



Redevelopment Tax Abatement (RTA) **Application Instructions**



City of Albuquerque
Metropolitan Redevelopment Agency

SECTION 1. RTA APPLICATION OVERVIEW

The Redevelopment Tax Abatement (RTA) program allows developers of catalytic projects to request abatement of property tax increases. Projects must demonstrate that they meet the policy goals of the applicable Metropolitan Redevelopment (MR) Area Plan and the Metropolitan Redevelopment Code.

Based on project merit and rigorous application criteria, the recommended RTA approval period may be 7, 10, or 14 years. All projects that meet the standard project threshold and community benefit criteria may qualify for the 7-year RTA. Each extended abatement period requires that the proposal meet additional financial and community benefit thresholds to qualify for the increased period. This guide will help the applicant understand the required materials to apply for each RTA term, including the additional threshold criteria and application materials that apply to 10- and 14-year RTA applications.

Applicants should also refer to the [RTA PROGRAM HANDBOOK](#), which has additional program guidance and information about the criteria and decision-making process for determining the length of the RTA applicable to a project proposal. The handbook also outlines the RTA approval and implementation process after the application is submitted. Please read this application guide and the handbook to fully understand the RTA program requirements.

SECTION 2. PRE-APPLICATION

Prior to submittal of any RTA Application:

1. Request a Pre-Application Meeting. A meeting with MRA staff prior to application submittal is **REQUIRED**. Applicants should bring preliminary design plans (e.g., site and floor plans, rendering, elevations) to the meeting. Staff will review the proposal, its eligibility for an RTA, and discuss potential concerns or limitations. MRA staff will follow up with a written summary of the pre-application meeting.

A pre-application meeting may be requested via email at: MRA-RTA@cabq.gov.

During the Pre-Application Meeting, staff will review the minimum Threshold RTA Criteria, Extended RTA Program Priorities, Community Benefit Matrix, and other application materials. It is highly recommended that the applicant review the [RTA PROGRAM HANDBOOK](#) before attending the meeting and come with specific questions for staff to make the best use of the time.

Overview of Minimum RTA Threshold Criteria (7, 10 & 14 years):

Before applying for any RTA term, the Applicant must confirm the project meets the minimum RTA Threshold Criteria in [SECTION 3, PROJECT THRESHOLD CRITERIA](#), of the [RTA PROGRAM HANDBOOK](#). The minimum Threshold criteria for any project are:

- The project is located in an MR Area.
- The applicant has site control.



- Project meets minimum project size requirements.
- Project obtains the minimum community benefit score for the abatement period requested:
 - 7 years = 40 points
 - 10 years = 55 points
 - 14 years = 65 points

Overview of Extended RTA Program Priorities (10 or 14 years):

If an application is for an extended RTA period, the project **MUST** meet additional threshold criteria and provide additional application information, which may include project characteristic requirements and financial analysis. See **TABLE 2.1** in the **RTA PROGRAM HANDBOOK** for complete details.

The applicant must also demonstrate that the project would not be feasible “but for” the subsidy provided by the tax abatement term requested. This must be addressed in the Application Narrative (see **SECTION 5**).

2. Meeting with Relevant Neighborhood Association(s). While ***not required***, MRA staff highly recommends that the applicant request a meeting with all neighborhood associations (NA’s) within 660 feet of the project site before application submission. Meeting with the NA’s early may prevent delays to the decision-making process by answering questions or making design changes that appease community concerns before any public hearings.

NA contact information may be found at: <https://www.cabq.gov/office-of-neighborhood-coordination/resources>

If a Neighborhood Association meeting is held with the Applicant, the Applicant should include the resulting recommendation or meeting minutes from the NA in the application submittal.

SECTION 3: APPLICATION MATERIALS OVERVIEW

Applications must be submitted as one compiled pdf. Applications can be emailed to the City at MRA-RTA@cabq.gov. Applicants may submit larger-sized applications using a virtual link (such as Dropbox or Google Drive), as long as all materials are in one compiled file.

All RTA applications must include the minimum threshold project information as outlined in this document and in the **RTA PROGRAM HANDBOOK**. If the application is for an extended abatement period, the RTA application **MUST** include the additional information outlined in the Application Narrative and Application Checklist for either a 10-year or 14-year abatement period.



