuquerque Indian Center.

Objectives of the Project

The objective of the project is to redevelop substantial portions of the project area in order to change the present land uses into more productive and compatible uses. Combined these uses should create a new activity center whose programs would be a catalyst for other redevelopment in the Near Heights in general and along East Central Avenue in particular.

Process

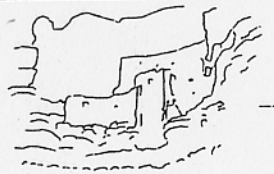
The land is currently held by several private owners. The Albuquerque Indian Center is an important landowner in the project area. In order to expedite the implementation of the Plan the City is willing to assist the Albuquerque Indian Center in its discussion with the United States Departments of Housing and Urban Development and Health and Human Services. In addition, the City should consider rezoning the property for a Special Use. Exhibit 16 and Table 8 describe property ownership in the area by UPC quadrant, block, and parcel number.

Land Acquisition
A master developer will need to exhibit site control in order to qualify for predevelopment grants or other types of assistance. An option to purchase the property would exhibit adequate site control for the purposes of applying for the grant.

UPC	QUADRANT	BLOCK	PARCEL	OWNER	MAILING ADDRESS
101905732805240204	4	2	4	CRAWLEY EDWARD T & SHIRLEY J	1101 GLORIETA NE ALBUQUERQUE NM 87112
101905735201040301	4	3	1	BLDG CORP OF LOCAL UNION	105 TEXAS SE ALBUQUERQUE NM 87108
101905736502040302	4	3	2	LOCAL UNION NO 611	105 TEXAS ST SE ALBUQUERQUE NM 87108 3221
101905735905140303	4	3	3	ZENIN INVESTMENT CO INC	13215 VELMA CT NE ALBUQUERQUE NM 87112 6356
101905735903640304	4	3	4	ZENIN INVESTMENT CO INC	13215 VELMA CT NE ALBUQUERQUE NM 87112 6356
101905735203040305	4	3	5	BLDG CORP OF LOCAL UNION	105 TEXAS SE ALBUQUERQUE NM 87108
101905735202440306	4	3	6	BLDG CORP LOCAL UNION #611	105 TEXAS SE ALBUQUERQUE NM 87108
101905735202040307	4	3	7	BLDG CORP OF LOCAL UNION #611	105 TEXAS SE ALBUQUERQUE NM 87108
101905735201440308	4	3	8	BLDG CORP OF LOCAL UNION	105 TEXAS SE ALBUQUERQUE NM 87108
101905738603340402	4	4	2	GREVEY JOSEPH ETAL	1112 SIGMA CHI NE ALBUQUERQUE NM 87106
101905740001340403	4	4	3	SPRINGER M D ETUX & LOUICK	PO BOX 52085 PHOENIX AZ 85072-2085
101905740003040404	4	4	4	PEERLESS TYRE CO	5000 KINGSTON ST DENVER CO 80239 2522
101905740004840405	4	4	5	PEERLESS TYRE CO	5000 KINGSTON ST DENVER CO 80239 2522

Table 8: Albuquerque Indian Center Property Ownership

Albuquerque Indian Center Ownership



Legend

0 Block Number

0 Parcel Number

Roads

UPC Quadrant

Parcels

Privately Owned, Developed

Privately Owned, Vacant

Project Boundary

N

150 0 150 Feet

Utilities
Representatives of gas, electric, and sanitary sewer utilities have indicated that utilities located within the project area are adequate to support the proposed redevelopment project. The master developer of the project will be responsible for negotiation access and usage of private utilities. Any changes, alterations, or enhancements to the existing public and private utilities will also be the responsibility of the developer.

Historic Preservation
The Route 66 Inn structures are eligible for both the State of New Mexico and National Registers of Historic Places. Adding them to the register will avail the developer of historic building tax credits. Additionally, the developer may approach the City about acquiring a façade easement on the historic property in order to preserve their historic exterior aspects in perpetuity. The project may then be able to secure other funding available for the preservation of historic buildings. Some funding sources for this kind of historic reservation include the Heritage Conservation Program of the Design Arts Division of the National Endowment of the Arts, the National Trust for Historic Preservation, the New Mexico Community Foundation, and the Albuquerque Community Foundation. Once the buildings become listed as historic properties, however, the developer may be severely restricted from altering their exteriors.

Linkages
The intent of this project is to establish programmatic links with other activities planned on the site and with other activities throughout the Near Heights MRA.

Transportation
Located on Central Avenue, a major bus route through the city and an important arterial, residents will have good access to other areas of the city. The site and its surroundings are not pedestrian oriented, however. Unlike older areas of the city that were planned to accommodate walking, the Near Heights was planned around the automobile.

Developing Local Organizational Capacity

The project represents a significant opportunity to build the capacity of local community based organizations and community development organizations. Pre-development grant opportunities and available technical assistance are described in the Implementation section below.

Implementation

Federal subsidies for the development of elderly housing are available through the Community Development Block Grants, HOME, the Department of Housing and Urban Developments (HUD) 202 program for Supportive Housing for the Elderly, and the Internal Revenue Service's Low Income Housing Tax Credit (LIHTC).

Money may be made available by the City of Albuquerque through its CDBG and general funds for pre-development activities associated with the project. As much as $90,000 would be available for a contract project manager to administer preliminary activities associated with the development, including interacting with public agencies, professionals, and other nonprofit housing partners; and coordinating pre-development activities, including a needs analysis and market study. Additionally, $100,000 may be made available from the City's general funds, through the Department of Family and Community Services, for predevelopment activities themselves, including professional services related to appraisals, environmental assessments, building inspections, and possibly master planning and site control. Property acquisition and construction financing, on the other hand, will most likely result from leveraging private financing and grants with subsidies realized through HUD 202 or the LIHTC. Given the different requirements of each of the programs, they may or may not be compatible in a way that allows the combining of funding sources. Other technical assistance is available both through federal government programs and private foundations.

HUD Section 202 Supportive Housing for the Elderly Program

The Department of Housing and Urban Development (HUD) provides funding to expand the supply of housing with supportive services for elderly persons. Section 202 provides capital advances to finance the construction and rehabilitation of structures that will serve as supportive housing for very low-income elderly persons and provides rent subsidies for the projects to help make them affordable. This program helps expand the supply of affordable housing with supportive services for the elderly. It provides low-income elderly with options that allow them to live independently but in an environment that provides support activities such as cleaning, cooking, and transportation.

Type of Assistance
This program provides capital advances to finance property acquisition, site improvement, conversion, demolition, relocation, and other expenses associated with supportive housing for the elderly. The capital advance does not have to be repaid as long as the project serves very low-income elderly persons for 40 years. Project Rental Assistance is used to cover the difference between the HUD-approved operating cost per unit and the tenant's rent. Project Rental Assistance contract payments can be approved up to five years. However, contracts are renewable based on the availability of funds. Construction on projects must start within 18 months of the date of fund reservation, with limited exceptions up to 24 months. Funds are advanced on a monthly basis during construction.

Eligible Grantees
To be eligible for funding under Section 202 the applicant must be a private, nonprofit organization with prior experience in housing or related social service activities. As a minimum capital investment, the owner must deposit in a special escrow account 0.5 percent of the HUD-approved capital advance, up to a maximum of $25,000 for national sponsors or $10,000 for other sponsors. Government entities are not eligible for funding under this program.

Criteria for allocation of program funding include the number of elderly rental households served, the number of very low-income elderly renters in the area, and the number of very low-income elderly renters with housing problems who pay more than 30 percent of their incomes for rent.

Eligible Customers
The program benefits any low-income residents age 62 years and older.

Application
Applicants must submit an application for a capital advance, including a Request for Fund Reservation (HUD Form 92015-CA) and other information in response to the Notice of Fund Availability (NOFA) published in the Federal Register each fiscal year. Organizations that apply for Section 202 compete for program funds allocated to each individual HUD Field Office. Awards are usually announced in September.

Low Income Housing Tax Credit

A second method of implementing the project is through the Low Income Housing Tax Credit (LIHTC) Program. The Tax Reform Act of 1986 established the LIHTC Program to stimulate private sector investment in low-income rental housing. In August of 1993, permanency was granted to the LIHTC Program after numerous temporary annual extensions. As of January 1997, the Mortgage Finance Authority (MFA) was authorized under law to allocate in the State of New Mexico an annual population allocation, any subsequent carry-forward, returned, and national pool credits.

Several things about his project would deem it to be competitive in the Tax Credit Allocation Process: it is directed towards the elderly, it involves a nonprofit organization as a sponsor, it has fewer than sixty units, and it involves the rehabilitation of existing structures. Each of these factors would contribute to the score given to the application by MFA.

Numerous technical rules govern a project's qualification for tax credits. The following is a summary of certain key provisions of Section 42 of the IRS Code and regulations, and the LIHTC Program. Applicants are advised to review the IRS Code directly for further detail, since this overview does not address all of the provisions.

All Tax Credit Applications must meet each of the following requirements:

- A complete Initial Application Package as described in Section 4.1 must be submitted to MFA on or before the application deadline.
- Site control must be evidenced by a written governmental commitment to transfer the land to the Applicant, recorded deed or leasehold interest, or by a fully executed purchase contract or purchase option. If a contract or option is submitted for a new construction project, the agreement must provide for an initial term lasting at least until July 31st of the year in which the allocation is made. This initial term may not be conditioned upon any extensions, additional payments, or other such requirements.
- Evidence of approved zoning of the proposed site must be submitted. This requires that the existing zoning of the proposed site does not prohibit multi-family projects. Projects sited on land which is not zoned or which is zoned agricultural are exempt from this threshold test, but must obtain zoning approval within one hundred twenty (120) days of the date of the Reservation Letter.
- Applicants must be in compliance with respect to all other LIHTC projects that they own or operate.
- Acquisition/Rehabilitation – The Project's acquisition/rehabilitation Total Development Cost per unit must not exceed the weighted average total Development Cost per unit for all new construction Projects submitted in the same round.
- Tax Exempt Bond Financed Project costs must not exceed 130 percent of the weighted average total Development Cost per unit for all Projects submitted in the previous allocation round.
- Projects specifically designated for exclusive use by senior residents must feature independent living, a central common area that can be used for resident activities as well as serving meals with an adjoining kitchen area, and an on-site resident manager. Senior is defined as a person 62 years of age or older. Projects designed for elderly residents with more than 10 percent of their gross square footage devoted to common areas for social and recreational use may not exceed 150 percent of the weighted average total development cost.

