



Tim Keller, Mayor

March 8, 2022

To: Albuquerque Development Commission

From: Ciaran Lithgow, Redevelopment Project Manager

Subject: Case #2022-7 University Metropolitan Redevelopment Area Designation Report

BACKGROUND

The Metropolitan Redevelopment Agency is proposing to create a new Metropolitan Redevelopment Area to include the commercial and multifamily corridors along Central Boulevard, between University Boulevard SE and Girard Boulevard SE, and Yale Boulevard between Central Ave SE and St. Cyr Ave SE. Please see the attached Resolution (Exhibit A) and University Redevelopment Area Designation Report (Exhibit B). The geographic boundaries of the area were determined through an initial market conditions assessment and community engagement completed by Sites Southwest and the Metropolitan Redevelopment Agency.

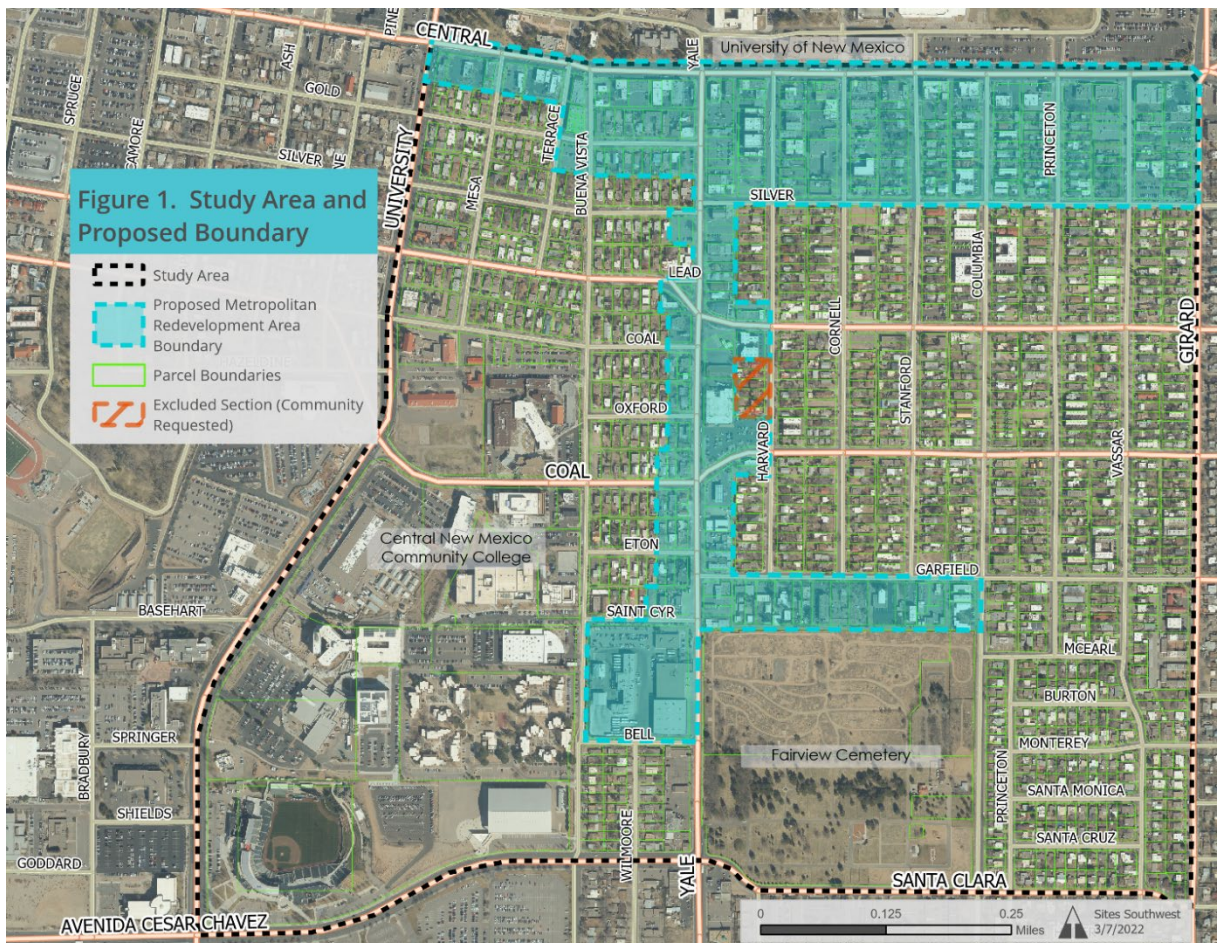
Sites Southwest and MRA conducted extensive outreach to community members and stakeholders in the area including:

- On February 2nd, over 50 people attended a public meeting via Zoom to gather feedback and input on the Designation Report and proposed boundaries;
- Letters were sent to all property owners in the proposed MR Area to notify them of a public meeting to be held on February 2nd;
- A second letter was sent to all property owners notifying them of the ADC hearing on March 17th;
- Notifications were sent to the three adjacent neighborhood associations (University Heights, Silver Hill, and Victory Hills Neighborhood Associations);
- MRA attended (or plans to attend prior to the March 17th ADC meeting) the meetings of all three Neighborhood Associations;
 - Two letters of support are attached as Exhibit C.
- Stakeholder interviews with over twelve local businesses, developers, UNM representatives, and property owners were completed; and
- A website was created to publicly distribute the designation report and public meeting notifications, shared via social media and e-newsletters.

REPORT FINDINGS

1. The proposed University MR Area meets the definition of a blighted area as defined in Section 3-60A-4(F) NMSA 1978 of the MR Code.

2. The presence of the following conditions is substantially impairing the sound growth and economic health and well-being of the City:
 - a. a substantial number of deteriorated or deteriorating structures; and
 - b. deterioration of site improvements; and
 - c. a significant number of commercial or mercantile businesses have closed or significantly reduced their hours of operation due to the economic losses or loss of profit due to operating in the area;
 - d. a lack of adequate housing; and
 - e. low levels of commercial activity or redevelopment.
3. The combination of the above stated factors is an economic and social burden and is a menace to the public health, safety, morals or welfare of the residents of Albuquerque, and the rehabilitation, conservation, redevelopment or development, or a combination thereof, of and in such area is necessary.



SUGGESTED MOTION AND RESOLUTION

ADC recommends to City Council approval of the University Metropolitan Redevelopment Area Designation Report and making certain findings pursuant to the Metropolitan Redevelopment Code by Resolution.

Exhibit A

CITY of ALBUQUERQUE
TWENTY FOURTH COUNCIL

COUNCIL BILL NO. _____ ENACTMENT NO. _____

SPONSORED BY:

1 RESOLUTION

2 DESIGNATING THE UNIVERSITY METROPOLITAN REDEVELOPMENT AREA,
3 MAKING CERTAIN FINDINGS AND CONCLUSIONS PURSUANT TO THE
4 METROPOLITAN REDEVELOPMENT CODE, AND AUTHORIZING AND
5 DIRECTING THE CITY TO PREPARE A METROPOLITAN REDEVELOPMENT
6 PLAN FOR THE UNIVERSITY METROPOLITAN REDEVELOPMENT AREA.

