

Confidential Draft, November 2022



The Case for **Downtown**

Albuquerque Regional Economic Alliance



GREAT CITIES AND REGIONS START DOWNTOWN. NO CITY OR REGION CAN SUCCEED WITHOUT A STRONG DOWNTOWN, THE PLACE WHERE COMPACTNESS AND DENSITY BRING **PEOPLE, CAPITAL, AND IDEAS INTO THE KIND OF PROXIMITY THAT BUILDS **ECONOMIES, OPPORTUNITY, AND IDENTITY**. DESPITE A RELATIVELY SMALL SHARE OF A CITY'S OVERALL GEOGRAPHY, DOWNTOWNS DELIVER SIGNIFICANT ECONOMIC AND COMMUNITY IMPACTS ACROSS BOTH CITY AND REGION.**

DOWNTOWNS SERVE AS THE EPICENTER OF COMMERCE, CAPITAL INVESTMENT, DIVERSITY, PUBLIC DISCOURSE, AND KNOWLEDGE AND INNOVATION.

- THE VALUE OF US DOWNTOWNS AND CENTER CITIES
(2019), INTERNATIONAL DOWNTOWN ASSOCIATION



INTRODUCTION

AREA's Advisory Councils are made up of private industry experts working to drive regional economic development by building collective insight through proactive conversations.

These cross-functional advisories leverage deep knowledge and industry expertise to identify new development opportunities, connect resources and services, promote the region's competitive position, and advance the future for Greater Albuquerque.

The collective professional expertise of AREA's councils and advisory groups helps shape the organization's key initiatives, leverages connections to further job creation and competitiveness efforts, and supports the implementation of programs.

Shared Objectives

Provide connections and support to AREA for advancing economic innovation in the Greater Albuquerque region.

- Increase connectivity between business community and economic development partners.
- Identify opportunities for new development that both the public and private sectors can support.
- Foster collaboration and information exchanges regarding current market activity and translate it to regional economic growth objectives.
- Advise and support policy that enhances investment and drives regional enhancement.
- Collaborate in the success of external market visits, gaining knowledge and data to further advance the region's competitive position.

AREA Advisory Councils

1

Competitiveness

2

Bioscience and Health

3

Technology and Innovation

4

Public Sector

Setting the Stage

A small but valuable employment center for the city, Downtown Albuquerque has a unique charm that should be activated to drive investment and development activity.

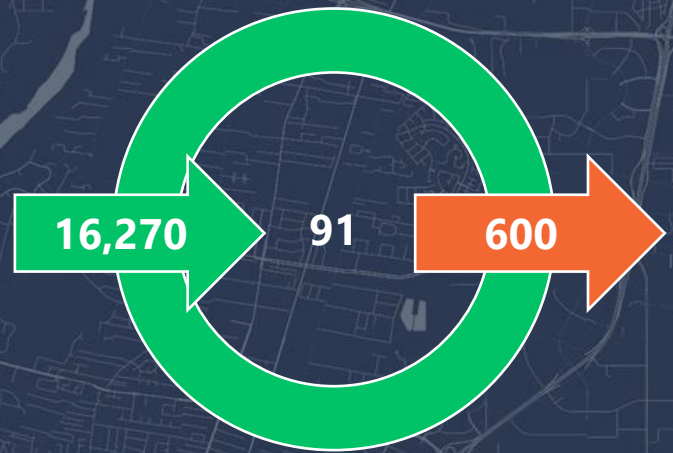
Defined within the 2021 Value of Downtowns and City Centers report from the International Downtown Association, Downtown Albuquerque accounts for about 0.8% of the city's total taxable value and accounts for 1.3% of estimated market value. This is because much of downtown's most valuable land is publicly owned, and therefore doesn't contribute to taxable value. This also explains why these two values differ so widely. Going by market value, downtown land is worth 4.8 times more per square mile than the average citywide.

Geographically, Downtown Albuquerque covers 0.5 square miles, holds 6% of citywide jobs and 0.3% of citywide residents. Described within the IDA report, against other downtown populations shown right, Downtown Albuquerque has the lowest population total and one of the highest ratios of jobs to residents. This emphasizes the 9-to-5 central business district dynamic. Typically, downtowns in the "growing" and "established" categories see a closer balance between employees and residents as they evolve into more complete live, work, and play urban places. Downtown Albuquerque falls in the "emerging" category.

