

Near Heights Metropolitan Redevelopment Area Expansion Final Designation Report

June 2008



City of Albuquerque

Metropolitan Redevelopment Agency

Planning Department

Prepared by Sites Southwest

Albuquerque, NM



EXHIBIT A

CITY OF ALBUQUERQUE
CITY COUNCIL

MAYOR'S OFFICE
09:00 AM 4/14/08

INTEROFFICE MEMORANDUM

4/14/08

R-2008-051

TO: Martin Chávez, Mayor

FROM: Laura Mason, Director of Council Services

LM

SUBJECT: Transmittal of Legislation

Transmitted herewith is Bill No. R-08-29 Designating The Near Heights Boundary Expansion a Metropolitan Redevelopment Area, Including The Recently Formed Eastern/Alvarado Metropolitan Redevelopment Area (R-07-283); Making Certain Findings and Determinations Pursuant To The Metropolitan Redevelopment Code, and Authorizing and Directing The Metropolitan Redevelopment Agency To Prepare a Metropolitan Plan For The Near Heights Expansion Metropolitan Redevelopment Area (Garduño), which was passed at the Council meeting of April 7, 2008, by a vote of 9 FOR AND 0 AGAINST.

In accordance with the provisions of the City Charter, your action is respectfully requested.

LM:db
Attachment
4/8/08

RECEIVED

2008 APR 13 PM 3:29

**CITY of ALBUQUERQUE
EIGHTEENTH COUNCIL**

COUNCIL BILL NO. R-08-29 ENACTMENT NO. B-2008-051

SPONSORED BY: Rey Garduño

RESOLUTION

1
2 DESIGNATING THE NEAR HEIGHTS BOUNDARY EXPANSION A
3 METROPOLITAN REDEVELOPMENT AREA, INCLUDING THE RECENTLY
4 FORMED EASTERN/ALVARADO METROPOLITAN REDEVELOPMENT AREA
5 (R-07-283). MAKING CERTAIN FINDINGS AND DETERMINATIONS PURSUANT
6 TO THE METROPOLITAN REDEVELOPMENT CODE, AND AUTHORIZING AND
7 DIRECTING THE METROPOLITAN REDEVELOPMENT AGENCY TO PREPARE
8 A METROPOLITAN PLAN FOR THE NEAR HEIGHTS EXPANSION
9 METROPOLITAN REDEVELOPMENT AREA.

10 WHEREAS, Section 3-60A-8 NMSA 1978 of the Metropolitan Redevelopment
11 Code (Sections 3-60A-1 through 3-60A-48 NMSA 1978) states: "A municipality
12 shall not prepare a metropolitan redevelopment plan for an area unless the
13 governing body by resolution determined the area to be a slum area or a
14 blighted area, or a combination thereof, and designated the area as
15 appropriate for a metropolitan redevelopment project"; and

16 WHEREAS, the City of Albuquerque ("City") and the Metropolitan
17 Redevelopment Agency of the City and their employees and agents, have for
18 some time engaged in a study of blighted areas within the City, and have
19 submitted their findings and recommendations concerning the area detailed in
20 the Near Heights Metropolitan Redevelopment Area Expansion Designation
21 Report which is attached as Exhibit A to this Resolution and incorporated
22 herein by reference; and

23 WHEREAS, pursuant to Section 3-60A-8 NMSA 1978 of the Metropolitan
24 Redevelopment Code, the Council caused to be published in the Albuquerque
25 Journal a newspaper of general circulation, a notice containing a general
26 description of the proposed metropolitan redevelopment area and the date,

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

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

1 time and place where the Council will hold a public hearing to consider the
2 adoption of this resolution and announcing that any interested party may
3 appear and speak to the issue of the adoption of this resolution; and

4 WHEREAS, the Albuquerque Development Commission held an advertised
5 public meeting on October 17, 2007, took testimony from the public, and
6 recommended to the Council the designation of the Near Heights Metropolitan
7 Redevelopment Expansion Area, as set forth in the Staff Report attached to
8 this resolution as Exhibit B; and

9 WHEREAS, the Land Use Planning and Zoning Committee of the Council
10 and the City Council, at a time and place designated in a public notice, to hear
11 and consider all comments of all interested parties on the issue of the
12 adoption of this resolution; and

13 WHEREAS, the Near Heights Expansion Metropolitan Redevelopment Area
14 expands the Near Heights MRA Plan that was adopted in the year 2000. Due to
15 economic investment along the San Mateo Blvd and Gibson Blvd corridors,
16 along with the relocation of the Lovelace Medical Center facility on Gibson to
17 their new downtown location, a destabilizing impact is noticeable in the area;
18 and

19 WHEREAS, the Near Heights Expansion boundaries include the
20 Eastern/Alvarado MRA site recently approved by City Council on November 5,
21 2007 (R-07-283). The area boundaries begin at the northeast corner of the
22 intersection of Eastern and Palomas, easterly along Eastern to Alvarado;
23 northerly along Alvarado to Ross; westerly along Ross to Palomas; southerly
24 along Palomas to the northeast corner of Eastern and Palomas, being the
25 points of beginning; and

26 WHEREAS, the Council has considered the findings and determinations set
27 forth in Exhibit A attached hereto; the Staff Report attached as Exhibit B; and
28 all comments made at the public hearing concerning the conditions which
29 exist in the proposed Near Heights Metropolitan Redevelopment Expansion
30 Area.

31 BE IT RESOLVED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY OF
32 ALBUQUERQUE:

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

1 Section 1. The Council finds and determines that the area from the
2 commercial corridor along San Mateo Blvd. from Bell Street to Gibson Blvd.
3 and the commercial corridor along Gibson Blvd. from San Mateo Blvd. to
4 Kentucky Street, near Louisiana Blvd. is hereby included into the Near
5 Heights Metropolitan Redevelopment Area. The boundary excludes recently
6 redeveloped properties on the south side of Gibson Blvd. from Dakota Street
7 to Kentucky Street. It includes the shopping center along the west side of San
8 Pedro Blvd, which is bounded on the north by Kathryn Ave. and the south by
9 Anderson Ave., and is adjacent to the existing Near Heights Metropolitan
10 Redevelopment Area. The Near Heights Expansion area further described in
11 Exhibit A to this Resolution, is, by reason of the presence of a substantial
12 number of deteriorated structures, unsafe conditions, deterioration of site and
13 other improvements, obsolete and impractical planning and platting and low
14 levels of commercial activity and redevelopment which substantially impair
15 and arrest the sound growth and economic well being of the City and the Near
16 Heights Metropolitan Redevelopment Area, constitute an economic and social
17 burden and a menace to the public health, safety, and welfare in its present
18 condition and use, the blighted areas that are appropriate for a metropolitan
19 redevelopment project or projects and are hereby designated the Near
20 Heights Metropolitan Redevelopment Expansion area.

21 Section 2. The Council finds that the rehabilitation, conservation,
22 development and redevelopment of and in the Near Heights Expansion
23 Redevelopment Area are necessary in the interests of the public health, safety,
24 morals and welfare of the residents of the City.

25 Section 3. The Metropolitan Redevelopment Agency is hereby authorized
26 and directed to prepare a Metropolitan Redevelopment Plan or Plans for the
27 Near Heights Expansion Area which, without limitation, shall seek to eliminate
28 the problems created by the blighted conditions in the area, shall conform to
29 any general plan for the City as a whole, and shall be sufficient to indicate the
30 proposed activities to be carried out or encouraged in the area and the Plan's
31 relationship to defined local objectives respecting land uses, improved traffic
32 patterns and controls, public transportation, public utilities, recreational and

1 community facilities, housing facilities, commercial activities or enterprises,
2 and other public improvements.