7 WHEREAS, Section 3-60A-7 NMSA 1978 of the MR Code states: “No local
8 government shall exercise any of the powers conferred upon local
9 governments by the Redevelopment Law until the local government has
10 adopted a resolution finding that:

11 A. one or more slum area or blighted areas exist in the local government’s
12 jurisdiction; and

13 B. the rehabilitation, conservation, slum clearance, redevelopment or
14 development, or a combination thereof, of and in such area is necessary in the
15 interest of the public health, safety, morals or welfare of the residents of the
16 local government’s jurisdiction”; and

17 WHEREAS, the City of Albuquerque (“City”) and the Metropolitan
18 Redevelopment Agency (“MRA”) of the City and their employees and agents,
19 have for some time, engaged in a study of blighted areas within the City and
20 have submitted their findings and conclusions concerning the area detailed in
21 the University Metropolitan Redevelopment Area (“University MR Area”)
22 Designation Report, which is attached as Exhibit B to this Resolution and
23 incorporated herein by reference; and

24 WHEREAS, pursuant to Section 3-60A-8(A) NMSA 1978 of the MR Code, the
25 Council caused to be published in the Albuquerque Journal, a newspaper of
26 general circulation, a notice containing a general description of the proposed

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

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

1 University MR Area and the date, time and place where the Council will hold a
2 public hearing to consider the adoption of this Resolution and such notice
3 was published twice with the last publication at least twenty days prior to the
4 Council hearing; and

5 WHEREAS, the Council has considered the Designation Report, including
6 Findings, Determinations, and Conclusions in addition to the questions and
7 comments submitted by members of the public concerning the proposed
8 University MR Area.

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

11 SECTION 1. The City Council makes the following Findings of Fact with
12 respect to the designation of the University MR Area:

13 A. The University MR Area is shown on the map attached hereto as
14 Exhibit A. The University MR Area is located along Central Boulevard, between
15 University Boulevard SE and Girard Boulevard SE, and Yale Boulevard
16 between Central Ave SE and St. Cyr Ave SE. The geographic boundaries
17 generally include properties along the Central corridor between Central and
18 Silver Ave SE between Girard and Yale; between Central and Gold SE between
19 Yale and University; and extends South along Yale to St. Cyr, typically one or
20 two parcels deep in the East and West directions.

21 B. The University MR Area meets the definition of a blighted area as
22 defined in Section 3-60A-4(F) NMSA 1978 of the MR Code. The presence of the
23 following conditions is substantially impairing the sound growth and
24 economic health and well-being of the City: (1) a substantial number of
25 deteriorated or deteriorating structures; (2) deterioration of site
26 improvements; (3) a significant number of commercial or mercantile
27 businesses have closed or significantly reduced their hours of operation due
28 to the economic losses or loss of profit due to operating in the area; (4) a lack
29 of adequate housing; and (5) low levels of commercial activity or
30 redevelopment.

31 C. The combination of the above stated factors is an economic and
32 social burden and is a menace to the public health, safety, morals or welfare of
33 the residents of Albuquerque, and the rehabilitation, conservation,

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

1 redevelopment or development, or a combination thereof, of and in such area
2 is necessary.

3 SECTION 2. In accordance with the requirements of Section 3-60A-8 NMSA
4 1978, the Council hereby designates the area that is described in Section 1.A
5 above, and shown in the official University MR Boundary map attached hereto
6 as Exhibit A, to be a ‘metropolitan redevelopment area’ as defined by Section
7 3-60A-4 (M) NMSA 1978 and finds it to be appropriate for a metropolitan
8 redevelopment project or projects. This area shall be referred to as the
9 University MR Area to distinguish it from other metropolitan redevelopment
10 areas.

11 SECTION 3. The MRA of the City is hereby authorized and directed to
12 prepare a Metropolitan Redevelopment Plan, as defined by Section 3-60A-4 (N)
13 NMSA 1978, for the University MR Area, which, without limitation, shall: (1)
14 Seek to eliminate the problems created by the blighted conditions of the area;
15 (2) Conform to and coordinate with the Albuquerque/Bernalillo County
16 Comprehensive Plan, and any other applicable plans or policies; and (3) Be
17 sufficient to indicate the proposed activities to be carried out in the area,
18 including, but not limited to, any proposals for land acquisition,
19 redevelopment, improvements, rehabilitation and conservation and the plan’s
20 relationship to definite local objectives respecting land uses, improved traffic
21 patterns and controls, public transportation, public utilities, recreational and
22 community facilities, housing facilities, commercial activities or enterprises,
23 and other public improvements.

24 SECTION 4. SEVERABILITY CLAUSE. If any section, paragraph, sentence,
25 clause, word or phrase of this resolution is for any reason held to be invalid or
26 unenforceable by any court of competent jurisdiction, such decision shall not
27 affect the validity of the remaining provisions of this resolution. The Council
28 hereby declares that it would have passed this resolution and each section,
29 paragraph, sentence, clause, word or phrase thereof irrespective of any
30 provisions being declared unconstitutional or otherwise invalid.



UNIVERSITY AREA DESIGNATION REPORT

METROPOLITAN REDEVELOPMENT AGENCY
TASK 3 DELIVERABLE 3-8-2022 PUBLIC INPUT DRAFT

Prepared by:



FIRSTLY

THANK YOU

TO THE FOLLOWING!

City Of Albuquerque Officials

Mayor Tim Keller
City Councilor Pat Davis, District 6
Chief Operations Officer, Lawrence Rael

Albuquerque Development Commission

Terrence Brunner, Chair
Mona Ghattas, Vice Chair
Theresa Carson
Bill M. Miera
Fred Mondragon

Metropolitan Redevelopment Agency

Karen Iverson, MRA Manager
Ciaran Lithgow, Redevelopment Project Manager

This report was prepared by:

Sites Southwest LLC.

Phyllis Taylor, Principal
Carlos Gemora, Senior Planner

REgeneration Development

Jeremy Nelson, President



SITES
SOUTHWEST



CONTENTS

INTRODUCTION	1
BOUNDARY OF THE STUDY AREA AND POTENTIAL MRA	3
EXISTING CONDITIONS ASSESSMENT	6
SUMMARY OF FINDINGS	16

FIGURES

FIGURE 1. STUDY AREA AND PROPOSED BOUNDARY	4
FIGURE 2. HISTORIC OVERLAY AND NEIGHBORHOOD ASSOCIATIONS	5
FIGURE 3. EXISTING LAND USE	8
FIGURE 4. ZONING DISTRICTS	9
FIGURE 5. VACANT, AVAILABLE, AND UNDERUTILIZED PROPERTIES	12
FIGURE 6. CALLS FOR POLICE SERVICES	14

TABLES

TABLE 1. STUDY AREA DEMOGRAPHIC CHARACTERISTICS	13
TABLE 2. RETAIL VACANCIES AND AVERAGE RENT, 2017 AND 2021	15
TABLE 3. TABLE 3. BUSINESS SQUARE FOOTAGES & USES	15

Introduction

The Albuquerque Metropolitan Redevelopment Agency's mission is to make Albuquerque competitive in the global market by revitalizing downtown and the Central Avenue corridor, leading collaborative public-private partnerships that result in catalytic change, investing in sustainable infrastructure, and providing opportunities for residents and businesses to thrive. The agency accomplishes this by attracting economic investment and building healthy and vibrant communities which reflect the City's diversity, innovation, rich culture, and unique history.

The New Mexico Metropolitan Redevelopment Code (§3-60A-1 to 3-60A-48 NMSA 1978) provides municipalities in New Mexico with the powers to correct conditions in areas or neighborhoods which "substantially impair or arrest the sound and orderly development" within the city. These powers can help reverse an area's decline and stagnation; however, the municipality may only use these powers within designated Metropolitan Redevelopment Areas (MRAs) with adopted redevelopment plans.