Combining Funding Sources
Combining funding sources in a way that involves other sources of federal government subsidy (like the HUD 202 program) reduces the project's tax credit allocation from 9 percent to 4 percent. Given the rigors and expense of preparing an application for tax credits and the keen competition among applicants, a lower allocation of credits may render combining the LIHTC with other subsidies unfeasible.

Establishing a Community Housing Development Organization (CHDO) in the Near Heights

Establishing an existing Near Heights community based organization as a Community Housing Development Organization (CHDO) would facilitate the development of this project. A CHDO is a nonprofit organization that meets the specific criteria and is certified by a participating jurisdiction to receive funding under the HOME program.

The participating jurisdiction may also designate a potential CHDO if the jurisdiction intends to work with the group once it meets the following CHDO criteria:

- A 501(c) designation
- One year of community service
- A commitment to affordable housing included in its bylaws
- Demonstrated capacity to produce affordable housing
- A Board of Directors that reflects the community (1/3 of the Board must be from one or all of these following constituencies: residents of low income neighborhoods, elected representatives of low income neighborhood organizations, or low income community residents.)
- No control by public or for-profit entities
- Financial accountability

Building the capacity of the nonprofit housing sector is one of HOME's goals. In designing this program, policy-makers wanted to spend federal dollars to produce housing that responds to the development needs of communities. They wanted the residents of the neighborhoods and communities served to participate, direct, and have ownership in the housing that is built or rehabilitated with federal assistance. Increasingly, other funding sources are demanding a quantifiable demonstration of how nonprofit developers are making sure low income people are involved in the policy, planning, and development of their work.

To qualify as a CHDO, the group must respond to certain requirements that will show a clear link between development activities and community needs. Another goal is to ensure community ownership and control of the housing projects. The development of a housing project by a CHDO should be a starting point for how the community's needs are addressed. The rules and regulations defining a CHDO are not sufficient to create commitment and responsiveness within a community. Ongoing engagement, involvement, and dialogue within a community and among the recipients of these services will help address specific areas of community need.

It is important to think what kinds of groups are likely to become CHDOs. Church groups that are active in their community might want to develop a housing project. Social service agencies, tenant organizations, and special needs providers are all likely candidates for the HOME program. Any nonprofit group could qualify if its parent organization has a history of serving its community where housing to be assisted with HOME funds will be used.

Technical Assistance and Capacity Building for Near Heights Nonprofits

Technical assistance and capacity building programs are available to nonprofits through a variety of sources. The Center for Community Change (CCC), based in New York City and San Francisco, provides comprehensive assistance, usually on-site, to all types of community organizations. CCC works with neighborhood organizing groups, community development corporations, community-based service providers, local and regional coalitions, and, in some cases, local and state governments to build strong organizations in poor areas. CCC has worked with Albuquerque community based organizations in the past, including the Sawmill Community Development Corporation, and has a relationship with the Albuquerque Indian Center.

The Administration for Native Americans (ANA) of the Department of Health and Human Services has both grant programs and technical assistance programs to assist both tribal and non-tribal organizations serving Native Americans. ANA has awarded contracts to provide short-term training and technical assistance. Technical assistance is available under these contracts for a wide range needs. The contractors are not authorized to write applications, but to assist ANA applicants to conceptualize strategies for social and economic development, language preservation, and environmental regulatory enhancement and translate them into a viable application for ANA funds. The

assistance is provided at no cost to the recipient. Any potential applicant for ANA funds is encouraged to contact the appropriate provider. In urban areas, the ANA contractor is:

Dr. Robert J. Swan,
C.E.O. RJS & Associates, Inc.
RR1, Box 694 Box Elder, Mt. 5952
(406) 395-4757 or (888) 838-4757 (toll free) fax (406) 395-4759

E-Mail:rjsinc@rjsinc.org
www.rjsinc.org/region6.html

ANA also provides grants to organizations providing economic development and social development services to Native Americans. Social development programs include those that safeguard the health, well being, and culture of a Native American people and which promote the self-sufficiency of their communities. ANA grants are available to Urban Indian Centers and could be used to fund pre-development activities of this project providing that the applicant had secured an interest in the property through an option to buy the property or other means.

Tables 9 and 10 show project costs and income and expenses, respectively. Please refer to Appendix IV for a schedule for implementation.

ALBUQUERQUE INDIAN CENTER ASSISTED LIVING FACILITY COSTS		
Property Acquisition Costs		
Property Cost ($/SF)		$40.00
Heated Area (SF)		18,500
Subtotal Property Acquisition		$740,000
Closing Costs	2%	$14,800
Total Property Acquisition Costs		***$754,800***
Land Development Costs		
Site Construction Costs		
Land Development Costs ($/SF)		$2.00
Site improved (SF)		20,000
Subtotal Site Development Construction Costs		***$40,000***

Table 9: Albuquerque Indian Center Assisted Living Facility Costs

ALBUQUERQUE INDIAN CENTER ASSISTED LIVING FACILITY COSTS		
Professional Services		
Landscape Architecture (@3%)	3%	$1,200
Engineering (@ 5%)	5%	$2,000
Surveying, Soils Testing		$2,500
Subtotal Professional Site Services		***$5,700***
NMGRT on Site Work and Professional Services	5.8125%	$2,656
Subtotal Site Development Costs		***$48,356***
Building Redevelopment Costs		
Exterior Improvements ($/SF)		$1.00
Area of Improvements		18,500
Exterior Building Improvements Costs		$18,500
Professional fees (5%)	5%	$925
NMGRT	5.8125%	$1,129
Subtotal Exterior Redevelopment Costs		***$20,554***
Interior Redevelopment Cost ($/SF)		$25.00
Area of improvements		18,500
Professional fees (5%)	5%	$23,125
Interior Redevelopment Costs		$485,625
NMGRT	5.8125%	$28,227
Subtotal Interior Redevelopment Costs		***$513,852***
Total Estimated Project Costs		**$1,337,562**
This estimate is conceptual in nature and is subject to change (up or down) once a thorough investigation of site issues and developer input is received.		

Table 9: Albuquerque Indian Center Assisted Living Facility Costs (cont.)

ALBUQUERQUE INDIAN CENTER ASSISTED LIVING FACILITY INCOME AND EXPENSES		
Leasable units	*1*	*51*
Studios (@ 200SF)		*15*
One Bedrooms(@ 400SF)		*36*
Studio Rent per Unit	*2*	*$444.00*
One Bedroom Rent per Unit	*3*	*$454.33*
Equity		
Project Costs	*5*	*$1,337,562*
HUD 202 Capital Advance	*6*	*$1,003,172*
Required equity		***$334,391***
Income		
Rent		
Rent studio apartments		*$79,920.00*
Rent one bedroom apartments		*$196,272.00*
Vacancy rate		*10%*
Anticipated Rental Income		
Rent		*$276,192*
Less vacancy		*$27,619*
Gross Rental Income		***$248,573***

Table 10: Albuquerque Indian Center Assisted Living Facility Income and Expenses

ALBUQUERQUE INDIAN CENTER ASSISTED LIVING FACILITY INCOME AND EXPENSES		
Expenses		
Administrative Expenses		
Accounting and Audit		*($10,000)*
Advertising		*($2,500)*
Legal		*($5,000)*
Management Salaries/Taxes		*($18,000)*
Office Supplies and Postage		*($1,200)*
Telephone		*($600)*
Subtotal Administrative Expenses		***($37,300)***
Operating Expenses		
Electricity		*($10,000)*
Water and Sewer		*($7,500)*
Gas		*($10,000)*
Garbage/Trash		*($7,500)*
Subtotal Operating Expenses		***($35,000)***
Maintenance Expenses		
Exterminating		*($10,000)*
Maintenance Budget	*7*	*($26,751.25)*
Subtotal Maintenance Expenses		***($36,751)***
Fixed Expenses		
Real Estate Taxes	*8*	*($13,233)*
Property Insurance		*($3,000)*
Subtotal Fixed Expenses		***($16,233)***

Table 10: Albuquerque Indian Center Assisted Living Facility Income and Expenses (cont.)

ALBUQUERQUE INDIAN CENTER ASSISTED LIVING FACILITY INCOME AND EXPENSES		
Annual Debt Service	*9*	***($33,439)***
Total Expenses		***($142,490)***
Amount available for service provision and operating community facilities		***$106,082***
This estimate is conceptual in nature and is subject to change (up or down) once a thorough investigation of site issues and developer input is received.		
1 - Assumes one unit is provided rent free to a resident manager.		
2 - Rents are limited to 30% of the median income of a household, for studio units single person households were used.		
3 - For one-bedroom units a mix of single person and two person households were used to calculate the allowed rent.		
4 - HUD grants are limited to 75% of the production cost of a unit.		
5 - Cost of production of housing units only, congregate and community facilities are not included.		
6 - HUD 202 grants are limited to 75% of the production costs within cost ceilings set by HUD by location and unit type.		
7 - Estimated at 2% of construction costs.		
8 - Valued at $60.00 per SF of gross building area; taxable value is 1/3 of assessed value; mill rate is $35.766 per $1000		
9 - Assumes effective 10% interest rate per year.		

Table 10: Albuquerque Indian Center Assisted Living Facility Income and Expenses (cont.)

Section 10: HOUSING MASTER PLAN

The Housing Master Plan portion of the Near Heights Metropolitan Redevelopment Area Plan documents the existing housing market in the MRA, provides an overview of demographics in the area as they affect the housing choices of residents, identifies the housing programs currently being implemented in MRA neighborhoods, and makes programmatic recommendations for improving housing accommodations. The area is characterized by a clustering of aging multi-family housing that has resulted in the highest concentration of renter occupied housing units in the City of Albuquerque. In nearly half of the census blocks in the vicinity of the MRA, 68 percent or more of the housing units are occupied by renter families as compared with 39 percent for all census blocks in Bernalillo County. The costs of housing also remain a burden for many area residents. Almost half of all residents of the MRA spend more than 30 percent of their income on housing.

Softening demand for units has resulted in higher vacancy rates among MRA multi-family developments and the incidence of landlord provided incentives (such as a month's free rent). These incentives may result in a higher degree of internal migration among area renters, which in turn negatively impacts the delivery of human and social services to those who need them. Area elementary schools, according to Albuquerque Public School demographers, report disproportionately high rates of mobility.

