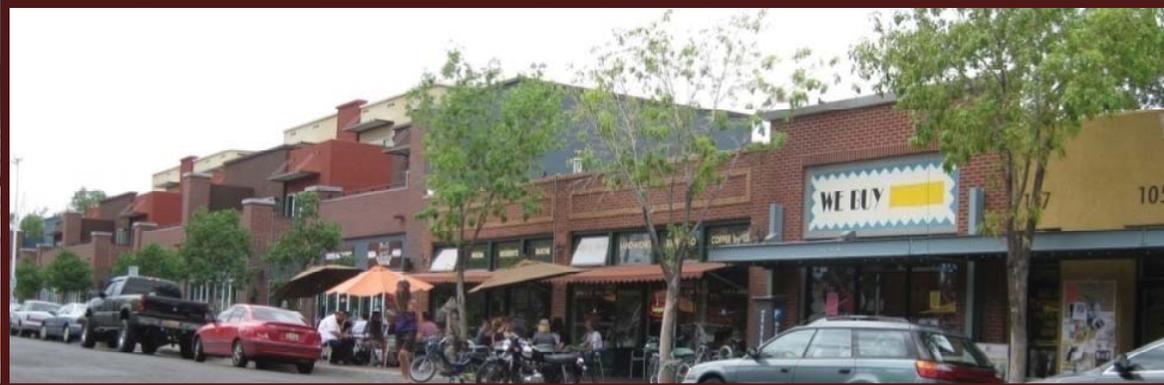
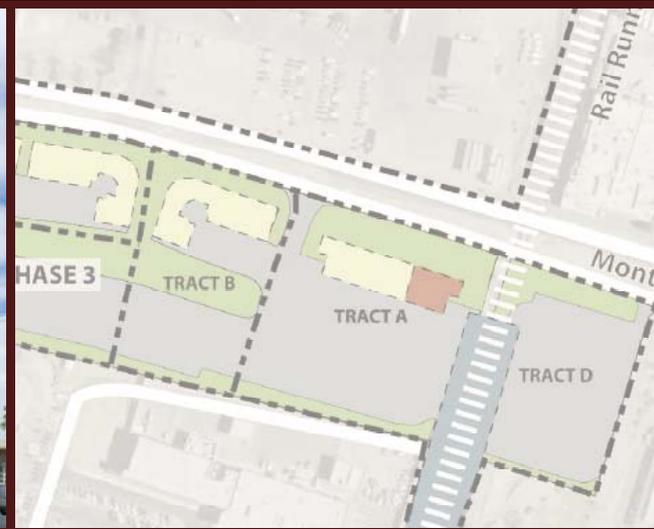


# Montano Rail Runner Station FRAMEWORK PLAN

June 2010



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## EXECUTIVE SUMMARY

The future opening of a Rail Runner station at Montano Road creates an opportunity to transform the immediate station area from a collection of vacant lots and low-intensity industrial uses to a more vibrant transit community that integrates with adjacent neighborhoods and builds upon the revitalization efforts on Fourth Street. This framework study evaluates this development opportunity and provides guidance to the public and private sector partners who will collectively transform the area.

This study assesses development opportunities near the station in the context of existing conditions and planned changes. Future planning and redevelopment activities will build upon the information in this study to put into place the detailed policy, transportation, and land use tools needed to achieve the vision.

This study was initiated in response to a series of changed conditions. These changes include the adoption of the North Fourth Street Rank III Corridor Plan and the resulting overlay zone, the advancing design of the Montano Rail Runner station, the Montano bus routes included in the Rio Metro Transit District's service plan, and the opportunities transit service can present to land use. Additionally, the area is located on a key east–west travel corridor which is projected to experience severe congestion and present unique opportunities in the near future.

Currently, the area around the Montano station is a mix of large scale industrial/warehouse uses and established neighborhoods. Parcels directly to the east and west of the station present areas of change – characterized by being vacant or underutilized, publicly owned, with owner interest, etc. A number of areas, including the surrounding residential areas, are considered stable and are not considered as

redevelopment opportunities. A key consideration in any future is how the redevelopment would complement the existing neighborhoods and the future land use vision of the Fourth Street Plan. Specifically:

- Based on the existing TOD overlay zone, development opportunities in the near term – the five to eight year timeframe – are limited to approximately 7.5 net buildable acres. In addition to the station parking, this would accommodate approximately 100 dwelling units, approximately 6,000 square feet of station serving retail space, and 10,000 square feet of office space (potentially an annex for the Albuquerque Police Department facilities currently located to the south of the site.)
- A longer-term redevelopment scenario is possible, incorporating approximately 21 net buildable acres largely adjacent to Montano Blvd west of the rail road tracks. This scenario includes up to 310 dwelling units, 30,000 square feet of retail, 29,000 square feet of office space and parking for the new uses and the intermodal center.
- The available land for redevelopment is limited and even under the most aggressive scenario presents “critical mass” issues – both in terms of creating a sense of place and attracting developers.

Like all real estate development, station area development is ultimately subject to the marketplace – people's desires for particular types of housing, retail, and other uses. Housing is most successful when it is clustered with other housing and housing is the dominant use in most TODs. In the near term scenario, the housing will largely be apartments, with a mix of affordable and market-rate apartments, for which some public funding (from established City, State, and

Federal sources) will be needed. The apartments are likely to be two and three story buildings.

Leveraging the benefits of the rail and proposed bus connections to the area, key factors behind the TOD overlay zoning, will require a transportation strategy that incorporates pedestrians, bicyclists, and transit. The North Fourth Street Plan is consistent with this vision and emphasizes the pedestrian experience while accommodating the vehicular demands. The forecasted traffic volumes in this area will have a significant impact on the planned pedestrian, bicycle, and transit improvements. It will be paramount to consider the unique TOD vision for this area when applying traditional traffic analysis tools and their results. Specifically:

- The current and proposed pedestrian facilities in the area will be an important to the overall vitality of the station area. It will be critical to reevaluate the traffic analysis tools that could potential create unsafe environments for pedestrians, given the unique pedestrian activity that occurs in a TOD.
  - While the arterial streets that surround the station have existing or proposed bicycle facilities, their current design and forecasted roadway volumes will not be ideal for novice bicyclists and families traveling to and from the station. It will be important to evaluate how intersections and the adjacent pathway network can mitigate potential conflicts with pedestrians and motor vehicles.
  - The Montano Road corridor will have new regional bus service provided by the Rio Metro RTD in the next year. The routes will significantly increase the potential to bring people to the station. Ultimately, this service will become a Bus Rapid Transit (BRT). Designing the section of Montano Road to ensure pedestrian crossings between stations on the north and south side of the street can occur will be vital.
- The section of Montano Road adjacent to the proposed station, the intersection at 2nd Street, and the intersection at Edith Street experience significant peak hour motor vehicle traffic, ABQ ride, bicycle, and pedestrian travel. A planned access point to the Montano station west of the railroad tracks and a secondary motor vehicle access point on 2nd street (desired but not currently planned) will change travel patterns in the station area. This presents an opportunity to reevaluate how traffic standards are applied in a TOD area.
  - Given the multimodal objectives outlined above, the traditional techniques to evaluate traffic volumes will be inadequate to meet all of the travel patterns required at this station area. This presents an opportunity to reevaluate the traffic standards in a TOD setting.

The Montano station area presents some unique redevelopment opportunities. Many of the land use and transportation pieces are already in place to spur the area's redevelopment (zoning, proposed rail and bus connections, a land use plan emphasizing pedestrian issues, and a confined travel corridor). Additionally, planned improvements – such as the 2<sup>nd</sup> street improvements present critical opportunities to advance the area's potential – though they may require modifications to be consistent with the area's vision.

The redevelopment opportunities in the station area will likely not be realized without a concerted effort. Important roles and opportunities exist for the private sector, but public sector involvement will likely be necessary to pull the variety of pieces together. While the eventual redevelopment of the area would entail a number of steps, establishing an implementing agency and initiating a dialogue with property owners and the public are some to the integral and immediate next steps.

## INTRODUCTION

The proposed Rail Runner Montañito Station (Station) is in a location that will play a critical role in addressing the region's mobility over several decades. In the next 20 years the regional forecasts prepared by MRCOG anticipate a 100% increase in automobile travel times and a 50% increase in vehicle miles traveled if "business as usual" continues. A large portion of the future travel will occur near the proposed Station (Montañito Road, 2<sup>nd</sup> Street, and 4<sup>th</sup> Street). The streets and land uses near the station will play an important role in mitigating or advancing the future transportation challenges. National research, such as the findings of the Urban Land Institute's *Growing Cooler*, have found that single use land developments with preferential treatment to single occupant automobiles have long-term economic, environmental, and neighborhood impacts. Such impacts are inconsistent with the goals established in several city, county, and state economic and environmental policy documents.

The vision outlined in a recent grant application for the Station suggests *transit service that will be available at the station is envisioned as not only a safe, convenient and economical alternative to the region's auto-oriented growth pattern, but combined with on-going land use planning activities, it will encourage the development of land near the station consistent with the principles of transit oriented development.* This vision is the basis for this framework study and is the focus of the implementation details found at the conclusion of this document.

A review of existing policies, plans, and procedures is the cornerstone of this document. In addition to summarizing information, a workshop with local and national professionals from different backgrounds was conducted in May 2010. The result of both efforts is a framework study that identifies how strategic, integrated land use and

transportation decisions could overcome the "business as usual" forecast. The framework will allow a wide range of stakeholders to take deliberate steps toward a more economically viable and environmentally friendly neighborhood near the Station. It describes the future opportunity of a TOD to the development community and informs property owners about redevelopment options for their property.



