Summary of Findings

Prepared for:
The 21st Century Transportation Task Force

Prepared by:
Leland Consulting Group

July 8, 2008
Presentation Outline

- Project Context
- Benefits
  - Land Use
  - Transportation
  - Other
- Costs
- Cost-Benefit Evaluation
- Funding
- Recommendations and Conditions for Success
Goals

1. Review and comment on HDR and City analysis
2. Analyze the streetcar’s redevelopment potential
3. Cost-Benefit Analysis and Matrix focusing on Redevelopment and Transportation Benefits
4. Strategic Recommendations on complementary policies
5. Recommend Financing Strategies
Conditions for Success

Why Streetcars?
- Enhance urban form
- Revitalize the Central City
- Attract new investment
Planning Context

Comp Plan, Goal 6
“Promote the Central Urban Area as a focus for arts, cultural, and public facilities/activities… and its importance as the historic center of the City.”

Goal 7
“Expand and strengthen concentrations of moderate and high-density mixed land use and social/economic activities which reduce urban sprawl, auto travel needs, and service costs, and which enhance the identity of Albuquerque.”
Project Context

- Streetcar Peer Review
  - Most Comparable: Tampa, Little Rock, Portland, Seattle, Tacoma
  - Vary:
    - Destinations, ridership, and operations vary
    - Tourism Attractor
  - All Share:
    - Development-oriented Transportation
    - Local Funding Solutions
    - Central City Circulators
HDR Review

- Review includes:
  - Costs – Operations and Capital
  - Ridership
  - Land Use Projections

- HDR projections are accurate and reasonable
  - Exception: Yale Boulevard land uses
Alignment Analysis Framework

Alignment Sections

Distance (miles) 2.5 2.2 1.6
Benefits
Land Use Benefits

- Streetcar Scenario versus Base Case
  - Net growth, 2010 – 2030
    - Residential Development: 4 times greater
    - Commercial Development: 10 times greater
    - $1 Billion in development value compared to $200M
Land Use Benefits

- Drivers
  - Demographics
    - Strong Regional Growth
    - Strong Corridor Indicators
    - Good outlook nationally
  - Survey shows demand for urban living
  - Strong Employment Growth for Central Employers
    - UNM, healthcare, public sector, tourism, professional and creative services
- Built Evidence
- Peer Cities: Streetcars and High-Growth Downtowns
Land Use Benefits

Streetcars Shape Development

**Tampa**
“We wanted this part of town to be like LoDo in Denver. These kinds of higher density residential projects didn’t exist outside of downtown until the streetcar was built. We moved very quickly from renovating a few warehouses to a development boom.”
– Planning Commissioner

**Seattle**
“I’ve never had any desire to be on a bus. But the streetcar seems like it would have a different feel.”
– Resident, quoted in Seattle Post-Intelligencer

**Albuquerque**
“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.”
– Local real estate professional
# Land Use Benefits

<table>
<thead>
<tr>
<th>Attribute</th>
<th>City</th>
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<tbody>
<tr>
<td></td>
<td>Albuquerque</td>
</tr>
<tr>
<td>Population</td>
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<tr>
<td>2007 Total Population</td>
<td>503,375</td>
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<tr>
<td>2007 Households</td>
<td>211,870</td>
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<tr>
<td>Income</td>
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<tr>
<td>Median Household Income, 2007</td>
<td>$49,750</td>
</tr>
<tr>
<td>Households Incomes &gt; $50,000</td>
<td>58%</td>
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<tr>
<td>Education</td>
<td></td>
</tr>
<tr>
<td>Population with Bachelor’s or Advanced Degree</td>
<td>32%</td>
</tr>
<tr>
<td>Household Size</td>
<td></td>
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<tr>
<td>1 and 2 Person Households</td>
<td>64%</td>
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<tr>
<td>Average Household Size</td>
<td>2.33</td>
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<tr>
<td>Housing Type, 2000</td>
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<tr>
<td>Detached Single Family</td>
<td>58%</td>
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<tr>
<td>Large Multifamily (&gt;20 units)</td>
<td>13%</td>
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</table>
Transportation Benefits

- Primary Transportation Metric: Ridership

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<th>B</th>
<th>C</th>
<th>Full</th>
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<tbody>
<tr>
<td>Daily</td>
<td>1,351</td>
<td>3,084</td>
<td>1,858</td>
<td>6,293</td>
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<tr>
<td>Annual</td>
<td>493,228</td>
<td>1,125,668</td>
<td>678,092</td>
<td>2,296,988</td>
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- Relatively conservative projection, does not account for:
  - Rail Ridership Premium
  - Tourist Riders
Transportation Benefits

- Connects the Dots:
  - Includes 3 Most active Transit Destinations:
    - Downtown/ATC, UNM, San Mateo
  - Excellent group of “major destinations,” arguably better than any other alignment
    - Downtown, recreation, education, tourism, employment, residential
- Comp Plan: 1 of 3 “Major Transit Corridors”
Transportation Benefits