Despite these challenges, opportunities exist for increasing home ownership in the community. Some successful infill projects, including the Alcazar Town Homes in the Trumbull Neighborhood, have already been implemented. Such programs are directed at increasing owner occupancy in the area and the areas surrounding the MRA.

History of Housing Development in the MRA

The majority of the housing in the Near Heights was developed in the 1950s and the 1970s. Development responded in those periods to housing shortages in the Albuquerque metropolitan area resulting from the post-World War II expansion, increased economic activity at what is now Kirtland Air Force Base, and increased enrollment at the University of New Mexico. The majority of housing units constructed were multi-family units in response to both financial incentives in the federal tax code and to local zoning (the Trumbull Neighborhood and La Mesa Sector Development Plans) that concentrated multi-family housing in the area. With rare exceptions, a majority of this housing does not meet current building codes (as witnessed by owners involved in recent renovation attempts in the area). With the sunseting of tax incentives for passive real estate investments during the first Reagan administration, many of the multi-family properties experienced deferred maintenance and increasing disrepair. Competition from newer multi-family housing developments in northern portions of the North East Heights (especially along the Montgomery corridor) led to increased vacancies and lower effective lease rates in the area. In the same period, the federal government programs and lower interest rates increased the accessibility of single-family home ownership for many families, further dampening the demand for multi-family units.

HOUSING UNITS BY YEAR BUILT	8,177
BUILT 1989 TO MARCH 1990	0.78%
BUILT 1985 TO 1988	8.62%
BUILT 1980 TO 1984	7.74%
BUILT 1970 TO 1979	29.86%
BUILT 1960 TO 1969	17.94%
BUILT 1950 TO 1959	26.57%
BUILT 1940 TO 1949	6.95%
BUILT 1939 OR EARLIER	1.53%

Table 11: Housing Units in the MRA by Year Built

Current State of Housing Accommodations in the Near Heights MRA

Several conditions exist which retard the provision of adequate housing accommodations in the Near Heights MRA. The following is a description of those conditions and current attempts to address them.

Demographics of the Area Residents as they Affect Housing Choices

The following demographics were obtained by Grubb & Ellis (national) and represent the demographic profile matching the boundary definitions of the MRA.

Overall Populations

Because so much of the MRA is at build out and because very few new housing units have been constructed in the vicinity, the overall number of households in the area has remained stable. During the 1990s the number of households in the area increased by 223 or slightly less than 3 percent. Total population, however, decreased in the same period. This occurred even after a period of increase in the previous decade. Continued decreases appear likely.

POPULATION	
2004 PROJECTION	18,884
1999 ESTIMATE	19,103
1990 CENSUS	19,320
1980 CENSUS	18,324
GROWTH 1980 – 1990	5.44%

Table 12: Population

HOUSEHOLDS	
2004 PROJECTION	8,459
1999 ESTIMATE	8,386
1990 CENSUS	8,163
1980 CENSUS	7,905
GROWTH 1980 – 1990	3.27%

Table 13: Total Number of Households

Income Levels

As noted in an earlier section of this document, the median household income of residents living in or near the MRA is only 80 percent of that for all residents of Bernalillo County. Nevertheless household incomes have increased overall and are projected to continue increasing, with the $50,000 to $74,999 income range expected to double by 2004. At the same time small decreases have occurred in the number of households with incomes below $25,000, illustrating an overall growth in the capacity of area residents to afford housing and to expand their array of housing choices.

HOUSEHOLDS BY INCOME	1990	1999	2004
	8,293	8,386	8,459
$150,000 OR MORE	0.20%	0.30%	0.70%
$100,000 TO $149,999	0.32%	1.22%	1.95%
$75,000 TO $99,999	0.68%	2.55%	4.21%
$50,000 TO $74,999	4.71%	8.96%	10.82%
$35,000 TO $49,999	9.47%	15.10%	15.28%
$25,000 TO $34,999	14.96%	15.65%	16.46%
$15,000 TO $24,999	23.77%	23.42%	21.84%
$ 5,000 TO $14,999	32.40%	24.46%	22.38%
UNDER $5,000	13.49%	8.34%	6.36%
1999 ESTIMATED AVERAGE HOUSEHOLD INCOME		$28,260	
1999 ESTIMATED MEDIAN HOUSEHOLD INCOME		$22,346	
1999 ESTIMATED PER CAPITA INCOME		$12,602	

Table 14: Households by Income

Almost 27 percent of all households in the area live on incomes below the poverty level. Almost 17 percent of all households contain persons above the age of 65, a relatively high percentage of elderly for the City of Albuquerque. Approximately one elderly household out of every five in the area lives below the poverty level.

HOUSEHOLDS BY AGE BY POVERTY STATUS	8,293
ABOVE POVERTY UNDER AGE 65	59.93%
ABOVE POVERTY AGE 65 +	13.16%
BELOW POVERTY UNDER AGE 65	23.27%
BELOW POVERTY AGE 65 +	3.64%

Table 15: Households by Age by Poverty Status

Forty-four percent of those living in poverty are estimated to be children.

Household Composition
Approximately one out of every three households in the MRA contains children. Of those households, roughly half are headed by two parent families and half are headed by single parents. Women head the vast majority of single parent households.

HOUSEHOLDS WITH CHILDREN	2,755
MARRIED COUPLE FAMILY	50.37%
OTHER FAMILY-MALE HEAD	12.42%
OTHER FAMILY-FEMALE HEAD	34.99%
NON FAMILY	2.22%

Table 16: Households with Children

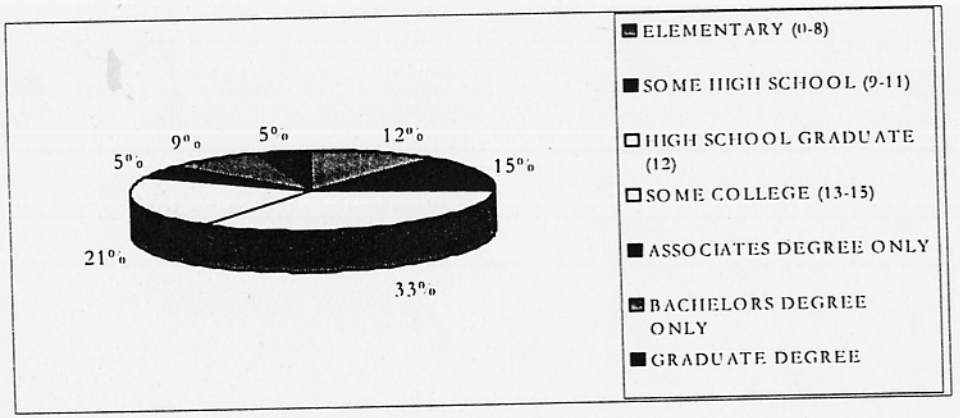


Figure 11: Education Demographics

Education Demographics
The largest segment of the population (33 percent) has graduated from high school, followed by another 40 percent who have gone past high school, leaving 33 percent of the population at some high school education or lower. The significant number of people who have not attained some of the basic education for employment in today's economy may result in lower income employment and, therefore, may provide additional challenges to achieving home ownership for households headed by those wage earners.

The Character of Housing in the Near Heights

Incidence of Renters and Homeowners

The area is characterized by a clustering of aging multi-family housing that has resulted in the highest concentration of renter occupied housing units in the City of Albuquerque. In nearly half of the census blocks in the vicinity of the MRA, 68 percent or more of the housing units are occupied by renter families as compared with 39 percent for all census blocks in Bernalillo County.

OCCUPIED UNITS	8,163
OWNER OCCUPIED	31.92%
RENTER OCCUPIED	68.08%
1990 AVERAGE PERSON PER HOUSEHOLD	2.34

Table 17: Occupied Units by Type

Household Size and Persons per Housing Unit

With the average household size at 2.34 persons, households in the MRA are somewhat smaller than the median size household in Bernalillo County, which contains 2.55 persons. Approximately 64 percent of the population lives in dwellings that house no more than two persons per unit. This is a strong indication that any future housing needs to be concentrated more towards the studio/one-bedroom market than the two- to three-bedroom markets.

PERSONS IN UNIT	8,163
1 PERSON UNITS	36.23%
2 PERSON UNITS	28.41%
3 PERSON UNITS	15.37%
4 PERSON UNITS	10.97%
5 PERSON UNITS	5.16%
6 PERSON UNITS	2.29%
7 + UNITS	1.57%

Table 18: Persons Per Unit

Housing Types
Single-family townhouses and detached housing account for only 31 percent of housing in the area. Another 60 percent is accounted for by small, medium, and large multi-family residences. Mobile homes make up the balance of housing in the area.

UNITS BY STRUCTURE	9,457
SINGLE UNITS DETACHED	28.75%
SINGLE UNITS ATTACHED	2.57%
DOUBLE UNITS	5.96%
3 TO 9 UNITS	28.81%
10 TO 19 UNITS	7.72%
20 TO 49 UNITS	7.40%
50 + UNITS	9.67%
MOBILE HOME OR TRAILER	7.87%
ALL OTHER	1.24%

Table 19: Units by Structure

Owner Occupied Housing Valuations
This 1990 housing information lacks the recent "micro-boom" Albuquerque has witnessed in housing prices, but it does indicate that a majority of the housing in this area would be in the affordable range. Owner-occupied housing in the Near Heights has witnessed slower sales and depressed appreciation when compared to the rest of the metropolitan area's housing market.

