

Downtown Albuquerque Business Improvement District: Operational Framework

SECOND DRAFT v.3 5.2.25

BID Introduction	<p>Business Improvement Districts (BIDs) are a common tool used throughout the country to provide enhanced services above and beyond what a municipality provides within a defined geographical commercial district. There are more than 1,000 BIDs in the United States, and Albuquerque is one of the largest cities in the country without a BID.</p> <p>A BID is a financing mechanism, authorized by state and local law, that receives its funding via a self-imposed assessment from property within its boundaries. In New Mexico, BIDs are created under the Business Improvement District Act (NM Stat 3-63-1 through 3-63-16 NMSA 1978). Per New Mexico statute, a district may be created to provide services that shall attempt to restore or promote the economic vitality of the district and the general welfare of the incorporated municipality.</p>
BID Process Overview	<p>A Downtown BID was originally formed in 2000, and operated until its dissolution in 2015. Upon dissolving the BID, the City of Albuquerque took over the existing clean and safe services contract with Block by Block, a nation-wide firm that works with BIDs, to ensure the downtown core continued to receive baseline cleaning services. Downtown ABQ MainStreet took over management of the seasonal Growers Market in Robinson Park, which also continues today.</p> <p>A group of property owners began championing formation of a BID in 2023, with some success at garnering additional property owner support.</p> <p>The process that led to this Operational Framework included the following key components:</p> <ul style="list-style-type: none">• A BID Feasibility Study conducted by Progressive Urban Management Associates in collaboration with downtown property owners, and funded by the Albuquerque Metropolitan Redevelopment Agency.• A BID Working Group formed to assist and guide BID preparation work and review of the Operational Framework. A list of Working Group members can be found in the Appendix.• Planning for this Operational Framework took place between November 2024 and March 2025. More than 50 property owners participated in discussions that contributed to the Framework. Public officials, including city staff and elected officials, were consulted to establish the groundwork for how the public and private sectors could best collaborate on the BID.• The planning work consisted of detailed scoping for potential BID services and operations, stakeholder workshops and meetings, the development of a base level of services agreement with City staff, and multiple iterations of a plan driven by stakeholder feedback leading to a finalized version presented here.

BID Objectives	<p>The Downtown Albuquerque BID will be a private sector led and managed program. The BID has the following principal objectives:</p> <ul style="list-style-type: none"> • To create a downtown environment that is reliably safe, clean, and welcoming to all by providing enhanced services, leadership, and advocacy that improve the downtown experience and quality of life, such as improving public safety and hospitality, enhancing cleanliness, and beautifying public spaces. • To collaborate and align downtown stakeholders and be able to speak with a single unified voice on behalf of downtown. • To increase business activity, attract new investment, and support small independent businesses. • To enhance property values and increase sales and occupancies. • To offer accountability to ratepayers through a property owner managed governance structure. • To create a mechanism for championing and sustaining downtown improvement efforts for the long-term.
BID Boundaries	<p>The Downtown Albuquerque BID will encompass a large area of the downtown, as illustrated in Exhibit A, bounded roughly by Lomas Boulevard to the north, 10th Street to the west, Coal Avenue to the south, and Broadway Boulevard to the east.</p>
BID Services	<p>The BID will enhance services and support improvements as determined through an annual plan approved by the BID board of directors (the “BID Board”). Initial services will fit within the following general categories, with the general goal of enhancing the safety, cleanliness, and overall appearance of Downtown Albuquerque. Specific examples of services are provided within each category.</p> <p>Safe & Clean Services</p> <p>Direct, provide, manage, and/or enter into contracts for dedicated uniformed patrols trained in safety and enhanced cleaning services as well as proactive engagements.</p> <p>Safe & Clean services will dramatically expand the Ambassador efforts that have been carried-forward by the Block by Block program. Currently, cleaning Ambassadors are deployed on weekdays to offer supplemental litter pick-up, power washing, and graffiti removal. An estimated 250 hours of Ambassador services are currently provided each week in Downtown Albuquerque and paid for by the City, but are dedicated exclusively to cleaning services.</p> <p>Inspired by best practices in other cities and following an evaluation of Downtown Albuquerque’s service needs, the BID Operational Framework anticipates a nearly tripling in weekly manpower to an estimated 700 hours per week. In addition to cleaning, a new team of Safety Ambassadors will be deployed, plus coverage will occur seven days a week.</p> <p>Services provided by these patrolling uniformed staff include, but are not limited to, the following:</p>