Relative to jobs presence, Downtown Albuquerque shows a heavy bias toward office workers alone, rather than a more balanced live-work-play environment. With 16,300 people commuting into downtown for work, an opportunity presents itself to capture immediate retail sales with the inclusion of intentional space absorption strategies. Of the individuals coming downtown for work, these individuals represent prime-aged workforce between the ages of 30 and 54 and are well-paid, 64% of which have monthly earnings greater than \$3,333. Activating this cohort's ability to access food and retail items during daytime operating hours serves as a near-term opportunity for activating streets and walkways within a 5-minute walk from the office core.

Understanding these market dynamics, the region's future success in economic development is based, in large part, on recognizing the current and future economic environment and implementing improvement strategies at scale that will position the region as a location of choice for competitive private sector investments in the future.

Downtown Inflow/Outflow



99%

Live outside of Downtown

60%

Workers Aged 30 to 54

64%

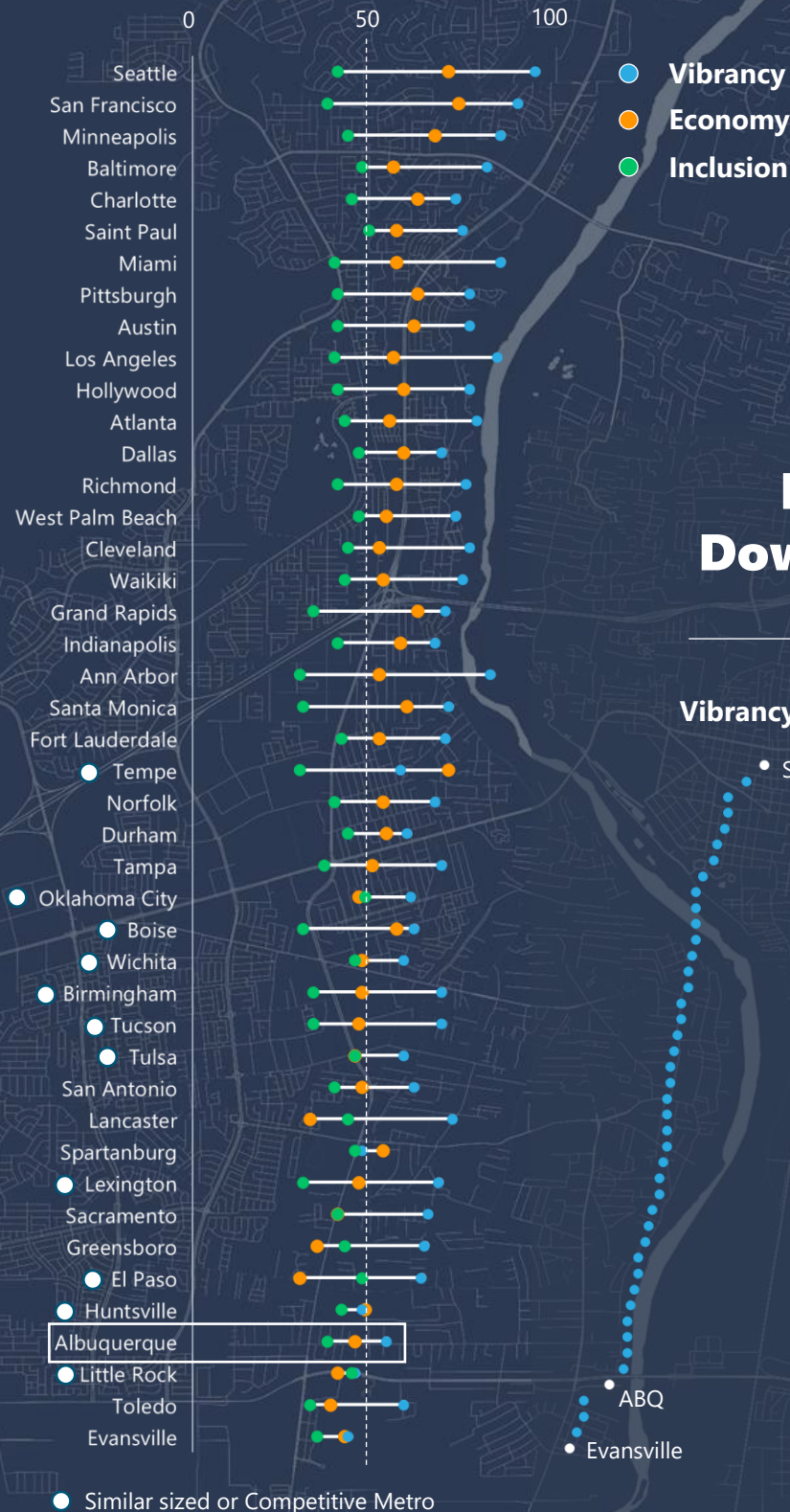
Monthly earnings +\$3,330

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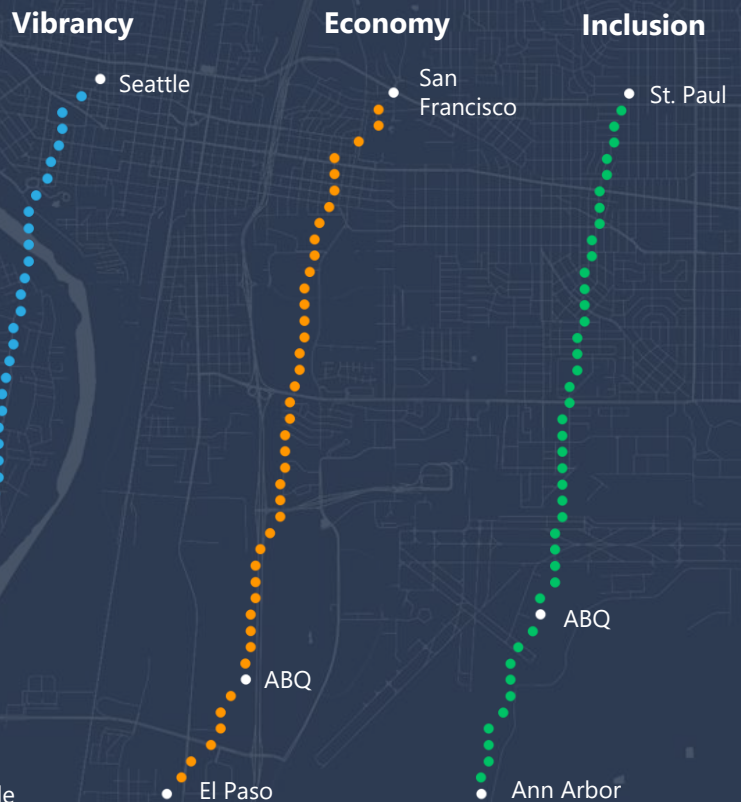
Downtown Vitality Index

International Downtown Association, 2021

Overall Rank: Total Downtown Vitality Index



Rank by Principle: Downtown Albuquerque



Thought Starters

BUILD UP

1 4 5 6 7

- **Promote compact critical mass.** Concentrate development within a five-minute walk of signature streets and public spaces. This will guide the density needed to attract retail and create a vibrant public realm.