OWNER OCCUPIED PROPERTY VALUES	1,898
UNDER $25,000	1.34%
$25,000 TO $49,999	11.80%
$50,000 TO $74,999	59.12%
$75,000 TO $99,999	24.24%
$100,000 TO $149,999	3.25%
$150,000 TO $199,999	0.20%
$200,000 TO $299,999	0.00%
$300,000 TO $399,999	0.00%
$400,000 TO $499,999	0.05%
$500,000 +	0.00%
MEDIAN PROPERTY VALUE	$65,583
TOTAL RENTAL UNITS	5,407

Table 20: 1990 Owner Occupied Property Values

Inventory of Implemented Projects in the Area

Over the past several years, the City of Albuquerque, the New Mexico Mortgage Finance Authority, private developers, and nonprofit housing and social service agencies have each attempted to:

- improve the quality of existing rental housing and preserve the affordability of such housing
- achieve greater neighborhood stability and a more mixed income environment by increasing the number of owner-occupied housing units
- preserve the existing stock of owner-occupied units

The following is an inventory of both construction projects and non-construction programs that have been implemented to meet these ends within the MRA. They have been categorized as follows:

- renovation of multi-family rental properties
- new construction of multi-family rental properties
- renovation of housing units for owner-occupants
- new construction of owner-occupied units
- other housing programs

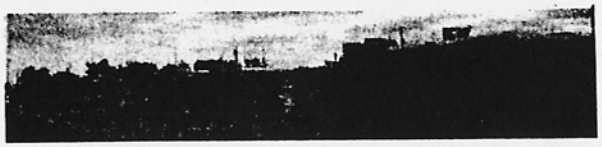
Renovation of Multi-Family Rental Properties

- **NM Conference of Churches, acquisition and renovation**

The New Mexico Conference of Churches, one of the first nonprofit groups to purchase apartments, purchased this property in the early 1990s from the Resolution Trust Corporation.

ADDRESS	FUNDING SOURCES	AMOUNT	DEVELOPER
1335 Ortiz SE	N/A	N/A	NMCC

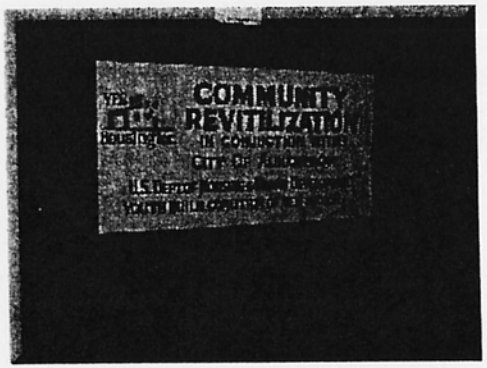
- **New Life Homes, acquisition and renovation**



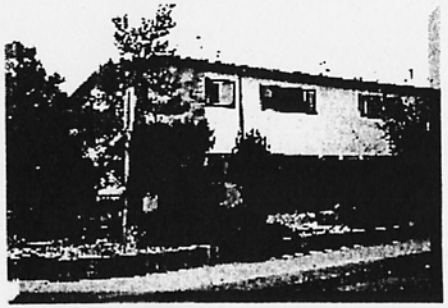
New Life Homes, a nonprofit, purchased this property in the early 1990s from the Resolution Trust Corporation.

ADDRESS	FUNDING SOURCE	AMOUNT	DEVELOPER
437 Kentucky SE	N/A	N/A	New Life Homes

- **YES Housing Inc. (YDI), acquisition and renovation**



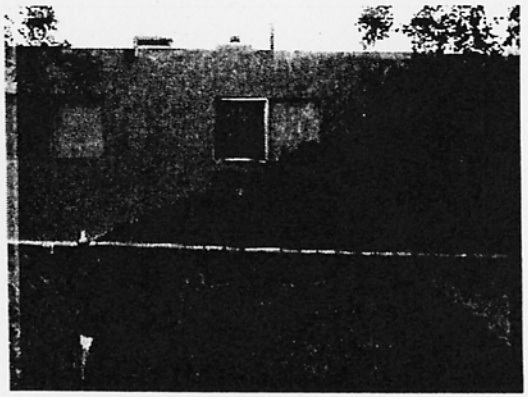
YES Housing Inc., recently purchased fourplexes on Charleston and Chama which are currently under renovation for new residents.



YES Housing, Inc. also purchased this 58-unit property (Park Terrace and Melinda Vista) from the Resolution Trust Corporation in December of 1992.

ADDRESS	FUNDING SOURCE	AMOUNT	DEVELOPER
530 Charleston SE 436-444 Chama SE Park Terrace and Melinda Vista	N/A	N/A	RHI

- **Texas/Marquette Affordable Housing Project**



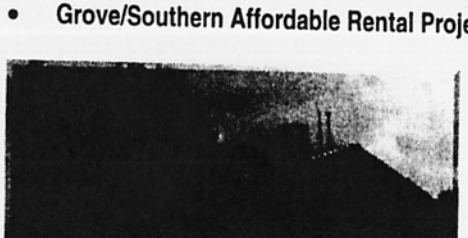
Through a grant from the City, Rural Housing, Inc. (RHI) purchased the 12-unit apartment complex in 1992. The complex consists of one one-bedroom unit, 10 two-bedroom units, and one three-bedroom unit. The City contributed $100,000 towards the acquisition and renovation with the balance provided through conventional financing.

The complex was acquired in order to provide affordable housing and an office for the Peanut Butter and Jelly Program. This program works with low-income children with mental disabilities. The office area is also utilized for basic life skills education and training.

Rents for the units are based on income. Currently the one-bedroom unit rent is $300 month, a two-bedroom unit rents for $315-347 a month, and the three-bedroom rents for $394.

ADDRESS	FUNDING SOURCE	AMOUNT	OWNER
535-551 Texas NE 8112-8116 Marquette NE	CDBG Private	$ 100,000 $ 161,000	RHI

- **Grove/Southern Affordable Rental Project**



This building was in the Resolution Trust Corporation's portfolio of foreclosed properties. Vacant for several years, the City has condemned the building.

Through a grant from the City, RHI purchased the 12-unit, one- and two-bedroom apartment complex in October of 1995. The City contributed $80,000 towards the renovation with the balance of the $100,000 provided through conventional financing.

Upon completion of renovation in April 1996, six of the apartments were reserved for participants of the "Bridges" program - a post release program for women from Bernalillo County Jail. Rent for the units will be $320 a month for the one-bedroom units and $375 a month for the two-bedroom units.

ADDRESS	FUNDING SOURCE	AMOUNT	OWNER
636-644 Grove SE/Southern SE	HOME Private GF Match	$ 76,500 $ 100,000 $ 25,500	RHI

- **San Pablo Affordable Rental Housing**

528 San Pablo was purchased from HUD by RHI in September 1995. The property has been abandoned and vacant for several years. The three-unit, two-bedroom apartment complex had been severely deteriorated and was being utilized as a hangout for drug dealers and users as well as vagrants.

Renovation began in October and was completed in December 1995.

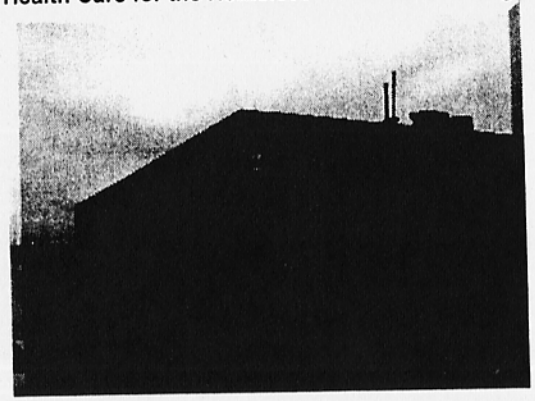
During the renovation phase of the project, the owners of the apartment complex immediately south of the building expressed interest in selling their property. This building (532 San Pablo) was also very dilapidated. Though occupied, windows were covered with plywood, one unit had no heat, and the general condition was very poor.

The building was purchased by RHI with a loan from the City in December of 1995. The tenants of the building were moved to the newly renovated units in 528 San Pablo. Rehabilitation of 532 San Pablo was completed in April 1996.

Apartment units in both properties are rented at $375 a month including utilities.

ADDRESS	FUNDING SOURCE	AMOUNT	OWNER
528-532 San Pablo SE	CDBG HOME GF Match	$ 87,800 $ 86,625 $ 46,175	RHI

- **Health Care for the Homeless Transitional Living Program**



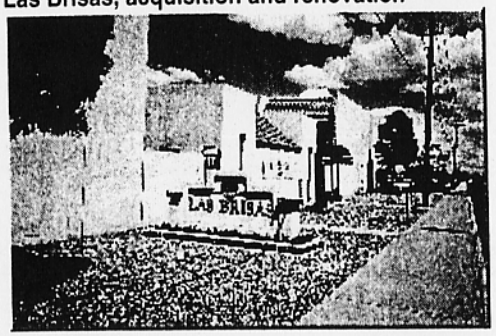
The Federal Home Loan Bank provided RHI a grant of $126,000 for acquisition ($96,000) and renovation ($30,000). Private financing provided the balance of funds needed to renovate this 24-unit, one-bedroom apartment complex.

RHI serves as the management company for this complex. The units are leased to clients of Health Care for the Homeless Transitional Living program. Through a grant from HUD, the City subsidizes rents for these formerly homeless persons. During tenancy the residents participate in peer counseling programs to address the causes of their initial homelessness. Clients may remain in the program for a maximum of two years.

Rents in the apartment complex are $303 a month (utilities included).

ADDRESS	FUNDING SOURCE	AMOUNT	OWNER
Bell & Pennsylvania SE	FHLB Private S+C	$126,000 $180,000 $ 98,800	City

- **Las Brisas, acquisition and renovation**



Las Brisas, a 120-unit apartment community was purchased in 1997. The purchaser utilized low income housing tax credits as the equity source for acquisition and renovation. Under the LIHTC program, a certain percentage of the units are set aside for affordable housing, while the balance are rented at market rates.

ADDRESS	FUNDING SOURCE	AMOUNT	DEVELOPER
1201 San Pedro SE	LIHTC	N/A	RHI

- **Rehabilitation Service and Veteran Program (RSVP), acquisition and renovation**

RSVP, after two attempts, successfully secured HUD approval of a 202/811 program to develop 18 new units to provide veteran housing.

ADDRESS	FUNDING SOURCE	AMOUNT	DEVELOPER
Palomas SE	N/A	N/A	Rehabilitation Service and Veteran Program

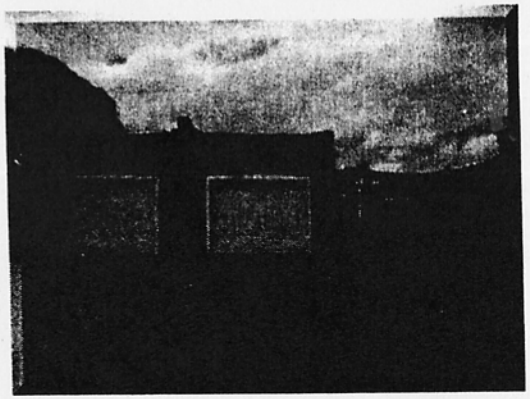
New Construction of Multi-Family Rental Properties

- **Aspen Plaza**

The developer/buyer of the site, Kaufman & Broad, has been selected to receive 9 percent low income housing tax credits for one of the last undeveloped high density multi-family sites in the area. Closing was scheduled for November 1999 with construction to begin shortly thereafter. The community is planned to have 96 units (in Phase I) and will be tentatively called Aspen Plaza.