Recognizing that the area south of the University of New Mexico Main Campus was showing signs of distress, the Metropolitan Redevelopment Agency conducted background research in the summer and fall of 2021 to assess whether the area had slum and blight conditions that would qualify and could benefit from an MRA designation. Field studies, interviews, and research found that the Central Avenue Corridor from University Boulevard to Girard Boulevard and the Yale Boulevard Corridor from Central Avenue to Avenida Cesar Chavez could qualify and benefit from an MRA designation.

State Requirements for an MRA Designation:

Designation of an MRA is based on findings of "slum or blight" conditions as defined in the Metropolitan Redevelopment Code (§3-60A-8). The criteria set by the Code for a "blighted" area include the following physical and economic conditions:

- Substantial number of deteriorated or deteriorating structures;
- Faulty lot layout or size;
- Unsanitary or unsafe conditions;
- Deterioration of site or other improvements;
- Diversity of ownership;
- Lack of adequate housing; and/or the
- Significant closure of or reduced activity by commercial uses

Definition of Blight:

'Blighted area' means an area within the area of operation...that substantially impairs or arrests sound growth and economic health and well-being... because of the presence of a substantial number of deteriorated or deteriorating structures ...faulty lot layout in relation to size, adequacy, accessibility or usefulness; unsanitary or unsafe conditions; deterioration of site or other improvements; diversity of ownership ...lack of adequate housing facilities in the area ...or an area where a significant number of commercial or mercantile businesses have closed or significantly reduced their operations due to the economic losses or loss of profit due to operating in the area, low levels of commercial or industrial activity or redevelopment or any combination of such factors ...or an area that retards the provisions of housing accommodations or constitutes an economic or social burden and is a menace to the public health, safety, morals or welfare in its present condition and use. [NM Stat §3-60A-4-F (2020)]

ANALYSIS SUMMARY

The Central Avenue Corridor is a culturally, economically, and historically significant East-West corridor and has experienced major infrastructure investment, most notably the construction of a bus rapid transit line (ART) and associated streetscape improvements. **Associated construction impacts, however, have negatively impacted traffic and businesses in the university area. Additionally, several arterials in the study area are particularly dangerous and have higher fatality, bicycle, and pedestrian-related crashes (HFIN 2014-18).** To aid City strategies and public infrastructure investment and to help achieve redevelopment along the corridor, much of Central Avenue Corridor is already designated within various Metropolitan Redevelopment Areas.

An assessment was conducted on a study area bounded on the north by Central Avenue, on the west by University Boulevard, on the east by Girard Boulevard and on the South by Avenida Cesar Chavez ("Study Area") to determine if this area meets the criteria and could benefit from an MRA designation. The resulting analysis found that conditions of blight exist within the study area, particularly along Central Avenue and also along Yale Boulevard. These conditions are summarized below.



Deteriorated or deteriorating structures, including many vacant buildings

A preliminary field survey identified a substantial number of vacant, deteriorated and deteriorating structures, especially along the commercial corridors. A market and field analysis identified that approximately 25% of all commercial space in the Study Area is vacant. Additionally, real estate professionals, local business owners, and residents noted that the prevalence of boarded up buildings contributes to a perception that the area is deteriorating and unsafe. It should be noted that not all properties within the boundary area exhibit these conditions but a high enough concentration of properties and blighted conditions exist to designate the overall area as a Metropolitan Redevelopment Area.



Deterioration of site or other improvements

Private property and public spaces throughout the corridor are showing signs of deterioration. This includes broken concrete, damaged sidewalks, missing streetlights, and trash.



Closed businesses due to problems operating in the area

Stakeholders report that the conditions along the corridor are making it difficult to recruit and retain retail tenants. The vacant buildings indicate businesses that have closed, and owners have been unable to sell property or find new tenants. **Vandalism, auto break-ins, and other crime discourages new investment in the area. Businesses were also impacted during the construction of ART along Central Avenue.**



Low levels of commercial activity or redevelopment in key areas

Landlords report that it is difficult to attract and retain tenants to both commercial properties and apartments because of social problems experienced by residents, customers, and business owners. Vandalism, particularly broken windows, are a significant cost to businesses as is the cost of private security to protect property from vandalism.