- **Use robust public/private partnerships and incentives to unlock development feasibility.** Scale the ability to incentivize Downtown development with existing incentives like the Metropolitan Redevelopment Tax Abatement and explore the creation of innovative new tools and public/private partnerships to fill additional gaps.
- **Implement Downtown-wide design standards and design review.** Enforce consistent design standards to ensure that new development creates visually appealing and experientially cohesive spaces.

ACTIVATE WALKABILITY

3 4 5 6 7

- **Create a more vibrant public realm.** Leverage Rail Trail connectivity to enhance the pedestrian environment by creating a cohesive network of tree-lined signature streets that link revitalized signature public spaces.
- **Promote investments that support the full spectrum of the visitor industry.** Capitalize on the broad range of visitor activities that can take place Downtown, including cultural programming, meetings and conventions, and other events attracting locals and out-of-towners.
- **Enhance mobility to and across Downtown.** Increase mobility options with a focus on pedestrians, cyclists, transit riders, shared parking, and emerging transportation technologies.

WELCOME EVERYONE

1 2 3 4 6 7

- **Build equity into every implementation strategy.** Consider the equity impacts of every Downtown program and policy, and implement concrete programs to increase affordable housing, provide workforce training, and grow small businesses.
- **Ensure that Downtown grows more inclusive as it becomes more successful.** Make sure that Downtown's public spaces reflect the diversity of Greater Albuquerque through inclusive programming and design.
- **Promote Downtown's authenticity.** Support the growth of Greater Albuquerque's authentic culture, including its music, food, art, and history.