Safe Services: A new team of Ambassadors specially trained to work with local law enforcement to make Downtown safer and more welcoming to all.

- *Safety and continual public engagement:* Providing a highly visible presence by continually circulating through the district on foot, bike, or vehicle; proactively engaging with local law enforcement and social service providers; connecting with the public and responding to opportunities to provide directions, recommendations, or assistance; and offering safety escorts on an on-call basis.
- *Observing and reporting issues:* Continually circulating through the BID to provide high visibility and to address and/or report any activities deemed to be out of the ordinary; reporting crimes, disturbances, or code violations to the Police or Code Enforcement Departments as appropriate; and proactively engaging with people in violation of pertinent ordinances or unacceptable public behavior.
- *Business engagement:* Making business contacts to gather information about possible issues and concerns, distributing materials as needed, and reporting upon strategies and successes.
- *Engaging with members of the street and unhoused population:* Observing anti-social behaviors and situations, and reporting to appropriate agencies for follow-up and directing individuals experiencing homelessness to connect with appropriate service providers.

Enhanced Cleaning Services: Broadening and deepening the current cleaning capacity of the Block by Block team.

- *Litter removal:* While circulating the BID, collecting and disposing of litter on sidewalks, at crosswalks, in landscaping beds, and along the curb line; emptying trash receptacles as needed; and reporting larger cleaning/dumping issues that require a greater response.
- *Debris sweeping:* Removing dirt and debris from throughout the streetscape, sidewalks, and crosswalks.
- *Graffiti abatement:* Removing graffiti, stickers, and handbills from all public fixtures.
- *Pressure washing:* Power washing and/or scrubbing of hot spots and high traffic areas with special equipment.
- *Street furniture cleaning:* Wiping down benches, trash and recycling receptacles, bike racks, and other street amenities.
- *Weed removal:* Eradicating major weeds growing in sidewalk cracks and around streetscaping.

700 hours of average weekly service are estimated, with service 7 days/week, across two shifts (morning through midnight); however, this number is likely to change due to seasonality, special events coverage, and other considerations as the program develops.

	<p>Marketing and Special Projects</p> <p>The marketing and special projects service bundle is intended to give the BID flexibility and the ability to respond to new challenges and opportunities with a portion of its funds. Services could include:</p> <ul style="list-style-type: none"> • Activation of vacant spaces in collaboration with property owners, such as pop-up retail, temporary art installations, and window signage. • Signage and branding for the BID. • Small-scale activations and events. • Image enhancement and destination marketing for Downtown. • Support for research and education to advance policies and issues that impact Downtown. • Other marketing and special project initiatives as determined annually by the BID board of directors. <p>Management & Advocacy</p> <ul style="list-style-type: none"> • Administrative support, including resources for a qualified BID executive director and program management expenses (i.e. office, services, audit, etc.), BID program insurance, bookkeeping, and administrative support to ensure that BID initiatives are managed effectively and maximize accountability to ratepayers. • Anticipated Staffing: 3.5 FTE <ul style="list-style-type: none"> ○ Executive Director/CEO (FT) ○ Marketing and Special Projects Manager (FT) ○ Operations Director (FT – Budgeted in the Safe and Clean service bundle) ○ Admin Support (PT) 								
Estimated Operating Budget	<p>For the initial year of BID operation, an annual operating budget of \$1,700,000 is projected, generally allocated as follows:</p> <table border="1"> <tr> <td>Safe & Clean Services</td><td>\$1,250,000</td></tr> <tr> <td>Marketing & Special Projects</td><td>\$200,000</td></tr> <tr> <td>BID Management & Advocacy</td><td>\$250,000</td></tr> <tr> <td>TOTAL</td><td>\$1,700,000</td></tr> </table> <p><i>For safe and clean services, it is anticipated that the City of Albuquerque will continue to provide financial support as it has for the past ten years through the duration of the five-year term of the BID. Adjusted for inflation, this annual contribution to safe and clean services amounts to \$405,000. The remaining portion of the BID will be funded by assessments on property, amounting to \$1,295,000 in Year 1.</i></p>	Safe & Clean Services	\$1,250,000	Marketing & Special Projects	\$200,000	BID Management & Advocacy	\$250,000	TOTAL	\$1,700,000
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Estimated Assessment	<p>Per state statute, BID assessment rates can be based on assessed value, street front footage, building or land square footage, or a combination of real property characteristics. The BID operating budget was developed by distributing the cost of</p>								