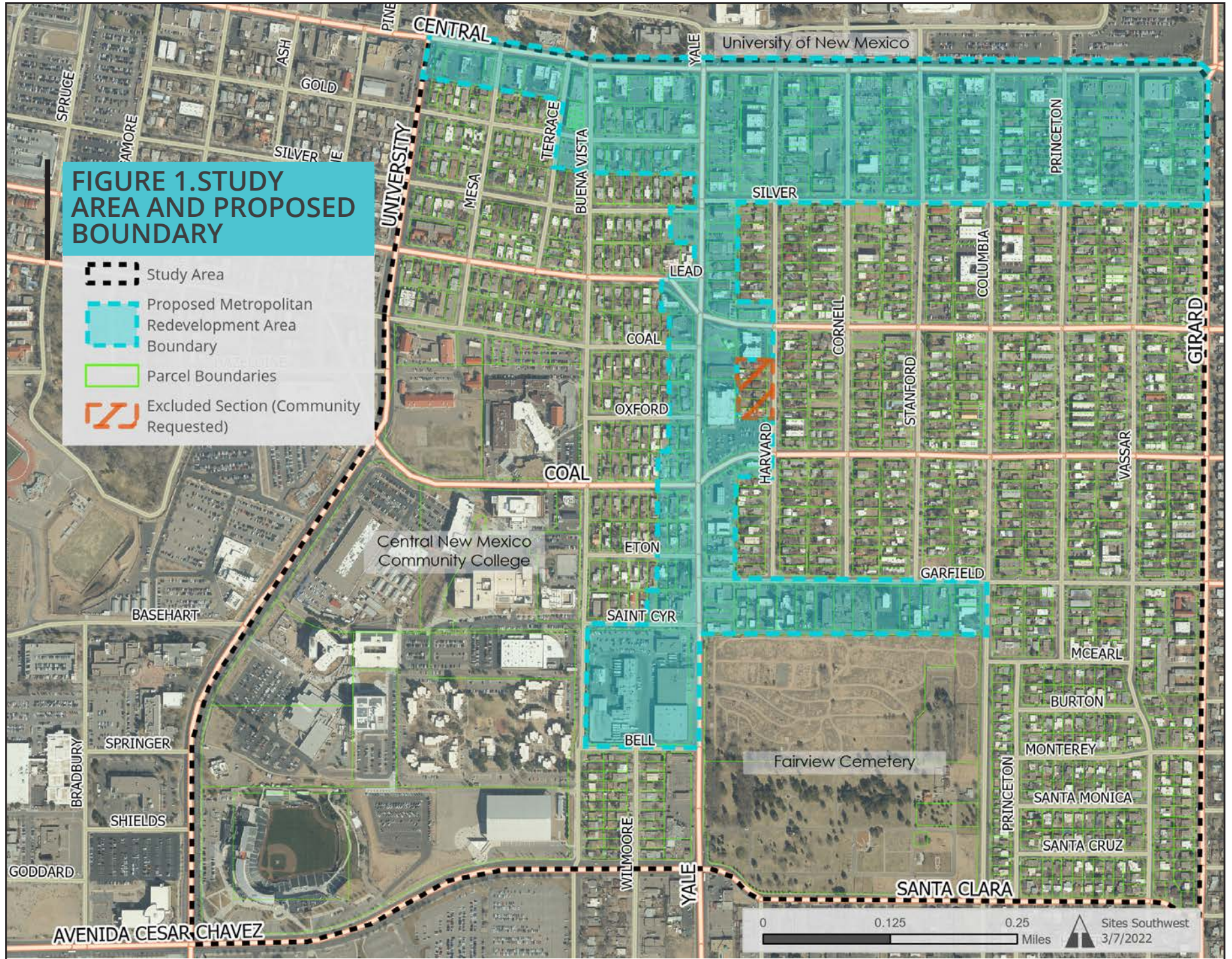
Lack of adequate housing

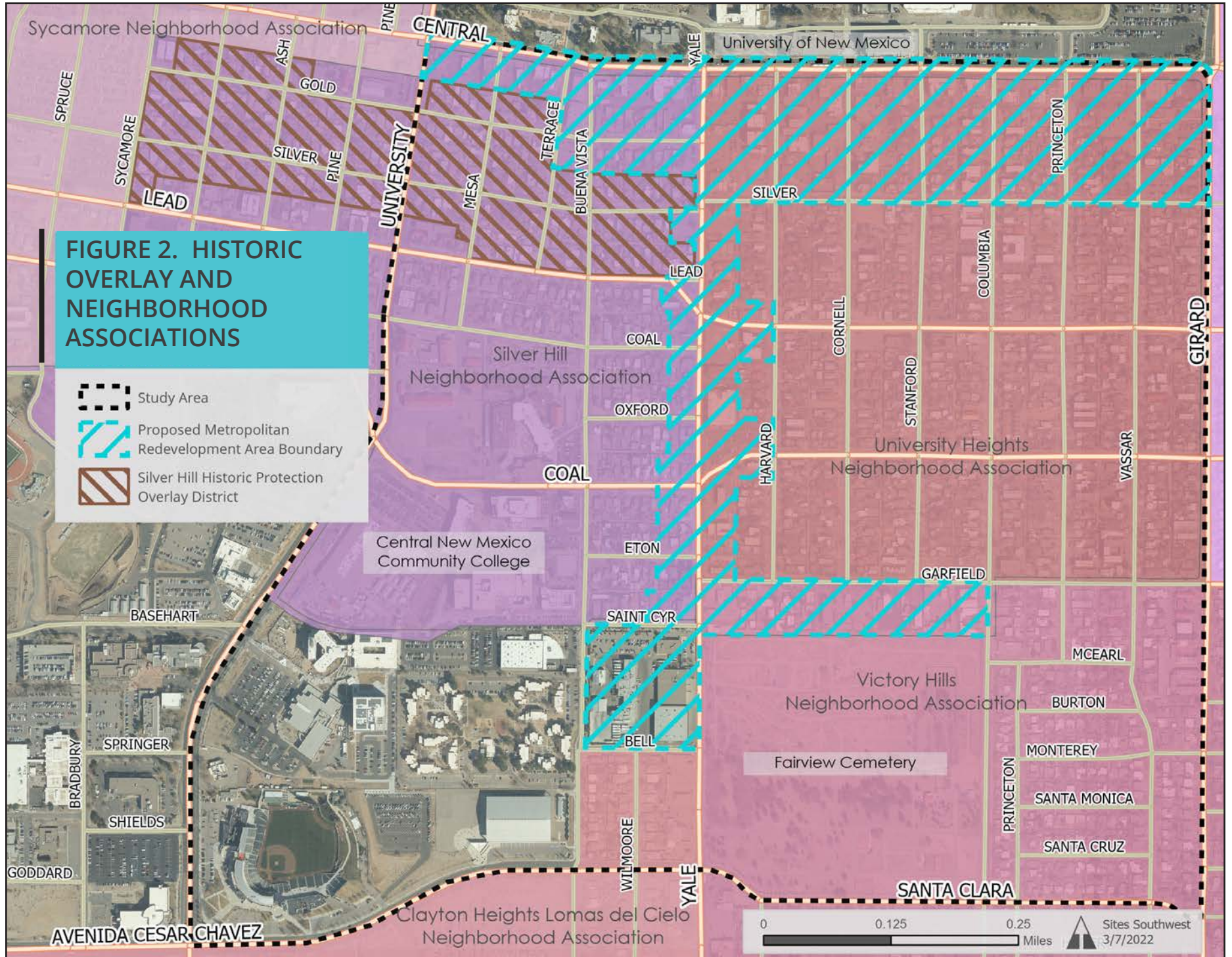
Area stakeholders identified a lack of adequate housing as a major factor inhibiting existing businesses, redevelopment of deteriorating properties, and investment in new construction along the main commercial corridors. Businesses desire a mix of higher-density housing targeted to a range of income levels. A more diverse housing mix could contribute to a healthier commercial district.

Boundary of the Study Area and Potential MRA

The Study Area is bounded by Central Avenue on the north, University Boulevard on the west, Girard Boulevard on the east, and Avenida Cesar Chavez on the south. Field surveys, stakeholder interviews, market research, and demographic analysis determined that the area meets statutory criteria for a Metropolitan Redevelopment Area.

The conclusion of background research is that the area with the most promise for redevelopment would be the commercial and higher-density zoning areas along the Central Avenue and Yale Corridors. To adequately focus redevelopment incentives, the proposed MRA boundaries would include most of the property between Central Avenue and Silver Avenue, most properties within a close proximity to Yale Boulevard, and would include some properties along Garfield Avenue with a high-density zoning.





Existing Conditions Assessment

Information regarding existing conditions was gathered through review of City documents, zoning review, interviews with area stakeholders, review of demographic and real estate data, and field investigations. The following summarizes existing City policy and conditions in the Study Area.

CITY POLICY

The City of Albuquerque has adopted policies for the Study Area through the Comprehensive Plan and supporting documents. In addition, there are documents that haven't been adopted that express a vision for the Central Avenue corridor and Girard Boulevard along the eastern edge of the Study Area.

A list of documents reviewed for this designation report are provided to the right. As shown on the next page, key themes that emerged from the document review predominately envision a thriving, high-density, mixed-use corridor with multi-modal travel options and excellent transit service. Placemaking and beautification, housing, and transportation improvements are seen as supporting this vision.

Community concerns around real and perceived blight have been documented at least as far back as the University Neighborhoods Sector Development Plan in 1986 and as recently as the Near Heights Community Planning Area Assessment conducted in 2021. The issues identified in 1986 are surprisingly similar to those identified in 2021.

Documents Reviewed

CITYWIDE

- Albuquerque/Bernalillo County Comprehensive Plan
- Integrated Development Ordinance

STUDY AREA

- Near Heights Community Planning Area Assessment, 2021, Study Area Excerpts
- Central Avenue Complete Streets Report, Draft, 2014
- Girard Complete Street Action Plan, Draft, 2013
- Route 66 Action Plan, 2014
- University Neighborhoods Sector Development Plan, 1986 (Repealed)

PLANS FOR ADJACENT AREAS

- South Yale Complete Street Master Plan, 2013
- Clayton Heights MRA Plan, 2010
- Sycamore MRA Plan, 1982

RELATED DOCUMENTS, NOT ADOPTED

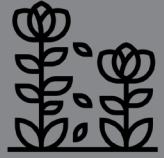
- Central TOD Plans, Draft, 2017

Key Themes Identified in Existing City Documents



VISION

- Higher-density, mixed use development with a high level of transit service in the Central corridor
- Thriving commercial environment along Central Avenue and Yale Boulevard Corridors



PLACEMAKING AND BEAUTIFICATION

- Create an attractive walkable environment throughout the area, including better lighting, street furniture, and landscaping
- Encourage and maintain historic Route 66 identity



HOUSING

- Want to encourage mixed-use development on commercial corridors
- Maintain lower densities in areas with single-family and small multifamily housing



TRANSPORTATION

- Create safe and attractive pedestrian and bicycle improvements on major streets, especially the Silver Bike Boulevard
- Want more pedestrian crossings across Central Avenue to improve flow between the University of New Mexico (UNM) and the commercial/housing district
- Expand bus service to streets other than Central Avenue
- Build a multi-use urban trail from the UNM Main Campus to the South Campus and other sports facilities



REAL AND PERCEIVED BLIGHT

- Streetscape conditions are not perceived as being pleasant or safe
- Businesses along Central and Yale appear to be struggling
- Presence of social problems including crime and homelessness negatively impact safety - both real and perceived
- Parking conflicts between students, customers and employees of local businesses, and residents



LAND USE

Along the Central Avenue and Yale Boulevard Corridors, existing land uses are predominately light- and medium-intensity commercial.