- Corridor Characteristics
  - Frequent ons and offs—matches streetcar circulator function
    - Atrisco to San Mateo: 75% of 66 Ridership
    - Fourth to San Mateo: 60%

- Allows redeployment of bus to bus-appropriate areas
Other Benefits

- Livability
- Transit Evolution
- Costs
  - Lower Operating/Lifecycle costs
  - Fiscal – reduced need for regional infrastructure
- Land-Use Transportation Link
  - Growth Management
  - Sustainability
- Affordability
- Safety
- Health
- Reduced Oil Dependence
Costs

- Capital Cost: $28.0 M per mile
- Operations Costs
  - Projections by Operating Scenarios and Section

<table>
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<tr>
<th>Service Level</th>
<th>Alignment Section</th>
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<tbody>
<tr>
<td></td>
<td>A</td>
<td>B</td>
<td>C</td>
<td>B &amp; C</td>
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<tr>
<td>High</td>
<td>$2.1</td>
<td>$1.2</td>
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<td>$2.4</td>
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<tr>
<td>Medium</td>
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<td>$1.0</td>
<td>$2.0</td>
<td>$3.8</td>
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<tr>
<td>Low</td>
<td>$1.7</td>
<td>$0.9</td>
<td>$0.9</td>
<td>$1.7</td>
<td>$3.4</td>
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Cost-Benefit Evaluation
## Cost Benefit Comparison

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<th>B</th>
<th>C</th>
<th>B &amp; C</th>
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<tbody>
<tr>
<td></td>
<td>Atrisco to Fourth</td>
<td>Fourth to Girard</td>
<td>Girard to San Mateo</td>
<td>Fourth to San Mateo</td>
<td>Atrisco to San Mateo</td>
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<tr>
<td>Capital Cost Per Mile</td>
<td>$28.0</td>
<td>$28.0</td>
<td>$28.0</td>
<td>$28.0</td>
<td>$28.0</td>
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<tr>
<td>Operations Cost Per Passenger*</td>
<td>$4.21</td>
<td>$1.08</td>
<td>$1.80</td>
<td>$1.35</td>
<td>$1.97</td>
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<tr>
<td>Capital Cost Per Passenger**</td>
<td>$142</td>
<td>$55</td>
<td>$66</td>
<td>$59</td>
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<tr>
<td>New Residential Units Per Mile</td>
<td>241</td>
<td>751</td>
<td>620</td>
<td>696</td>
<td>515</td>
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<td>Investment Leverage</td>
<td>2.9</td>
<td>8.4</td>
<td>6.3</td>
<td>7.5</td>
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## Cost Benefit Comparison

<table>
<thead>
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<th>Albuquerque Alignment Section</th>
<th>Peer Systems</th>
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<tbody>
<tr>
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<td>Girard to San Mateo</td>
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Cost Benefits Evaluation

Conclusions

- B has highest benefit to cost ratio, followed closely by C
- A has considerably lower benefit to cost ratio
- B and C compare favorably to national peers
Additional Findings

- Destinations compare favorably to other cities
- Ridership has strong potential from Opening Day
- Strong potential for redevelopment
- Catalyst for economic development
- Benefit to Cost metrics are high
Alignment Recommendations

- Build B and C
- Evaluate future Phases
Funding
Funding Principles

- **Principles**
  - Identify 2 to 4 primary funding sources
  - Balance sources
  - Partner with the private sector
  - Maintain flexibility, expect change in grant awards, other sources
Funding Packages

Percent of Funding Source Allocated to Streetcar

- Downtown to Girard (B): 8.0% Sponsorships, 0.0% State, 12.0% MTP, 0.0% Institutional, 0.0% CIP, 0.0% PID, 0.0% TIDD, 19.0% Quarter Cent
- Downtown to San Mateo (B & C): 8.5% Sponsorships, 17.5% State, 12.0% MTP, 28.0% Institutional, 0.0% CIP, 0.0% PID, 0.0% TIDD, 18.5% Quarter Cent
- Atrisco to San Mateo (Full Alignment): 8.5% Sponsorships, 17.5% State, 12.0% MTP, 28.0% Institutional, 0.0% CIP, 0.0% PID, 0.0% TIDD, 47.0% Quarter Cent
Quarter Cent Infrastructure Tax

Recommended Alignment (B & C) 12% of Quarter Cent

- Assumptions:
  - Operations paid from Quarter Cent, based on 2006 Plan
  - Farebox Recovery: 15% based on ABQ Ride
- Annual revenues: $40M in 2011, $54M 2020
Tax Increment Development District (TIDD)

- Powerful financing tool
- Tax Increment tools in use in 49 States
- Mesa del Sol: $400 M TIDD
- Intended for projects that spur redevelopment