## WHAT IS A FRAMEWORK STUDY?

This station area framework study will inform key stakeholders about general transportation, land use, and design parameters for the station area. It provides technical information and “threshold” planning analysis that can be utilized in future planning and implementation activities. This study summarizes the potential opportunities in the general vicinity of the station area that will help identify the potential outcomes of transportation, economic and urban design strategies for a station area. This study does not provide specific recommendations about land use changes or infrastructure investments.

**Context and Rationale for the Project:** The Montañó Rail Runner Station is expected to open sometime in 2012. The area near the station is currently a mixture of large scale warehouses and semi-rural residential lots, reflecting the legacy of railroad freight-related industrial uses and agricultural uses shaped by the acequias along the Rio Grande. This framework study was initiated in response to a series of changed conditions in the station area. These changes include the adoption of the North Fourth Street Rank III Corridor Plan and the resulting overlay zone, the Montano Rail Runner station EIS, and Rio Metro Transit District’s plans for new bus service on Montano Road. Additionally, the area is located on a key east–west travel corridor that is projected to experience increased multimodal travel in the immediate future.

The Montañó Station has the potential to become a hub of the North Valley and evolve into an area that takes full advantage of the proximity to the Rail Runner. The station framework will illustrate the potential for the area to redevelop into a more cohesive district that will add value to the surrounding community.

**Overall Objectives:** The main objective of this study is to establish a framework for future growth. This means identifying land use, circulation, and pedestrian patterns that leverage proximity to the Rail Runner Station. It also requires a realistic assessment of what can happen and recognition of established areas that are not likely to change.

Objective 1: *Identify road network, bicycle, and pedestrian connections that comply with city development standards, specifically, the new North Fourth Street Corridor Sector Plan.*

Objective 2: *Identify areas of stability and change in the station area to understand redevelopment potential.*

Objective 3: *Identify development and phasing scenarios that support transit operation, residents, and businesses in the station area.*

Objective 4: *Identify parking, open space, plaza, and other needed or desired land uses.*

Objective 5: *Design a station area that is efficient for current and future transit operations, safe and attractive for transit riders, welcoming to the neighborhood with safe and convenient multimodal connections.*

**Outcome:** The desired outcome is that this document:

- Summarizes the potential opportunities in the general vicinity of the station area
- Identifies the potential outcomes of transportation, economic and urban design strategies for a station area
- Identifies next steps for implementation

## WORKSHOP PROCESS

**Overview:** A day long workshop was held with a multi-disciplinary team of planning professionals and local stakeholders. The agenda was organized around making the day a productive work session that allowed the participants to have a shared understanding of the project, the existing conditions, challenges, opportunities, and project deliverables.

In the morning, the team worked on identifying areas of change and areas of stability. The team generated a list of criteria for areas of change and areas of stability; this objective list of criteria helped inform the discussion about individual parcels of land. Part of the discussion centered on the ramifications of the recently adopted North Fourth Street Sector Plan. The NFSP designates the area around the Montaña Station as NFTOD – the zoning designation that allows the highest intensity of development in the Plan. By the end of the morning session, the team had a working drawing categorizing areas of change and areas of stability. A portion of the team continued work on generating phasing and development scenarios.

The afternoon session focused on transportation and access issues within and around the station area. Montaña Road operates as a high capacity arterial, carrying more than 30,000 cars daily. The team generated options that would allow pedestrians and bicyclists to travel the two blocks to the west to Fourth St. without accessing Montaña Road. The team explored options for pedestrian crossings on Montaña and bicycle circulation within the station area. The proposed signalized intersection at the station entrance provides the best opportunity for safe and reliable pedestrian access from the north side of Montaña. Some team members worked on creating cross sections for multimodal roadways that could be used to make the area more amenable to pedestrians and cyclists.

**Outcomes from Workshop:** The team focused on synthesizing existing information and identifying the areas that have the greatest potential for redevelopment (areas of change) vs. established neighborhoods (areas of stability). The workshop participants identified specific parcels of land adjacent to the Rail Runner Station and, using the zoning allowed by the North Fourth Street Sector Plan, created realistic phased development scenarios for that area.



## PLANNING CONTEXT

This section summarizes the most relevant and recent plans guiding the policy and expectations for the Montañito Station. In general, the plans recognize that this part of the North Valley is a low-density, auto-oriented area, and call for land-use, transportation, and other improvements in order to encourage compact, urban, and pedestrian oriented development, while also retaining aspects of the area's historical and built character.

**Montañito Station Environmental Assessment (2010):** The Montañito Station enhances access to the Rail Runner Commuter Line for residents, employees, and visitors on the north side of Albuquerque. The purpose of the Station Environmental Assessment (EA) was to evaluate the proposed construction and operation of a commuter rail station and park-and-ride lot near Montañito Road and 2<sup>nd</sup> Street. The EA evaluated two alternatives: the no-action alternative and the build alternative.

A traffic analysis was conducted to determine the impact of access to the new station. The traffic analysis findings include:

- Access to the proposed site will be controlled by a traffic signal. The traffic signal will be coordinated with the signals on 2nd Street, Edith Boulevard, and the Railroad signal (to clear the tracks prior to train arrival).
- The westbound bus stop should be located west of the site access driveway if buses do not enter the station site. This measure is intended to promote pedestrian use of the signalized crosswalks at the intersection and to discourage crossing east of the signal.

- The westbound left-turn lane will be reconstructed to provide the maximum length possible to increase the storage capacity for vehicles entering the site.

**North Fourth Street Rank III Corridor Plan (2009):** The North Fourth Street Rank III Corridor Plan was completed by the Albuquerque Metropolitan Redevelopment Agency (MRA) and the City of Albuquerque Planning Department in 2009, based on input and dialogue with residents and merchants in the area. The Plan covers the blocks surrounding the four-mile-plus stretch of North Fourth Street between Mountain Road NW and Solar Road NW, as well as related areas, such as Montañito Road between Fourth and the Rail Runner Tracks. The Plan encompasses all of the properties described in detail later in this document.

The intent of the Plan is to "provide a planning and regulatory framework for revitalization" and "principles to guide redevelopment."

A zoning overlay zone is one of the primary redevelopment tools that the Plan outlines. The North Fourth Street Plan does not change zoning in the area outright, but rather allows individual property owners to transition to the new overlay zone at their discretion. The properties described in this framework study are all currently zoned M-1 (Light Manufacturing) and, per the North Fourth Plan, are within the North Fourth Transit Oriented Development (NFTOD) overlay zone. Thus, property owners have the option to transition their properties to the NFTOD rules and guidelines.

According to the Plan, the "intent of NFTOD District is to support and take advantage of transit investments by serving relatively large areas, providing community-serving retail and services and high density housing." The NFTOD zone allows a wide range of uses and

encourages urban-density buildings; the framework outlined in this document is very much in keeping with the Fourth Street Plan. Project planners, however, should review the NFTOD zoning standards in detail to ensure that their proposals are appropriate.

**Great Street Facilities Plan (2009):** Albuquerque's streets and surrounding developments have been built primarily to accommodate vehicular movement and storage. The resulting built environment discourages walking, bicycling, and taking transit. The Great Streets Facility Plan (GSFP) proposes a new design approach to build multimodal streets. Great Street segments are typically ½ mile or less. In the future, provided that adequate land is redeveloped to create a critical mass, there is potential for Montañero Road to be designated as a Great Street segment and upgraded between 2<sup>nd</sup> Street and Edith Boulevard. The GSFP is pending formal approval at the Albuquerque City Council.

**Rio Metro Regional Transit District Service and Financial Plan (2008):** The Rio Metro Regional Transit District was formed to develop a cohesive regional transit system that provides economical transportation alternatives for the residents of Bernalillo, Sandoval, and Valencia counties. The Rio Metro Regional Transit Plan identifies future transit services and infrastructure need for the three county service area. The major planned transit element that affects the Montañero Station Area is a planned direct commuter express bus route on Montañero/Montgomery. The service will have limited stops to maintain high average operating speeds and will play a big role in transforming the Montañero Station into an intermodal hub.

**Montañero Corridor studies (2005):** Two corridor studies were conducted by two different firms to evaluate Montañero Road between Coors and 4<sup>th</sup> Street, just outside the boundary of the study for the Montañero Station. Montañero Road is one of limited roads that cross the

Rio Grande and is a high demand corridor for connections west of the river into downtown and to I-25. The studies evaluated a variety of alternatives for enhancing capacity on Montañero road to facilitate travel over the river without widening the bridge. Several configurations were studied for the roadway cross section. The final recommendation to the City, which was implemented, was two general purpose lanes and a bike lane in each direction on Montañero Road.

**4<sup>th</sup> Street & Montañero Area Improvement Coalition (2004):** In 2004, the 4<sup>th</sup> & Montañero Area Improvement Coalition was created by concerned citizens, neighborhood associations and businesses devoted to making the 4<sup>th</sup> Street and Montañero area a better place to live, work, and do business. Four community goals emerged in the Community Visioning Reports.

- Traffic: Safe vehicular flow and improved transit
- Identity: Rural/urban character preserved
- Pathways: Improved trail with pedestrian, bicycle, and equestrian amenities
- Revitalization: Commercial and community design and development

The Coalition's Community Visioning Report advocates for 2<sup>nd</sup> Street to become a major arterial with 4<sup>th</sup> Street redesigned for improved parking, transit, and pedestrian safety.