Renovation of Housing Units for Owner-Occupants

- **Alcazar Home Ownership Project**



In 1990, through a contract with RHI, the City provided funds for the purchase of three abandoned duplexes in the 500 block of Alcazar SE. The duplexes were a blight in the neighborhood and were frequented by drug users.

Because of the seriously deteriorated condition of the property, rehabilitation was not an option. The apartments were demolished and plans were initiated to develop a first time homebuyer program.

In February of 1992, construction began on 11 town homes. Each town home consists of a living room/dining area, kitchen, laundry, closet, three bedrooms, and two baths. Each unit also includes a garage, private backyard and landscaped front yard.

The homes were sold to lower income first-time homebuyers. The sale price of each home was $59,000. The cost of the HOME loan to RHI was passed on to the buyer as a "silent second" mortgage. This means that the homebuyers financed a first mortgage for an average of $43,600. The "silent second" mortgage is not paid as long as the homebuyer remains in the house. Should the owner choose to sell the house, the "silent second" mortgage will be paid in full, with an equity share, to the City. Or, it may be passed on to the next homebuyer, if they meet the lower income requirements.

ADDRESS	FUNDING SOURCE	AMOUNT	DEVELOPER
525-543 Alcazar SE	CDBG HOME	$ 121,000 $ 210,000	RHI

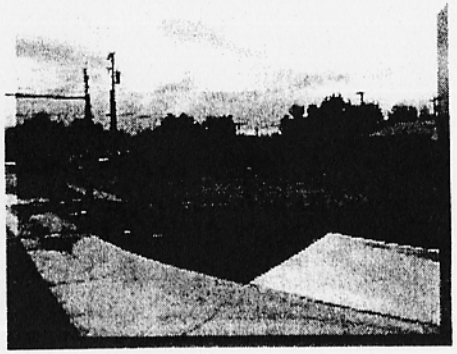
New Construction of Owner-Occupied Units

- **Greater Albuquerque Housing Partnership - Alcazar Townhouse**

Greater Albuquerque Housing Partnership purchased these two multi-family vacant lots - for the redevelopment of the site into townhouses, which are for sale to income restricted families.

ADDRESS	FUNDING SOURCE	AMOUNT	DEVELOPER
637-641 Alcazar SE	N/A	N/A	GAHP

- **San Pablo/Espanola/Bell Home Ownership District**



In 1998, the City initiated a condemnation procedure against the multiple owners of the 32-unit apartment complex formerly located on the site. Though court proceedings are continuing, the City has secured right of permanent entry. On February 9, 1999 the dilapidated and substandard buildings were demolished.

The Trumbull Village Neighborhood Association as well as other community groups such as Turn Around Albuquerque were the primary movers in identifying this property as a major contributor to serious problems in the neighborhood. It was through their efforts that this property was brought to the attention of the City. The neighborhood has continued to be involved in the revitalization of this once decrepit property.

The City will be building 16 single-family townhouses on the property. These homes will be available for sale to lower income families. Rural Housing, Inc. is the project developer. The Greater Albuquerque Housing Partnership (GAHP) will be conducting community outreach to recruit eligible homebuyers.

Once the homes are sold, the City will receive approximately $1,200,000 back from its investment through permanent financing. The balance of funds invested in the project will be converted into "silent second mortgages" carried by the homebuyers.

ADDRESS	FUNDING SOURCE	AMOUNT	OWNER
San Pablo/Espanola at Bell SE	CMO CITY	$ 240,000 $1,490,000	City

- **Indiana-Bell Home Ownership Project**

The Indiana - Bell property was a vacant parcel of land that became available in 1995. Because of the success of the Alcazar project, the City was committed to developing more first time homebuyer programs in the southeast area.

A grant was provided to RHI to purchase the property. A loan of $625,000 was made to finance the construction phase of the project. Ten single-family homes were constructed. Five homes are three-bedroom and the remaining are four-bedroom.

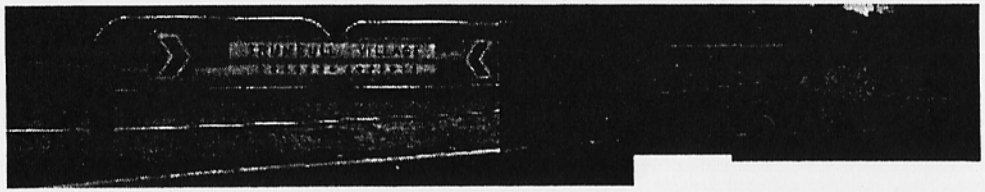
The three-bedroom houses sold for $80,589. The four-bedroom houses for $90,000. Home purchasers received a subsidy, in the form of a "silent second mortgage," for between $16,500 to $22,000. This mortgage will not have to be repaid until the property is sold or assumed by another qualified homebuyer.

The construction loan was repaid to the City, thus allowing further investment in housing development activities.

ADDRESS	FUNDING SOURCE	AMOUNT	DEVELOPER
414-436 Indiana SE	HOME	$ 853,000	RHI

Other Housing Programs

- **Crime Prevention Through Environmental Design**



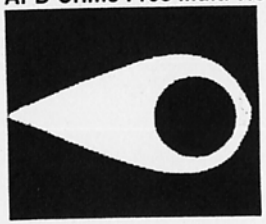
Crime Prevention Through Environmental Design (CPTED) is a program that has been developed to reduce crime through various design techniques. Proven successful throughout the country, this initiative was brought to Albuquerque in 1996. A series of neighborhood workshops were conducted. At these workshops, residents of Trumbull and La Mesa prioritized problems in the neighborhood that contributed to crime and developed solutions to address these problems.

Specific actions taken were installation of traffic diverters to impede the flow of drug sales and increased and improved street lighting. The traffic diverters installed in Trumbull drastically and immediately removed drug dealers from the streets because it re-designed the streets (and their configuration by changing from a grid pattern to a curvilinear pattern) and made drug buyers fearful of driving in. The City won a national award for this project. In addition, visual enhancements such as the elimination of dumpsters and the use of roll out carts for garbage storage and collection were also made.

These efforts resulted in a dramatic decrease in street drug activity and violent crime. There is a growing sense of community and children are once again playing on the streets.

ADDRESS	FUNDING SOURCE	AMOUNT	OWNER
Citywide	CDBG GF CIP	$ 600,000 $ 50,000 $ 400,000	Public Right of Way

- **APD Crime Free Multi-Housing Program**



The Albuquerque Police Department has put together a training program for owners, managers, and other interested parties on how to cut down on internal crime in a community. As of August 2, 1999, the following list of properties are in or near the area of this study and have obtained the Crime Free Certification:

PROPERTY	ADDRESS	DATE CERTIFIED	EXPIRES
Cinnamon Tree	7220 Central SE	06/14/1999	06/01/2001
Bosque Plaza	8201 Marquette NE	01/22/1998	01/01/2000
Hanosh Court	205 Hanosh Ct. SE	10/28/1998	10/01/2000
Los Altos Towers	9125 Copper NE	11/11/1998	11/01/2000
The Villa Apts	1111 Cardenas SE	12/10/1998	12/01/2000
Villa de Paz	7900 Bell SE	03/08/1999	03/08/2001

ADDRESS	FUNDING SOURCE	AMOUNT	DEVELOPER
Trumbull/La Mesa area	N/A	N/A	Multiple

Plans for Kirtland Air Force Base

Kirtland Air Force Base (KAFB) is in the process of creating a plan to privatize the majority of its housing stock. KAFB's housing and its attendant infrastructure is a mixture of 50-, 40-, and 2-year-old housing. The homes are currently in seven different neighborhoods. Six of the neighborhoods (Capehart West, New Pershing, Loop, Capehart East, North Zia, and South Zia) are on the main base, and the seventh (Maxwell) is geographically separated from the main base. Pentagon studies indicate that many of their personnel list "housing" as a primary reason they do not re-enlist.

Several years of studies by KAFB and the Pentagon indicate that base personnel are looking for:

- larger units (greater than 1,400 square feet)
- on-base housing (with features such as security, nearby schools, etc.)
- inexpensive rentals
- larger kitchens/baths

The Base's original project objective was to convey ownership of 1,890 housing units to a private or public sector master developer. The master developer would be required to operate, maintain, and provide referred military families priority access to a number of rental housing units for 30 years by:

- utilizing existing units
- constructing new units within five years
- demolishing any remaining units within six years

A portion of the land would be available to the master developer for other uses after demolition of the housing units.

Although Kirtland continues to modify their development plans, they still intend to replace 1,784 homes, which are on average 35 years old. Latest plans include tearing down 1,349 homes and building 953 new ones over the next five years. This plan is currently in the RFP/negotiation stage.

KAFB and the Pentagon are undecided as to what action to take on the 224 homes in the historic Maxwell neighborhood (original site of the Simm's family Girls School, which later became Sandia Preparatory School).

Although KAFB has not finalized its plan, there is a possibility that the Base will choose to negotiate with a local homebuilder to have its housing needs met on base, which would have no net impact on the surrounding area.

If KAFB could be persuaded to move its housing into the private sector, off base, it could have a substantial positive impact on occupancy rates in the MRA.

Opportunities and Constraints

Various opportunities and constraints exist to improving housing accommodations in the MRA through rehabilitation of the rental stock, increasing home ownership opportunities, and preserving existing owner occupied units.

Constraints

Incidence of Poverty

Despite rising incomes among households in the MRA, a significant number of families remain caught in a cycle of poverty which puts the possibility of home ownership out of reach for some. The significant elderly population and relatively high incidences of households headed by single mothers or wage earners with less than high school education constrain the total income of families in the area and, by extension, their housing choices.

Incidence of Recent Immigrants
The Near Heights is the most ethnically diverse area of Albuquerque, and the MRA remains a threshold community for immigrants from Asia, Mexico, and the Caribbean. As shown by the results of the housing focus group, access to English, a lack of familiarity with the methods of financing home ownership in the United Sates, and a cultural aversion to debt may also have the affect of limiting housing choices among MRA residents.