- Despite the medium-intensity zoning, commercial and residential land uses in the area are generally low-density. IDO zoning went into effect in 2017. Since then, construction on Central Avenue and the recent impacts of COVID may have delayed redevelopment.
- Buffered from the two major corridors is an eclectic mixture of residential uses varying from larger apartment buildings to historic single-family homes and accessory dwelling units. The residential areas are interspersed with low-intensity commercial, especially along Coal and Lead Avenues.
- Due to the proximity to University of New Mexico and Central New Mexico campuses, this area features a large distribution of student-oriented housing and social activities.

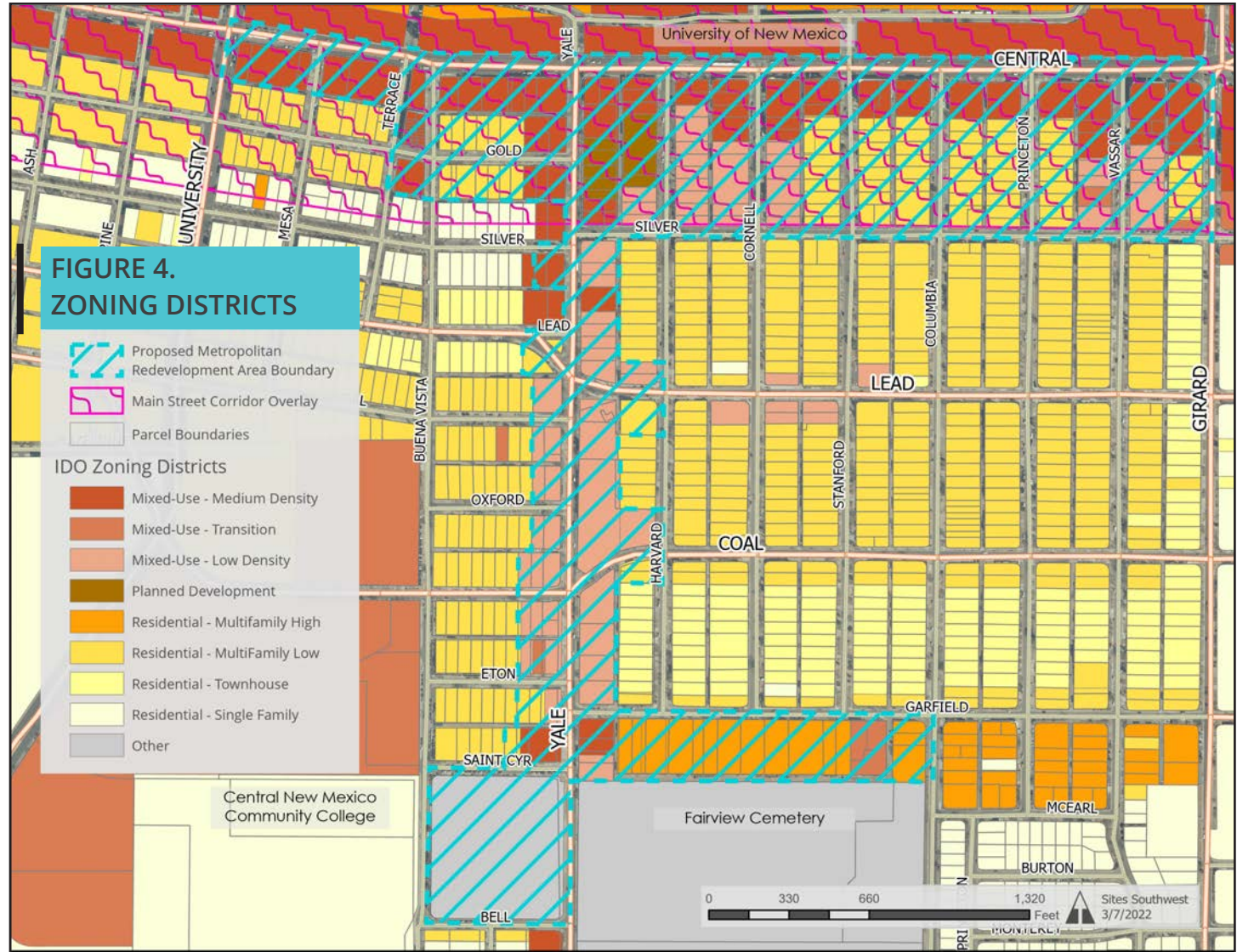


ZONING ANALYSIS

Opportunities exist for multi-story, mixed-use development as envisioned in City planning documents and further identified by area research as a needed development typology. The Study Area contains a variety of mixed-use and residential zoning districts, with the highest densities allowed along the Central Avenue and Yale Boulevard corridors. Existing zoning, which is relatively current and was comprehensively updated in 2017, supports multi-story, mixed-use development but could be amended to further encourage development and redevelopment in the area.

Zoning Districts

A strip of properties zoned medium-density mixed use (MX-M) along Central Avenue encourages a mix of uses with allowable heights of up to 65 feet, or 6 stories – achieved by inclusion into the Main Street Corridor that extends along Central Avenue. The MX-M district on Central is approximately three lots or around a half block deep. Most of the remaining property between Central Avenue and Silver Avenue is zoned either for low density mixed-use (MX-L) or low density multifamily residential (R-ML). Even though these entire blocks are within a Main Street Corridor, the MX-L and R-ML zoning districts do not allow a height bonus and are limited to a maximum height of 38 feet, or three stories.



Though most of the area between Central Avenue and Silver Avenue may provide a good opportunity for redevelopment, there are concerns that the shallow depth of MX-M zoning stifles or limits the types of development considered appropriate for Main Street corridors.

The blocks on both sides of Yale Boulevard are primarily zoned MX-M, MX-L, and RM-L. The mixed-use zones and residential zones nearest to Yale may be conducive for redevelopment opportunities. Some properties zoned high density multi-family along Garfield Avenue may also have good housing redevelopment opportunities.

PHYSICAL CONDITIONS

Building and Site Conditions

A field survey conducted in September 2021 documented existing building and site conditions in the Study Area. The purpose of the field survey was to locate vacant buildings, building conditions, and site conditions. A compilation of building and site conditions, underutilized properties, and vacant buildings/closed businesses is shown in Figure 5

Deteriorated Buildings

Deteriorated buildings are those with chipped or peeling paint or stucco and trim, graffiti, and other signs of neglect. Though many buildings are in good condition, the Study Area has a significant number of buildings that are deteriorated or deteriorating.

Deteriorated Site Conditions

Deteriorated site conditions include weeds, broken asphalt or concrete, and trash. These conditions may exist on private property or in public right of way. In public right of way, deteriorated conditions include broken sidewalks and curbs, broken or missing streetlights, and damaged street furnishings.



Underutilized Properties

Properties in the Study Area were identified as “underutilized” if the site improvements are less than 33% of the total value of the site. These properties are typically vacant lots or parking lots and represent potential development opportunities (Figure 5).

