Land Use Impacts And Transportation Update

Prepared for:
The 21st Century Transportation Task Force

Prepared by:
Leland Consulting Group

April 15, 2008
Project Review

- **March**
  - New American streetcar systems: ridership; land use impacts; creative, localized funding.

- **Today**
  - Primary focus: Economic development and land use impacts of the Albuquerque Streetcar
  - Also: Ridership update

- **May**
  - Funding strategies
  - Additional streetcar impacts: health, sustainability, others

- **Project Wrap Up**
Presentation Outline

- Study Area Review
- Planning Context
- Transportation Update
- Land Use Impacts
  - Alternate development scenarios for Central Avenue Corridor
  - Potential residential, employment, and retail growth
  - Evidence and methodology
- Questions and Discussion
The Central Ave. Corridor
Comprehensive Plan

- Central Urban Area:
  - Culture, arts, public facilities

- Activity Centers:
  - “Expand and strengthen concentrations of moderate and high-density mixed land use.”

- Major Transit Corridors
Project Context: Existing Plans
UNM Plans

- Three relevant plans:
  - Master Plan (1996), Housing Master Plan (2007), and Strategic Framework (2008)
- Emphases
  - Increase community interaction
  - Develop Central Avenue Edge
  - Increase Transit Use
- “The development of multi-use property at the intersection of Central Avenue and Girard Boulevard would define the campus edge... activate the intersection, and act as a connector to the lively Nob Hill shops.”
Transportation Update
Findings of Ridership Analysis

- **RT 66**
  - ATC, UNM, and San Mateo are destinations
  - 50% of activity between Atrisco & San Mateo
  - Balanced boarding/alighting (ATC to San Mateo)

- **RT 766**
  - ATC, UNM, San Mateo and Uptown are major destinations

ATC: Alvarado Transportation Center
66 – Eastbound (All Day - Oct 2006)
66 – Westbound (All Day - Oct 2006)
766 – Eastbound (All Day - Oct 2006)
766 – Westbound (All Day - Oct 2006)
Land Use Impacts
Context: Why Analyze Land Use?

- Albuquerque City Council Ordinance:
  “A modern streetcar system has been supported by assertions regarding its positive economic development and redevelopment impacts; inducement of more compact, mixed-use, pedestrian forms of development; and positive impact on transit ridership.”

- “Think about development when thinking about transit. Transit projects with thoughtfully planned routes and station locations can set the stage for significant private development: the careful coordination of transit and development is critical, so that each can optimally enhance the other.”
  -- Urban Land Institute
Key Questions

- Can the streetcar be expected to have positive effects on development and redevelopment in the Central Avenue Corridor?
- If so, what magnitude of impacts can be expected—in terms of growth in residents, employment, and retail?
Conditions for Success

- Transportation
- Public Policy & Regulation
- Economy & Markets
- Public Realm & Design
- Successful Redevelopment
- Demographics
- Developer Experience
- Events & Destinations
- Leadership
Approach

- Development Scenarios
  - Scenario 1: Base Case
  - Scenario 2: Corridor Revitalization
  - HDR projections

- Base Case

- Corridor Revitalization
  - Greater increases in residents, employment, and overall land use intensity in the corridor.
  - Assumes a coordinated set of public and private actions, with streetcar as a major component.

- Key Redevelopment Metrics:
  - Population, Service Employment, Retail Employment
Methodology

Base Case

MRCOG 2004 Regional Forecast → MRCOG 2030 Forecasts for Region and Streetcar Corridor

Corridor Revitalization

MRCOG 2004 Regional Forecast → Regional Growth Factor → MRCOG 2030 Regional Forecast → Adjusted Capture Rate Corridor to Region → Streetcar Corridor 2030 Population and Employment Market Demand → Capacity Analysis
Methodology

Data Sources:
- MRCOG projections
- Review of recent and proposed development
- Local news media and published reports on local trends.
- Interviews with developers, brokers, public agency staff, and others.
- Streetcar case study cities
- Demographics projections by Metropolitan Institute, Brookings Institute, and others.
The Streetcar Study Area and Timeframe

- Data Analysis SubZones (DASZ) within ½ mile of Central
- 2004 – 2030
- Seven Market Areas

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<thead>
<tr>
<th></th>
<th>Population</th>
<th>Service Employment</th>
<th>Retail Employment</th>
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</thead>
<tbody>
<tr>
<td>Residents/Employees</td>
<td>32,485</td>
<td>38,674</td>
<td>6,904</td>
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<tr>
<td>Regional Share</td>
<td>4.0%</td>
<td>18.6%</td>
<td>9.1%</td>
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Scenario 1: Base Case

- Forecast: Partly cloudy, with slow growth, and less retail
Scenario 2: Corridor Revitalization

- Scenario 2 is not:
  - A forecast of what *will* happen.