**2030 Metropolitan Transportation Plan:** The Metropolitan Transportation Plan (MTP) is a long range transportation plan that projects what the Albuquerque metropolitan area will look like in 20 year in terms of population, employment, number of vehicle on roadways, etc. It recommends transportation planning activities that

need to take place to accommodate the anticipated growth. Several recommendations were made for transportation improvements near the Montaña station.

- Vehicle lane capacity increases include lane additions to 2nd Street south of Montaña Road and lane additions to Montaña Road east of 2nd Street
- Bicycle facility improvements include proposed lane and proposed trail 2nd Street north and south of Montaña. Montaña has a proposed bike lane west of 2nd and existing bike lane east of Montaña. Edith Blvd has an existing bike route between Montaña and Chavez/Osuna and a proposed route south of Montaña and a proposed lane north of Osuna.
- Transit corridor improvements include 2nd Street and Montaña Road shown as potential high capacity transit corridors.
- Intelligent Transportation Systems (ITS) corridor improvements include 2nd Street and Montaña Road shown as near term (2015) ITS corridors with fiber ring. The intersection of the two roads has a proposed closed circuit television element.

**Transportation Improvement Program:** The Transportation Improvement Program (TIP) is the planning and programming document that indicates how federal funds will be used in the Albuquerque Metropolitan Planning Area (AMPA). TIPs must include all transportation project what will receive federal highway and transit funds, and all transportation projects considered regionally significant regardless of fund source. The current TIP for the AMPA is for 2010-2015. The only project in the TIP that impacts the study area is the planned roadway expansion of 2<sup>nd</sup> Street from I-40 to Montaña. This project includes adding a vehicle travel lane and bike lane in each direction as well as constructing a trail along the drainage adjacent to the west of 2<sup>nd</sup> Street.



**REDEVELOPMENT OPPORTUNITY**

The area around the Montañó Rail Runner Station is a mix of large scale industrial/warehouse businesses located near the Burlington Northern Santa Fe (BNSF) freight line and established neighborhoods that are part of the North Valley pattern of low-density, semi-rural residential areas. The large volume of traffic on Montañó and 2nd Street has also changed development patterns along these streets – residential lots still front these streets in some areas. This mix of large scale industrial uses and small scale residential areas drove the need to characterize “areas of change” vs. “areas of stability”.

**Areas of Change**

Areas of change can be characterized by the following:

- Vacant/underutilized
- Uses are not location-critical
- Market momentum
- Owner interest
- Public ownership
- Sufficient size
- Low tax base
- Community support

Most of the parcels adjacent to the station are identified as areas of change. There is particular consideration to the longer term potential for change, such as the large warehouse complex on the north side of the Montañó station.

Areas of change were classified into Levels 1-3 based on the ownership of property and feasibility of redevelopment. Level 1 areas of changes are owned or easily attained by the City. Level 2 areas of

change would likely take longer to assemble and Level 3 areas of change are long term redevelopment prospects.

**Areas of Stability:**

Areas of Stability can be characterized by the following:

- High improvement values
- People intensive uses
- Successful uses
- Recently built
- Tax base

The Los Alamos Historic Neighborhood and Albuquerque Police Complex are key land use with the areas of stability.

**Figure 1. Montano Station Area Areas of Change and Stability**



### Critical Mass and Place Making

In order for a TOD to be successful at the Montaña Station, it will have to achieve “critical mass.” There will have to be enough good-quality housing, retail, office, and other components on site to create a new sense of place. Additionally, a successful infill development would complement the existing community that surrounds the station area.

Critical mass naturally implies a certain scale. While there is no single, industry-accepted minimum size for a TOD, a master developer (whether public or private) should control 10 acres adjacent to the Montaña Station at a minimum, and ideally around 40 acres. At this size, a community can be created; having its own identity distinct from the industrial uses that defines the area’s character today and complementary of the surrounding neighborhoods. At this scale, public and private funds can reasonably be invested in TOD amenities such as pocket parks, quality streetscapes, and potentially public buildings; the master developer can take advantage of economies of scale for both buildings and the public realm; and retail and services (which depend on nearby residents) have better chance of success.

Real estate development, whether TOD, urban, suburban, or otherwise, is ultimately subject to the marketplace—people’s desires for particular types of housing, retail, and other uses. Housing is most successful when it is clustered with other housing—and housing is the dominant use in most TODs. These preferences in turn drive achievable rent and sales prices.

For this reason, the project team evaluated a series of potential redevelopment areas—beginning with the MRCOG-owned site adjacent to the planned station, and then expanding outward to larger sites on the west, east, and south. These redevelopment areas are shown in Table 1 below. The greater the site area, the more promising the redevelopment outlook will be.

### Phasing and Land Uses

Table 2 shows the series of phases that TOD at the Montaña Station is likely to go through. Figures 4-7 illustrate the potential phases. Development at the station has the potential to evolve from a park and ride in the near term to a mixed-use, transit oriented community in the long term (10-plus years), with a series of interim steps in between.

However, achieving this transformation will not be easy. As described above, the area is not well suited to mixed-use TOD today: incompatible surrounding uses, marginal sidewalks and streetscapes, and an incomplete set of adjacent residential services (for example, a grocery store) indicate that concerted efforts on the part of the public and private sectors will be necessary in order to achieve the Montaña TOD vision. An implementation strategy is outlined at the end of this report.

Figure 2. Montano Station Area Existing Condition (at site access looking SE)



Table 1. Phasing and Redevelopment Areas

1	A	<i>Park and Ride</i>	Next one to three years	<ul style="list-style-type: none"> <li>Owned by MRCOG.</li> </ul>
2	A, B	<i>Park and Ride with small retail component</i>	Next two to four years	<ul style="list-style-type: none"> <li>Additional property assembly required.</li> <li>Retail should be located at signalized intersection/site entrance.</li> </ul>
3	A, B, C1, C2, D	<i>Small Residential TOD with Park and Ride</i> <ul style="list-style-type: none"> <li>Park and Ride</li> <li>Housing: mix of affordable and market rate apartments</li> <li>Retail: Small retail component near station; additional retail potential on corner of 2<sup>nd</sup> and Montaña.</li> <li>Office: Potential for very small office component on 2<sup>nd</sup> and Montaña.</li> </ul>	Next five to eight years	<ul style="list-style-type: none"> <li>Assembling all or almost all of these parcels is very important in order to achieve critical mass and some economies of scale.</li> <li>A frontage on 2<sup>nd</sup> St. will open up more potential for retail and office uses.</li> <li>Development should be internally-focused since the scale is inadequate to change the area character.</li> </ul>
4	A, B, C1, C2, D, E	<i>Mixed Use TOD Community with Housing, Neighborhood Retail, and Offices</i> <ul style="list-style-type: none"> <li>Park and Ride</li> <li>Housing: Wide range of housing including single family, townhouses, affordable and mixed use apartments, potential small mixed use component.</li> <li>Retail: Approximately 25,000 sf, clustered on 2<sup>nd</sup> St.</li> <li>Office: Approximately 20,000 sf, on 2<sup>nd</sup> St.</li> </ul>	Long term	<ul style="list-style-type: none"> <li>Property E is a major addition that will open up a whole new range of opportunities, but also require significant up-front capital, due diligence, and development expertise.</li> </ul>
1	A	<i>Park and Ride</i>	Next one to three years	<ul style="list-style-type: none"> <li>Owned by MRCOG.</li> </ul>

SPS, LCG.



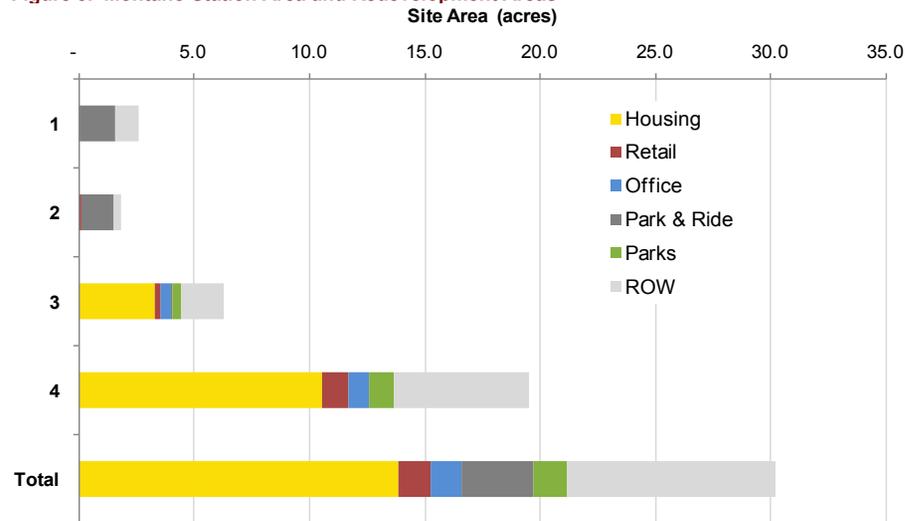
Table 2. Montano TOD Development Program

Phase	Land Uses: Quantities					Site Area		
	Housing (DUs)	Retail (SF)	Office (SF)	Park & Ride (Spaces)	Parks (Acres)	ROW (Acres)	Net Buildable (Acres)	Total (Acres)
1	-	-	-	170	-	1.0	1.6	2.6
2	-	1,700		160		0.3	1.5	1.8
3	100	4,800	10,00	10	0.4	1.9	4.4	6.3
4	210	24,000	19,000	-	1.1	5.9	13.7	19.5
<b>Total</b>	<b>310</b>	<b>30,500</b>	<b>29,000</b>	<b>340</b>	<b>1.4</b>	<b>9.1</b>	<b>21.2</b>	<b>30.2</b>

Source: Leland Consulting Group

Note: Housing, retail, and office components will also include parking, which factored into the calculations but not quantified above. Some parking should be shared between uses in order to create compact, walkable development patterns.