VACANT OR CLOSED BUSINESSES

The high commercial vacancy rate within the Study Area is testimony to the number of vacant buildings and closed businesses. The presence of vacant buildings, especially where windows have been boarded up to protect them from being broken, has an impact on the appearance and “feel” of the entire area. Figure 5 shows the locations of vacant buildings in the Study Area. Along Central Avenue there is a vacant building or vacant space in almost every block. The same is true of Harvard Drive and Cornell Drive, which are predominantly commercial between Central Avenue and Silver Avenue.



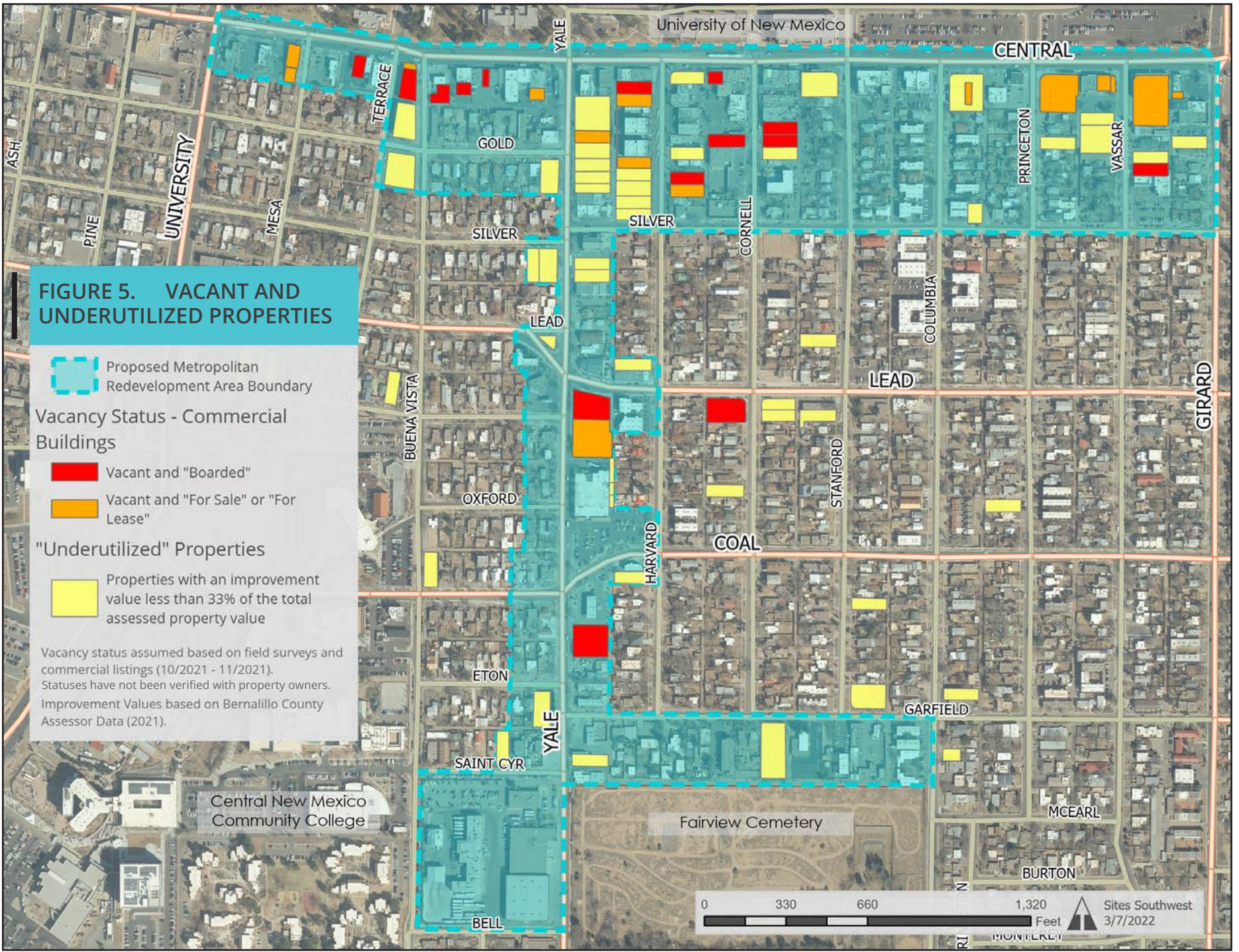





FIGURE 5. VACANT AND UNDERUTILIZED PROPERTIES

 Proposed Metropolitan Redevelopment Area Boundary

Vacancy Status - Commercial Buildings

-  Vacant and "Boarded"
-  Vacant and "For Sale" or "For Lease"

"Underutilized" Properties

-  Properties with an improvement value less than 33% of the total assessed property value

Vacancy status assumed based on field surveys and commercial listings (10/2021 - 11/2021). Statuses have not been verified with property owners. Improvement Values based on Bernalillo County Assessor Data (2021).

Central New Mexico Community College

Fairview Cemetery

0 330 660 1,320 Feet

Sites Southwest 3/7/2022

SOCIAL AND ECONOMIC CONDITIONS AND TRENDS

Demographics and Income

While the study area is racially and ethnically diverse, its demographic profile is dominated by a high population of students. Residents of the Study Area are generally younger, lower income, and living in smaller households than the City of Albuquerque.

Table 1. Study Area Demographic Characteristics

	Study Area	Albuquerque
Population	4,100	
Median Age	28	35
Non-family Households (%)	78	40
Renter Occupancy Rate	85.6%	39.5%
Average Household Size	1.6	2.4
Median Household Income	\$31,854	\$54,250

SOURCE: CLARITAS

Residents are over twice as likely to be renters as the general Albuquerque population and almost twice as likely to be living in non-family households. In the Study Area, 85 percent of households are renters, compared to 40 percent of Albuquerque households. Owner occupied housing is scattered throughout the Study Area and the neighborhood with the greatest concentration of homeownership (about half) is in the southeast corner of the Study Area just east of Fairview Cemetery. Residential uses within close proximity to the Central Avenue and Yale Boulevard Corridors tend to have lower rates of owner-occupied housing.

Business Types

Restaurants comprise nearly half of commercial space in the Study Area. When combined with other food related businesses, including bakery, brewery, fast food, coffee, and ice cream, eating establishments occupy 59 percent of commercial space. Vacancy rates vary by type of business, with the highest vacancy rates in retail and service commercial space.