3 Section 4. SEVERABILITY CLAUSE. If any section paragraph, sentence,
4 clause, word, or phrase of this resolution is for any reason held to be invalid or
5 unenforceable by any court of competent jurisdiction, such decision shall not
6 affect the validity of the remaining provisions of this resolution. The Council
7 hereby declares that it would have passed this resolution and each section,
8 paragraph, sentence, clause, word or phrase thereof irrespective of any
9 provisions being declared unconstitutional or otherwise invalid.

10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33

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

1 PASSED AND ADOPTED THIS 7th DAY OF April, 2008
2 BY A VOTE OF: 9 FOR 0 AGAINST.

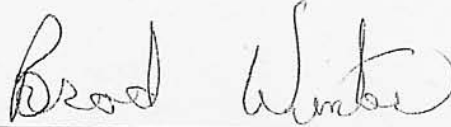
3

4

5

6

7



8 Brad Winter, President
9 City Council

10

11

12

APPROVED THIS 17th DAY OF April, 2008

13

14

15 Bill No. R-08-29

16

17



18
19 Martin J. Chávez, Mayor
20 City of Albuquerque

21

22

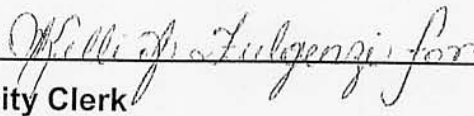
23

24

ATTEST:

25

26


27 City Clerk

28

29

30

31

32

33

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

EXHIBIT B



**Albuquerque Development Commission
Near Heights MRA Expansion Designation
Staff Report ADC #07-07
October 17, 2007**

STAFF REPORT

Area Expansion Boundaries:

The Near Heights Metropolitan Redevelopment Area (MRA) Designation Expansion boundaries are: Beginning along the commercial corridor along San Mateo Blvd. from Bell Ave. to Gibson Blvd. and along the commercial corridor along Gibson Blvd. from San Mateo Blvd. to Kentucky St., and one property in along the corridor. The boundaries exclude redeveloped properties on the south side of Gibson Blvd. from Dakota St. to Kentucky St.. It includes the shopping center located along the west side of San Pedro Blvd., which has a boundary on the north at Kathryn St. and on the south at Anderson Street. (See attached map).

Process:

The Metropolitan Redevelopment staff, in conjunction with Sites Southwest Consultants, mailed out notices to the affected property owners, neighborhood groups, and the Presidents of the surrounding Neighborhood Associations. These meetings were followed up by two scheduled public meetings on September 6, 2007, October 4, 2007, and one meeting with the South San Pedro Neighborhood Association, where public comments were heard. There is general support for the revised MRA Expansion designation boundaries.

Background Analysis:

The Near Heights MRA Expansion expands the Near Heights MRA Plan that was adopted in the year 2000. Due to the economic disinvestment along the San Mateo Blvd. and Gibson Blvd. corridors, along with the relocation of the Lovelace Medical Center facility on Gibson Blvd. to their new downtown location, a destabilizing impact is noticeable in the area.

The Near Heights MRA Expansion mainly encompasses the commercial corridors of San Mateo Blvd. from Bell Ave. to Gibson Blvd. and Gibson Blvd. from San Mateo Blvd. to Kentucky St., and includes properties one block on either side of the street. Zoning is primarily commercial along the Gibson Blvd. and San Mateo Blvd. corridors. Commercial zoning along the north side of San Mateo Blvd. is predominately C-1. The northern side of Gibson Blvd. is zoned primarily C-2 west of Arizona St. and C-1 to the east. The old Lovelace site is zoned SU-1 for hospital and related facilities.

Nearby SU-1 designations include an apartment complex east of the hospital and a hospital support warehouse unit north of Gibson Blvd. Finally, there is one O-1 zoned designation in the southern part of the planning area. Zoning is not affected as a result of adoption of this designation expansion.

Land uses include both retail and service oriented commercial properties along San Mateo Blvd. and the north side of Gibson Blvd.. These tend to be auto oriented businesses, such as auto-repair and detail services, fast-food restaurants, dollar and thrift stores, payday loans and wood-working shops. Located between these uses are pockets of residential uses. Some of these businesses are closed or in a physically deteriorated condition.

The Lovelace Medical Center is found on the south side of Gibson Blvd., with accompanying high density apartments. Finally there are a number of vacant lots in the planning area. There are a total of 21 vacant lots along the San Mateo Blvd. corridor and three along the Gibson Blvd. corridor. The lot sizes range from .42 acres to 1.21 acres. While a few parcels are paved, most are gravel or dirt and blighted by tall weeds and trash. Residents say the empty lots are a haven for drug deals and homeless people. The overall direction of the area's economic conditions appear to be stagnant and in a state of decline. The proposed MRA boundaries encompass approximately 89.6 acres, while 23 acres are vacant. These vacant and undeveloped parcels delineate stagnant economic potential with the Near Heights Metropolitan Redevelopment Area Expansion.

In closing, based on the background information, the Near Heights MRA Designation Expansion Report meets the criteria for "blighted" area designation as defined by the Metropolitan Redevelopment Code (3-60A-8). Several factors such as, crime issues, the closing of the Lovelace Medical Center, vacant lots, and several closed and boarded up buildings contribute to the area's economic disinvestment.

Findings:

1. The existing conditions outlined within the Near Heights MRA Expansion Designation Report meet the criteria for "blighted" area designation as defined by the Metropolitan Redevelopment Code (3-60A-8). The conditions described substantially impair the sound growth and economic health and well being of the area.
2. Concerns do arise from the APD Crime Statistics for the area, as it suffers a higher rate of crime than the rest of the City. According to the Albuquerque Police Department, there were 25,507 instances of crime from 2000 to 2006 within the boundaries of the South San Pedro Neighborhood Association (SSPNA). The SSPNA completely covers the area addressed in this report, though it also extends somewhat east of Louisiana. South San Pedro had the third highest incidence of crime of all Albuquerque neighborhood associations.
3. The appropriation of \$100,000 through the State of New Mexico's Capital Outlay Program will be used to formulate a Metropolitan Redevelopment Plan.

Staff Recommendation:

The Metropolitan Redevelopment Agency staff recommends that the Near Heights MRA Designation Expansion Report be approved as submitted by the staff, and be forwarded to the Mayor and the City Council with a do pass recommendation.

Table of Contents

Table of Contents	i
Introduction	1
Boundaries	3
Adopted City Policies	5
Albuquerque/Bernalillo County Comprehensive Plan	5
Study Purpose.....	6
Public Process	7
Existing Conditions Assessment	8
Physical Conditions	12
Economic Conditions	22
Conclusion.....	24

Figures

Figure 1: Existing Near Heights Metropolitan Redevelopment Area with Proposed Addition	4
Figure 2. Near Heights MRA Expansion Census Tracts	8
Figure 3. Crime in Areas Near Proposed MRA Expansion.....	10
Figure 4. Near Heights MRA Expansion Neighborhood Associations	11
Figure 5. Near Heights MRA North Section	15
Figure 6. Near Heights MRA South Section	16

Tables

Table 1. 2000 Demographic Data for Census Tracts Surrounding Proposed MRA Corridors	9
Table 2. Housing Data for Areas Surrounding Proposed MRA Expansion	9
Table 3. Total Number of Crimes in Nearby Neighborhoods	10
Table 4. Types of Crimes in Nearby Neighborhoods	11

Introduction

The purpose of this designation report is to expand the existing Near Heights Metropolitan Redevelopment Area (MRA) to include the San Mateo and Gibson commercial corridors, as well as a block of commercial property west of San Pedro Drive (see Figure 1).

Field research for this report found a number of vacant lots filled with trash and weeds that residents said attracted homeless people and drug deals, contributing to unsafe and unsanitary conditions. At the same time, many of these lots are contiguous and form parcels sizeable enough for redevelopment. Several businesses in the area have closed recently, some due to the departure of Lovelace Medical Center, which was located south of Gibson and recently was purchased by private investors. There are also a number of deteriorated or deteriorating buildings in the area that contribute to blight.

