Funding and Alignment Alternatives
Presentation Overview

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

Alignment Sections

Market Areas

- Old Town
- Rio Grande
- Laguna
- 10th
- 7th
- Alvarado
- Edith
- EDO
- UNM
- Cedar
- University
- Yale
- Cornell
- Girard
- Bryn Mawr
- Aliso
- Washington
- Quincy
- San Mateo

A
B
C
Cost-Benefit Matrix

Albuquerque Streetcar Alignment Evaluation Matrix

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

- Also measure against peer cities
Project Review
Economic Development Impacts

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

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

- Major Destinations:
  - Downtown/ATC
  - UNM
  - San Mateo

- Atrisco to San Mateo, Route 66:
  - 50 percent of activity
  - Balanced boarding/alighting

May 13, 2008
Funding and Capital Costs
Funding and Capital Costs

Key topics

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

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

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

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

![Diagram showing percent of capital costs for different projects: Seattle SLU (51.7%), Tacoma Link (25.0%), Portland Downtown (30.1%), Portland Eastside (Proposed) (25.3%), Tampa, Fla. (21.5%).]
Quarter Cent Transportation Tax

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

2006 Proposal
Quarter Cent

2006 Proposal

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

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

<table>
<thead>
<tr>
<th>Capital Operations</th>
<th>$88.6 M</th>
<th>✔️</th>
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<tbody>
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<td>Line Length</td>
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<table>
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<tr>
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<tbody>
<tr>
<td>Line Length</td>
<td>6.6 mi.</td>
<td></td>
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</tbody>
</table>
Tax Increment Development District (TIDD)

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

- Keys to Central Ave TIDD Success
  - State Participation
  - *Private* Business Growth
  - *Predictable* Business Growth
- Fund more than just the streetcar
Fiscal Impact to City may be net positive
- Municipal revenue lost, State revenue gained

Implementation Uncertainties
- Business receipts not tracked at a fine grain
- Similar problems for property tax
- TIF (Tax Increment Financing)
- Possible political resistance
- Bond underwriter perceptions
TIDD

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

- Assumptions
  - Large District
Other Funding Sources

- **Capital Implementation Plan (CIP)**
  - Biennial, project submittals due now!
  - $80M per year allocated
  - Transit allocation ($5 - $8M) historically for ABQ Ride

- **Metropolitan Transportation Plan (MTP / TIP)**
  - MRCOG facilitated, leverages fed, state, local $
  - $5 - $10M possible

- **Public Improvement District (LID)**
  - Property owner/developer participation
  - Portland, Seattle, California transit projects
Funding Sources – State and Federal

- **GRIP**
  - Governor Richardson’s Investment Partnership
  - Revenue potential unclear

- **Federal Transit Administration**
  - Small Starts and Very Small Starts (<$25M)
  - Competitive, uncertainty, long waits
Funding Sources - Local

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

Transportation

Public Policy & Regulation

Economy & Markets

Successful Redevelopment

Public Realm & Design

Demographics

Developer Experience

Events & Destinations

Leadership
Strategic Considerations

- **Public Finance**
  - Implement TIDD
  - Harness other sources
  - Line up $$$ for complementary projects

- **Public Policy and Regulation**
  - Make desirable development easy
  - Create TOD staff or department
  - Review zoning for ease of implementation; consistency with big-picture planning goals; residential-employment mix.
Strategic Considerations

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

Decision making for:
- Funding mix
- Alignment length
- Phasing
## Cost Benefit Matrix

<table>
<thead>
<tr>
<th>Alignment Section</th>
<th>Length</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Capital ($ million)</td>
</tr>
<tr>
<td><strong>A</strong> Atrisco to 4th Street</td>
<td>3.0</td>
<td>$84.0</td>
</tr>
<tr>
<td><strong>B</strong> 4th Street to Girard</td>
<td>2.0</td>
<td>$56.0</td>
</tr>
<tr>
<td><strong>C</strong> Girard to San Mateo</td>
<td>1.5</td>
<td>$42.0</td>
</tr>
<tr>
<td><strong>Full Central Alignment</strong></td>
<td>6.5</td>
<td>$182.0</td>
</tr>
</tbody>
</table>

![Map of Albuquerque Streetcar Evaluation](image)
## Cost Benefit Matrix

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

The map below illustrates the routes for each option A, B, and C, corresponding to the data in the table.

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Date: May 13, 2008
### Cost Benefit Matrix

#### Cost-Benefit Measures

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

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The map shows the routes A, B, and C. The costs and benefits are mapped along these routes.
Discussion

Funding
- Non-Quarter Cent sources
- Share of Quarter Cent

Alignment

Phasing