Age and Condition of Housing Stock
The age and condition of the housing stock, some of which has been subject to deferred maintenance, contribute to higher costs for rehabilitation. In some instances where the property has declined considerably or has been abandoned by the owner, demolition and replacement may be more cost effective than rehabilitation.

Public Aspect of the State Fair
The long lengths of blank walls that enclose the New Mexico State Fairgrounds contribute to the blighted quality of the neighborhoods that surround it.

Public Perception
Despite some real progress by local residents and APD in lowering the high incidence of crime in the MRA, the public continues to perceive the area as unsafe.

Antiquated Land Use Planning and Zoning
The Trumbull Neighborhood (1981) and La Mesa (1976) Sector Development Plans are antiquated and do not support appropriate land use patterns nor provide adequate regulation for redevelopment.

Opportunities

Inexpensive Housing
Opportunities will always exist for those able to provide housing choices that are affordable to area residents. At the same time, slower rates of appreciation for area properties have kept them affordable.

Proximity to Major Employers
The neighborhoods in and around the MRA remain very accessible to major employers in Uptown, on and near Kirtland Air Force Base, and at the Lovelace and Veterans Administration Hospitals.

Infill Project
Strategic property acquisition and the demolition of the most distressed structures will make land available in the neighborhood for small-scale infill projects of an appropriate scale.

Landlord and Nonprofit Associations
Strong landlord and nonprofit associations are active in the area, and a good network of social service providers and community facilities exists in the MRA neighborhoods.

Partnering with KAFB
As the Air Force exits the housing business and turns over the provision of military family housing to the private sector, opportunities will arise for partnering with KAFB to provide housing for military personnel off base.

Options

Over the course of several months, the neighborhood, landlords, City representatives, and other interested parties were presented with three housing alternatives to revitalize housing in the area.

New Housing Development

The Citizen Action Team considered the possibility of developing both new owner-occupied and multi-family rental properties in the MRA. CAT members felt that the development of new multi-family rental units, while improving the overall quality of the housing stock, would also increase competition among existing properties and in the end might lead to increased vacancies at older properties and further defer maintenance of those older units. New construction of owner occupied housing was favored over adding units to the rental stock. Increasing home ownership in the area was seen as a way of attracting new residents, stabilizing existing communities, and enhancing the image of the neighborhood. Residents raised concerns, on the other hand, about the eventual affect gentrification might have on the neighborhood and about providing housing that may not be affordable to many Near Heights residents.

Multi-Family Owner Occupied Properties (MOOPs) Program

This program, currently in the design stage by the City, will provide incentives and financial support to owner-occupants of two to four multi-family properties for purchase and rehabilitation. This program intends to instill a sense of pride and ownership in both the property owners and their tenants. The CAT felt that the program increases access to home-ownership for potential owner occupants while also improving the overall quality of the housing stock in the area. It also may decrease the number of landlords who do not live in the neighborhood and, therefore, are not always vigilant about activities taking place at their properties.

Rehabilitation of Multi-Family Housing

There continues to be a pressing need to rehabilitate the most distressed of the multi-family units in the MRA. Rehabilitation was viewed as a more cost effective solution by CAT members when compared to new construction and, if CPTED principles were used, rehabilitation may have the side effect of lowering the incidence of crime in the neighborhood. Rehabilitation of existing units, however, did not meet one of the plan's important goals: increasing opportunities for and access to home ownership for area residents.

Recommendations

Of the three options outlined above, the MOOPs Rehabilitation Program was chosen as the recommended option after input from the CAT. The program addresses the City's and area residents' most important housing goals: rehabilitation of exiting rental units in need of repair and increasing opportunities for home ownership by replacing absentee landlords with owner occupants.

Description of the Recommended Option

Summary

The Trumbull and La Mesa neighborhoods contain a multitude of fourplex apartments that are primarily owned and managed by people living elsewhere in Albuquerque or surrounding towns. This lack of on-site management and the desire to keep rents low to appeal to the many lower-income families in the area has left these apartments blighted and dangerous to the inhabitants.

A pilot program called MOOPs (Multi-Family Owner Occupied Properties), currently in the design stage by the City of Albuquerque, would give incentives and financial support to property owners who will live on the property and improve it. This program intends to instill a sense of pride and ownership in both the property owners and their tenants.

One of the major goals addressed during the planning process was to improve the overall security of the dwellings and, therefore, the safety of its tenants. This can be achieved through rigorous implementation of Crime Prevention Through Environmental Design (CPTED) principles. CPTED attempts, through good design, to eliminate or reduce criminal behavior and at the same time encourages tenants to "keep an eye out" for each other. Using four overlapping strategies of Natural Surveillance, Territorial Reinforcement, Natural Access Control, and Target Hardening, CPTED can reduce the fear and incidence of crime and improve quality of life.

The planning team has made suggestions to implement CPTED strategies within the MOOPs program through simple remodeling efforts on existing fourplex apartments. These ideas include using landscaping and low fences to redirect visitors to a single entrance and define property boundaries to improve visibility and thwart unwanted "guests." Parking lots should be well lit and reoriented so tenants would have visibility over their cars (often their most expensive single possession). Also, windows and doors should face the street or public area for better surveillance. Increased site lighting and fresh paint would give the dwellings a lived-in and cared-for look that shows possible thieves people are overseeing the property. Finally, doors and windows should have security grates and deadbolt locks for target hardening.

Since the projects would be on a case-by-case basis and costs would reflect the existing condition and value of the property, it is difficult to tie down accurate site development and building construction costs. A rough factor of $1.50 per square foot for improvements to doors and windows, $1.00 per square foot for refinishing, and $2.00 to $2.50 per square foot for site improvements, landscaping, and lighting may be used to estimate construction costs.

Description of the Boundaries of the Program Area

The program area will be targeted to the Trumbull and La Mesa neighborhoods and one adjacent Census Tract, 9.04.

Objectives of the Program

The objectives of the program are to increase home ownership in the MRA by increasing the number of owner-occupant landlords of two to four multi-family properties and to rehabilitate the rental units at those properties. If done for all units in the area, it could increase occupancy by 25 percent to 50 percent (one owner-occupied unit in a fourplex is 25 percent, while one owner-occupied unit in a duplex is 50 percent). This program would be the beginning of a change in the already out of balance ratio between renter and ownership housing in the area.

The MOOPs program would leverage the City's investment and wo

The MOOPs program will require education for the new owner, renova

Process and Implementation

Funds will be sought from the Department of Family and Community Services t
the area to establish and administer the program. Their responsibilities will includ

- identifying target properties
- developing and implementing an outreach strategy targeting potential owner-occup
- developing an education program to train the new owner/landlord in ownership, mana
- leveraging funds with existing eligible homebuyer programs
- establishing a low-interest revolving loan fund for rehabilitation

As of this point, the City is working with Fannie Mae, the New Mexico Mortgage Finance Authority,
lender participation in the program. Please refer to Appendix IV for a schedule for implementation.

Section 11: CONTRIBUTORS

The Albuquerque Development Services Division of the City of Albuquerque's Department of Family and Community Services and the Planning Team would like to thank the following individuals for their invaluable contributions to this plan:

Mark Allison, Albuquerque Mental Health Housing Coalition
Jack Basye, City of Albuquerque Zoning Enforcement
Syd Beane, Center for Community Change
Edgar Boles, City of Albuquerque Planning Department, Historic Preservation Planner
Barney Botone, President, Indian Affairs Committee
Marianne Dickinson, Nob Hill Renaissance Corporation
Dennis Holloway, Architect
Dr. David Kammer, Route 66 Cultural Historian
Marsha Lee, Marsha Lee Planning and Design
Mary Piscitelli-Umphres, City of Albuquerque Planning Department
Scott Tonges, Grubb & Ellis | Lewinger Hamilton
C. Patricia Westbrook, ASLA, Morrow Reardon Wilkinson, Ltd.
Christopher Wiggins, Interpreter
Rich Williams, Tierra Madre Business Consultants

IMPLEMENTATION SCHEDULE

MRA Planning Process

Public Hearings
Albuquerque Development Commission Review
City Council Adoption

International Marketplace Implementation

Property Assembly
Issue RFP for Master Developer
Review and Selection of Master Developer
Enter into Exclusive Negotiating Agreement
Master Planning
Execution

International Marketplace Streetscape Improvements

Execute improvements Along Central Avenue
Submit City CIP Request
Submit Neighborhood CIP Request
Submit Application for Urban Enhancement Trust Funds
City Council Review and Adoption
New Mexico State Legislature
Design Phase 1
GO Bond Election for Phase I
Execute Phase 1
GO Bond Election for Phase 2

Motel Re-Use for Assisted Living Implementation

Acquire ANA Technical Assistance
Select Housing Consultant
Complete Needs Assessment
Complete Due Diligence and Achieve Site Control
Prepare ANA Grant Application
Prepare HUD 202 Application
Execution

Housing Implementation

Issue RFP for Program Administrator
Review and Selection of Program Administrator
Execution of Program

Appendix I: HOUSING FOCUS GROUP RESULTS

MRA housing focus group (10-6-99)

Organizers: Edna Alvarado, Paulina Chaverri, Arturo López, Bill Moye, Peter Simonson

Focus Group Results

1) Why did you move to this neighborhood and what keeps you here?

- Because of the *school*
  - School for the children
  - In order to not take the children out of school
  - Schools; teachers.
  - Neighbors are calm; the school.
  - School programs are good.
  - Has lived here for 6 years and never had problems till now – problem with a neighbor; may have to move. Doesn't want to; likes the school/teachers. Besides it's difficult to move large family.

- Because of *cheap rent*
  - Rent is cheaper; owner pays the bills.
  - Rent is cheap.

- Because of the *prevalence of other Hispanics*
  - Many Hispanics
  - Most of the neighborhood is Hispanic.
  - Likes the variety of neighbors: Hispanics, Cubans, Mexicans.

- Because of *family ties*
  - For the family
  - Husband's family lives here; the school; the clinics; used to live near the mountain, but apartment small and expensive.
  - Came because of lack of work in Mexico; had family here.
  - Moved here with his parents.

- Because of *familiarity*
  - "The community is like one."
  - We don't leave because we're used to it here; things are familiar.