Method and Rates	<p>services on a cost allocation basis, using a database that contains taxable values and other property characteristics for parcels within the district.</p> <p>Premium vs. Standard Service Zones: Two distinct zones of service, or benefit zones, are proposed for the Downtown Albuquerque BID. A Premium Zone will be centered along the Central Avenue corridor, providing a higher frequency of safe and clean services commensurate with the high concentration of pedestrian and business activity found in this area. North and south of the Premium Zone will be Standard Service Zones, offering a full array of enhanced services but at a lower frequency than the Premium Zone. It is anticipated that the frequency of safe and clean services will be delivered on a 2:1 basis in the two zones – i.e. twice the frequency and deployment of Safety Ambassadors and Cleaning Teams in the Premium Zone versus the Standard Zone.</p> <p>Assessment Method: Two assessment options were evaluated for the Downtown Albuquerque BID. one option relied on the taxable assessed value, and a second option relied on the lot and building square footage of taxable properties. Rates of assessment are higher for properties in the Premium Zone than in the Standard Zone because safe and clean services will be delivered in higher frequency in the Premium Zone. The square footage option is the fairest method allocating BID assessments in Downtown Albuquerque.</p> <p>Estimated annual assessment for eligible properties within the BID is as follows:</p> <table data-bbox="526 1050 1291 1197"> <tr> <th>Service Zone</th><th>Lot + Building Sq.Ft. (per square foot)</th></tr> <tr> <td>Premium</td><td>\$ 0.132</td></tr> <tr> <td>Standard</td><td>\$ 0.082</td></tr> </table> <p>Under the New Mexico statute, property owners are able to pass through up to a maximum of 75% of their annual assessment to tenants.</p> <p><i>The above rate was calculated using 2024 assessor data. The BID will be established using 2025 assessment rolls.</i></p>	Service Zone	Lot + Building Sq.Ft. (per square foot)	Premium	\$ 0.132	Standard	\$ 0.082
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Exempt Parcels and Voluntary Contributions by City and County	<p>Under state statute, tax exempt properties are not compelled to pay a BID assessment, nor are residential properties with three or less units. However, exempt properties—including governmental buildings—within the boundaries can voluntarily contribute.</p> <p>For the Downtown Albuquerque BID, commitments are being sought from both the City and the County to pay their “fair share” of BID assessments. City and County properties are anticipated to participate in the same manner as taxable properties – the same assessment methodology will be applied to them as their properties are expected to share in the same benefits from enhanced BID services. Based upon the database of Downtown property provided by the County Assessor, it is estimated that</p>						