These factors combine to substantially impair and arrest the sound growth and economic health and well-being of the Near Heights area.

Local small business owners and property managers who attended the public meetings were supportive about expanding the Near Heights MRA. They are hopeful about the possibility of reinvestment in the area and would like to see financial incentives be made available to them, rather than only to large, out-of-state national companies. With City backing, they would be enthusiastic about purchasing more land to redevelop in the designated area.

Extending the Near Heights MRA to encompass these additional 58-plus acres would enable the City to help promote economic activity in the area.

New Mexico Metropolitan Redevelopment Code

The State of New Mexico has several statutes intended to help municipalities promote economic development, redevelopment, and stability where these are hindered by a variety of factors. The New Mexico Metropolitan Redevelopment Code (§3-60A-1 to 3-60A-48 NMSA 1978) is one such statute. It provides New Mexico cities with the powers to correct conditions in areas or neighborhoods within municipalities which “substantially impair or arrest the sound and orderly development” within the city. These powers can help reverse an area’s decline and stagnation; however, the municipality may only exercise these powers within designated Metropolitan Redevelopment Areas (MRA).

Designation of an MRA is based on findings of “slum or blight” conditions, as defined in the Metropolitan Redevelopment Code (§3-60A-4). The criteria in the Code for a “blighted” area include both physical and economic conditions.

As defined in the Code,

“Blighted area” means an area within the area of operation other than a slum area that, because of the presence of a substantial number of deteriorated or deteriorating structures, predominance of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility or usefulness, unsanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, improper subdivision or lack of adequate housing facilities in the area or obsolete or impractical planning and platting or an area where a significant number of commercial or mercantile businesses have closed or

significantly reduced their operations due to the economic losses or loss of profit due to operating in the area, low levels of commercial or industrial activity or redevelopment or any combination of such factors, substantially impairs or arrests the sound growth and economic health and well-being of a municipality or locale within a municipality or an area that retards the provisions of housing accommodations or constitutes an economic or social burden and is a menace to the public health, safety, morals or welfare in its present condition and use;”

The following analysis demonstrates that the area shown in Figure 1, adjacent to and southwest of the current Near Heights Metropolitan Redevelopment Area, exhibits a combination of factors that contribute to blight, including physical and economic conditions.

Boundaries

The proposed addition to the existing Near Heights Metropolitan Redevelopment Area is shown in Figure 1. The general boundaries are the commercial corridor along San Mateo Blvd. from Bell to Gibson and the commercial corridor along Gibson Blvd. from San Mateo to Kentucky, near Louisiana Blvd. The boundary excludes recently redeveloped properties on the south side of Gibson from Dakota to Kentucky. The boundary also excludes the Lovelace Medical Center facility on Gibson, which was recently purchased by a local investor. The boundary also includes the shopping center along the west side of San Pedro Drive, which is bounded on the north by Kathryn and the south by Anderson, and is adjacent to the existing Near Heights MRA. A more specific description of the area is as follows:

San Mateo Blvd. Corridor

From Bell Ave. to Eastern Ave., one lot deep along San Mateo Blvd.

Gibson Blvd. Corridor West

On the north side: From San Mateo to Cardenas Drive, the blocks between Eastern and Gibson Blvd.;

Lot A-1 Block 20 Plat of Lot 1 Block 20 Virginia Place Addition containing 3.7091 acres

Gibson Blvd. Corridor East

On the south side: one block deep along Gibson Blvd. from San Pedro Drive to Dakota Street.

On the north side:

Block 26A, Elder Homestead Addition, Lots 8, 9, A (Replat of lots 10-12), B (Replat of lots 13, 14) and A (Replat of lots 15-21).

Block 27A, Elder Homestead Addition, Lots 9, A (Replat of lots 10-14), 15, 16, 17, 18, 19, and 20.

Block 28A, Elder Homestead Addition, Lots 9, A (Replat of lots 10-15), 16, 17, 18, 19, 20 and 21.

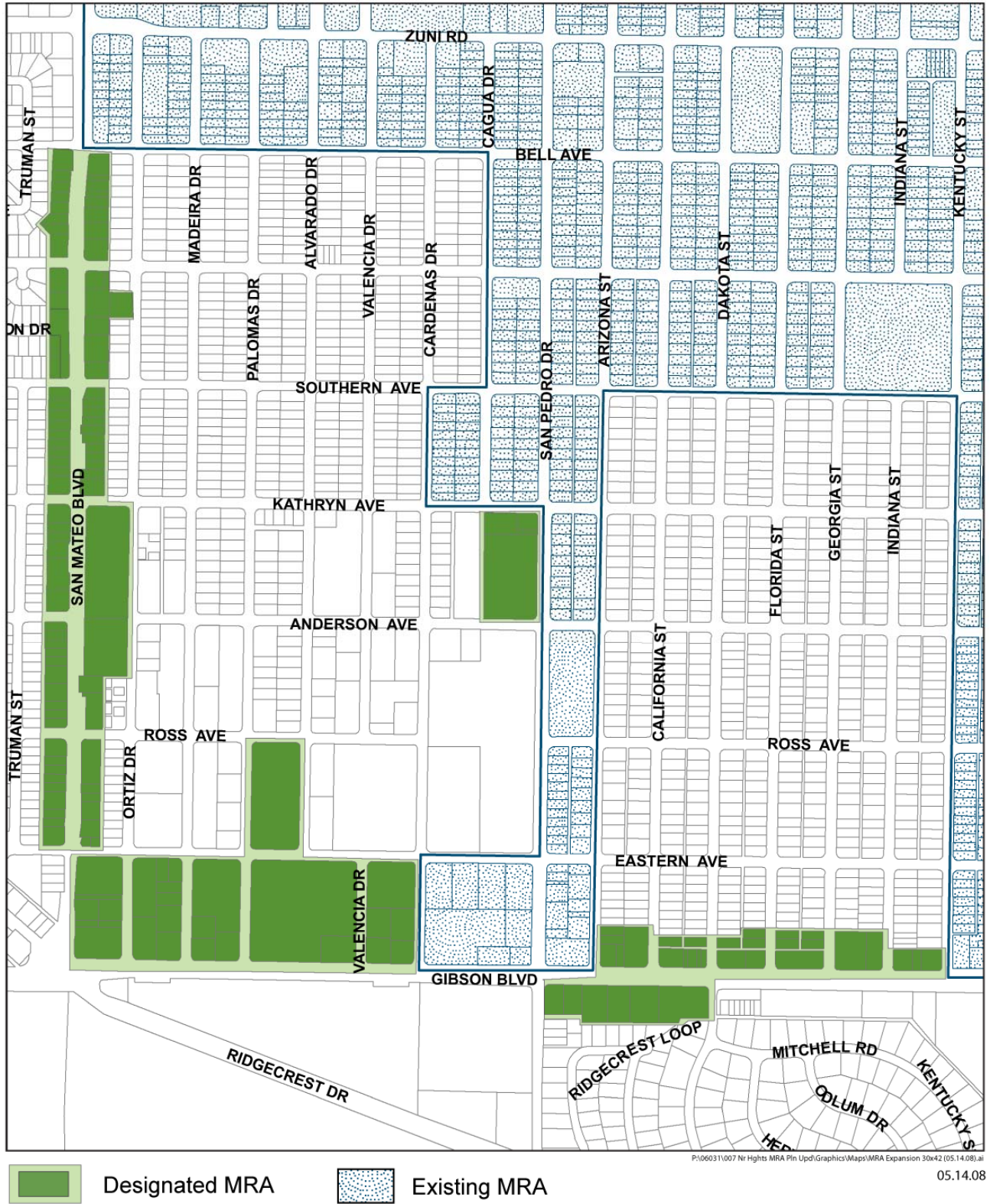
Block 29A, Elder Homestead Addition, Lots 10 through 21.