Extended RTA applications that are incomplete will either not be reviewed until they are complete or will be recommended only for the standard 7-year abatement period, if the application materials provided demonstrate that the project meets the minimum 7-year threshold requirements.

See [SECTION 6](#) for the complete annotated checklist of all materials that must be submitted for the RTA Application to be deemed complete. Please note that some forms and required materials, such as the Community Benefit Matrix, are found on [MRA's RTA webpage \(see Application Appendices\)](#).

SECTION 4: APPLICATION FEES

The entire application fee is due at the time of application submission and is non-refundable. MRA staff will not begin their evaluation of the RTA application until the complete fee is submitted. Staff may provide a recommendation regarding the appropriate RTA-term for the project in the pre-application meeting; however, the final application submission will be at the discretion of the applicant. If the RTA is not approved, or it is deemed that the project does not qualify for the RTA term requested and is recommended for a lesser term, application fees will not be reduced or refunded to the applicant.

Table 8.1 PROPOSED RTA APPLICATION FEES		
RTA TERM	Fee	
7 years	\$4,500	
	Building Permit Valuation < \$10M	Building Permit Valuation >= \$10M
10 years	\$8,000	\$11,500
14 years	\$11,500	\$17,500

These fees include all costs for processing the RTA application, including third-party reviews and analysis when necessary. MRA fees do not include fees charged by architects, engineers, planners, financial advisors, attorneys, or any other consultants required to prepare the application materials submitted. The applicant is fully responsible for ensuring that all application materials are complete, and any fees required to complete the application materials are solely the responsibility of the applicant.

Please see [SECTION 8](#) of the [RTA PROGRAM HANDBOOK](#) for payment instruction details and current mailing addresses for payment checks.

Also, after RTA approval, additional Fees are required to effectuate the RTA lease and during the abatement period. Carefully review the additional RTA lease filing and administrative fees associated with the program found in the handbook.

SECTION 5: PROJECT NARRATIVE

All RTA Applications must have a complete Project Narrative. The minimum threshold project narrative must be completed by ALL applicants. Only applications for the extended RTA periods must also include the Additional Project Narrative at the end of this section.



The required Project Narrative may be a maximum of 10 pages, using a legible typeface and font size, and using the Header Sequence provided in the descriptions below. Attachments will not be counted against the page limit. (Documents enabled with Headings or Bookmarks that allow staff to navigate through sections easily are appreciated.)

Applicants should strive to completely and thoroughly respond to all information required in the narrative. If a particular section does not apply to the project, the applicant must explain why. The Project Narrative will be scored during the review process, and the score will contribute to the justification for the recommendation made by staff.

Minimum RTA Threshold Project Narrative:

1. PROJECT INFORMATION

A. Project Site: Provide information on the location of the project site, including all the parcels where the proposed project will occur and the County Assessor-assigned parcel number(s). In this section, show a map of the project site within the MR Area Boundary.

Note: If the project site will be subject to a replat, indicate that as well.

B. Existing Conditions: Describe the present use and conditions of the site, including any development improvements, vacancies, etc. Describe surrounding land uses and neighborhood conditions. Describe any work done to date to clear or prepare the site for development.

C. Proposed Development: Describe the construction to be undertaken, including specific uses, square footage, construction type, access, and parking provided, as well as other site improvements, such as landscaping or stormwater control. Describe how the project meets the minimum RTA size requirements for developments. Attach a conceptual site plan, landscape plan, elevations, and colored renderings (see [SECTION 6, APPLICATION CHECKLIST](#)).

D. Entitlements: Provide the current zoning of the development site. Provide a list of entitlements received or required for the proposed use (i.e., variance, conditional use permit, zoning map amendment, etc.), and the status of entitlements.

E. Development Timeline: Describe the planning and construction timeline for the project. Provide projected dates for submitting for building permits, securing financing, and starting and completing construction.

F. Financial Feasibility and Project Readiness: Provide a written overview of the financial analysis summary sheet ([APPENDIX G](#)) describing the financial feasibility of the project, any funding sources already secured or the timeline for securing funding, and how any obstacles to financing the project will be overcome. If the project has a financial gap, describe how the approval of the RTA will fill that gap and contribute to the feasibility of the project.



2. COMMUNITY BENEFIT SUMMARY

Provide a narrative explanation of how the project meets ALL the Community Benefit points that are shown in the completed Community Benefit Matrix ([APPENDIX C](#)). Each Community Benefit category identified for earning points must be addressed in this section. Additional attachments, as noted in the Community Benefit Matrix, must also be included in the application submittal. If attachments are missing, the application will be deemed incomplete.