Figure 3. Montano Station Area and Redevelopment Areas



Source: Leland Consulting Group

Figure 4. Montano Station Area Redevelopment Potential – Phase 1

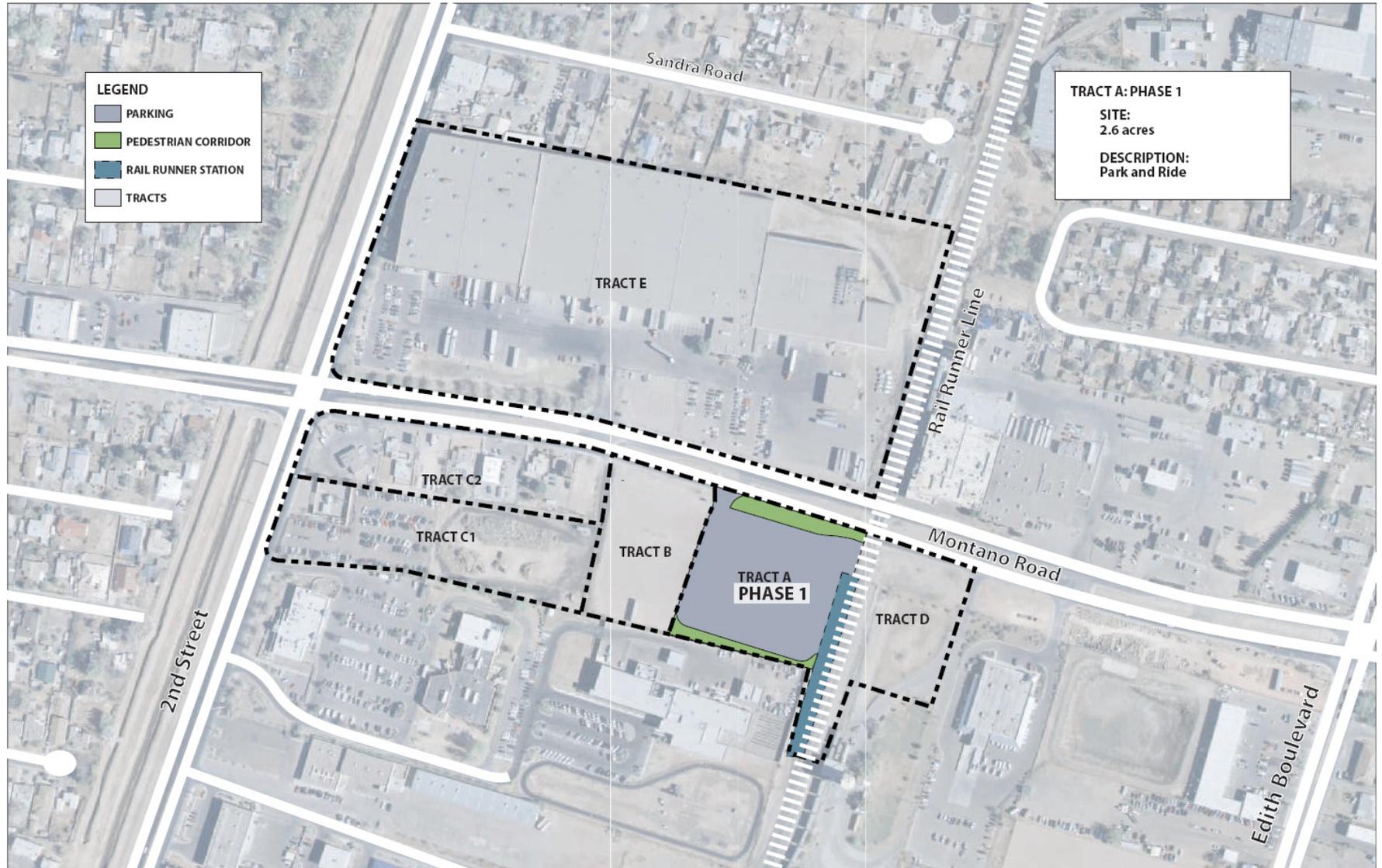


Figure 5. Montano Station Area Redevelopment Potential – Phase 2

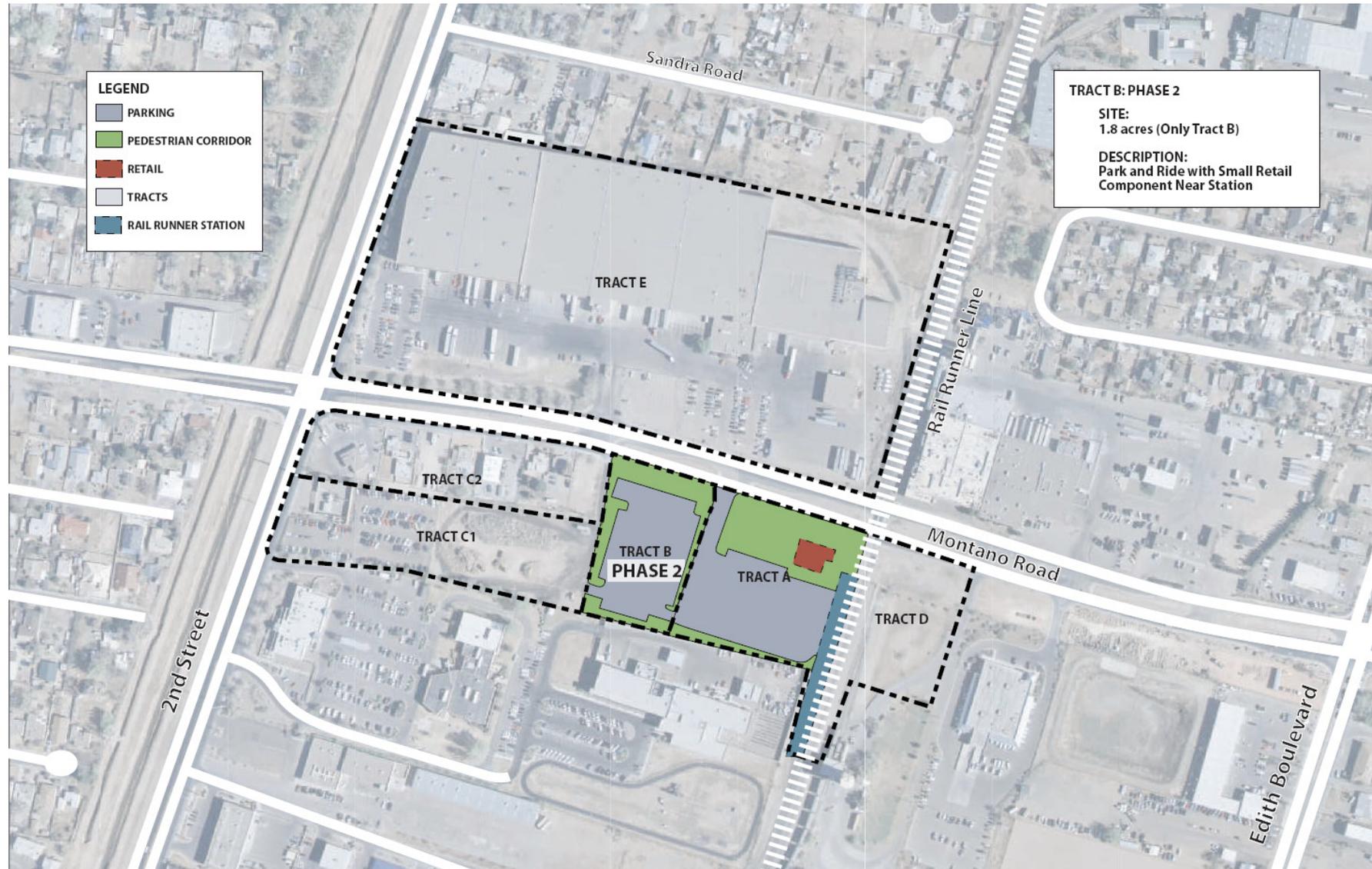


Figure 6. Montano Station Area Redevelopment Potential – Phase 3

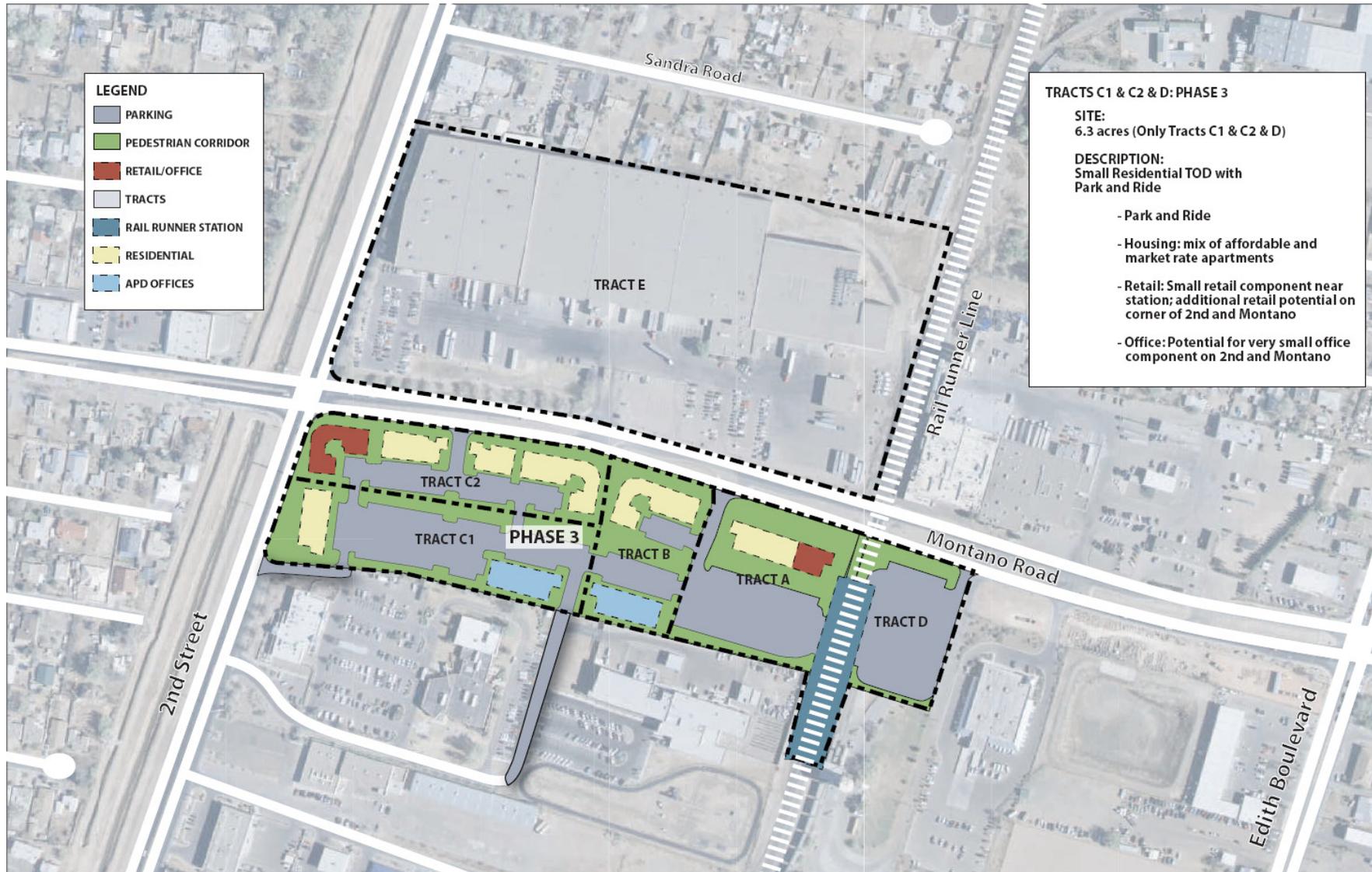


Figure 7. Montano Station Area Redevelopment Potential – Phase 4



## LAND USE FUNDAMENTALS

The Montano Station area will be guided by a series of fundamental principles. As development strategies for the station area begin to come together, the land use fundamentals described below will help the redevelopment achieve the visions laid out for the area in previous plans as well as through this study.

**Principles hold true, specifics will vary.** The phasing and property development timeline in the previous section outlines the general pattern (starting small and evolving into something big) that will apply to the Montañito Station TOD. However, the individual properties that are developed as part of each phase may change as events unfold. There is no way to tell exactly which properties will become available, which can be acquired, and how these will fit together. For example, more properties to the east of the Rail Runner tracks could become available, and thus unexpectedly expand opportunities in that direction. At the same time, this area may be more challenging for both residential and retail development. Public agencies involved in the Montañito TOD should be prepared to be flexible, react, and tailor expectations and approach to the opportunities that present themselves.

**Development should take place in major phases, not tiny increments.** While redevelopment will happen in phases, each phase must be large enough to make sense on its own. For example, if the project partners gain control of only part of property C1, they will have too small an area to change the character of the immediate area to be more suitable for mixed-use TOD development. Thus, in some cases, redevelopment will be “all or nothing”—if the project partners cannot get control of all or almost all of areas A, B, C1, and C2, it will be very difficult to achieve successful redevelopment.

**Housing Types.** The TOD area has the potential to accommodate many different kinds of housing, especially in Phase 4. In Phase 3, the housing will largely be apartments, with a mix of affordable and market-rate apartments, for which some public funding (from established City, State, and Federal sources) will be needed. The apartments are likely to be two and three story buildings. The size and location of Phase 4 would allow for a wide range of housing types, including single family homes, townhouses, clustered housing, senior housing, apartments similar to those in Phase 3, and potentially some more (three or four story) urban apartments or condominiums. The last housing type will be the most financially challenging for developers to build. All told, this variety of housing has the potential to create an interesting, varied community for different types of households. The denser housing will also support more local retail and transit use.

Figure 8. Prototypical Apartment Project for Phase 3



**Figure 9. Assorted TOD Community (Phase 4) Images**

**Townhouses**



**Sidewalk Retail**



**Land Use Fundamentals for Housing, Retail, and Office Uses**

Table 3 shows the fundamental conditions that need to be present within an area or site in order for given urban land uses to be successful.

**Table 3. Land Use Fundamentals for Montano Station TOD**

	Urban Housing	Retail	Office
<b>Land Use Fundamentals</b> (Requirements for success)	<ul style="list-style-type: none"> <li>• Critical mass: adjacent residential neighborhoods and urban amenities (schools, parks, retail, and services)</li> <li>• Large share of 1 and 2 person households within market area</li> <li>• Easy access to employment centers</li> <li>• Above-average incomes (market rate housing)</li> <li>• Quality transit (TOD)</li> <li>• Accessible to social services (affordable housing)</li> <li>• Supportive public policy (affordable housing)</li> </ul>	<ul style="list-style-type: none"> <li>• Visibility. Thousands of customers must pass and see the site on a daily basis.</li> <li>• Accessibility. Must be very easy to get to; most should be on the “way home” (right) side of the street.</li> <li>• Centrality location vis-a-vis target markets. For example, grocery anchored centers should be within approximately one mile of 10,000 residents.</li> <li>• Manageable competitive environment. Retail will avoid an area if competitors are already located there.</li> <li>• Demographic match. Retailers choose sites located near their “target market” customers.</li> <li>• Anchor tenants. Retail developments are often “anchored” by one tenant (for example, a grocery store) which then attract other tenants.</li> <li>• Sense of place, safety, cleanliness</li> <li>• Contiguity. Urban retail must be continuous, or many shoppers will stop and turn back.</li> <li>• Parking capacity</li> </ul>	<ul style="list-style-type: none"> <li>• Easy access to clients</li> <li>• Accessibility to workforce and executive residences; offices tend to be sited near the center of a metro region.</li> <li>• “Address status”</li> <li>• Proximity to suppliers and collaborator firms</li> <li>• Parking capacity</li> </ul>