Block 30A, Elder Homestead Addition, Lot A (Replat of lots 8-16) and Lot B (Replat of lots 17-21)

San Pedro Drive Corridor

Block 8, Virginia Place Addition (South San Pedro Shopping Center)

Figure 1: Existing Near Heights Metropolitan Redevelopment Area with Proposed Addition

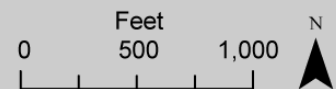


P:\06031\007 Nr Hghts MRA Pln Upd\Graphics\Maps\MRA Expansion 30x42 (05.14.08).ai 05.14.08



Near Heights MRA
Expansion Area

Source: Sites Southwest 2007



Adopted City Policies

Albuquerque/Bernalillo County Comprehensive Plan

The Albuquerque/Bernalillo County Comprehensive Plan (2002) is intended to serve as a policy guide addressing development and growth, and to provide a foundation for subsequent planning efforts, including Metropolitan Redevelopment Area Plans.

According to the Comprehensive Plan, the planning area addressed in this report is classified as “Established Urban.” The Plan indicates that appropriate overall density for the entire Established Urban area is five dwelling units per acre, though higher housing concentrations are suitable in certain places.

The Plan also establishes a “Corridors and Centers” concept, intended to concentrate a range of housing, employment, entertainment and institutional activities at fitting locations, and connect these “centers” via multiple modes of transportation along major “corridors.” A portion of Gibson between San Mateo and Louisiana is designated as a Major Activity Center. This classification indicates that the focus is a concentration of commercial and/or major employment uses. A Major Activity Center should also include medium to high density housing opportunities.

The San Mateo and Gibson roadways are designated as Enhanced Transit Corridors. These major arterials connect activity centers. They are designed primarily for automobiles and mass transit, but should also accommodate pedestrians and bicyclists.

In addition to the concepts described above, several other goals and policies of the Comprehensive Plan are relevant to the planning area. These include:

The Goal is to create a quality urban environment which perpetuates the tradition of identifiable, individual, but integrated communities within the metropolitan area and which offers variety and maximum choice in housing, transportation, work areas, and life styles, while creating a visually pleasing built environment.

Policy e. New growth shall be accommodated through development in areas where vacant land is contiguous to existing or programmed urban facilities and services and where the integrity of existing neighborhoods can be ensured.

Possible techniques:

- Identify incentives for inducing infill in appropriate areas through sub-area analysis and more efficient administration.
- Investigate means to encourage public/private cooperation to promote infill development.

Policy o. Redevelopment and rehabilitation of older neighborhoods in the Established Urban Area shall be continued and strengthened.

The Goal is to increase the supply of affordable housing; conserve and improve the quality of housing; ameliorate the problems of homelessness, overcrowding, and displacement of low income residents; and assure against discrimination in the provision of housing.

Policy b. Quality and innovation in new housing design and construction shall be promoted and quality of existing housing improved through concentrated renovation programs in deteriorating neighborhoods.

The Goal is to achieve steady and diversified economic development balanced with other important social, cultural, and environmental goals.

Policy a. New employment opportunities which will accommodate a wide range of occupational skills and salary levels shall be encouraged and new jobs located convenient to areas of most need.

Policy c. Opportunities for improvement in occupational skills and advancement shall be encouraged.

Policy f. The City and County should remove obstacles to sound growth management and economic development throughout the community.

Possible techniques:

- Prepare an area-wide economic development strategy.
- Identify obstacles to private investment (obsolete platting, deteriorating building conditions, public perception, vacancies, obsolete land uses, and high crime areas) through surveys, economic base analysis, and market studies.
- Target economic incentive programs to promote equitable economic development conditions throughout the community.
- Develop strategies to correct problems of disinvestment.

Study Purpose

The purpose of this study is to further the goals of the Albuquerque/Bernalillo County Comprehensive Plan for this area by determining whether the area meets the test for blight as defined in the MRA statute. An MRA in this location would give the City more authority to foster private sector redevelopment in the study area.

Public Process

Residents in the areas adjacent to and nearby the proposed expansion area had several opportunities to comment on this proposal. After a kick-off meeting with City MRA staff, consultants from Sites Southwest toured the area proposed for MRA designation and took photographs. They held a brief team meeting on June 8, 2007, with John Ames, the president of the South San Pedro Neighborhood Association, the neighborhood most directly affected by the proposal, to assess the level of his neighborhood's support. This was followed by a presentation to the South San Pedro Neighborhood Association on June 13, 2007, where attendees requested the addition of the South San Pedro Shopping Center to the designation area. Some also thought that Lovelace Medical Center should be deleted from the proposed expansion area.

The team then held its first Community Action Team meeting on September 6 at the Caesar Chavez Community Center to explain what an MRA is, how it could be beneficial to the area, and to get feedback on the proposed boundaries. The City had mailed out notifications of the meeting to South San Pedro and the surrounding neighborhood association of Elder Homestead, Parkland Hills and Siesta Hills, as well as to property owners along the San Mateo and Gibson corridors. At least 25 people attended the meeting and several agreed to be part of the future CAT, including former Near Heights CAT members Mick McMahon and Bobby Nobles. The group generally agreed with the designated boundaries but requested that the south side of Gibson from Dakota east be removed from the boundary, as it had already been redeveloped.



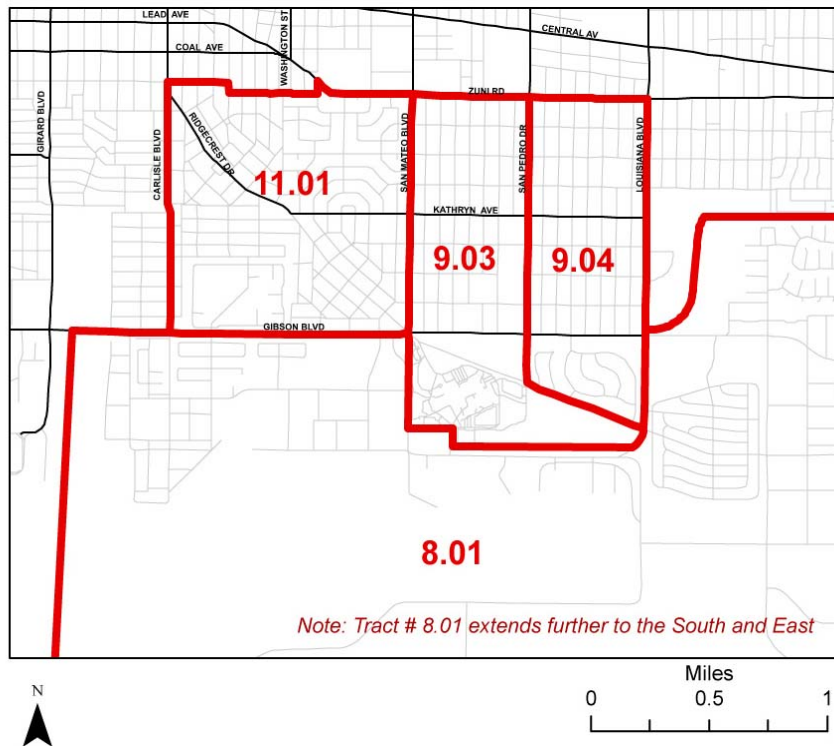
A public meeting to review the boundaries and tools available for revitalization under an MRA was then held on October 4, 2007. Notices went out to the same residents as previously, with the addition of District 6 neighborhood representatives. This meeting again reviewed the boundaries and, at participants' request, went into greater detail about how the MRA could work, based on a case study of redevelopment of the streetscape and International Marketplace at Louisiana Blvd. and Central Avenue. About 18 people attended. The majority appeared enthusiastic about the proposal.