- Scenario 2 is:
  - A forecast of what *could* happen.
  - Optimistic, but tempered by real world observations.
  - Based on the assumption that public and private stakeholders take assertive and coordinated action.
### Scenario 2

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<th>Population</th>
<th>Service Employment</th>
<th>Retail Employment</th>
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</thead>
<tbody>
<tr>
<td><strong>Growth, 2004 - 2030</strong></td>
<td>8,100</td>
<td>9,200</td>
<td>1,700</td>
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<td><strong>Dwelling Units (HHs)</strong></td>
<td>4,100</td>
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<td><strong>Area (sf)</strong></td>
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<td>By Use</td>
<td>4,100,000</td>
<td>2,100,000</td>
<td>500,000</td>
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<td>Total</td>
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<td>6,600,000</td>
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<td><strong>Investment Value</strong></td>
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<tr>
<td>By Use</td>
<td>$650,000,000</td>
<td>$420,000,000</td>
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<tr>
<td>Total</td>
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<td>$1,170,000,000</td>
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Visualizing Scenario 2

Population vs. Employment

- **Population**
  - Base Case
  - Corridor Revitalization

- **Employment**
  - Base Case
  - Corridor Revitalization

*Images show line graphs for population and employment from 2004 to 2030 for both Base Case and Corridor Revitalization scenarios.*

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HDR’s Projections

- Similar to Scenario 1, with exception to Yale Blvd.
Scenario 2: Is Corridor Revitalization Possible?

A. Downtown Turnarounds
B. Positive reception of streetcar concept
C. Streetcar Case Study Cities
D. Demographic projections favor urban and close-in living
E. Built Evidence
   - Residential
   - Service Employment
   - Retail
A. Downtown Turnarounds

- Turnarounds happen
- Planning matters


Population

Portland
Phoenix

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A. Downtown Turnarounds

- Downtown can outpace its city and region
- Fast growing downtowns meet the “conditions for success”
B. Positive Reception to Streetcar

“If you have the streetcar, you have another selling point. You may eliminate a car, which helps density. We can’t afford to build structured parking.”

- Urban developer

“We’ve talked repeatedly about the light rail. There are people who don’t want a car to get between the hospital, downtown, UNM, and Santa Fe.”

- Presbyterian Hospital
C. Streetcar Case Studies

How does the Streetcar corridor compare?

<table>
<thead>
<tr>
<th></th>
<th>Portland</th>
<th>Seattle</th>
<th>Tacoma</th>
<th>Little Rock</th>
<th>Tampa</th>
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<tr>
<td>Most intense redevelopment?</td>
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<td>Mix of uses?</td>
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<td>Highest sales levels ($/sf)?</td>
<td>●</td>
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<td>Positive outlook?</td>
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C. Streetcar Case Studies

Portland

Tampa
C. Streetcar Case Studies

Seattle

Tacoma
D. Demographic Projections

- Driving the market: Young professionals and downsizing boomers

<table>
<thead>
<tr>
<th>Unit Type</th>
<th>Preference</th>
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<tr>
<td>Attached</td>
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<tr>
<td>Apartments</td>
<td>14%</td>
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<tr>
<td>Condos, Coops</td>
<td>9%</td>
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<tr>
<td>Townhouses</td>
<td>15%</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>38%</strong></td>
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</table>

| Detached                   |            |
| Small Lot ( < 7,000 sf )   | 37%        |
| Large Lot ( > 7,000 sf )   | 25%        |
| **Total**                  | **62%**    |
| **Grand Total**            | **100%**   |

*Source: The Metropolitan Institute*
D. Demographic Projections

- 2005 Downtown Perception Study

### Demand for Urban Living

<table>
<thead>
<tr>
<th>Regional Population Growth, 2004 - 2030</th>
<th>327,362</th>
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<tr>
<td><strong>Estimated Demand</strong></td>
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<tr>
<td>Condo</td>
<td>5%</td>
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<td>Townhome</td>
<td>10%</td>
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<tr>
<td>Walkable Neighborhood</td>
<td>45%</td>
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<tr>
<td><strong>Market Size</strong></td>
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<td>Condo</td>
<td>16,368</td>
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<tr>
<td>Townhome</td>
<td>32,736</td>
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<tr>
<td>Walkable Neighborhood</td>
<td>147,313</td>
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*Source: Downtown Perception Study*
## E. Built Evidence