	<p>the City of Albuquerque will contribute approximately 25% to 30% of the total assessment base (including the Convention Center), Bernalillo County will add an additional 7.5% to 12.5%. Participation based on property owned by the City and County is essential to success of the BID as proposed in this outline.</p> <p>Additional tax-exempt ownerships will be encouraged to also financially participate in the BID.</p>
City Services	<p>The City of Albuquerque (the “City”) has established a documented base level of pre-BID City services. By law, the BID will not replace any pre-existing basic City services. Instead, BID services are supplemental, and intended to enhance overall service delivery within its boundaries. Included in the base level of City services is the cost of the current Block by Block ambassador program operating in downtown, adjusted for inflation.</p>
Collection and Enforcement	<p>BID assessments will appear as a line item on annual property tax bills and will carry the same lien authority for enforcement as property taxes.</p>
Term of the District	<p>City Council shall review each district every five years to determine whether the district should remain in existence. If a majority of the council decides that the purpose for which the district was created has been served and that it is in the best interest for the district, the council shall terminate the district's status by ordinance or resolution and record this with the municipal clerk.</p>
Annual Adjustments	<p>As provided in the state statute, the BID Board shall develop annual budgets, which shall be submitted to City Council for approval. The BID Board may determine annual adjustments in assessment rates consistent with increases in program services, costs, and CPI (Consumer Price Index) increases; however, in no event shall annual assessments increase by more than five percent (5%) over the prior year. The BID assessment roll will be updated annually to incorporate new development.</p>
District Formation	<p>There are a series of procedural steps required by State Statute to establish the BID. Steps leading to this are summarized as follows:</p> <p>Owners Petition to Form the BID: To begin the formation process, property owners representing a majority of the total real property owners within the proposed district must petition the City Council in writing to create a district.</p> <p>Planning Group Creates a Proposed Plan: The State Statute provides the Council shall refer the petition to a Planning Group to create a plan pursuant to the provision of the Business Improvement District Act (the “Act”). The plan must include:</p> <ul style="list-style-type: none"> • The purpose for the creation of the district; • Describe in general terms the real properties to be included in the district; • Provide an assessment plat of the proposed District, showing an estimate of the benefits to the property in the District, and amount estimated to be assessed against each parcel of property.

	<p>Upon completion of the plan, the Planning Group will submit the plan to the City of Albuquerque. The City Clerk will set a hearing date for the proposed plan and ordinance forming the District. The notice of the public hearing shall be mailed by the City Clerk to the affected property owners in the proposed district at least thirty days prior to the date of the hearing. Additionally, the general public will be notified of the hearing through two notices published as required by the Act.</p> <p>City Council Adopts Ordinance Forming BID: At the conclusion of the public hearing, the Planning Group shall present its recommendation on the creation of the proposed district. Unless the Planning Group recommends against creation of the district the City Council may establish the District by adopting an ordinance formalizing the plan. Additionally, upon adoption of the ordinance creating the District, the Planning Group work is completed.</p>
District Governance	<p>Upon formation of the Downtown Albuquerque Business Improvement District (BID), New Mexico State statute provides the council may appoint a nonprofit corporation ("BIDcorp") to implement the business improvement district plan. The activities of BIDcorp will include:</p> <ul style="list-style-type: none"> • Hiring and supervising an Executive Director for BIDcorp. • Preparing and filing an annual budget and progress report for the district. • Administration of all improvements within the district as laid out in its district plan. • Recommend annual assessment changes (if any) to City Council for approval. • Prepare and submit an annual financial report to City Council. This report should cover the previous fiscal year and include: a complete financial statement setting forth its assets, liabilities, income, and operating expenses at the end of the fiscal year and the benefits of the district's program to the real property and business owners of the district. <p>BIDcorp will be governed by a Board of Directors comprised of property owners. A 9- to 13-member BID Board is anticipated with the following considerations:</p> <ul style="list-style-type: none"> • A mix of small and large property owners • Use-type representation, such as office, retail, dining, hospitality, residential, and non-profit (if a voluntary contributor) • Geographic representation • Provided they pay their fair share of assessments, one representative of the City and one representative of the County <p>The final composition of and nominating process for the BID Board of Directors will be prescribed by the bylaws created for the nonprofit organization.</p>

EXHIBIT A: BID Boundary Map (DRAFT)