Existing Conditions Assessment

Resident Demographics

Demographic characteristics of the two closest adjacent neighborhoods also lend support to its designation as a Metropolitan Redevelopment Area. According to the 2000 US Census, there were 5,372 total people living in Census Tract 9.03, which extends from San Mateo Blvd. east to San Pedro and is bounded on the north by Zuni Road and the south by Randolph. Another 3,933 people lived in Census Tract 9.04, which extends from San Pedro east to Louisiana Blvd., north to Zuni Road and south to Ridgecrest. About 12 percent of the populations were included in a sample survey that provides more detailed economic information.

Figure 2. Near Heights MRA Expansion Census Tracts



According to the sample survey data from 1999, the population immediately east and north of the corridors proposed for MRA designation (Tract 9.03) was the most economically depressed. Nearly a quarter of this population lived under the federal poverty level, compared with 13.5 percent of all Albuquerque residents. In addition, 8.3 percent of households in the area received public assistance, while only 3.8 percent of all Albuquerque households did. Median household income in the area was \$21,047, compared to \$38,272 in all of Albuquerque. Similarly, per capita income in the corresponding census tract was \$13,115, compared to \$20,884 in Albuquerque. Finally, the unemployment rate for the civilian labor force in the area at 10 percent was much higher than the 5.8 percent City-wide (See Table 1).

The population further east (Census Tract 9.04) had median and per capita incomes that were somewhat higher, but still significantly lower than those reported by Albuquerque residents at-large. Similarly, the

poverty rate, unemployment rate, and percentage of households receiving public assistance were much higher than in Albuquerque generally.

Table 1. 2000 Demographic Data for Census Tracts Surrounding Proposed MRA Corridors

Category	Tract 9.03	Tract 9.04	Tract 11.01	Tract 8.01**	Albuquerque
Total Population	5,372	3,933	5,046	4,757	448,607
Poverty rate*	24.3%	22.0%	11.1%	2.2%	13.5%
Households receiving public assistance*	8.3%	7.4%	2.6%	1.7%	3.8%
% of households with annual income less than \$25,000*	59.3%	39.4%	7.0%	38.7%	31.3%
Median household income*	\$21,047	\$31,617	\$41,309	\$29,652	\$38,272
Per capita income*	\$13,115	\$17,784	\$26,994	\$11,687	\$20,884
Unemployment rate*	10.0%	7.1%	5.6%	13.1%	5.8%

Source: US Census 2000

*Sample data based on percentage of population

**Data skewed by high number of residents in the military

By contrast, residents in the census tract west of San Mateo Blvd. (11.01) were better off financially than the Albuquerque population in general, as demonstrated by the statistics in Table 1. This could bode well for the future of the proposed MRA, given the investment in a few catalyst projects. Data for Census Tract 8.01, which covers Kirtland Air Force Base to the south of the proposed MRA expansion, is harder to interpret as it is skewed by the high number of residents in the military. For example, the unemployment rate was reported as 13.1 percent, much higher than Albuquerque at-large, but the poverty rate was only 2.2 percent, far lower than that of Albuquerque in general.

Housing

The median rents asked in Census Tracts 9.03 and 9.04 were \$446 and \$443, respectively, compared with \$485 in Albuquerque as a whole. The sample census data indicate that a higher percentage of renter households in these two areas spent 30 percent or more of their monthly income on rent. As would be expected based on income, a smaller percentage of residents to the west of San Mateo spent 30 percent or more of their monthly income on rent.

Table 2. Housing Data for Areas Surrounding Proposed MRA Expansion

Category	Tract 9.03	Tract 9.04	Tract 11.01	Tract 8.01	Albuquerque
Median rent asked	\$446	\$443	\$493	\$931	\$485
% of renter households that pay 30% or more of their monthly income on rent	46.0%	43.0%	32.5%	5.1%	42.5%
Median value of owner-occupied homes	\$87,400	\$106,400	\$126,200	\$137,500	\$123,700
Median asking price of homes	\$137,500	\$125,000	\$114,100	\$73,800	\$118,500
% of homes with mortgage	42.0%				24.9%
% of owner-occupied households that pay 30% or more of their monthly income on housing costs	25.3%	32.6%	30.7%		29.2%

Source: US Census 2000

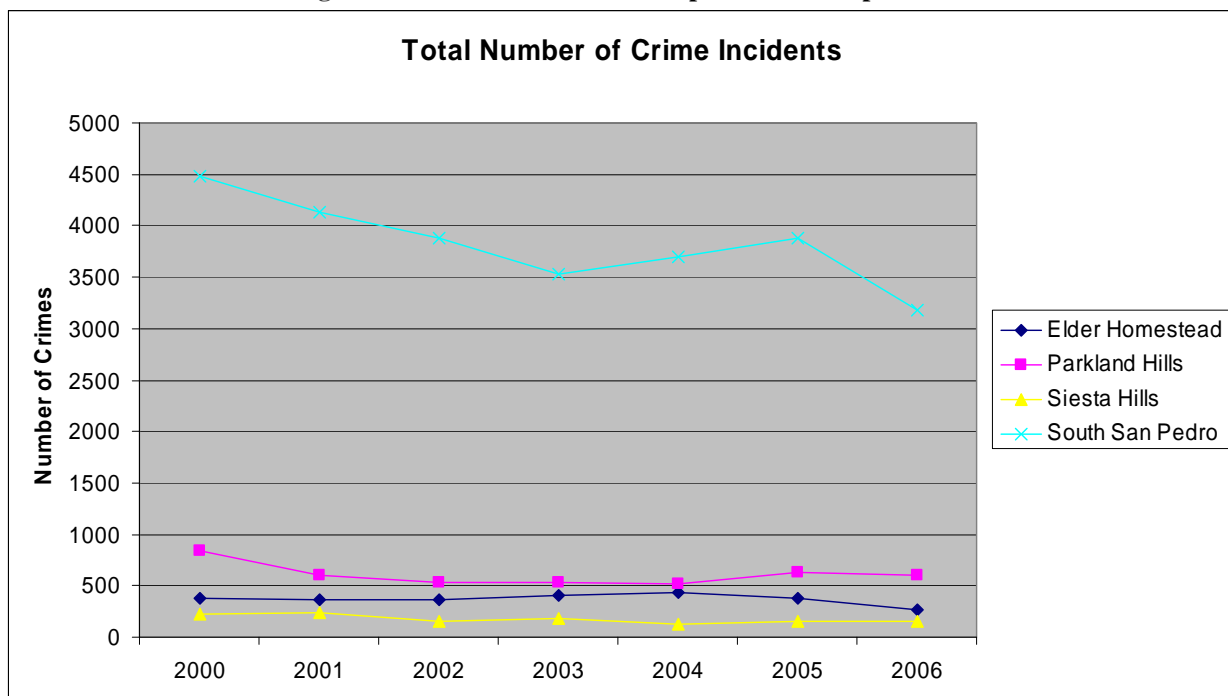
The median value of owner-occupied homes was \$87,400 in the area just east of San Mateo and \$106,400 east of San Pedro, both lower than the \$123,700 typical of Albuquerque in general. Many housing units are already paid off, however; so a higher percentage of homeowners in these areas do not have a mortgage compared with those in Albuquerque generally. Of those with a mortgage, 25.3 percent of households in Census Tract 9.03 and 32.6 percent of those in 9,04 were paying 30 percent or more of their monthly incomes for housing costs, compared with 29.2 percent in all of Albuquerque.