2023

Framework and Major Objectives

Vision: Be a thought leader for regional transformation by encouraging long-term collaborative partnerships

Jan. 2023

Launch Downtown education series to build consensus and champion priorities.

March 2023

Fund Downtown Sentiment surveys for the business community, workforce, and resident population.

2023+

Identify opportunities for new development that both the public and private sectors can support.

2023+

Advocate for public-private partnerships and policy reform which advance desired outcomes.

Work Hard

Work Together

Inspire Change

Take Responsibility

Stay Consistent

Do Good with Data

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2023 Series Planning

2023 Community Engagements and Strategy Sessions

2023 Collaborative Deliverables with MRA

January	Education Series Launch - Setting the Stage <ol style="list-style-type: none">AREA Board of Directors, Advisory Leadership and Investors, Mayor, and MRAMRA Updates on Downtown Forward and Strategic PlanKeynote Downtown Speaker (IDA?, others?)<ul style="list-style-type: none">Best practice downtown real estate analysis, public/private partnership models, and the path forward. (Columbus, OH/ Boise, ID?)The importance of strong leadership and public-private partnerships.	Kickoff Project: Establish the baseline for a joint site and real estate opportunity analysis. Identify 2024-2025 Priority Projects. Launch positive downtown stories and business/talent case studies
March	Spring Touchpoint with Advisory <ol style="list-style-type: none">Introduction to the Downtown sentiment survey's<ol style="list-style-type: none">Business Community: Downtown Employers<ol style="list-style-type: none">Sentiment and Space AbsorptionResident Population: Sentiment SurveyPresentation: UNM Presentation of Plans for Downtown Development and Potential Impact.	Request for Interest: Site and Real Estate Opportunity Analysis April: Request for Qualifications
June	Mixed-Use Developer Familiarization Tour <ol style="list-style-type: none">Survey Results PresentationMRA Updates on Downtown Forward and Strategic Plan Opportunities for Public/Private PartnershipDowntown Development opportunities within the Opportunity Enterprise Act	Request for Proposals First of July is proposal submittal deadline. July: Proposal Review
August	Summer Advisory Meeting <ol style="list-style-type: none">Progress madeRFP Status and Interview Updates	Finalist Interviews and selection
November	2023 Wrap-up, Lessons Learned, and 2024 tee-up	

Incentives to Consider

Pre-Development Assistance	A program, designed to kick-start development projects in Downtown and MRA areas. This program would offer expedited building and construction plan review as well as hard cost pre-development work such as: financial modeling, architectural design, market research, and site assessment. Larger incentive availability within targeted MRA territories.
Payment in Lieu of Taxes (PILOT) / Property Tax Abatement Program	Like the Redevelopment Tax Abatement, the City would exempt property holders from paying real property taxes and instead agrees to accept a set payment (less than the expected real estate tax) for a period of years. Currently, MRA offers 7-year abatement. This should be extended to a more competitive range, 15+ years.
Exterior Improvement Match Program	A matching grant program designed to help commercial property owners and businesses make high-quality exterior improvements to their commercial buildings and properties. Intended to improve the aesthetics of buildings and places in Downtown, enhance walkability by improving the exterior appearance of buildings and commercial storefronts, help new and existing businesses succeed by enhancing their curb appeal, encourage high-quality exterior lighting to improve pedestrian safety and comfort. Larger incentive availability within targeted MRA territories.
Vibrancy Improvement Program	A grant designed to help neighborhoods fight the appearance of blight and provide commercial property owners and businesses the resources to make exterior improvements to their property. Encourage property investment in downtown and downtown-adjacent neighborhoods to foster a consistent, vibrant, and safe pedestrian experience along key commercial corridor and strengthen or restore the character of places within the community. Larger incentive availability within targeted MRA territories.
Fee Waiver for Outdoor Dining	A fee waiver to encourage outdoor dining in public right-of-way (sidewalks). Restaurants needing a permit for right-of-way outdoor dining should be reviewed at no cost to business in the downtown area and are granted on a case-by-case basis.

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Setting the Stage and Activating Champions

2023

Major Milestones

Spring



**Sentiment Surveys
and Investment
Project Identification**

Summer



**Proposal Assessment
and 2024 Planning**

Fall



**Proposal Acceptance
and 2024 Planning**

Winter





AREA

Albuquerque Regional Economic Alliance