### New Development in the Corridor - Downtown

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Location</th>
<th>USE</th>
<th>Streetcar Corridor</th>
<th>Segment</th>
<th>Units</th>
<th>Completion</th>
<th>Date</th>
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<th>Otc</th>
<th>Other</th>
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<td>Anasazi</td>
<td>Downtown</td>
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<td>Century Theater Block</td>
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<td>The Banque Residences</td>
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<td>Gold Avenue Lofts</td>
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<td>Silver Street Lofts</td>
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<td>Silver Street Lofts, Phase II</td>
<td>Downtown</td>
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<td>Silver Street Lofts, Phase III</td>
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<td>Silver Gardens (Silver Court)</td>
<td>Downtown</td>
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<td>Villa de San Felipe</td>
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<td>Zona de Colores</td>
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<td>&quot;ABQ Live/Work&quot;</td>
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<td>Lofts at 610 Central</td>
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<td>Alvarado Apartments</td>
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<td>Second Street Studios</td>
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<td>Copper Square Office Condos</td>
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<td>Plaza Maya Office Condos</td>
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<td>Lovelace Hospital</td>
<td>Downtown</td>
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<td>WESST Corp Enterprise Center</td>
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<td>La Posada</td>
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April 15, 2008
Service Employment

- Positive outlook, difficult use

Outlook

- “Focus on urban infill and suburban nodes, catering to businesses and employees “moving back in for greater convenience.”

Challenges

- Step 12 in 12 step program
- “As entertainment, housing, and retail are established downtown, the office market will begin to follow.”
Service Employment

- Four Sectors Will Drive New Mexico’s Economy
  - Health Care
  - Professional Services
  - Information
  - Education
  - Plus: Government and Tourism

- Central Corridor
  - 6 of largest 10 employers
  - 11 million square feet
Service Employment

Scenario 2:
- Central Corridor Captures 8% of service growth
- 2 million square feet
Retail

- Retail Growth
  - Tourist
  - Regional
  - Convenience
- Scenario 2
  - Two ABQ Uptowns during study period
- Positive Signs:
  - Downtown nightlife
  - Nob Hill
  - Urban Outfitter
Preliminary Capacity Analysis

How much development will actually fit in the corridor?

- Approx. 10,000 parcels within ½ mile of stations
- 101 different study area zoning designations
- Assume that underutilized, non-tax-exempt properties will be most likely to redevelop
  - Using the ratio: (improvement value / total value) as broad measure of land utilization
- Some exempt land (particularly at UNM and hospital areas) may also densify over time
Preliminary Capacity Analysis

Land area breakout by utilization

- Across 2,212 non-exempt corridor acres:
  - 223 ac. vacant
  - 97 ac. very low utilization (improvements worth <25% of total)
  - 173 ac. low utilization (improvements worth <50% of total)
Preliminary Capacity Analysis

Land area out by utilization

Improvement Ratio
(assessor's improvement value divided by total value)
- very high (over 90%)
- high (76 to 90%)
- medium (51 to 75%)
- low (26 to 50%)
- very low (3 to 25%)
- none (less than 3%)

Exempt
Key Questions

- Can the streetcar be expected to have positive effects on development and redevelopment in the Central Avenue Corridor? Yes, but Albuquerque should also expect to meet the other conditions for success.

- If so, what magnitude of impacts can be expected—in terms of growth in residents, employment, and retail?
Conditions for Success

Public Actions

**Political**
- Prioritizing, visioning, and planning
- Leadership
- Consensus building

**Physical - The Public Realm**
- Great streets: Sidewalks, street furniture, etc.
- Plazas and public spaces
- Parks and Waterfront areas
- Transit and Transportation

**Destinations and Events**
- Public Buildings: City Hall, libraries, etc.
- Universities and schools
- Convention Center
- Arena/Events Center
- Historic areas
- Tourist and Civic attractions

**Financial**
- Tax Increment Financing/TIDD
- Direct investment or loans
- Tax Abatement
- Systems Development Charges
- Systems Development Charges

**Regulatory**
- Zoning
- Design guidelines
- Regulatory incentives

**Economic Development**
- Identifying growth sectors
- Industry incubation and investment
- Tax incentives
- Livability
- Other depending on growth sectors
Project Review

- May
  - Funding strategies
  - Additional streetcar impacts: health, sustainability, others
- Project Wrap Up