Crime

Finally, the area east and north of the San Mateo/Gibson Blvd. corridors proposed for MRA designation suffers a higher rate of crime than the rest of the City. According to the Albuquerque Police Department, there were 25,507 instances of crime from 2000 to 2006 within the boundaries of the South San Pedro Neighborhood Association (SSPNA). San Pedro in 2006 had the third highest incidence of crime of all Albuquerque neighborhood associations. The only neighborhoods with higher incidences were La Mesa and Trumbull Village, both of which either border or are in the immediate vicinity of the area under discussion. The SSPNA is bounded by San Mateo Blvd. on the west, Zuni Road on the north, Gibson Blvd. on the south and approximately San Pedro/Louisiana on the east.

Despite a general decrease in the number of crimes in all nearby neighborhoods from 2000 to 2006, the number of crimes committed in the South San Pedro Neighborhood was significantly higher, as seen in Figure 3 and Table 3 below.

Figure 3. Crime in Areas Near Proposed MRA Expansion



Source: City of Albuquerque, 2007

Table 3. Total Number of Crimes in Nearby Neighborhoods

Neighborhood Association	2000	2006	% Change
Elder Homestead	378	269	-40.5%
Parkland Hills	834	600	-39.0%
Siesta Hills	218	159	-37.1%
South San Pedro	4,482	3,177	-41.1%

Source: City of Albuquerque, 2007

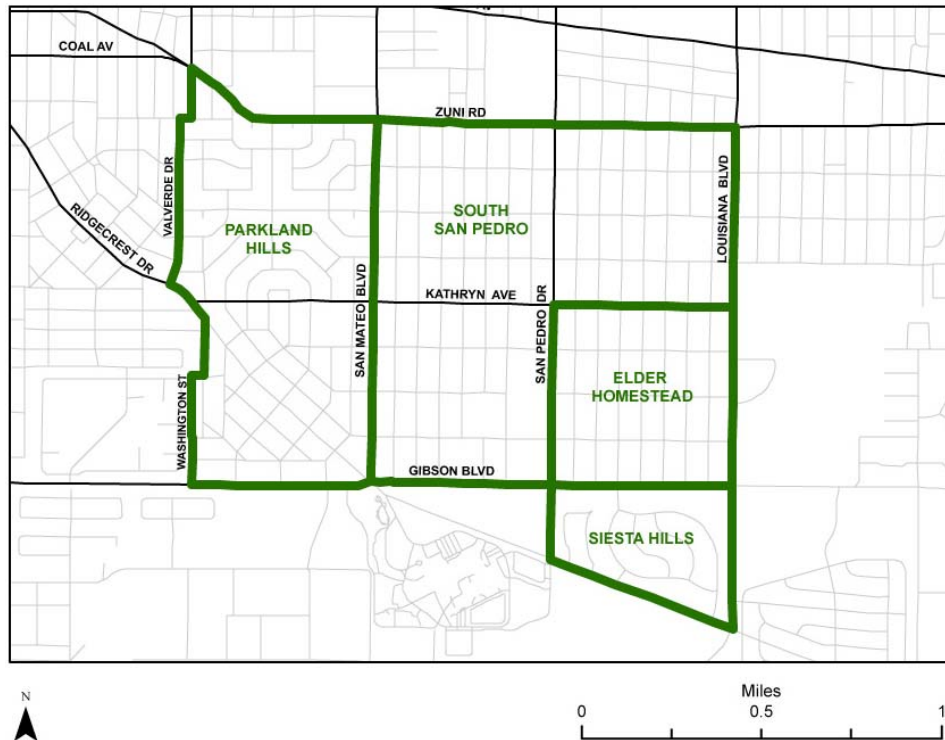
The incidences of all types of crime in the South San Pedro Neighborhood dropped from 2000 to 2006 except for narcotics offenses, which rose from 78 to 124, and homicides, which remained the same. While changing in frequency from 2000 to 2006, the four most common types of crimes in both years were assault, destruction/damage/vandalism of property, burglary and motor vehicle theft.

Table 4. Types of Crimes in Nearby Neighborhoods

Types of Crime	South San Pedro		Parkland Hills		Siesta Hills		Elder Homestead	
	2000	2006	2000	2006	2000	2006	2000	2006
Aggravated Assault	149	100	26	10	29	12	15	3
Arson	22	4	4	1	6	1	2	0
Burglary	365	165	117	58	126	65	30	24
Counterfeiting/Forgery	0	20	0	6	0	9	0	1
Destruction/Damage/Vandalism of Property	361	305	108	96	121	105	28	37
Homicide	1	1	0	1	0	1	0	1
Kidnapping	21	14	5	2	7	2	2	1
Larceny	120	47	43	17	58	23	12	5
Motor Vehicle Theft	234	147	71	30	74	35	22	10
Narcotics Offenses	78	124	11	14	14	19	2	4
Prostitution	4	3	3	1	3	1	1	0
Rape	11	5	2	1	3	3	2	0
Robbery	98	40	22	2	25	4	12	0
Simple Assault	406	251	50	46	58	51	18	13

Source: City of Albuquerque, 2007

Figure 4. Near Heights MRA Expansion Neighborhood Associations



Physical Conditions

Acreage in MRA Expansion

The total size of the new MRA proposed for designation is approximately 58.6 acres. This is about six percent of the existing adjacent MRA of 1,010 acres. Land along the San Mateo corridor, including the South San Pedro Shopping Center, constitutes 27.3 acres. Land along the Gibson Corridor proposed for designation encompasses 31.4 acres.

Vacant Land

The planning area suffers from the presence of a number of vacant parcels, which comprise 21 lots along the San Mateo corridor and three along the Gibson corridor. Altogether, vacant land encompasses more than 7 acres or 8 percent of the total MRA acreage. The percentage of vacant land is 20 percent in the northern section (San Mateo Blvd. corridor and South San Pedro Shopping Center) but only 3 percent in the southern section along Gibson Blvd.

Along San Mateo Blvd., the lot sizes vary from 0.12 acres to 1.86 acres, although a number of vacant lots are grouped together to form larger parcels, some under the same ownership. There are three vacant parcels along the Gibson corridor; ranging from approximately 0.26 acres 1.21 acres. While a few parcels are paved, most are gravel or dirt and blighted by tall weeds and trash. The exception is the lot fronting Arizona, which is neatly mowed. Residents say the empty lots create a haven for trash, drug deals and homeless persons.