3. ALIGNMENT WITH METROPOLITAN REDEVELOPMENT AREA PLAN

- A. **Removal of Slum/Blighted Conditions:** Describe specifically how the Project results in the removal of slum or blighted conditions, as defined in the Metropolitan Redevelopment Code. Please see the [RTA PROGRAM HANDBOOK](#) and the blight criteria on MRA's website for the definitions and additional details. (See: <https://www.cabq.gov/mra/blight-matrix>)
- B. **Alignment with MRA Plan Goals:** Describe specifically how the Project furthers the goals and objectives of the adopted Metropolitan Redevelopment Area Plan where the project is located.
- C. **Anti-displacement.** *Displacement of existing residents and businesses should be avoided.* If relocation is necessary (or was at any time under the ownership at the time of application), the Applicant must provide a relocation plan. This plan can and should include, at a minimum, finding new housing or business locations with the same or reasonably similar characteristics and price points, and providing relocation and rental assistance for a reasonable period after relocation. The plan should also include if and how priority will be given to the former tenants to reoccupy the new development.

Note: If displacement of existing residents or businesses will or did occur, the required points deductions must be made to the Community Benefit Matrix.

4. DESIGN

Describe how the project meets the following enhanced design criteria. Include renderings as part of the application package that show the project's design features.

- A. **Color:** Describe the exterior building colors and color variations. (While not required, see the recommended [CITY COLOR PALETTES](#) in [APPENDIX I](#) as a reference: <https://www.cabq.gov/mra/tax-abatement>)
- B. **Materials:** Construction materials shall provide variation in color, texture, and scale. Describe materials to be used.
- C. **Building Design:** Describe how the project meets or exceeds the IDO standards for the proposed use and contributes to the character of the existing community or existing development styles in the MR Area.



5. APPLICANT EXPERIENCE.

Describe the development entity and provide information about the experience of the company or of significant individuals involved in the type of development proposed. As appropriate, include résumés of principals or other relevant information that speaks to the experience and credibility of the development team. Provide examples of previously completed projects, using [APPENDIX D](#).

- 7 years = at least 2 similar projects
- 10 years = at least 3 similar projects
- 14 = >3 similar projects and sustained track record

Additional Project Narrative for Extended RTA (10 or 14 years):

6. “BUT FOR” ANALYSIS.

Describe in detail why the project would not be possible without the requested tax abatement term, including detailed financial projections showing that the project could not be built or that the rent (or other associated cost after completion) will be reduced as a result of the RTA award. Explain why the project, if awarded the extended RTA, will benefit the community in a way that would not otherwise be possible without the longer abatement term (e.g., additional community benefits points attained as a result of the RTA award). Refer to the [RTA PROGRAM HANDBOOK](#) for additional “But For” criteria.

7. EXTENDED RTA PROGRAM GOALS.

Explain how the proposed development meets the additional evaluation criteria and the program priorities for the extended RTA term requested, referring to the table in [SECTION 2](#) of the [RTA PROGRAM HANDBOOK](#).

(APPLICATION CHECKLIST AND APPENDIX ON FOLLOWING PAGES)



SECTION 6: RTA - COMPLETE APPLICATION CHECKLIST (ANNOTATED)

A complete RTA application includes all of the following materials, compiled in order and in a single PDF document. Documents with Headings or Bookmarks are appreciated.

Standard RTA Attachments:

The following attachments are required for ALL RTA applications:

- ☐ Complete Application Cover Sheet (Appendix A)

Use the Building Valuation Data (Appendix B) to complete the project cost

- ☐ Complete Application narrative (no longer than 10 pages) with required Headings. If a section does not apply to the project submittal, the required header must still be included with an explanation of why it does not apply.

- ☐ Map showing the location of the project within the MR Area included

- ☐ Completed Community Benefits Matrix (Appendix C)

- ☐ All required attachments for points in the Community Benefit Matrix (Column F) must be submitted in order for an application to be deemed complete.

- ☐ (*Optional.*) Applicant Local/Diverse-owned certification or W-9 (Appendix E and/or F). If selecting this option, please use the required forms. Alternative business licenses and certifications will not be accepted.

