

## Project Budget

### Total Project Costs and RAISE Grant Funding Request:

ABQ RIDE requests a total of \$25 million from RAISE to support Phase I of the Uptown Connect project. Because the request is at \$25 million, it is anticipated that the source of funding will be BIL funding. The full Phase I cost is \$26.1M, as broken out in Table 1, below. Federal cost share for the Phase I RAISE request represents 97.7% of project costs (\$25.5 million / \$26.1 million).

ABQ RIDE has already dedicated significant resources to this project and has expended \$3.1M to-date in planning, design, construction, and real estate acquisition at the Uptown Transit Center in anticipation of and preparation for Uptown Connect. As a Joint Development, ABQ RIDE will contribute additional match to the RAISE grant-funded Phase I, which will contribute to administrative and project management costs and a portion of the design and construction costs for the transit facility, paid for with \$500,000 in Federal 5309 Formula funds and \$600,000 in local match and in-kind services (see Joint Development Circular C 7050.1B and Table 1 below).<sup>1</sup>

**Table 1: Phases I and II Funding Sources**

Funding Source	Phase I Funding
<b>Federal Funds</b>	
RAISE Funds	\$25,000,000
Other Federal Funds: 5309 Formula Funds	\$500,000
<b>Non-Federal Funds</b>	
5309 Local Match	\$125,000
In-Kind Services – ABQ RIDE & MRMPO	\$475,000
<b>TOTAL</b>	<b>\$26,100,000</b>

After notice of award, the City of Albuquerque will expedite obligation of all project funds to ensure that minimal pre-obligation expenses are incurred. We anticipate spending \$550,000 in bus terminal construction funds, which will allow for continuous transit service during the construction phase, prior to grant obligation.<sup>2</sup>

Phase II, which is beyond the scope of the RAISE grant request, will cost an estimated \$65.3M (LIHTC Equity, \$32,285,000; Tax Exempt Private Bonds, \$21,400,000; Developer Equity, \$11,600,000). Phase II work is critical to the overall vision and mission of Uptown Connect, as it includes a privately-financed low-income residential tower. ABQ RIDE will work closely with the developer to secure additional funds to ensure project completion, in particular assisting with

<sup>1</sup> ABQ RIDE is also in communications with the City’s Department of Municipal Development to see if there are other local funds that might be available to contribute to the cost of utilities and roadway infrastructure. Not all in-kind contributions that are expected are enumerated in the in-kind total, including contributions from partners like the Mid-Region Council of Governments.

<sup>2</sup> Expended funds are associated with Federal Project # NM-90-X049, NM-90-X054, and NM-03-0021. To be expended funds are Federal Project # NM-03-0021 and NM-90-X054.

funding gaps related to the affordable housing component. Total estimated project costs in the Joint Development - Phases I & II is \$91.4 million, with all funding expected to be secured by August 2024 for construction loans and by November 2026 for the permanent loan. This amounts to a total federal cost share for the full project of 27.9% (\$25.5 million / \$91.4 million).<sup>3</sup> To ensure viability and to maintain the development in good condition, the property manager has committed to long-term maintenance and security, including space and the personnel. Rent and labor costs will be monetized as income to ABQ RIDE.

Uptown Connect is eligible for RAISE funds because it is a surface transportation capital project in the public transportation projects (Chapter 53 of Title 49, United States Code). Joint Development Projects are specifically authorized under Federal transit law, Chapter 53 of Title 49, United States Code. All proposed project costs will be contained within *census tract 2.07, Bernalillo County, New Mexico (FIPS 35001000207)*.

**Cost Estimates**

Table 2 shows budget line-item costs and justifications, including source of funds. This project is at the 10% Conceptual Design level, and this degree of design completion was used to determine the cost estimates. General cost estimates and fund sources for construction of the Uptown Transit Center Joint Development are outlined below. These cost estimates do not include any previously expended funds. Because this project is located in a Historically Disadvantaged Community Census Tract, there is no local match required. However, because of the nature of the Joint Development project and its broad public benefits, the federally-funded portion of the project will be approximately 27.9% of total project costs for the Joint Development, which includes Phase I – the Transit Plaza – and Phase II – the mixed-use Joint Development. See also the attached documentation of commitments for all funds contributed as leverage to this project.

**Table 2: Uptown Connect Phase I Budget<sup>4</sup>**

	<b>Line Item</b>	<b>Item Total</b>
<b>A. Work Required to Maintain Continuing Operation of Transit Center</b>		
	Sidewalk widening, bump-outs, and curb cuts to accommodate continued bus service during construction	\$55,000
	Temporary bus shelters	\$120,000
	Install fire loop - Indiana, Uptown, Am. Pkwy	\$350,000
	Temporary Restriping - Indiana (4 lanes)	\$25,000
<b>B. Site Acquisition</b>		
	Purchase NUSENDA Land - Transit Plaza (19,050 Sf, estimated value pending appraisal)	\$514,000
<b>C. Pre-Development Work</b>		
	NEPA Analysis and Documentation	\$14,000
	Market Study, etc. (WSP excl. NEPA)	\$105,000
	Design & Engineering - Transit Plaza	\$1,500,000

<sup>3</sup> Phase III will be entirely privately-financed and will be an additional residential tower. It will bring the total project cost up to \$122 million.