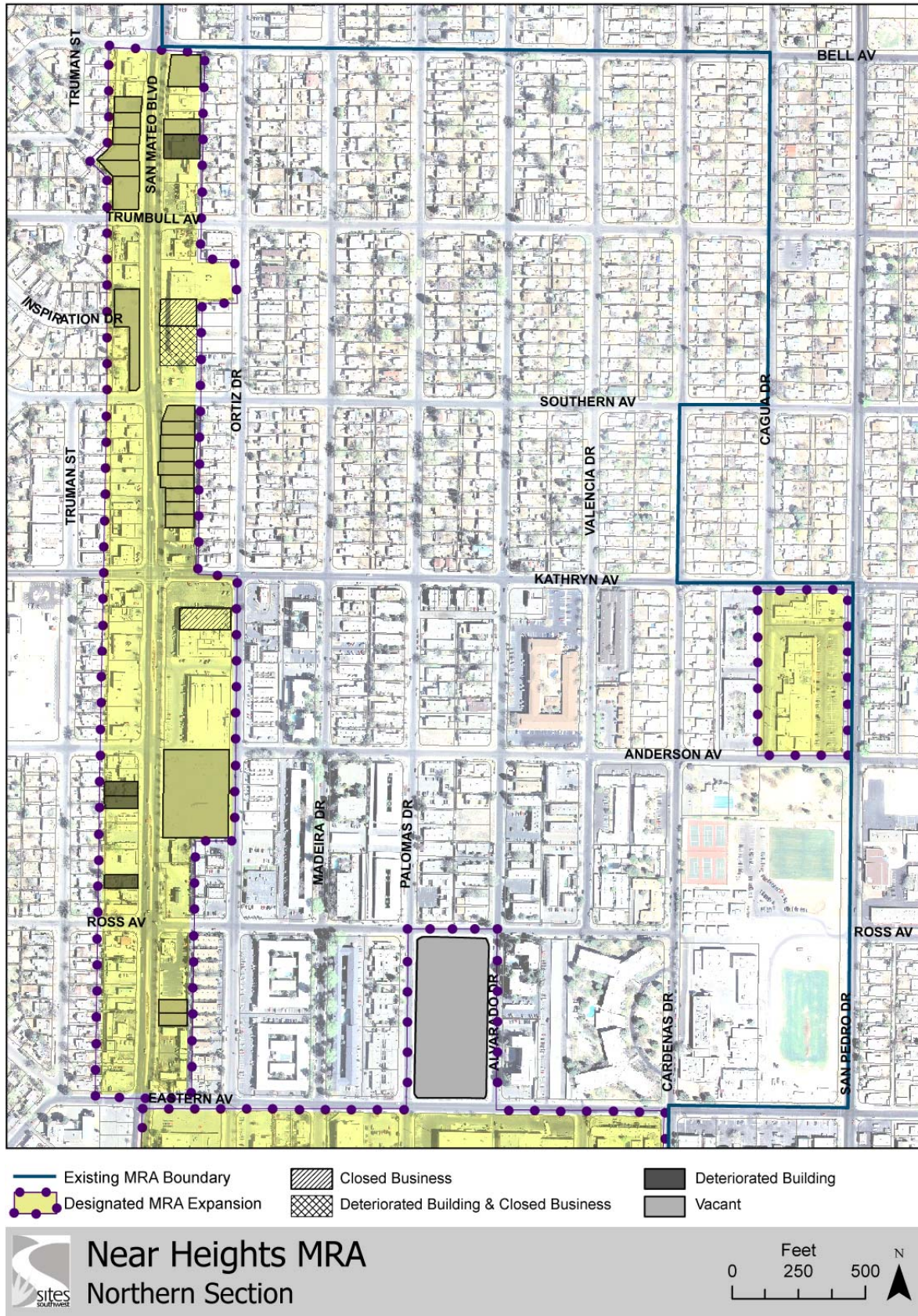
San Mateo Corridor Vacant Land (Sites Southwest, October 2007)



Gibson Corridor Vacant Land (Sites Southwest, October 2007)