Crime

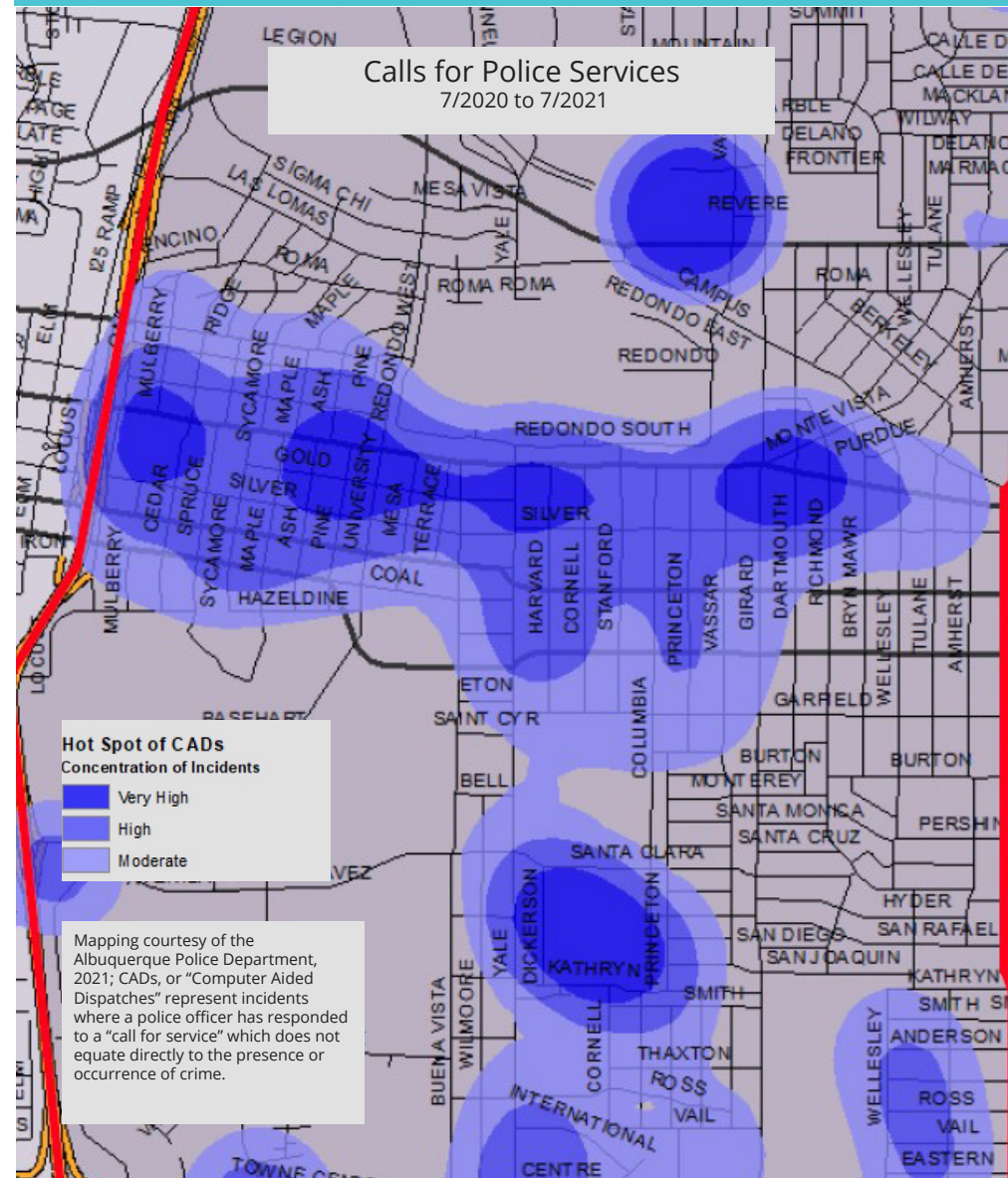
Almost all stakeholders interviewed through the background research phase identified that social problems, such as crime and homelessness, are among the most significant factors inhibiting growth and vitality in the Study Area. The impacts are most noticeable along commercial streets, but landlords report resident frustration with auto break-ins and harassment. Petty crime can be costly for property owners and the cost of broken windows is a notable expense for property and business owners.

Business owners believe that social problems, including crime and reports of suspicious activity scare people away from the area. Concerns about crime make investors and developers more hesitant to invest and complete projects in the area. The result of this lack of investment is less economic and cultural vibrancy than you would expect in a corridor adjacent to a major university.

The perception of crime is roughly measured by “calls for police services” represented by data from the City’s Computer Aided Dispatch system (CADs). Social and Economic Conditions and Trends. Figure 6 shows that requests for service are generally concentrated along the Central Avenue Corridor. The entire corridor is a “hot spot” with very high concentrations of incidents near some intersections and at the grocery store at Coal Avenue and Yale Boulevard.

For the most part, the perception and reality of crime must be addressed through social services or policing. However, there are physical improvements that could be done to change perceptions and make the area feel safer. For example, business owners noted that because of poor lighting, residents and employees are afraid to walk in the area, and particularly along side streets, at night. Missing streetlights were noted in a few places during the visual survey of the area. This is a problem that could be fixed with public investment.

FIGURE 6. CALLS FOR POLICE SERVICES



Real Estate Market

Commercial real estate in the Study Area is showing signs of distress. Between 2017 and 2021, retail vacancies decreased across the city but increased in the University Submarket. Vacancy rates in the Study Area are much higher than in the larger University Submarket, which extends from I-40 to approximately Avenida Cesar Chavez and I-25 to Carlisle.

Table 2. Retail Vacancies and Average Rent, 2017 and 2021

	Albuquerque		University Submarket		Study Area
	2017	2021	2017	2021	2021
Retail Vacancy Rate	8.08%	6.61%	3.16%	3.98%	25%
Average Rent	\$14.19	\$12.85	\$9.11	\$11.22	\$12-\$16

SOURCES: ALBUQUERQUE AND UNIVERSITY SUBMARKET: COLLIERS INTERNATIONAL; ALBUQUERQUE RETAIL RESEARCH REPORT: Q2-2017, Q1- 2021. UNIVERSITY SUBMARKET IS BOUNDED BY I-40, I-25, SAN MATEO AND AVENIDA CESAR CHAVEZ/SANTA CLARA/GIBSON.
STUDY AREA: REVIEW OF ACTIVE LISTINGS (CARNM), STAKEHOLDER INTERVIEWS, FIELD SURVEY, AND AERIAL PHOTO.

A field survey and a survey of current commercial listings indicate a current vacancy rate of 25%. Information regarding building size was obtained from real estate listings if available. Otherwise, building footprints were measured on an aerial photo. Space for sale or lease was identified through current real estate listings and a field survey of commercial buildings.

Table 3. Table 3. Business Square Footages & Uses

Business Type	Total Building SF	Vacant SF	Space for Lease
Restaurant	127,717	26,212	23,896
Other Food	25,409	0	0
Retail	76,623	31,323	19,803
Service	16,582	6,387	6,387
Office	37,434	11,301	11,301
Entertainment	4,680	0	0
Storage	1,400	0	0
Total	289,845	75,223	61,387

SOURCE: SITES SOUTHWEST, CARNM

Commercial brokers who were interviewed for this report estimate typical retail rents of \$12 to \$16 per square foot. The asking rents, exclusive of incentives, for current commercial listings is \$17.50 along Central Avenue. Rents decrease as properties are located further away from Central Avenue.

Stakeholders who were interviewed for this study indicated that national chains are the only business types that can meet these rents. As a result, local businesses are slowly being replaced by chains in multi-tenant buildings.



Summary of Findings

The study area meets the Metropolitan Redevelopment Area designation criteria as required by the Metropolitan Redevelopment Code [NM Stat § 3-60A (2020)].

The area may be designated “blighted” by the presence of the following conditions of blight:

- A substantial number of buildings are deteriorated or deteriorating.
- Deterioration is present on both private sites and public property.
- A number of commercial businesses have closed or significantly reduced operations due to burdens of operating in the area.
- Low levels of commercial activity and redevelopment exist in key areas.
- A lack of adequate housing exists.

Research into the study area has additionally determined that conditions of blight substantially impair or arrest sound growth, economic health, and well-being. The presence of blight in this area inhibits commercial and economic activity; lessens associated gross receipts tax revenue and employment; reduces property values and rental rates; discourages residential occupancy and the development or provision of adequate housing; and exacerbates residential and commercial vacancy rates.

In its present condition and use, blighted conditions and the associated negative impacts constitute a burden to the public welfare. The prevention and elimination of blighted conditions through MRA tools and incentives can be an effective strategy to encourage sound development, tax revenues, and area vibrancy.