<b>General Observations</b> (Applicable to all development scenarios)	<ul style="list-style-type: none"> <li>• Critical mass will be a challenge at this site unless large-scale development can be achieved (see above for details).</li> <li>• 63.6 percent of all households in the City of Albuquerque are one or two person households. While the percentage near the station is somewhat smaller, this represents a very significant and adequate market for urban housing.</li> <li>• The site has good access to Downtown Albuquerque, the Journal Center, and other employment centers.</li> <li>• Incomes are generally lower in the North Valley area, particularly to the east. This suggests that, at least in early phases, the site is more appropriate for affordable than market-rate housing.</li> </ul>	<ul style="list-style-type: none"> <li>• Good visibility; well over 20,000 vehicles per day pass the site, which is adequate for many national retailers. Transit traffic is unlikely to have a major effect in the near term.</li> <li>• The site will be easily accessible when the traffic light is in place. However, the site is not on the way-home (right) side, the direction in which most traffic is moving during prime shopping hours.</li> <li>• The population of the immediate market area is modest: approximately 6,500 people live within one mile.</li> </ul>	<ul style="list-style-type: none"> <li>• Offices are the dominant employment use in TODs; industrial uses are not dense enough for to fit in walkable TOD environments.</li> <li>• The site is located near the center of the city and is accessible to the general workforce and executive residences.</li> <li>• The site is not within close proximity to office clients, suppliers, or collaborator firms; most of these firms are located in Downtown, the Journal Center, and other major office clusters.</li> </ul>



**Table 3 (continued) Land Use Fundamentals for Montano Station TOD**

Phase	Urban Housing	Retail	Office
1 and 2	<ul style="list-style-type: none"> <li>Space for parking and small retail component only— inadequate room for housing.</li> </ul>	<ul style="list-style-type: none"> <li>A very small amount of retail, catering to drive by traffic and some station users, is possible. A small coffee shop or kiosk is the most logical retailer of this type.</li> </ul>	<ul style="list-style-type: none"> <li>Office is not anticipated to be a major component of redevelopment on the site.</li> </ul>
3 - Small Apartment TOD with Park and Ride	<ul style="list-style-type: none"> <li>This is the minimum size at which the sense of place needed for a residential community can begin to be achieved. However, the lack of critical mass is will still limit redevelopment options at this scale.</li> <li>Housing for this phase will three story, wood frame apartments, with a mix of affordable and market rate units.</li> </ul>		
4 - Mixed Use TOD Community	<ul style="list-style-type: none"> <li>At this scale, a residential neighborhood or community can be created that includes a sense of place, a mix of housing types, quality streetscapes, park space, and other amenities.</li> <li>A wide range of housing types could be included in this neighborhood, ranging from single family homes to apartments.</li> </ul>	<ul style="list-style-type: none"> <li>The hundreds of housing units within the 30 acre redevelopment will provide significant support for local retailers—for example, a coffee shop, corner store, one or more restaurants, bank, hair salon, dry cleaner, bank, etc.</li> <li>However, the real estate fundamentals outlined above remain still extremely important. Any retail will absolutely need to be easily visible and accessible to thousands of shoppers from outside the new TOD.</li> </ul>	<ul style="list-style-type: none"> <li>Given the increased exposure on 2<sup>nd</sup> St. and the potential (with the larger site) to redefine the environment, some additional office space is possible on 2<sup>nd</sup> St.</li> </ul>

Figure 10: Montano Road before and after concepts

***Before***



***After***



***Before***



***After***



## MULTIMODAL TRANSPORTATION OPPORTUNITY

The land use strategies that have been outlined in the previous section will need a multimodal transportation system. Unlike the current system, TOD at the Montaña station will need to serve a wide range of travel objectives and users. Although automobiles will be an important part of the multimodal transportation strategy, the current automobile based transportation system will be incompatible with the transportation objectives established in previous plans for the Montaña station area. In order to achieve the vision outlined in previous plans, it will be essential to capitalize on upcoming opportunity to complete the transportation system for pedestrians, bicycles, and transit.