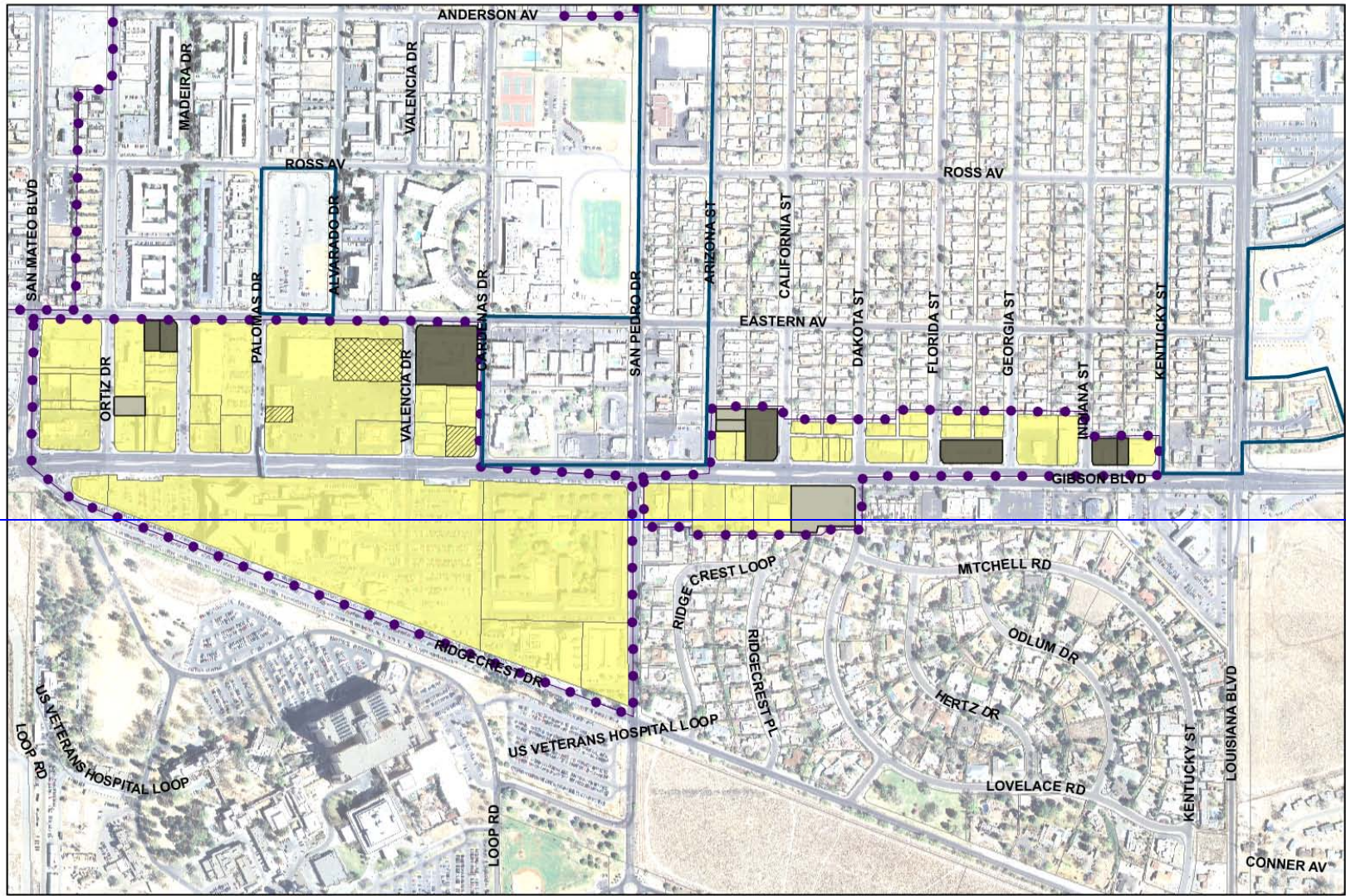


Figure 5. Near Heights MRA North Section



Source: Sites Southwest 2007

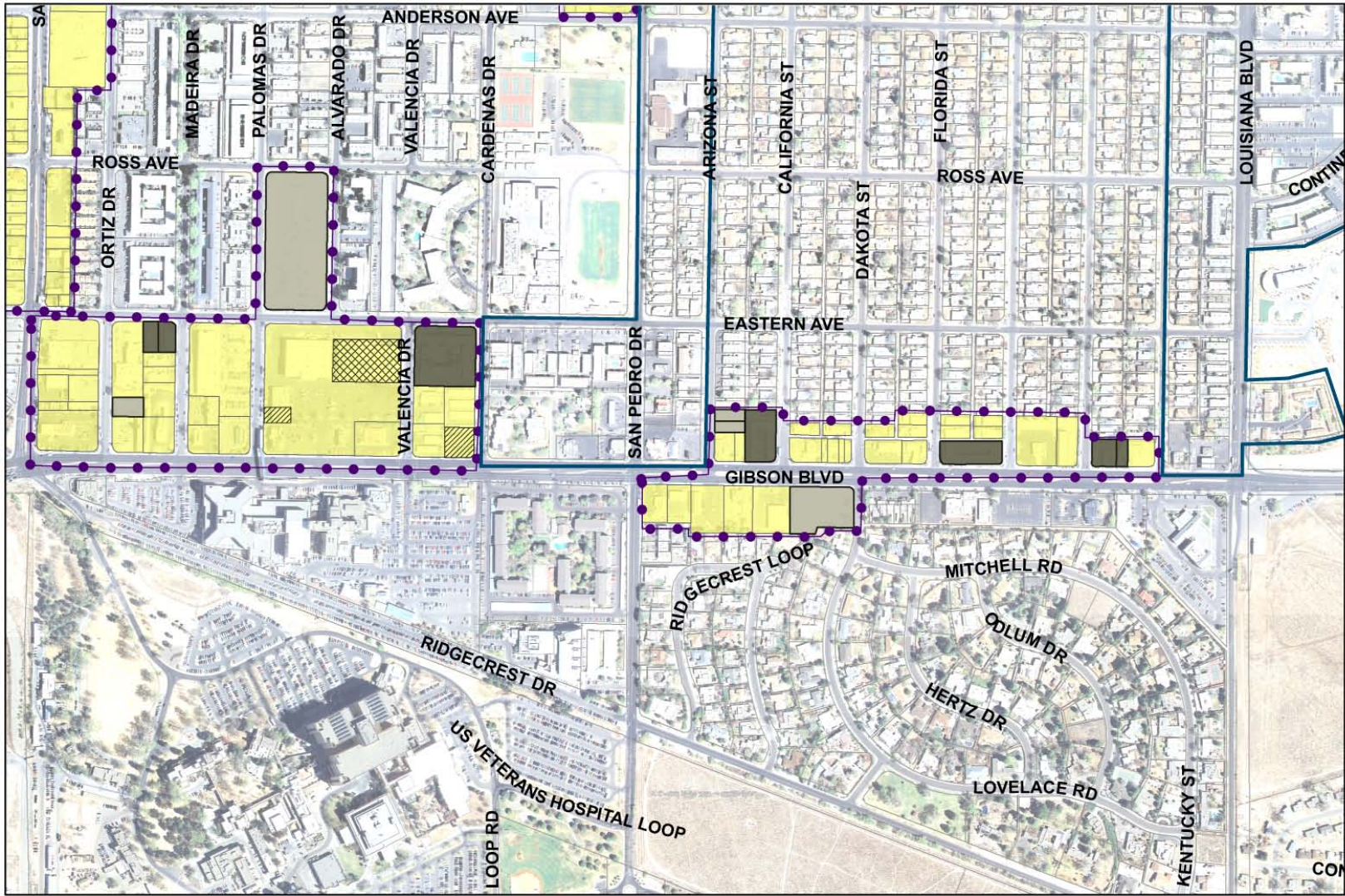
Figure 6. Near Heights MRA South Section



**Near Heights MRA
Southern Section**

- Existing MRA Boundary
- Proposed MRA Expansion
- Closed Business
- Deteriorated Building & Closed Business
- Vacant
- Deteriorated Building





Near Heights MRA Southern Section

Existing MRA Boundary	Closed Business	Vacant
Designated MRA Expansion	Deteriorated Building & Closed Business	Deteriorated Building

Source: Sites Southwest 2007

Deteriorated Buildings

A number of commercial properties in the proposed MRA area along the San Mateo and Gibson corridors present a blighted condition, as seen in the following photos. Altogether, deteriorated buildings make up 1.2 acres or 4.4 percent in the northern section (San Mateo Corridor and South San Pedro Shopping Center) and 5.2 acres or 8 percent of the proposed land along the Gibson corridor. Although there are some thriving small businesses, including ethnic grocery stores, restaurants, and auto-related shops, there are also a number of vacant, boarded-up commercial buildings. In addition, there is a concentration of “fast cash” or “easy loan” shops, whose payday lending practices target low-income working residents, and can contribute to the destabilization of the neighborhood.

Zoning

Zoning in the planning area is primarily commercial along the Gibson and San Mateo corridors and in the block adjacent to San Pedro, with a few pockets of medium and high density residential. Commercial zoning along both sides of San Mateo is predominantly C-1, though there is a large C-2-zoned property on the east side of San Mateo between Ross and Kathryn. The northern side of Gibson is zoned primarily C-1 east of Arizona, and a mixture of C-1, C-2, R-3 and O-1 to the west. The parcels on the south side of Gibson, west of San Pedro Dr., are zoned C-1.

Land Use

Land use in the expansion area largely reflects zoning designations. There are both retail and service-oriented commercial properties along San Mateo and the north side of Gibson. These tend to be auto-oriented businesses, such as auto repair and detail services, restaurants (the majority serve fast food), dollar and thrift stores, payday loan places, garden and woodworking shops, and a paperback bookstore. Service businesses offer childcare, haircuts, storage, truck rentals, and a drop-in club. In between are pockets of single-family houses, duplexes and medium density apartments. There are at least three gas station/convenience store businesses in the area. Finally, there are a number of vacant lots in the planning area. The largest size and concentration of vacant lots can be found along San Mateo, particularly on the east side.

San Mateo Corridor Deteriorated Buildings (Sites Southwest, October 2007)



Gibson Corridor Deteriorated Buildings (Sites Southwest, October 2007)



Economic Conditions

Closed or Abandoned Businesses

The 550,000 SF **Lovelace Medical Center** is located just south of the planning area, bounded by Ridgecrest and Gibson. The hospital has merged with a downtown branch, and no longer provides outpatient surgery or emergency services. The current facility has been renamed the Lovelace Healthcare Center-Gibson and recently has been purchased by a local investor. The downsizing may have a disruptive or destabilizing effect on the neighborhood and proposed MRA boundaries to the north, particularly if patronage of local businesses (such as restaurants) declines. One Lovelace-related business in the Siesta Hills shopping center has already closed. Moreover, it is unclear what impact the hospital changes will have on several other medical supply and support offices located north of Gibson.

In addition, the Blockbuster video store on San Mateo recently closed, the Laundromat on San Mateo shut down, and the Baskin-Robbins/donut shop on Gibson has been closed for several years. There is a lien on an oriental restaurant in the Siesta Hills Shopping Center, as its owners suddenly abandoned the property.

Closed Businesses in the Proposed MRA Area



Conclusion

Based on research and analyses carried out for the designation report, Near Heights MRA should be expanded to include the properties along the San Mateo and Gibson Blvd. corridors as specified in the boundary description, as well as the South San Pedro Shopping Center. The area exhibits a combination of factors that contribute to blight:

- The acres of vacant land indicate a low level of investment in the area. The vacant lots collect trash, weeds and attract homeless persons and illegal drug deals, contributing to unsanitary and unsafe conditions. They also represent an opportunity for the development of catalyst projects that could spur reinvestment in the area.
- The Blockbuster Video recently closed along San Mateo and an ice cream shop/donut shop has been shut down on Gibson for several years. There are vacancies in both the Siesta Hills and the South San Pedro Shopping Centers. Additionally, several medical businesses in the boundary area have closed due to the relocation of the Lovelace Medical Center from Gibson to downtown.
- There are a number of deteriorated or deteriorating buildings in the area that contribute to blight.
- The area's high crime rate, while decreasing, and low incomes relative to Albuquerque residents in general make it a risky area for private investment.

All of these factors combine to substantially impair and arrest the sound growth and economic health and well-being of the Near Heights area. Designation as an MRA would enable the City to promote economic activity in the area through various tools such as public-private partnerships, catalyst or anchor developments, infrastructure investment, and financial incentives. The existence of a more affluent area to the west bodes well for eventual redevelopment of this adjacent area.

Based on these findings, a development/redevelopment plan should be carried out to aid in the elimination and deterrence of blight in the Near Heights MRA expansion area. The designation and subsequent plan would help carry out goals in the Albuquerque/Bernalillo County Comprehensive Plan to continue the Gibson/San Mateo area as a Major Activity Center that concentrates commercial and employment uses. An MRA plan would also help fulfill goals for this Established Urban area of creating a quality urban environment with identifiable, individual but integrated communities, and inducing infill development in areas where vacant land is contiguous to existing or programmed urban facilities and services. It will help the City encourage public/private cooperation and remove obstacles to sound growth management and economic development.