APPLICABLE METROPOLITAN REDEVELOPMENT CODE

Findings and Declarations of Necessity [NM Stat § 3-60A-2 (2020)]

A. It is found and declared that there exist in the state slum areas and blighted areas that constitute a serious and growing menace, injurious to the public health, safety, morals and welfare of the residents of the state; that the existence of these areas contributes substantially to the spread of disease and crime, constitutes an economic and social burden, substantially impairs or arrests the sound and orderly development of many areas of the state and retards the maintenance and expansion of necessary housing accommodations; that economic and commercial activities are lessened in those areas by the slum or blighted conditions, and the effects of these conditions include less employment in the area, lower property values, less gross receipts tax revenue and reduced use of buildings, residential dwellings and other facilities in the area; that the prevention and elimination of slum areas and blighted areas and the prevention and elimination of conditions that impair sound and orderly development is a matter of state policy and concern...

Definition of Blight [NM Stat §3-60A-4-F (2020)]

'Blighted area' means an area within the area of operation other than a slum area that substantially impairs or arrests sound growth and economic health and well-being within the jurisdiction of a local government or a locale within the jurisdiction of a local government because of the presence of a substantial number of deteriorated or deteriorating structures; a predominance of defective or inadequate

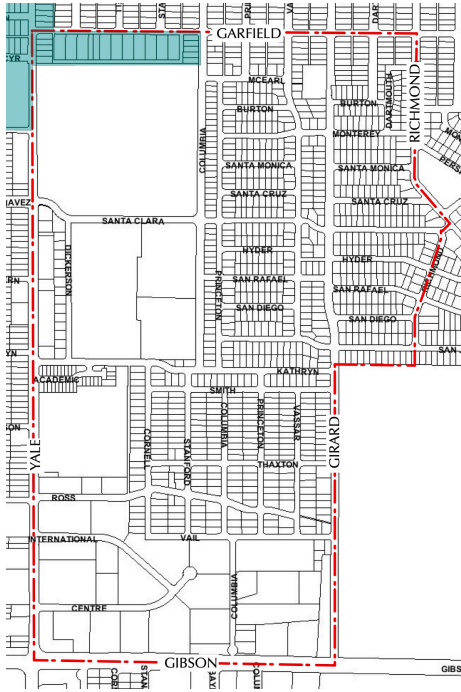
street layout; faulty lot layout in relation to size, adequacy, accessibility or usefulness; unsanitary or unsafe conditions; deterioration of site or other improvements; diversity of ownership; tax or special assessment delinquency exceeding the fair value of the land; defective or unusual conditions of title; improper subdivision; lack of adequate housing facilities in the area; or obsolete or impractical planning and platting or an area where a significant number of commercial or mercantile businesses have closed or significantly reduced their operations due to the economic losses or loss of profit due to operating in the area, low levels of commercial or industrial activity or redevelopment or any combination of such factors; or an area that retards the provisions of housing accommodations or constitutes an economic or social burden and is a menace to the public health, safety, morals or welfare in its present condition and use.

Findings of Necessity [NM Stat § 3-60A-7 (2020)]

No local government shall exercise any of the powers conferred upon local governments by the Redevelopment Law until the local government has adopted a resolution finding that:

- A. one or more slum areas or blighted areas exist in the local government's jurisdiction; and*
- B. the rehabilitation, conservation, slum clearance, redevelopment or development, or a combination thereof, of and in such area is necessary in the interest of the public health, safety, morals or welfare of the residents of the local government's jurisdiction.*

Exhibit C
Letters of Support



VICTORY HILLS
Neighborhood Association
P.O. Box 40298
Albuquerque, NM 87196

March 8, 2022

Re: University Metropolitan Redevelopment Area Designation Report

To Albuquerque Development Commissioners Ghattas, Miera, Mondragon, Brunner and Carson:

The Victory Hills Neighborhood Association Board of Directors voted unanimously at our March 2nd meeting to write this letter of support for the above-mentioned Designation Report.

Ciaran Lithgow presented at that meeting; they gave us a thorough review of the plan and answered everyone's questions. The proposed boundaries include the northwest corner of our NA (as marked in green on our map above).

Most of us have lived in the neighborhood for many years and are very well aware of the blighted conditions affecting the proposed boundary area. We know that an MRA designation is not a silver bullet for instant improvement (noting the lack of development within the boundaries of the 2010 Clayton Heights MRA). However, we hope that the developers already invested in the area will be able to take full advantage of the tools available through the designation and help turn the University area along Central, Yale Blvd and Garfield around!

Please include this letter of support from the VHNA board in your consideration of the plan on March 17th. Thank you very much.

Respectfully,

Patricia Willson, President
Victory Hills Neighborhood Association

UNIVERSITY HEIGHTS ASSOCIATION

105 Stanford, SE
Albuquerque, NM 87106
505/262-1862
info@uhanm.org
www.uhanm.org



March 8, 2022

Ciaran Lithgow, Redevelopment Project Manager
Metropolitan Redevelopment Agency (MRA)
City of Albuquerque

via email: crlithgow@cabq.gov

Dear Ciaran Lithgow:

Re: University Area Metropolitan Redevelopment Designation Report

The University Heights Association (UHA) Board of Directors at its regular meeting on March 3 voted to support the University MRA designation so long as there is an adjustment in the boundary that affects the area along the west side of Harvard Drive, where the proposed boundary extends to the east of the alley between Yale and Harvard. Eight of the nine board members oppose the proposed boundary in that area. However, there are two options that have equal support. Both of those options are intended to protect the six single-family houses in the middle of the block – 307, 309, 311, 313, 315, and 317 Harvard, SE. One option would maintain the boundary line along the alley between Yale and Harvard, so that none of the properties east of the alley would be included in the University MRA. The other option excludes only the six properties from the MRA, while allowing the five lots north and five lots south of the six properties to be included in the MRA.

The primary reason to exclude at least those six properties is that UHA has long supported maintaining and increasing owner-occupied properties in the area, since the University Area Sector Development Plan was originally adopted in 1978. As the Designation Report states, the Renter Occupancy Rate is 85.6 percent, as compared with 39.5% in all of Albuquerque. Page 13, Table 1. That low level of owner-occupancy is associated with many problems and undermines efforts to promote neighborhood stability and development. Virtually all owner-occupied properties in the area are either single-family or low-density properties. Therefore, there is a strong need to protect such properties from incompatible commercial and higher density residential properties. In addition to the boundary of the MRA, UHA supports adding the goal of maintaining and increasing owner-occupied properties to the Designation Report, including on page 13, in the Key Themes on page 7, and the Summary of Findings on page 16.

UHA has also had serious concerns about how some transportation problems have negatively affected the neighborhood welfare and development. Specifically, Lead and Coal Avenues are not safe for pedestrians and residents and therefore make the neighborhood much less desirable to live and work for many people. Those traffic and safety problems have been accentuated by the ART project along Central which displaced vehicle traffic from Central to Lead and Coal. Also, the ART construction was directly related to closure of various businesses along Central. Those problems should also be reflected in the Designation Report, including on page 2 in the causes of business closures, Key Themes on page 7, and the Summary Findings on page 16.

UHA board members, business people, and residents have participated in the public meeting and surveys, as a demonstration of interest in neighborhood improvement and development. We appreciate your consideration and favorable response to our concerns. The UHA board, residents, and businesses will continue to work with the city to improve the neighborhood.

Sincerely,

A handwritten signature in black ink, appearing to read "Don Hancock". The signature is fluid and cursive, with a large initial "D" and "H".

Don Hancock
Secretary-Treasurer
srcidon@earthlink.net
505-262-1862