The following summary uses existing documentation as a framework for future transportation decisions. This content found in this section is not new. It is the result of many years of hard work on the behalf of elected officials, neighbors, businesses, and design professionals. The vision provides the framework for building a modern transportation system that is compatible with a wide range of “Livability” objectives. The following framework is organized by mode of travel, starting with pedestrian circulation.

Figure 11. Planned Sidewalk Improvements near station



**Pedestrian Circulation:** Currently, pedestrian access in the station area is provided with a 6 foot, attached sidewalk. Recent roadway widening along Montaña Road resulted in the removal of the streetscape that used to provide separation between vehicle traffic and people walking on the sidewalk. Additionally, intersection capacity increases have resulted in long crossing distances for people walking across the street. For example, a person walking across Montaña Road at Edith Boulevard will have to cross 7 lanes of traffic and two bike lanes, or 136 feet. While the sidewalk environment is not ideal for pedestrian activity, limited pedestrian destinations currently exist near the station area. Figure 12 shows the existing and planned pedestrian projects.

As the site redevelops it will be important to enhance pedestrian connections within the station area. New streets should incorporate pedestrian amenities into the design. Amenities can include wide sidewalks, a streetscape between the sidewalk and street, street trees, benches, pedestrian scale lighting, and wayfinding signs. These amenities will help to create a walkable station area, particularly in the later phases of redevelopment when new buildings and destinations give people a reason to walk around the station area. Additionally, the intersections around the station should be enhanced to create a safer pedestrian crossing environment. Intersection improvements can include:

- Median nose extensions and “pork chop” medians to provide pedestrian refuge while crossing large streets.
- High visibility materials at major crossings and near railroad crossings to cue drivers that people are crossing
- Countdown signals for pedestrians to let people crossing large intersections know how much time remains to safely cross.

Figure 12. Existing and Planned Pedestrian Facilities



**Bicycle Circulation:** The three arterial streets that surround the Montaña Station have existing or proposed bicycle facilities. Montaña Road currently has bike lanes east of 2nd Street, Edith Boulevard is designated as a bike route, and 2nd Street has bike lanes and a multiuse path planned for 2012. These facilities help but they do not necessarily create a comfortable bicycling environment. The bike lanes on Montaña run alongside three lanes of traffic at speeds of 45 miles per hour. Edith Boulevard was recently widened to 5 lanes and designation as a bike route will not accommodate a wide variety of users. The planned 2nd Street bike lanes will be constructed in tandem with the widening of the roadway to accommodate three vehicle travel lanes in each direction. While large arterial roadways carrying heavy vehicle traffic are not necessarily ideal locations for riding a bicycle, the City of Albuquerque has done a good job of providing bicycle facilities with their recent roadway capacity expansions.

As the Montaña station develops, it will be important to include bicycle facilities that support access to the station. It can be difficult and often more expensive to retrofit a street, building, or parking lot to accommodate bicycles than to incorporate them in the original design. Bicycle facilities on streets typically include signed bike routes, bike lanes, and multiuse paths. Building design should incorporate bicycle parking to the design. Parking should be located near building entrances in well lit, clearly visible areas. Access points into the Montaña station should be easily accessible by bicyclists.

Figure 13. Existing Bicycle Lane on Montano Road



Figure 14. Existing and Planned Bicycle Facilities



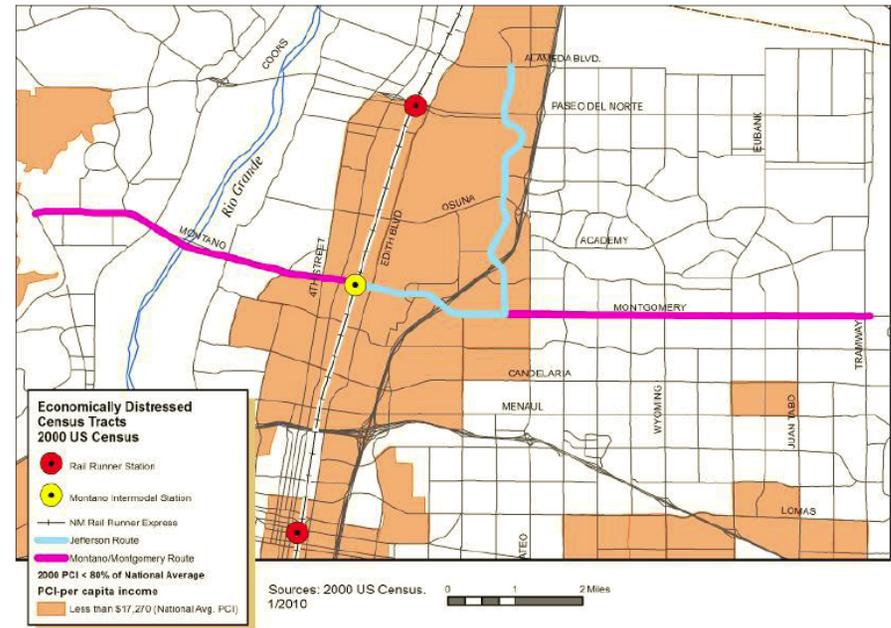
**Transit Circulation:** The station area is currently served by two bus routes. Route 10 – North 4th Street – provides service between the Alvarado Transportation Center and the Raymond G Sanchez Community Center park-and-ride along 4th Street. 20 minute service is provided throughout the day. Route 157 – Louisiana & Montañero Line – provides service between the Northwest Transit Center and Kirtland Air Force Base along Taylor Ranch, Montañero, and Louisiana. Approximately 45 minute service is provided throughout the day. The current station area plan includes bus pull-outs along Montañero Road with a signalized crossing to access the station. Bus access is also provided at the park-and-ride for buses that need to lay over at the station.

The livability grant that ABQ Ride has submitted proposed additional bus service to connect the new Montañero Station to jobs and residents in the station area. The Jefferson route would connect the station to the Jefferson employment corridor and connect the Rail Runner riders to 46,000 jobs.

Additionally, the Rio Metro Regional Transit District has planned commuter express bus service along Montañero/Montgomery to be implemented in 2013. The commuter express bus service will provide a time competitive east/west transit connection to the new Montano Station.

Further transit connections are proposed in the 2030 long range transportation plan. Recommendations include high capacity transit on Montañero Road and 2nd or 4th Street.

Figure 15. Additional Proposed Bus Service



Source: Albuquerque Bus Livability Application 2/10/2010

Figure 16. Existing and Planned Transit Facilities



**Motor Vehicle Circulation:** Motor vehicles have been prioritized in the area surrounding the station for many years. Many of the recent projects in the area include roadway capacity increases along corridors as well as at intersections. Figure 18 shows existing and planned motor vehicle facilities.

Montaño is a critical link, as it is one of limited river crossings in the City. More and more demand will be placed on the roadway over the next 20 years. The planned high capacity transit and bike lanes will help to increase the number of people who can use Montaño to cross town. Several ideas were discussed about increasing intersection capacity while maintaining a safe pedestrian and bicycle environment. It will become increasingly important to provide high quality facilities as the station area redevelops. Figures 19-22 show some of the potential cross sections that were discussed during the workshop.

A new traffic signal will be installed at the Montaño Road access point to the station. Traffic analysis determined that this signal was necessary to accommodate left turning vehicles both into and out of the station. As the station redevelops it will be important to provide a second access point to the site. There are two potential locations for new vehicle access on 2nd Street these locations are shown on Figure 17. Location #1 would be a right-in/right-out access to the site. This location runs the risk of people turning right out of the station area and trying to make an immediate left or U-turn on Montaño Road. Location #2 would be a full movement intersection just south of location #1. This intersection would be approximately 1/8 mile from the current 2nd and Montaño intersection and would likely need to be signalized to accommodate left turning vehicles. While the

intersections would be closely spaced, from a signal progression perspective, 1/8 mile spacing works well.