- Because of *work*
  - Found work in the area (wife takes care of a man)
  - Husband's work

- *Want to leave*
  - Lived in S. Valley with extended family and liked it, but bought trailer that was parked here; want to move from the neighborhood because of the lack of safe areas for children to play in.
  - Hasn't been here long; Isn't sure she is staying.

*Comment**: Like one of the comments above, our housing survey revealed that many people like their street (though maybe not the neighborhood in general) because it is "*tranquilo*," meaning tranquil, calm, or unthreatening. Also, I was struck by the respondents' vision of the community as *predominantly Hispanic*. This is not the notion of La Mesa/Trumbull that I hear described in meetings sponsored by the City. However, it is born out by our experiences in the office, enrollment in local schools, and the data from our housing survey.

2) What would keep you here, what changes/improvements?

- Better *police protection*
  - Better police protection
  - Security for the neighborhood (drugs and stolen items are sold)
  - It's frustrating that there are robberies among Hispanics themselves. Neighbors should watch out for each other. No one should buy stolen goods, although we understand they're cheaper, so those who are stealing won't have a market.
  - More police protection (2 comments to this effect) (Where I live, most of the people sell drugs, and I'm sorry to say that they're Cubans.) The police arrive very late.
  - More police security; drunks in their neighborhood
  - The police don't come quickly. (2 comments)
- Remove (keep) *barriers*
  - Don't like the barriers.
  - Barriers are good. They reduced crime and traffic. Prefers paying more for gas to go around them than having kids be injured, etc.
  - Doesn't like that the streets have barriers. Speed bumps are necessary, but there are a lot.
- Better *housing*
  - Lower the rents. Low as they are, they're still high. Now pays only $250 for 1 BR, but before, paid $350.
  - Want their own home. (2 comments)
  - "If I had a spacious house, I wouldn't have any problems."
  - Own house with 8 bedrooms
  - Houses for big families
  - Doesn't need own house, but wishes landlords would take better care of apts.
- Other
  - Trash collection.
  - That they not sell drugs where s/he lives.

3) What opinions do you have about the houses/buildings in this neighborhood?
(The majority of participants say they live in apartments, not houses.)

- Problems with *landlords*
  - Landlords don't maintain [properties] (2 comments). You pay low rent, but then you have to fix it yourself.
  - The landlord (in Los Lunas) says s/he'll repair [something], but doesn't (7 months without repair of stove, windows and broken tile. Someone could break into house through the window.)
  - Likes neighbors; has lived there 3 years. Landlord hasn't fixed stove, painted, put in carpet. It's the landlords, not the buildings.
  - Landlords don't pay attention to everyone (those that don't speak English)
  - Landlords pay more attention to Americans than to Mexicans.
  - ("My landlord is Mexican.")
  - Houses that are poorly maintained even though landlords are charging a lot for them.
  - Housing laws aren't applied in this neighborhood.
  - Apartment is very damaged when one moves in so the landlord doesn't return the deposit (suggesting that new tenants are falsely blamed for the damage). One should take photos when moving in.

- Houses (apartments) are in *bad condition*
  - The houses are in bad condition (many bad things, especially in the apartments). He works construction and in other neighborhoods, housing conditions are much better. His house is in bad condition but the landlord in California thinks things are fine.
  - The houses are ugly.
  - Houses and apartments are in bad condition (lots of cockroaches); need paint; are dirty.
  - Many abandoned and destroyed houses
  - Leaks in the houses
  - Because of desperation/need, one accepts bad conditions.
  - There are 3 houses near his house falling down, with no roof.
  - In the parking lot, we need lines painted to divide spaces. Also there are tree branches in the parking lot.
  - Why doesn't the City raze trashed buildings?

Comment: In all of the above responses, people were referring to rental housing (apartments) when they said "houses." I was surprised by the unanimous criticism of landlords in the area. Respondents to our housing survey were much more positive; however, I believe this was due to their fear of reprisal. I believe this focus group did a much better job of sounding out tenants' opinions of landlords.

4) What is important to you about owning a home?

- *Spaciousness* of home
  - Safety for the children
  - Spacious, beautiful
  - Price; spacious outside and in
  - That the house be spacious (2 comments)
  - A lot of space in front [of the house] and behind; can be just "medium" space inside.
  - Comfortable house: 2-3 bedrooms

- *Price* of housing and access to *credit*
  - That it be made easier to buy one. Have a low monthly rate
  - Lack of credit doesn't mean we can't pay. We're responsible.
  - That owners give breaks/make it easier to pay, even if the total price is high.
  - That they make it easier/give credit so that one can buy (for people with few resources) (3 comments).
  - We don't qualify.
  - I don't earn the amount that they require. Discrimination against Mexicans.
  - That they give Mexicans an opportunity
  - They should take into account our need to buy a home.
  - In other, out-lying areas, houses are cheaper.
  - They make houses to sell, not so one can buy them. Commercial houses are very small and close together. For the price of one, they build two. They're thinking about profit, not the community.
  - "We can make [and sell] *enchiladas* and *flautas* in order to pay."

- *Autonomy*
  - One can make repairs; it belongs to one's self. One maintains it. One could put in a garden. When renting, one can't change things.
  - You can do what you want to; not have problems with the neighbors.

- Other
  - Good conditions
  - Good neighborhood
  - Is thinking of returning to Mexico, but if she were to stay, would want a safe and pretty house.
  - Ventilation/windows, yard

Comment: Note in this question, as well as the one above it, the suggestion that Mexicans don't get the same opportunities that Americans do. At some level (i.e. conscious for some, subconscious for others), I believe that respondents interpret the difference between their ability to acquire credit and Americans' as the result of discrimination. *Even if there are policy reasons why it's not possible.*

5) **What would motivate you to buy a house?**

- *Price* and access to *credit*
  - Giving us a break in the amount of the [monthly] payment is important. (With your own home] you can arrange things the way you want them. The neighborhood could be kept cleaner because the house is one's own.
  - Be able to pay it; cheap.
  - Affordable payments; spacious
  - Cheap; doesn't matter if it's not luxurious
  - Cheap enough mortgage to be able to pay off in a short time – not a lifetime. (over 15 years)

- *Conditions*
  - Location; spacious (2 comments)
  - Well-constructed
  - A big yard, lots of land
  - Safety of the area. Not have problems with neighbors…
  - House of sufficient size for the family
  - New; in a nice area, quiet
  - Location; yard; 2-bedroom
  - Safe for the children; payments made easier; new
  - Good neighborhood; safety
  - A nearby school like La Mesa [Elementary]
  - In a quiet area; one can live as one pleases
  - Stores nearby

Peter asked here what people mean by getting "breaks"/"making things easier" to buy a house:

- Breaks in paying: not too much asked for down payment/low monthly mortgage.
- That [the mortgage] be more or less the same amount as rent
- There are programs for first-time buyers that make it easier for people. Community needs to educate itself about these. This meeting is a first step.
- Many have not established credit here.
- Lack of a valid Social Security number closes the doors to credit everywhere, even if one doesn't owe money, and even if "I work like a *burro*."
- Credit: Latinos have a different idea of credit. Here they give more credit to people who owe more, whereas in Mexico, it's the opposite. "The mentality is different"

Comment: The last comment is particularly telling. It suggests that taking on debt is culturally stigmatized among Mexicans which may be interfering with developing a credit history worthy of qualifying for a home loan in New Mexico.

6) **What obstacles are there to your buying a house?**

- Not having credit; never having established a record
- Valid Social Security number
- [Not] having a good job
- Lack of income
- Being young, lacks credit.
- Health; stable work; credit issues
- Doesn't have bad credit; doesn't have good credit. Has tried to get [credit].
- Despite having a good Social Security number, doesn't have credit records because he pays in cash.
- Doesn't earn a lot. High prices, because of rent increases: 2nd, 3rd & 4th year; it might end up being $800. They should keep the prices stable.
- Money and credit
- People are often "taken" by companies that trick them; they raise the interest and monthly mortgage. We would like fixed rates.

Peter: "Do people not have credit cards because of tradition/custom, or because they can't get them?"

- Interest rates too high to pay on credit cards
- Also it's the custom. We don't like to be in debt.
- House prices rise every month. Offers aren't fixed.

Priority test

Please arrange in order of priority the 10 conditions indicated above. Two cards are left blank for the respondent to fill in and rank their own priority. One should show the highest priority and 10 the lowest priority:

A. Own a home
B. A job with a good salary
C. Good medical services for my family
D. Good education for my children
E. Live in a safe neighborhood
F. Obtain legal documents for me and my family
G. Cheap and accessible childcare
H. More recreational parks in the neighborhood
I. Blank
J. Blank

RANKING OF PRIORITIES (from highest to lowest. The number in parentheses represents the average score; lower numbers are a higher priority):

1 Own a home (**2.5**)
2 A job with a good salary (**3.3**)
3 Good education for my children (**4.1**)
4 Obtain legal documents for me and my family (**4.7**)
5 Good medical services for my family (**5.1**)
6 Live in a safe neighborhood (**5.2**)
7 More recreational parks in the neighborhood (**7.6**)
8 Cheap and accessible childcare (**8.3**)

"FILL-IN" PRIORITIES GROUPED BY TOPIC (Written in on blank cards; rank is shown on left):

Own home

2 Get some breaks/that it be easier to buy a home
2 Have [a house] that is spacious with a big yard, and not right "on top of" other houses
3 [Have a house] in a pretty area
4 Interest rates shouldn't be raised so much.
4 Not too close to other houses; spacious houses
8 Have more information on how to buy your own home
9 Have more possibilities/opportunities to buy your own home
9 Have good credit and have a new house
9 a pretty.... and have credit. [Illegible] A school like La Mesa [Elementary] (See also "Schools")

9 They should give us the opportunity to be able to buy a house at low prices with fixed rates. Educate those who build houses to build houses to buy, not houses to sell.

10 Study the location of new houses being built so they won't be in a place where drugs are sold and where there are a lot of robberies because we won't get out of the [same situation]. The plan is to improve, not to stay in the same hole.

1) A place that's safe for families;
2) A big house;
3) Parks for family recreation.