- ☐ Design Drawings (with all notes required by Community Benefit Matrix)

The design drawings submitted at the application stage do not need to be the full construction drawings. MRA staff understands that there may be minor design changes to the project before final building permits are submitted. Final building permit plan sets, however, must include all the elements for which points were received in the community benefit matrix. A final plan set will be submitted to MRA at the building permit stage.

- ☐ Site plans

- ☐ Floor plans

- ☐ Elevations of all building sides showing building colors and materials

- ☐ Landscape plans

- ☐ Colored 3-D renderings (*optional*)

- ☐ Project Completion & Construction timeline with tentative dates:

- ☐ 7-yr RTA: maximum 36-months

- ☐ 10-yr RTA: maximum 36-months; preference given for <24 months

- ☐ 14-yr RTA: maximum 36-months; preference given for <18 months

- ☐ Financial Analysis Spreadsheet (Appendix G)

- ☐ Applicant/Developer Experience Matrix (Appendix D)

- ☐ 7-yr RTA: minimum 2 projects



- ☐ 10-yr RTA: minimum 3 projects
- ☐ 14-yr RTA: >3 projects with proven track record
- ☐ Proof of Site Control
 - ☐ Deed
 - ☐ Exclusive Option to Purchase
 - ☐ Long-term Lease
- ☐ Legal descriptions of all parcels that comprise the project site
- ☐ Copy of the most recent County Assessor's Notice of Value and Property Tax Bill for all parcels in the proposed project
- ☐ Summary of Pre-Application Meeting provided by MRA Staff
- ☐ Acknowledgement of RTA Program Risks & Responsibilities (Appendix H)
 - ☐ Applicant-Signed Form
 - ☐ Property-Owner Signed Form (if different from Applicant)
- ☐ Optional Attachments:
 - ☐ Neighborhood Association meeting minutes or written confirmation from the Neighborhood Association that a meeting was attended or was not requested
 - ☐ Applicant/Developer Résumés
 - ☐ Examples of prior projects (news clippings, memos, etc.)
 - ☐ Letters of reference

10-year Extended RTA Attachments:

All of the attachments for a standard RTA, plus the following attachments, are required:

- ☐ 10-year pro-forma or gap analysis
- ☐ Accountant or CPA-prepared financial statements or annual reports (including balance sheet, income statement, and statement of cash flows) for the most recent two (2) years for:
 - ☐ The parent company or primary operating entity that controls or will provide financial support/guarantees for the Applicant/Project Entity; or
 - ☐ The entity that will serve as the primary source of equity or credit support for the project.
- ☐ Resumes of Key Applicant/Developer team members
- ☐ If applicable, an organizational chart clearly showing the relationship between the project entity and the parent/operating entity(ies).



14-year Extended RTA Attachments:

All of the attachments for a standard RTA, plus the following attachments, are required:

- ☐ 14-year pro-forma
- ☐ Project Gap Analysis
- ☐ Audited or CPA-certified financial statements or annual reports (including balance sheet, income statement, and statement of cash flows) for the most recent two (2) years for:
 - ☐ The parent company or primary operating entity that controls or will provide financial support/guarantees for the Applicant/Project Entity; or
 - ☐ The entity that will serve as the primary source of equity or credit support for the project.
- ☐ Letters of commitment or term sheets from all funding sources
- ☐ Resumes of Key Applicant/Developer team members
- ☐ If applicable, an organizational chart clearly showing the relationship between the project entity and the parent/operating entity(ies).

Application Fee:

Payable by check to “City of Albuquerque”

- ☐ 7-year RTA
- ☐ 10-year RTA
- ☐ 14-year RTA

Note: The RTA application fee is due prior to application review.



APPLICATION APPENDICES

The following Appendices may be found at www.cabq.gov/mra/tax-abatement

Appendix A: Application Cover Sheet

Appendix B: Building Valuation Data (to be used when completing the Application Cover Form)

Appendix C: Community Benefit Matrix

Appendix D: Applicant/Developer Experience Matrix

Appendix E: Application Certification of Woman or Minority Business

Appendix F: Modified W-9 Certification of Local Business

Appendix G: Financial Analysis Spreadsheet

Appendix H: Certification + Acknowledgement of Redevelopment Tax Abatement Program Risks

Appendix I: City Color Palettes (for reference only)

Appendix J: Boilerplate Lease Agreement (for reference only)