Figure 17. Potential Locations for Second Station Area Access

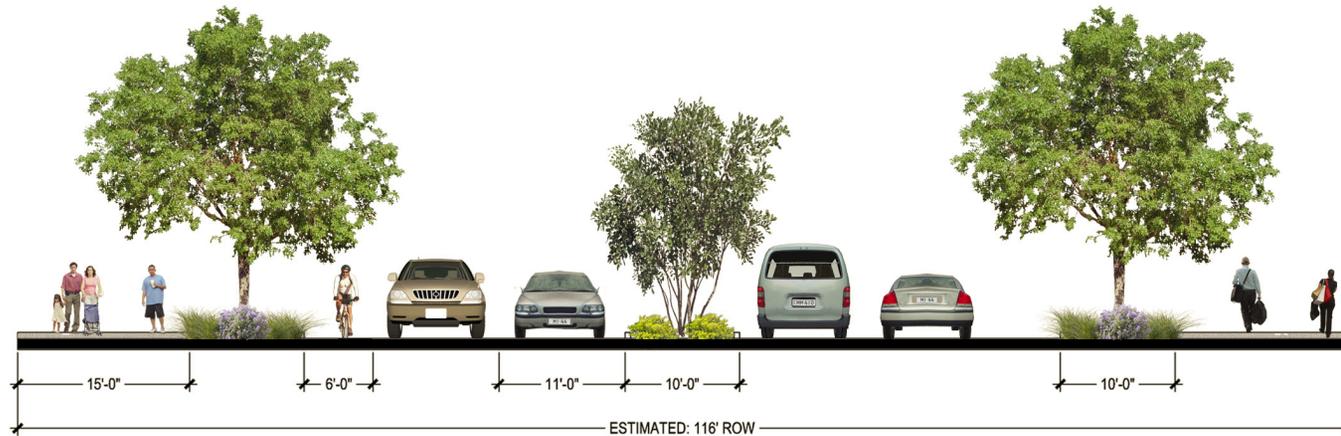


Figure 18. Existing and Planned Motor Vehicle Facilities



The cross sections drawings shown below represent potential options for the Montañó Road corridor from 4th to Edith. They represent several alternative approaches that support the land use and TOD objectives outlined in the land use section. Each will require additional travel demand modeling, access management, traffic operations analysis, transit operations, universal accessibility, and non-motorized safety analysis before being considered as a potential option for Montañó Road.

**Figure 19. Montano Cross Section – Concept 1**



**Figure 20. Montano Cross Section – Concept 2**

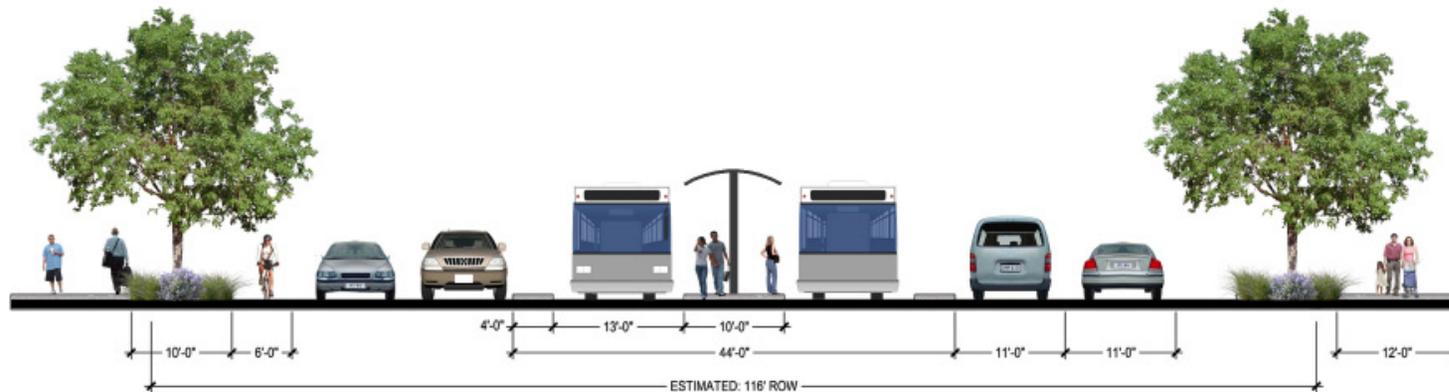


Figure 21. Montano Cross Section – Concept 3

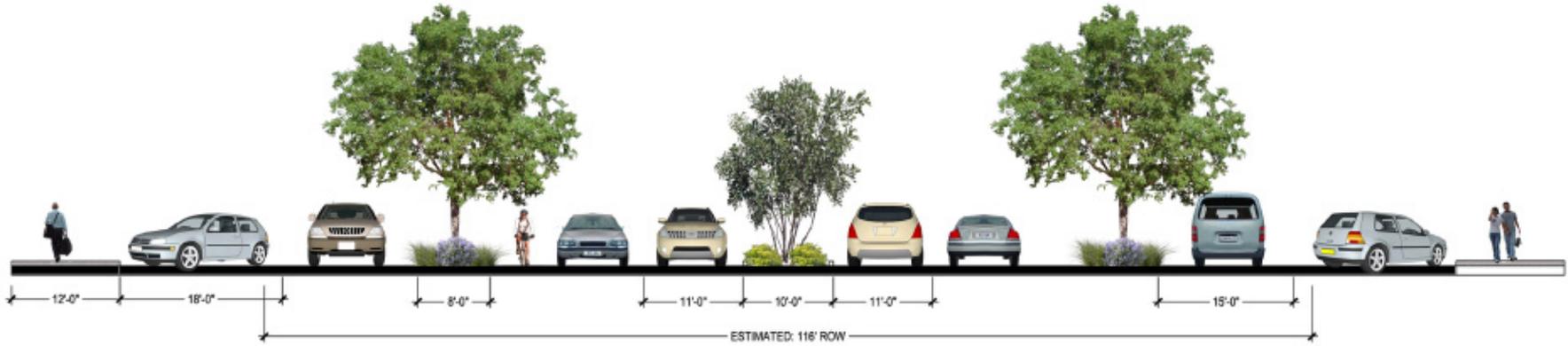
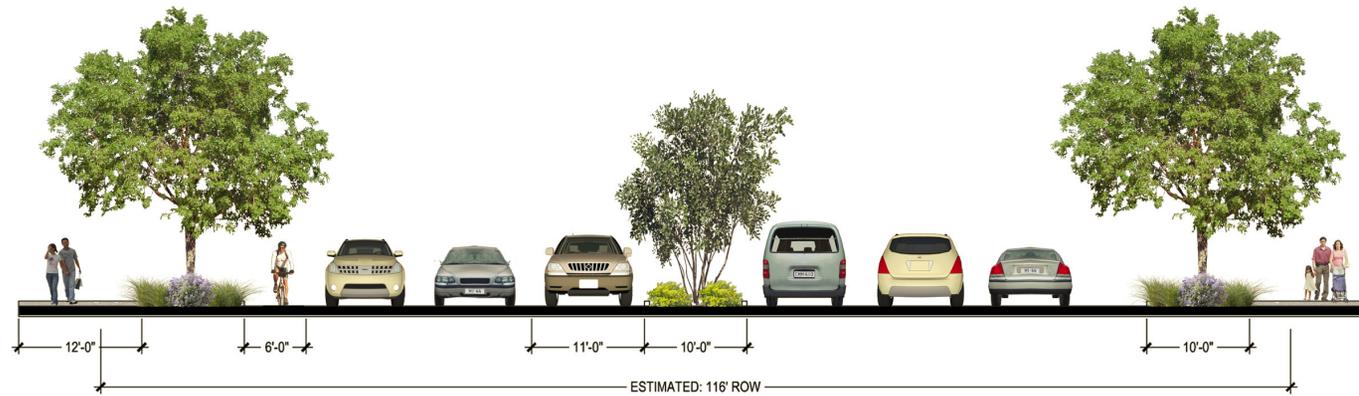


Figure 22. Montano Cross Section – Concept 4



**IMPLEMENTATION AND NEXT STEPS**

This section outlines the implementation actions that will be necessary in order to move this framework study from vision to reality. The focus here is on public-sector actions, since the public sector will initially champion and guide the plan. However, the framework study also illustrates future development opportunities for nearby property owners, both public and private. As implementation moves forward, private sector stakeholders—including property owners, developers, and merchants—will need to become more and more involved. Additionally, it will be critical to reach out to residents through a public involvement process so that they stay connected to the planning and implementation process. The public outreach process also helps to ensure that the community’s needs are met. Figure 23 shows an implementation “action plan.” Each of the actions is then explained in greater depth. Note that:

- The actions are generally chronological, meaning the implementing agency should move ahead to the next action only after the current one is complete. However, some actions may be performed concurrently with others. For example, some infrastructure improvements (action 6) on Montañito may be necessary whether or not the Montañito TOD is moving along as planned.
- The actions become more and more critical as the project moves from its role as a park and ride to a TOD community. For example, the extent of property assembly is relatively limited in Phase 2, but extensive by Phase 4.

**Figure 23. Implementation Action Plan**

1	<b>Identify and authorize a lead implementing organization</b>
2	<b>Create a Business Plan</b>
3	<b>Build relationships and establish dialogues with property owners (including the City of Albuquerque)</b>
4	<b>Assemble land</b>
5	<b>Perform Refined Planning and Analysis</b>
6	<b>Regulatory Review and Revision</b>
7	<b>Make Needed Infrastructure improvements</b>
8	<b>Initiate Developer Solicitation (RFQ) and Public Private Partnership Process</b>

## 1. Identify and Authorize the Lead Implementing Organization

While many public sector organizations will be involved in implementing this plan, one should be assigned to take the lead. When no person or agency is placed in charge, projects fall into a “no man’s land” in which responsibility and accountability are unclear. The lead agency will be responsible for:

- Project management;
- Ensuring appropriate public involvement
- Conducting outreach and rallying support;
- Securing funding,
- Delegating responsibility to others,
- Engaging in Public Private Partnerships;
- Completing transactions; and,
- Other tasks as necessary.