10 Have a comfortable, spacious house

Renting/General Housing

2 Have enough rooms, according to the law

3 Cheap rent that won't be raised

10 Better housing conditions: "With a good appearance."

Job

5 Have good health in order to get a good job (See also "Health")

Schools/Education

6 Have a good relationship with the neighbors and cooperation with the schools for our children (see also "Community")

9 [I would like for] English classes for adults to have more accessible hours

9 a pretty.... and have credit. A school like La Mesa [Elementary] (See also "Own home")

10 [I would like for there to be] someone in secondary school with whom one could communicate in Spanish in order to help the children (See also "Language")

10 [I would like there to be] transportation for kids in school (See also "Transportation")

Community/Cooperation

6 Have a good relationship with the neighbors and cooperation with the schools for our children (see also "Education")

Police/Crime

9 Better police security

9 Have more police security in the area where I live

10 That there be more police vigilance

10 Get rid of the problematic people in the neighborhood

Language

10 [I would like for there to be] someone in secondary school with whom one could communicate in Spanish in order to help the children (see also "Schools")

Discrimination

3 Less discrimination in the community centers in this area (NE)

Health

5 Have good health in order to get a good job (See also "Job")

Transportation

10 [I would like there to be] transportation for kids in school (See also "Schools")

Comment: The emphasis of the focus group discussion may have inflated the importance people assigned to owning their own home. Nevertheless, the strength of people's response suggests that home ownership is indeed a top priority—perhaps not quite up there with a well-paying job, but similar to good education for their children. In fact, children's education and a reliable home situation are often mentioned in the same breath when people talk about their aspirations, particularly women. Additionally, I thought it was interesting that a safe neighborhood ranked somewhat lower than most other priorities, despite the emphasis on that issue in the City's efforts. Obtaining legal documents ranked either very high or very low, probably depending on whether or not most family members already obtained them.

*Comments provided by Peter Simonson, Community Health Partnership

Appendix II: OPEN HOUSE PARTICIPANT COMMENTS

OPEN HOUSE – PUBLIC INPUT

Open House meetings for the Near Heights Metropolitan Redevelopment Area were conducted on January 15 and 19, 2000, at the Cesar Chavez Community Center. These two meetings were conducted between noon and 4 p.m. and between 4 p.m. and 8:30 p.m. respectively. On Saturday the 15th, 34 people reviewed the three project concepts. On Wednesday the 19th, 23 people reviewed the project concepts. On both days there were a number of people who did not sign the attendance sheet but reviewed the projects and made verbal comments regarding the project concepts. The verbal comments were not captured.

Over 400 contacts were made in the Trumbull/La Mesa area. These contacts included:

- Twenty-four members of the Citizens Action Team,
- 200 business owners and managers doing business along Central Avenue, Louisiana Boulevard, San Pedro Boulevard, Gibson Boulevard and Zuni Avenue,
- Staff of the following organizations were contacted and asked to invite their members and clients:
  - Community Health Partnership,
  - Weed & Seed,
  - APD Phil Chacon Substation,
  - Albuquerque Indian Center.

Participant comments from both open house meetings of January 15th and 19th are as follows:

COMMERCIAL PROJECT CONCEPT:

- Excellent ideas, we need an interesting marketplace like this!
- Alternative project C-Rehabilitation
  - Use wrought iron vs. cinder block or stucco
  - Improves visibility, easier to maintain and prevents graffiti
- Great way to redo the area.
- International marketplace is great!
- How about a small hall for intimate audience concerts.
- Could you please have a Japanese like garden?
- We really like this plan (International Market)
- I like this international market, keep all parts of the community represented and all cultures.
- We want the international market Plaza, good show.
- Good start must follow up with low interest/subsidized loans to get things moving. Great concept! Supported from the bottom up.
- Please include a small facility for concerts and cultural shows.
- International market would be a good idea.
- Would hate to lose Fair and Square market. It is the only market in walking distance for many of the community.
- The plan will leave workshops for business ownership and specialized training.
- A cafe type meeting place for Asian groups and organizations would be desirable.
- State Fair plan pretty good-include pedestrian lighting and nice landscape.
- State Fair Plaza has great potential.
- Streetscape is essential to commercial development!
- Save the Fair and Square.
- International market is superb idea. Could attract customers come throughout the city. Encourage a variety of restaurants, too. Can draw on large pool of workers residing in the area.

MOTEL REUSE PROJECT CONCEPT:

- Courtyard rehabilitation
    - Good idea,
    - Single room not very marketable,
    - Bedroom/living area better,
    - Creates fewer number of units for rental,
    - More space for Tenants,
    - Goods example of similar project is Senate Village, 5200 Central S. W.
- Medians should be used to gain right-of-way to move sidewalks off street edge.
- I like the motel reuse envisioned by Albuquerque Indian Center!
- State Fair Plaza "open"/setback says come in.
- Would like copies of courtyard motel reuse options. Support Albuquerque Indian Center proposal. Great proposals for all the use options exclamation
- Very inventive and practical-how can we do this project?
- Why hasn't this been done before now? Someone has been the sleep at the switch!
- Streetscape is essential to appearance of the area!
- There is an ever-increasing demand for assisted living.
- Good concepts! Light industrial would provide jobs and draw on the large available workforce in the area.

HOUSING PROJECT CONCEPTS:

- Anything we can do to reduce crime is good!
- This could be the means to restore our neighborhoods. Excellently conceived.
- Would like to see something done in the La Mesa neighborhood. I do like alternative B.
- To keep this neighborhood growing, we need to clean it up first, from the trash and gangs after dark. Establish new curfew laws.
- Very good ideas. Need to motivate apartment owners (and single-family homes) to add landscaping, improve the facades, and improve management (perhaps a direct-mail campaign to get them involved)!

Appendix III: OCTOBER 1999 ARTICLE FROM THE ALBUQUERQUE JOURNAL

Search Results

ALBUQUERQUE JOURNAL ARCHIVES

POLICE, NEIGHBORS FORCE MOTEL TO SHUT DOWN

Saturday, October 23, 1999
Section: METROPOLITAN
Page: E2

Bruce Daniels Journal Staff Writer

The Sand & Sage Motel -- long a thorn in the side of Albuquerque police and neighbors of the East Central business -- was legally shut down for good with an agreement filed Friday in state District Court.

Feroz Ali Banani and Yasmin Ferozali Banani, owners of the motel at 6522 E. Central, formally relinquished all rights and claims to the property, according to their agreement with the District Attorney's Office.

The Bananis closed and boarded up the motel Oct. 16 in anticipation of a complaint filed Tuesday seeking to abate a public nuisance.

According to the complaint, the Albuquerque Police Department had responded to more than 200 reports of criminal activity or disturbances at the motel between January 1998 and July 1999.

Most of the police calls were in response to narcotics trafficking and possession, prostitution and disturbances in the neighborhood, the complaint said.

There was a recent homicide in which a suspected prostitute was killed at the motel, allegedly over the theft of crack cocaine, District Attorney Jeff Romero said.

Friday's agreement "effectively abates the public nuisance," Romero said.

"A lot of credit goes to the neighborhood associations that border on the area," Romero said.

Those include the LaMesa and Trumbull neighborhood associations as well as citizens and merchants who petitioned the District Attorney's Office in August asking that the "criminal and public nuisance" be shut down.

Under the agreement, the Bananis who bought the motel in late 1997 or early 1998, about the time police began to notice an increase in incidents agreed to relinquish all their rights and titles under a real-estate contract back to the previous owner, Dipika R. Dosha.

Dosha is believed to be in California, Romero said.

In return for the Bananis' surrendering and shuttering the property, the state would "forgo any and all criminal actions" that might arise through their operation of the motel.

The agreement also calls for the state to "make a good faith effort" to conduct police patrols on or around the property to keep down vandalism and trespassing.

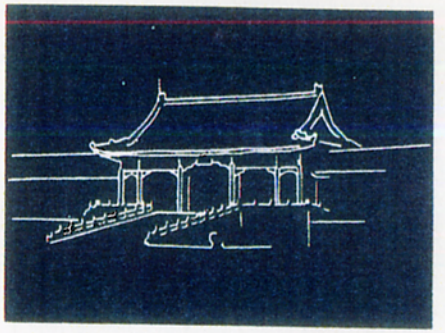
Romero said where other motels are operating in the same way, "they can expect the same treatment."

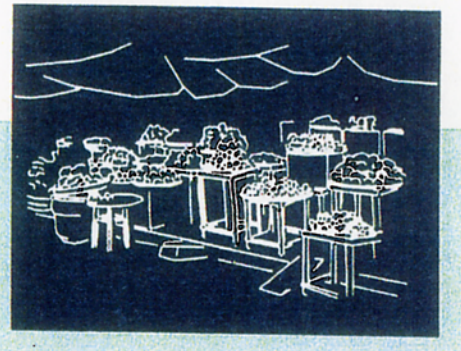
All content copyright © 1999 Albuquerque Journal and may not be republished without permission.
Send comments or questions to newslibrary@krmediastream.com

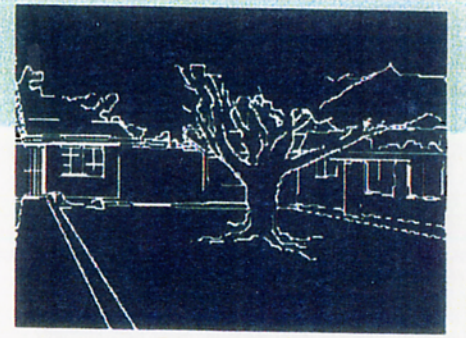
All archives are stored on a SAVE (tm) newspaper library system from MediaStream Inc., a Knight-Ridder Inc. company.

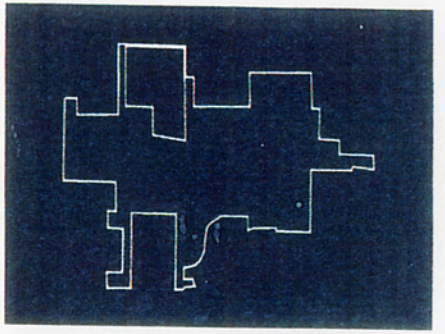
Appendix IV: IMPLEMENTATION SCHEDULE

Near Heights Metropolitan Redevelopment Area Plan









Adopted September 18, 2000

City of Albuquerque
Department of Family and Community Services
Albuquerque Development Services Division

Prepared by:
Planning Technologies
Dekker/Perich/Sabatini
The STAR Group
Grubb & Ellis | Lewinger Hamilton