<sup>4</sup> A more detailed budget that exceeds the allowable length limit for this proposal is available upon request.

<b>D. Development Costs</b>		
	Demolition & Excavation	\$1,000,000
	Other site prep	\$250,000
	EV charging stations, buses and private vehicles	\$1,100,000
	Sidewalk Bulb-outs in adjacent streets-- long-term site accessibility and improvements	\$800,000
	Underground Structured Parking	\$2,610,000
	Building construction—commercial buildings, arcade, security room, other structures, building columns	\$8,498,000
	Safety/Security System	\$200,000
	Lighting	\$60,000
	Emergency Generator	\$200,000
	Landscaping and site improvements	\$80,000
	Telecommunications infrastructure and upgrades	\$1,200,000
	Expand Electrical Service	\$40,000
	Fees (water, sewer, impact, building permits)	\$900,000
<b>F. Site cleanup</b>		
	Removal of Debris & Construction, includes labor costs	\$5,266
<b>Project Sub-Total</b>		<b>\$19,626,266</b>
<b>G. Administrative Costs and Overhead (based on budget categories A-F)</b>		
	Administrative and project management costs to ensure on-time progress and compliance, estimated at 10%	\$1,962,627
<b>H. Contingency, Escalation of Costs (based on budget categories A-G)</b>		
	Estimated at 10%	\$2,158,889
<b>I. Bonds and Insurance</b>		
	Costs for bonding and ensuring the project, estimated at 2%	\$474,956
<b>J. NM Gross Receipts Tax</b>		
	NM Gross Receipts Tax, current rate for Bernalillo County is 7.75%	\$1,877,262
<b>TOTAL</b>		<b>\$26,100,000</b>
<b>(\$25M RAISE request + \$500,000 federal formula funds, and \$60,000 local cash and in-kind match)</b>		

This project budget includes a 10% contingency/escalation line item as well as 10% for administrative and project management costs. However, with the uncertainty brought on by market volatility, supply chain, and workforce issues, other local infrastructure funds may be repurposed as an additional buffer for any future funding gaps that might arise over the course of this multi-year project.

Further, in Phase II (which is outside the scope of this RAISE grant request but will overlap, the project will leverage approximately \$65,300,000 in private bonds and equity. Local funds to help ensure the viability of this project have been confirmed by PacifiCap, Hunt Capital, Boston Capital, and the Mid-Region Metropolitan Planning Organization (see Letters of Commitment & Support). Additionally, after this project is completed, it will spur a Phase III development on the abutting parcel that will be completed with entirely private funds by the same project team,

which is actively securing funds to ensure a rapid start to that project phase after the completion of the first two.

**Project Fund Uses**

Project funds are anticipated to be available and unencumbered by the time the RAISE grant funds are obligated. The expected breakdown of uses of funds are shown in Table 3, below.

**Table 3: Uses of Funds**

Uses of Funds	Phase I	RAISE \$	RAISE %	5307 \$	5307 %	Local \$ and In-Kind	Local %
<b>A. Pre-Development Off-Site to Maintain Continuing Operation of Transit Center</b>	\$550,000	\$-	0%	\$500,000	91%	\$50,000	9%
<b>B. Site Acquisition</b>	\$514,000	\$514,000	100%	\$-	0%	\$-	0%
<b>C. Pre-Development (planning and design)</b>	\$1,619,000	\$1,544,000	95%	\$-	0%	\$75,000	5%
<b>D. Development Costs (Construction Phase)</b>	\$6,938,000	\$16,938,000	100%	\$-	0%	\$-	0%
<b>F. Site cleanup</b>	\$5,266	\$5,266	100%	\$-	0%	\$-	0%

<b>G. Administrative Costs and Overhead</b>	\$1,962,627	\$1,487,627	76%	\$-	0%	\$475,000	24%
<b>H. Contingency, Escalation of Costs</b>	\$2,158,889	\$2,158,889	100%	\$-	0%	\$-	0%
<b>I. Bonds and Insurance</b>	\$474,956	\$474,956	100%	\$-	0%	\$-	0%
<b>J. Gross Receipts Tax</b>	\$1,877,262	\$1,877,262	100%	\$-	0%	\$-	0%
<b>Total Uses of Funds</b>	\$26,100,000	\$25,000,000		\$500,000		\$600,000	