- TIDD Plan should demonstrate: “transit oriented development, traditional neighborhood design, or sustainable development techniques.”
Tax Increment Development District (TIDD)

- Captures part of:
  - City GRT, State GRT, City Property Tax
- Requires vote:
  - Formula of Residents and Property Owners

Fiscal impact:
- Overall, positive with State Contribution, $200M+
- Shift from General Fund to Central Area

<table>
<thead>
<tr>
<th>TIDD Variables</th>
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<td>10 Year Bond</td>
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<tr>
<td>With State GRT</td>
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<td>With State GRT</td>
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<td>Without State GRT</td>
<td>$26.2</td>
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Public Improvement District (PID)

- Assessment on private property
- Moderate dollar amount, Strong message of support
- Component of funding:
  - Portland, Seattle, Los Angeles, other transit projects
  - Roadway projects nationwide
- Approx. $3 per $1,000 Net Taxable

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<td>Bond Potential</td>
<td>$800,000</td>
<td>$2,500,000</td>
<td>$1,400,000</td>
<td>$4,600,000</td>
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Other Funding Sources

Smaller but important contributions

- Capital Implementation Plan (CIP): $4 - $8 M
- Transportation Improvement Program (TIP): $0 - $10 M
- Institutional Contributions: $2M
- State Funds: $2 - $5
- Sponsorships/Advertising: $1 - $3M
- Other possible:
  - Lodging/Hospitality
  - Transit Impact Fees
  - Parking Revenues
Conditions for Success
Conditions for Success

Leadership & Organization
Public-Private Partnerships
Finance
Public Realm & Design
Public Policy & Regulation
Project Success
Transportation
Demographics and Economy
Destinations & Events
Conditions for Success

Leadership and Organization

- Identify and engage the project “champions”
- Broaden support base: public, private, institutional, nonprofit
- Unified voice of support
- Create umbrella organization/forum for all Central Ave. organizations

Public-Private Partnerships

- Give property owners and developers a seat at the streetcar table
  - Meaningful roles and responsibilities
- Identify public-private partnership opportunities along the corridor

Study streetcar ownership & management structure options
- ABQ Ride
- Independent nonprofit
Conditions for Success

Finance

- Get financing tools ready now
  - CIP
  - Quarter Cent
  - TIDD
- Assign staff to apply for grants
  - Regional
  - State
  - Foundations

Public Policy & Regulation

- Public plans define vision for central area and sectors
- Review zoning to ensure it maximizes streetcar leverage:
  - Heights
  - Density
  - Design guidelines
- Increase redevelopment and transit-oriented development staff capacity and funding
- Provide development incentives for supportive projects:
  - Density bonuses
  - Expedited permits
  - Fee reductions
  - Clear & objective standards
Conditions for Success

Demographics & Economy

- Focus on population growth and “urban housing” indicators
- Strong growth in central area’s business sectors
  - Service
  - Government
  - Health Care
  - Education
- Build on livability to attract urban residents and employers

Transportation

- Multi-modal network, accessibility
- Don’t separate the parts:
  - Implement other projects defined by Task Force
  - Pedestrian, bicycle improvements

Refine preliminary streetcar engineering:

- Speed up timetables
- Seek cost savings
- Confirm alignment
- Locate maintenance facility
Conditions for Success

Destinations & Events

- By policy, put activity generators near the streetcar:
  - Civic Plaza
  - Arts Crawl
  - Events Center
  - Museums
  - Libraries

- Refine your retail strategy:
  - Know your niches
  - Provide local services
  - Daily needs for residents

- Build on tourism:
  - Conventions
  - Partner with visitors bureau
Conditions for Success

Public Realm & Design

- Recent downtown streetscape improvements, infill, streetscape plans
- Have plans for:
  - Plazas
  - Station areas
  - Public art
  - Landscaping
  - Signage
  - Lighting

Project Success

- Insist on quality
  - Starting with public investments
  - Provide incentives for private investment
  - Uncompromising standards
- Continue to address safety and security

A Vibrant Central Albuquerque & Streetcar that shapes neighborhoods and moves people.
Goals

1. Review and comment on HDR and City analysis
2. Analyze the streetcar’s redevelopment potential
3. Cost-Benefit Analysis and Matrix focusing on Redevelopment and Transportation Benefits
4. Strategic Recommendations on complementary policies
5. Recommend Financing Strategies
Conclusions and Recommendations

- Planning Context Supports Streetcar
- Redevelopment Potential is High
  - $1B redevelopment, 6,400 new residents
- Solid Transportation Investment
  - 6,300 daily riders, $1.35 per passenger
  - Works from Day One
- Build Alignment Sections B and C
- Combine Transportation and Land Use Funding Sources
- Evaluate Future Phases Pending Phase 1 Success