Typically, successful lead organizations engaged in TOD and redevelopment are equipped with the following:

- Resources proportionate to their responsibility. If capital and staffing resources are inadequate, it will be very difficult to make this plan a reality.
- Authority and funding capacity to purchase and assemble land and complete infrastructure improvements.
- Ability to pursue grants and other non-local funding sources.
- Experience in urban planning, real estate transactions and development, public outreach, and other relevant skills. Staff with these skill sets should be sought out.
- Goals, targets, and criteria for investments.

*“The public sector often plays a pivotal role in mixed-use development... this involvement can as both an impediment and stimulant for mixed-use development.”*  
—Urban Land Institute, *Mixed Use Development Handbook*

## 2. Create a Business Plan

A business plan may go by many names, but at its core, this document should identify:

- The sources, uses, and timing of funds necessary to implement the project. This element of the business plan is critical and should help the lead organization and others to make a go / no-go decision. The project team should be able to outline a workable financial framework that shows how it will staff the effort, assemble property, and complete other key actions.
- Lay out the short and long term vision for the Montañito Station TOD. The initial vision included in this framework study can be used and modified if necessary.
- A detailed action plan that includes priorities, roles, responsibilities, and timing.
- Appraisals of adjacent land.
- Targets, derived from the vision, with which stakeholders can measure success.

## 3. Build relationships and establish dialogues with property owners

In order for this plan to be realized, adjacent properties will need to be brought together to achieve the critical mass on which a successful TOD depends. While there are many different ways to accomplish this (see Action 4, below) they all begin with an open dialog with adjacent and nearby property owners.

The most important adjacent property owner is the City of Albuquerque. Project staff should meet with respective City agencies to discuss how some of the uses currently on properties C1 could be relocated and how this move could be facilitated. The properties may need to be optioned (see below), sold, or otherwise transferred to the lead agency.

During this task, project staff should approach adjacent property owners to discuss these individual's goals, desires, and investment philosophies in a very low-key manner, without expectations of any immediate decisions or transactions. Property transactions often take years to complete, and there are often many non-financial factors (for example, a move or retirement) that affect owners' decisions. Staff should understand the appraisals conducted during the business plan task above so that they understand the range of reasonable market values for the land.

#### 4. Assemble Land

One of the biggest roles that a public partner will play in implementing the Montañito Station TOD is facilitating the assembly of enough land to create a critical mass. In an era of uncertain real estate markets, it will be challenging for a private developer to assemble all of the property when there are ample (and likely lower cost) large development sites elsewhere in the region. Assembling land and then holding it until the time of development puts the public agency in the role of a "land bank," removing many holding costs from the private sector balance sheet, a significant development incentive. These holding costs include debt service (mortgage principal and interest), taxes, and insurance—by limiting the developer's exposure to these costs, the public sector can create a significant financial incentive for the project.

There are several ways to assemble land in order to achieve a critical mass that can sustain a successful TOD. These include:

- **Property Acquisition:** The managing agency can purchase properties outright from existing owners through willing-seller negotiations.
- **Option Agreements:** The managing agency can negotiate and secure (often for a non-refundable deposit) option agreements from property owners that gives the agency the right to purchase a property at a specified price within a certain time period. If negotiated, the option agreement can be "assignable," which allows the agency to assign or transfer

this right to another party (e.g., a developer that may not yet be identified). Options allow time for due diligence (e.g., examining environmental/brownfield conditions), assembly of additional land, finding the right developer, raising money, or other actions.

- **Joint Venture:** Property owners in the area may want to be active players in the development of a TOD, contributing their property as equity in the development and participating in the risks and potential profits of development. A joint venture could incorporate several agreements between property owners, a master developer, and the managing agency.

Other land assembly tools include a right of first refusal agreement, exclusive negotiation agreement, easements, or covenants. Some redevelopment agencies have purchased "TOD easements" from property owners that require the property to be developed in a certain way, thereby giving the current owner the flexibility to redevelop when it makes financial sense, while giving the public agency the assurance that the new development will be in keeping with TOD policies.

Regardless of the method, the public sector or a strong private sector partner must assemble several properties (included in Phase 3 and/or 4) in order to realize the vision of a larger TOD. Without such assembly, the project will not be able to achieve critical mass or place making, as described above.

#### 5. Perform Refined Planning and Analysis

Based on the size of the assembled site, changes to the market, and other conditions, additional analysis may need to be completed at this stage in order to refine the plan. This could include additional site planning/urban design/architecture, environmental/brownfield analysis, market analysis, transportation planning, engineering, or other work.

## 6. Regulatory Review and Revision

The zoning and other regulations that apply to the site should be reviewed in detail. While the framework study outlined here should fit within the existing NFTOD overlay zone, some minor aspects of the standards may need to be revised. This should be completed by the lead organization before transferring the property to the private sector in order to eliminate as many unexpected delays as possible.

## 7. Make Needed Infrastructure Improvements

The project team has identified a short list of nearby infrastructure improvements that would dramatically improve the physical environment near the station—a key goal since walkable, mix-use TOD neighborhoods depend on an attractive physical environment. Key infrastructure improvements that should be planned and implemented in the near future include:

- 2nd and Montañito intersection improvements
- Montañito streetscape improvements
- Montañito Station access improvements
- High Capacity Transit

By implementing these projects, the Montañito site becomes “development ready,” maximizing the potential for success. These improvements should only be made after most of the preceding actions have been completed or are significantly underway. This avoids the “build it and they will come” syndrome by assuring that a viable development is in the works before committing public dollars to infrastructure. Linking the public investments to the private investment at the TOD helps to ensure a meaningful leveraging of public resources.

## 8. Initiate Developer Solicitation (RFQ) and Public Private Partnership Process

Most TOD and urban redevelopment projects are made possible through public-private partnerships (PPP)—whether this partnership is explicitly defined through a Development Agreement (DA) or simply ad hoc. This includes some of the country’s best known TODs, including Mockingbird Station, in Dallas, Texas; Addison Circle, in Addison, Texas; and Orenco Station, Hillsboro, Oregon.

According to the Urban Land Institute:

*“Most development near transit will be built on private property by private developers. To help these projects succeed, the public must be attuned to the needs of the private sector—which may be a difficult adjustment in communities that have historically had adversarial relations with developers. Being sensitive to the needs of the private sector does not mean compromising public goals, however; it simply means recognizing that those goals need to work for the developer as well.” (from Ten Principles for TOD)*

In addition to the key public sector roles outlined above, public redevelopment agencies often solicit and select development partners, then negotiate, design, and implement TOD projects together. The project team recommends this process for Phases 3 and 4 of the Montañito Station TOD.

The process that should be followed at the Montañito Station TOD is as follows:

- **Developer Solicitation: Request for Qualifications (RFQ)** and opportunity marketing. The RFQ should include the latest development plans, a description of the land and other assets that the public sector is bringing to the table, a market assessment, a description of the RFQ selection criteria, process, and lead agency, and related information. The goal of the RFQ is to solicit submittals from a large pool of qualified

applicants. Applicants should demonstrate their capabilities and experience on similar projects (mixed use, TOD, PPP, affordable components) in the past.

A RFQ process is recommended over a request for proposals (RFP) process. A RFP differs from a RFQ by requiring a full description of the proposed project, including design drawings, project costs, and sometimes even a purchase price. RFPs have a number of disadvantages. First, RFPs often become “beauty contests” in which teams present project plans that have not had the benefit of extensive public involvement and market and site analysis. Thus, it is common that the ultimate project looks considerably different from that originally proposed in the RFP, leading to potential public discord over unmet expectations. Second, to prepare design plans and other detailed documents required by a RFP, a developer can often spend over \$100,000. This expense can limit the pool of responding developers at a time when the public agency wants the biggest pool possible. The benefit of a RFQ is that the agency is assured of the capabilities and experience of the development team and can then negotiate and design the project together.

- **Developer Selection.** An advisory committee and public agency staff chose the preferred developer based on the selection criteria described above and other criteria as deemed relevant.
- **Negotiation and Planning Phase 1: Memorandum of Understanding (MOU).** The first stage of negotiation and project planning for the PPP is an MOU, an agreement that is legally non-binding, but which nonetheless lays out the roles and responsibilities of the parties. MOU discussions should be conducted alongside additional concept planning, informed by plans already completed, but also subject to change based on the expertise and vision of the development team. Preliminary deal points may include purchase prices, phased transfer terms, additional public or private investments, zoning or regulatory

changes, development build out targets, shared revenue agreements, goals for uses, densities, or targets, or other terms.

- **Negotiation and Planning, Phase 2: Development and Disposition Agreement (DDA).** At this stage, based on the MOU, the parties involved in the Montañito TOD should begin to feel confident that they will be able to achieve their goals via the PPP. Public goals often include quality of development, density, mix of uses, and affordability; the private sector often is committed to these goals but must also carefully watch return on investment. More detailed analysis and planning by all parties should bear out the expectations thus far. If these conditions are met, then the partners and their legal teams can begin to transfer the roles and responsibilities outlined in the MOU to a legally-binding DDA (or other similar contract).
- **Implementation.** A signed Montañito TOD DDA will trigger a series of actions, with the most important being public and private infrastructure investments, regulatory changes, etc. The development team will then begin to build the project.

